1999

SENATE COMMITTEE OF THE WHOLE

JOINT HOUSE & SENATE APPROPRIATIONS HURRICANE FLOYD DISASTER RELIEF

SPECIAL SESSION

December 13-15

MINUTES

1999

COMMITTEE OF THE WHOLE
JOINT HOUSE AND SENATE APPROPRIATIONS COMMITTEE

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House Co-Chairs:
Ruth Easterling, Thomas C. Hardaway, and David Redwine

Senate Committee Assistants:
Pat Misner and Anne Canady

House Committtee Assistants:
Rita Harris, Marie Horne and Nancy Brantley

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David	Weinstein
Allen	Wellons

North Carolina General Assembly Memorandum

Speaker of the North Carolina House of Representatives
The Honorable James B. Black
Room 2304 Legislative Building, Phone 919.733.3451

TO: Enhanced Appropriations Committee

FROM: Speaker Jim Black
Representative Ruth Easterling, Representative Thomas Hardaway,
Representative David Redwine, Appropriations Co-Chairs

DATE: December 9, 1999

REGARDING: Meetings, week of December 13th

Per G.S. § 120-19.6 the Speaker has authorized the Appropriations Committee to meet prior to the Special Session on Hurricane Floyd Disaster Relief. This committee will consist of the Appropriations Members, the Co-Chairs of Finance and select Members. The Appropriations Committee will meet on Monday, December 13th at 10:00 a.m. in Room 643 of the LOB and on Tuesday, December 14th if necessary. The Special Session will convene at 9:00 a.m. on Wednesday, December 15th.

Appropriations Committee, Plus Additional Members

D	Adams	R	Allred
D	Alexander	R	Arnold
D	Allen	R	Baker
D	Baddour*	R	Barbee
D	Barefoot	R	Berry
D	Blue	R	Bowie
D	Bonner	R	Brubaker
D	Boyd-McIntyre	R	Cansler
D	Cole	R	Carpenter
D	Crawford	R	Clary
D	Culpepper	R	Culp
D	Cunningham*	R	Daughtry
D	Earle*	R	Davis
D	Easterling	R	Dockham
D	Edwards	R	Ellis
D	Dedmon*	R	Esposito
D	Fox	R	Gardner
D	Haire	R	Gillespie
D	Hackney*	R	Grady
D	Hardaway	R	Gulley
D	Hensley	R	Hiatt
D	Hill	R	Holmes
D	Horn	R	Justus
D	Hunter	R	Kiser
D	Hurley	R	McMahan
D	Insko	R	Mitchell
D	Jeffus	R	Morgan
D	Kinney	R	Pope
D	Luebke	R	Preston
D	McAllister	R	Russell
D	McCrary	R	Setzer
D	McLawhorn	R	Sexton
D	Melton	R	Sherrill
D	Michaux	R	Teague
D	Miller	R	Thompson
D	Moore	R	Walend
D	Neshitt	R	Wilson, C.
D	Nye	R	Wilson, G.
D	Oldham		
D	Owens		
D	Redwine		
D	Rogers		
D	Saunders		
D	Smith		
D	Sutton		
D	Thomas		
D	Tolson		
D	Tucker		
D	Wainwright		
D	Warner		
D	Warren		
D	Warwick		
D	Wright		
D	Yongue		

Pursuant to Rule 26(h), Representatives Hackney, Baddour, Earle, Dedmon, and Cunningham are ex officio members of all committees.

COMMITTEE OF THE WHOLE
1999 EXTRA SESSION

December 14, 1999

A meeting of the Committee of the Whole met on December 14, 1999, at 2 o'clock p.m. in Room 643 Legislative Office Building. There were 45 Senate members in attendance.

Senator Basnight, President Pro Tempore of the Senate, called the meeting to order and explained that the purpose of the meeting was to address the issue of Hurricane Floyd Relief. He stated that the membership would be hearing Governor James B. Hunt's Recommendations to the General Assembly. He introduced Mr. Rick Carlisle, Secretary to the Department of Commerce.

Mr. Carlisle reviewed portions of the State Emergency Funding Package for Hurricane Floyd Relief. (Document #1 attached). He then asked Billy Ray Hall, Director of the Governor's Hurricane Response/Recovery Efforts, to speak on the agricultural issues within this document.

Senator Basnight explained the procedure for sending the bill through the House and Senate. The House of Representatives would write the bill, consider it in the House and then send over to the Senate. He hoped that it would be a bill that would be agreeable by both Houses.

Mr. Bill Holman addressed the environmental portions of the Document (pp. 22 – 26).

North Carolina State Treasurer, Mr. Harlan Boyles addressed the Committee and expressed support for the governor's proposal.

Mr. Dave Crotts, Fiscal Analyst for Economy, presented the Revenue Collections Update of the General Fund (Document #2). He also asked the Committee to look at California's Fiscal Outlook Trend (Document #3).

Elisa Wolper, Fiscal Research Division, presented a General Fund Financial Model and Projections and Reconciliation of Fiscal Research and State Budget Models (Documents #4).

Mr. Marvin Dorman, Director Office of State Budget and Management, presented a Summary of Funds Available (Document #5). These are funds proposed by the Governor's Office to be used to provide the required state match for Hurricane Floyd funding.

Ms. Sarah Fuerst, Bill Drafting, shared copies of the House bill being proposed, Hurricane Floyd Recover Act of 1999 Draft H6238-LE001H along with any amendments adopted. (attached).

Also attached are substantiating documents:

a- Explanation of Draft LE001H

b- Letter from Edwin Speas, Jr., Chief Deputy Attorney General to Senator Marc Basnight and House Speaker James Black

c- Hurricane Floyd Relief State Emergency Funding Summary

d- Hurricane Floyd Relief: Frequently Asked Questions

The meeting adjourned at 6:00.

Senator Aaron W. Plyler, Co-Chair

Pat Misner, Committee Clerk

Senator Beverly Perdue, Co-Chair

Senator Fountain Odom, Co-Chair

SENATE

COMMITTEE OF THE WHOLE
1999 EXTRA SESSION

December 14, 1999
2:00 PM

I. Introductory Remarks

II. Update on Governor's Disaster Recovery Proposal - Expenditures

Rick Carlisle *Secretary, Department of Commerce*
Billy Ray Hall *Director, Rural Center*
Bill Holman *Secretary, Department of Environment and Natural Resources*

III. Treasurers' Remarks

Harlan Boyles, *State Treasurer*

IV. General Fund Availability Outlook

David Crotts *Fiscal Research Division*
Elisa Wolper *Fiscal Research Division*

IV. Governor's Disaster Recovery Proposal – Financing

Marvin Dorman *Director, Office of State Budget and Management*

V. Explanation of Draft Bill and Committee Report

Legislative Staff

VI. Questions and Answers

Hurricane Floyd Relief

State Emergency Funding Package

Recommendations to the General Assembly

The Honorable James B. Hunt, Jr.
Governor

December 10, 1999

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Impact Overview

The flooding associated with Hurricane Floyd was unprecedented in the history of North Carolina. Hurricane Dennis had just made landfall in Eastern North Carolina in August, dumping over 12 inches of rain in Eastern North Carolina. A few weeks later, Hurricane Floyd brought 15 inches of rain to an area already saturated by Dennis and by the heavy rainfall prior to Floyd making landfall. As a result, this disaster met or exceeded the 500-year flood for many communities.

Perhaps the most significant indicator of how devastating and unexpected the rapidly rising floodwaters were can be tied to the number of North Carolinians who lost their lives due to the hurricane. Hurricane Floyd has resulted in 51 confirmed fatalities. The saturated ground also caused caskets to rise to the surface in at least three counties, necessitating the task of collecting the caskets and reintering the bodies.

Current estimates show that nearly 57,000 homes have been impacted because of Hurricane Floyd. Not only did the rains associated with the hurricane flood more homes than any previous event in the history of North Carolina, but the depth of the flooding was also unprecedented. Entire towns throughout Eastern North Carolina were flooded to the rooftops. Twenty-six counties are facing severe flood damages and approximately 30 downtown areas were completely submerged.

Rural areas have also suffered catastrophic, flood-related losses. Much of the floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products and dead farm animals. As a result, many of these homes will likely be condemned. It is projected that several thousand additional homes may be relocated to higher ground, elevated in place, or acquired and demolished using Hazard Mitigation Grant Program (HMGP) funds. These funds are available following the President's disaster declaration and are limited to assist those families living in the 100-year floodplain that has been repetitively flooded. HMGP funds are not meant to fully restore damaged homes, but are provided to acquire or elevate homes. This leaves an enormous funding shortfall relative to the remaining homes. In order to address these needs, North Carolina has sought emergency federal funds of significant proportions.

The flooding also caused massive damages to North Carolina's infrastructure and temporarily shut down parts of all major road systems in the State. Over 1,000 roads were closed as a result of Hurricane Floyd. Interstates 40 and 95 were closed, as were parts of US Highways 70, 264, and 64.

Water and wastewater treatment plants across the eastern third of the State were significantly impacted, causing many to temporarily shut down, necessitating the disbursement of bottled water to many isolated communities by helicopter. The high waters also damaged 101 dams; 40 of which failed. The remaining 61 dams that were overtopped are now at a higher risk of failure. In order to reduce repeated losses of life and property, the infrastructure must be built back in a way that can better withstand the forces of rapidly flowing floodwaters and coastal storm surge or relocated away from known high-risk areas.

Agricultural losses were over $830,000. This figure includes losses to agricultural facilities, many of which are uninsured against flood damage. As of October 29, losses to farm animals were 2.1 million poultry, 1,180 cattle, 28,000 hogs and almost 753,000 turkeys. In order to minimize public health threats, State and federal officials have incinerated the dead animals. Tobacco in the field was ruined by wind and flooding, while that in curing barns was destroyed

by loss of electricity. Much of the harvested and cured crop was flooded in warehouses. Crop damage estimates are over $530,000.

Federal disaster recovery funding triggered by the President's disaster declaration will help North Carolinians rebuild. However, massive shortfalls exist between available funds and broad needs that are unmet by existing federal and State funds.

Methodology

Federal Request

On October 5, 1999, Governor James B. Hunt, Jr. presented to the federal government a request for supplemental relief funding to cover those needs unmet by the normal Stafford Act programs (Disaster Recovery Programs administered by the Federal Emergency Management Agency [FEMA]). A team of representatives from across State government partnered with their federal agency counterparts to develop an inventory of programs that have traditionally been available to meet needs in excess of those items covered by the Stafford Act.

As a result of these efforts, the Governor generated documentation on $4.3 billion in federal resources that were necessary to help Eastern North Carolina recover from Hurricane Floyd. (See Appendix XI) After consultation with the North Carolina Congressional Delegation and others, Governor Hunt tailored an emergency package of items that the State needed immediately in order to provide some level of relief. The emergency package centered on the priorities of housing, economic recovery and public health and environment. The federal emergency package, after adjustment for crop loss, totaled $1.9 billion (See Appendix XII).

Federal Response

Governor Hunt made six trips to Washington, DC, meeting with federal agencies, the North Carolina Congressional Delegation, other members of Congress, White House staff and the President of the United States of America, to encourage support for the State's request. As of December 1, the federal government has responded to those needs with $838 million in federal resources, less than 45% of the Governor's original request. Attached in Appendix I, is a summary of the response from the federal government to the Governor's request.

State Emergency Response

After reviewing the response by the federal government, Governor Hunt has mapped out a strategy to address the critical needs of the victims of Hurricane Floyd. This plan has two crucial elements:

1) continue seeking support in Washington, DC for remaining federal needs, and
2) activate a series of State initiatives using budget reserves and the State's Rainy Day fund to begin meeting the needs of the victims of Hurricane Floyd – the State Emergency Package.

The State Emergency Package is a responsible and comprehensive beginning to rebuilding Eastern North Carolina. The package focuses on four critical areas:

- Crisis Housing Recovery Assistance,
- Crisis Economic Recovery Assistance,
- Crisis Environmental and Public Health Recovery Assistance, and
- Assistance to Local Governments for Tax Losses.

Commerce Secretary Rick Carlisle was charged with developing the State emergency response for Housing and the Economy. Environmental and Natural Resources Secretary Bill Holman has had primary responsibility for determining State actions needed in the areas of Environment and Public Health. Billy Ray Hall, President of the Rural Center and recently appointed by Governor Hunt as Director of the State's Hurricane Floyd Redevelopment Center, worked with the State's farming community to develop strategies to assist farmers and commercial fishers.

The proposals have been developed based upon input from families and business owners, farmers, commercial fishers, housing and environmental advocacy groups, local government officials, representatives from the League of Municipalities and the County Commissioners Association, and the NC Housing Finance Agency.

To make the commitment for beginning recovery, and in many cases continuing relief, the State must provide $829.98 million. This amount has been computed using FEMA, SBA, census data, Farm Service Agency data and other sources to attempt to quantify the entire universe of need. It was estimated which of those needs would be met with the standard federal emergency programs, with the federal supplemental funds already committed and with the balance of Governor Hunt's $1.9 billion federal emergency request. This analysis led to the computation of the total unmet need, assuming full funding of the Governor's request. For some items, timing is so critical that it is necessary to propose State funding in lieu of some items in the federal emergency request. The total funding package also includes the State funds necessary to match the committed federal dollars.

State Emergency Package
As proposed by Governor James B. Hunt Jr.
December 10, 1999

ITEM			MILLIONS
Federal Match requirement			$232.40
Crisis Housing Assistance			350.18
Direct Housing Assistance	287.42		
Infrastructure	41.69		
Predevelopment Activities	10.00		
Counselors and Recovery Office	11.07		
Crisis Economic Recovery Assistance			213.40
Small Business Disaster Assistance		51.00	
Deferred Payment Loans	42.50		
Interest Buy-down on SBA Loans	8.50		
Agriculture and Fishing Disaster Assistance		161.40	
Agriculture	150.00		
Commercial Fishing	11.40		
General Economic Recovery Assistance		1.00	
Public Health and Environment			27.70
Safe Water		3.00	
Drinking Water Protection	1.00		
Water Quality Monitoring	2.00		
Clean Up		12.00	
Solid Waste Cleanup	4.50		
Hazardous Waste Cleanup 2.50			
Underground Storage Tanks 5.00			
Public Safety		12.70	
Dam Safety	2.50		
Emergency Dredging	10.20		
Local Government Support			6.30
Total State Emergency Package			**$829.98**

Federal Match Requirement

The total federal match requirement as of November 23, 1999, is $232.4 million. These needs are best explained through the following chart.

Item	Amount (Millions)
Stafford Act Programs	$100.4
Agency Commitments – Includes items funded by the executive agencies without additional budget authority. (See Appendix I)	44.6
FEMA Housing Legislation – Match on the Housing Package approved in the Omnibus Budget by Congress. (See Appendix I)	63.7
Agriculture Appropriations – Match on approved programs in the Omnibus Budget by Congress. (See Appendix I)	23.7
TOTAL	**$232.4**

Crisis Housing Assistance

Hurricane Floyd damaged over 56,000 homes in Eastern North Carolina. Over 7,000 homes were completely destroyed and another 17,000 have been determined to be uninhabitable. To compound the tragedy, less than 13% of all homes in the affected counties were covered by flood insurance and most of those covered by insurance were financed mobile homes for which the loans required flood insurance sufficient to cover the outstanding balance. The following table indicates the magnitude of the housing loss in some communities:

County	Total Number of Households	Households Reporting Home Damage (as of 11/15/99)	Percent of Households with Damage	Homes Severely Damaged	
				Home Destroyed	Home Unlivable
Columbus	19,701	3,434	17.43	104	622
Edgecombe	19,678	5,396	27.42	1,723	2,431
Lenoir	22,903	3,082	13.46	523	1,483
Pender	15,794	2,717	17.20	268	804
Pitt	48,997	6,960	14.20	2,250	3,194
Wayne	39,769	3,244	8.16	311	1,125

The federal government operates several programs under FEMA to address the needs of housing for families. FEMA Disaster Housing Assistance offers grants of up to $10,000 to homeowners through the Minimum Repair Grant program, if that amount of funding will make their home "safe, secure and sanitary." To date, approximately 16,000 North Carolina families have received those grants. The Disaster Housing Program also offers rental assistance to homeowners for up to 18 months while their homes are being repaired or replaced and to renters in 60-day intervals while they locate other affordable housing. The Small Business Administration (SBA) offers low-interest loans of up to $200,000 for real property repair or replacement and up to $40,000 to replace personal property. Based upon information from SBA, we estimate that over 13,000 homeowners will qualify for SBA loans. Families that cannot qualify for a SBA loan are eligible for the FEMA-funded Individual Family Grant (IFG) program, which offers grants of up to $13,600 to families for a variety of purposes, including repair or replacement of real and personal property. As of November 23, 14,219 families have been approved for nearly $50 million in aid from this program; 471 families have been approved for the maximum grant of $13,600, with the average grant for all recipients being $3,516. In addition, FEMA has purchased travel trailers and mobile homes to provide emergency housing for families. Over 2,500 units have been ordered; almost 1,500 have been occupied as of November 23, 1999.

The FEMA Hazard Mitigation Grant Program (HMGP) purchases homes with significant damage when it can be demonstrated to be cost effective in view of the cost of likely subsequent flooding. Our current estimate is that regular FEMA HMGP funding will be sufficient to purchase up to 5,000 destroyed and severely damaged homes. Additional federal funds have been committed to bring the total acquisition at this time to 7,900 homes; full funding of Governor Hunt's emergency federal funding request will provide funding to acquire 3,100 additional homes, for a total acquisition of 11,000 homes.

Given the magnitude of the disaster suffered in Eastern North Carolina as a result of Hurricane Floyd and the low flood insurance coverage available, it is clear that State funds will be needed to supplement the federal programs. The need is exacerbated by the predisaster economic challenges with which many impacted communities were already grappling and a predicted shortfall in affordable housing alternatives for families whose homes have suffered substantial damage. Governor Hunt's request for emergency federal funding included $622 million in funding to address housing needs not covered under the Stafford Act programs. We have received a commitment of $191 million for housing needs and will continue to pursue an additional $423 million. State emergency funds are also needed to begin the rebuilding process.

This package of State crisis housing assistance proposed by the Governor will aid 29,462 homeowners and 5,827 renters in the following areas:

Direct Housing Assistance **$287.42 million**

The State crisis housing assistance package will provide aid to homeowners with uninsured damage from Hurricane Floyd. In developing this proposal, we used SBA, FEMA and census data to estimate the total universe of need. Families will be required to take full advantage of the assistance available to them under the federal programs. We assumed that those few homes covered by insurance would be repaired by that means. Of the nearly 35,000 homeowners with damage, we estimate that fewer than 1,900 will be covered by flood insurance. Another 3,300 homes will be eligible for federal elevation and repair funding. The remaining homeowners fall into three categories: HMGP buyout candidates, homeowners whose homes will not be bought out but who qualify for a SBA loan, and low-income homeowners who will not be eligible for either a SBA loan or the buyout program. These three categories of homeowners, assistance to renters whose homes are purchased under the HMGP buyout, and funding to jump-start affordable rental housing production will be addressed by the Direct Housing Assistance fund. See Appendix II for additional information on assumptions and calculations.

Assistance to Homeowners:

- ***State Acquisition and Relocation Fund (SARF)*** ***$139.33 million***

Approximately 5,573 homeowners with damaged homes will be eligible for a HMGP buyout. The buyout – funded by $167.19 million in federal funding plus $55.7 million in required State match – provides for the purchase of homes at the preflood fair market value. In many cases, the homeowner cannot purchase comparable housing outside the 100-year floodplain at that cost. A SARF supplement will allow them to purchase a replacement home. The supplement will vary in each individual buyout, depending upon the cost differential between the preflood value of the current home and the cost of a comparable home in a less flood-prone area. Based upon our experience with buyouts following Hurricane Fran, we project the average supplement will be $25,000. To be eligible for a SARF grant, homeowners must relocate in the same general geographic area. Housing Counselors will be available to assist homeowners in locating comparable housing. If they receive a SARF grant, families will be required to occupy the replacement home for at least five years to avoid repayment. If the replacement home is sold before the end of the five-year period, a prorated portion of the SARF grant must be repaid to the State. The SARF funding will be administered by the Department of Commerce, Division of Community Assistance.

- ***Grants to successful SBA loan applicants*** ***$ 61.88 million***

An estimated 13,062 families will qualify for SBA loans of over $316 million. These families will have to take on additional debt to repair or replace their homes. In order to lessen the burden associated with this additional debt, we propose a grant program, graduated based upon age, income and amount of damage. Grants will be for $2,500, $5,000, and $10,000 as follows:

Homeowners Aged 60+	
Damage less than $25,000	$ 5,000
Damage over $25,000	$10,000
Homeowners under Age 60	
Adjusted Gross Family Income under $35,000	
Damage less than $25,000	$ 5,000
Damage over $25,000	$10,000
Adjusted Gross Family Income between $35,000 - $99,999	
Damage less than $25,000	$ 2,500
Damage less than $50,000 but more than $25,000	$ 5,000
Damage $50,000 or more	$10,000
Adjusted Gross Family Income $100,000 + - Not Eligible for Grants	

County Departments of Social Service will determine eligibility for the grants based upon three documents: the completed SBA loan application, the appraisal of damages completed by SBA, and the notice of loan approval from SBA. Families will be expected to pay down their SBA loan if it has already been executed or reduce the amount of their SBA loan if they have not already finalized the loan documents.

- ***Replacement and Repair Grants for Low-Income Families*** ***$ 59.92 million***

Approximately 11,127 low-income homeowners with damaged homes are not subject to buyout, covered by insurance, or eligible for a SBA loan. For these homeowners, supplemental funds are needed to replace, repair or rehabilitate their homes. This funding will allow the State to begin the rebuilding process as it continues to pursue $90 million in federal Community Development Block Grant (CDBG) funds included in the Governor's emergency request for this purpose. These State funds, together with the requested CDBG funds in the emergency federal request plus the required State match, will meet the total estimated need of $180 million. Housing Counselors will work with families to determine if they are candidates for home replacement or repair.

If it is determined that a homeowner's home must be replaced, the Housing Counselors will refer the family to the local NC Housing Finance Agency (HFA) lender in the area. HFA will administer a program of deep-second mortgages with no interest and deferred payments for these homeowners. If the homeowner lives in the replacement home for 10 years, the loan will be forgiven and the lien cancelled. If the homeowner lives in the home for less than five years, the loan will be repaid upon sale of the home. The value of the loan will be prorated in the event of sale of the home between years five and ten.

If the determination is made that the home can be repaired, the Housing Counselor will refer the family to the local government. The Department of Commerce, Division of Community Assistance, will administer a program based upon a modification of the CDBG Urgent Needs funding that will provide grants to local governments for repair of damaged owner-occupied homes. Families whose homes are repaired will be required to live in the home for five years. If the home is sold before the end of the five-year period, a prorated amount of the repair grant will be repaid to the State.

We will incorporate the dollars authorized under the Commerce, Division of Energy Weatherization Program, into this funding. The Program makes grants of up to $3,500 to homeowners with incomes no greater than 125% of the federal poverty level for rehabilitations that result in energy improvements. We will leverage these funds with the Weatherization funding to maximize the dollars available.

Assistance to Renters:

- ***State Acquisition and Relocation Fund (SARF)*** ***$ 16.28 million***

An estimated 5,427 damaged rental units will be purchased under the HMGP buyout ($163 million in federal funds plus required State match). The renters of those homes will have to relocate. These funds will provide a $3,000 relocation assistance payment to those families. To be eligible, the home must be the renter's primary residence and the family must be either still residing in the home to be purchased or be in a temporary living arrangement. Households in which all members are full-time, undergraduate students are not eligible. The program will be administered by the Department of Commerce, Division of Community Assistance.

- ***Affordable Rental Housing Production*** ***$ 10.00 million***

Renters and rental housing suffered significantly during Hurricane Floyd. To compound the problem, affordable rental housing was in short supply prior to the flood. These funds will be leveraged to jump-start the production of affordable rental housing in Eastern North Carolina. The NC Housing Finance Agency has already taken steps in this direction by announcing a special round of tax credit projects early. Those funds, which require that units be available no later than December 2000, will provide a minimum of 250 additional units. We believe that these dollars can be leveraged to provide housing for at least 400 additional families. We will continue to aggressively pursue the $147 million in CDBG funding included in Governor Hunt's emergency federal funding request for this purpose as well. This $10 million will be administered by the NC Housing Finance Agency.

Infrastructure **$ 41.69 million**

- ***Infrastructure grants to local government***

Local governments will be encouraged to rebuild houses and neighborhoods on "in-fill" lots and in areas already served by infrastructure. However, we estimate that at least 5,236 new single-family homes will be constructed in areas that will require new infrastructure. These will be new neighborhoods not currently served by water and sewer and will require sidewalks, storm drainage, etc. This funding, administered by the Department of Commerce, Division of Community Assistance, will provide grants to local governments for this needed infrastructure. The funding is based upon an estimated cost of $10,000 per home. We will continue to pursue $16 million included in the federal emergency request that is also required for this purpose and for the building of infrastructure for multifamily developments.

Predevelopment Activities **$ 10.00 million**

- ***Aid to Local Governments*** ***$ 2.5 million***

Local governments will oversee the massive rebuilding process in their jurisdictions. These grant funds will allow them to hire or contract for approximately 78 additional housing inspectors and rehabilitation specialists to ensure that the new construction is done well. We estimate that between 11,000 and 15,000 new homes will be built in Eastern North Carolina as part of the Hurricane Floyd recovery. In comparison, in 1997: 17,836 new housing units were constructed in the entire state of Alabama; 11,027 in Arkansas; 19,185 in Kentucky; and 15,544 in Louisiana. Local governments are not staffed at the level required to adequately ensure that the rebuilding is done quickly and in a quality manner. As an example, according to the FEMA data as of November 15, 1999, 2,717 homes were damaged in Pender County, with 268 of those reported as destroyed. Pender County employs one half-time building inspector. The county will need to contract or hire additional time-limited personnel to provide adequate oversight to the rebuilding effort in the county. The funding will be administered by the Department of Commerce, Division of Community Assistance, and will be allocated to local governments based upon numbers of damaged homes.

- ***Land Acquisition and Capacity Building*** ***$ 7.5 million***

The size of the rebuilding effort will require the participation of all housing provider sectors – private developers, nonprofit agencies, and public authorities. A portion of these funds, $2.5 million, will provide grants to nonprofit agencies and public housing authorities to increase their ability to undertake the rebuilding effort and will pay for site preparation, engineering studies, etc. The remaining $5 million will be available for local governments, nonprofit agencies and public authorities to acquire land for new affordable housing development.

Counselors and Recovery Office **$ 11.07 million**

- ***Housing Counselors*** ***$ 8.50 million***

Under his emergency powers, Governor Hunt has established Housing Recovery Assistance Centers in the 26 counties with the greatest housing damage. The counselors in these centers are working with families to help them sort through the various federal programs to determine the best options to address the housing needs of their family given their individual circumstances. These funds will provide for 100 counselors under contract for 30 months to work intensively with approximately 30,000 families, providing counseling and advocacy as they determine the best solutions for their short-term and long-term housing needs. We computed the need for 100 counselors by assuming a need of 1 counselor for every 250 families with a destroyed home and 1 counselor for every 600 families with other housing damage in the most severely impacted counties.

The housing counselors will work with renters to ensure that they continue to apply for FEMA rental assistance for as long as they cannot find suitable rental property at the rate they were paying for rent prior to the hurricane. They will assist homeowners whose homes are to be purchased under the buyout to locate comparable housing outside the 100-year floodplain. They will also serve as the gateway for low-income homeowners who do not qualify for a SBA loan and whose home is not subject to buyout. They will work with the family to determine if the home can be repaired and, if so, work with the family and the local government to secure repair funding. If the home must be replaced, they will refer the family to the local Housing Finance Agency intermediary for funding and will aid the family in securing a new home. The Housing

Counseling service is administered by the Department of Commerce, Division of Community Assistance, and is staffed by Commerce and through contractual arrangements with local Community Development Corporations, Consumer Credit Counseling services, NC State Cooperative Extension Service, and Legal Services of NC. (See Appendix III)

- ***Housing Recovery Council and Office*** ***$ 2.67 million***

Rebuilding Eastern North Carolina will require the effort of many State and federal agencies, over 275 units of local government, and numerous nonprofit groups, public authorities, and private developers. The Housing Recovery Council will be responsible for providing oversight of the effort and submitting progress reports to Governor Hunt and the General Assembly on activities and use of available funds.

The Housing Recovery Council will make recommendations to the Director of the Budget on allocation of funds from the Housing Recovery Reserve. The Housing Recovery Council will be chaired by the Secretary of the Department of Commerce. Other members will be representatives from the following agencies and organizations:

- Department of Crime Control, Division of Emergency Management
- NC Housing Finance Agency
- Office of State Budget and Management
- NC Community Development Initiative
- NC Association of Community Development Corporations
- NC League of Municipalities
- NC Association of County Commissioners

The Housing Recovery Office will be comprised of nine time-limited positions (39 months) who will direct the activities of the Housing Counselors, staff the Housing Recovery Council and ensure that the various State agencies involved in the rebuilding effort make the most efficient use of scarce resources. The Director will work with the various agencies involved in housing recovery at the State level – Housing Finance Agency, Division of Emergency Management, Division of Community Assistance – to ensure that efforts are coordinated and that decision-makers are informed of progress. Five community recovery specialists will work at the local level to oversee the housing recovery process. This will include supervising the effectiveness of the housing counseling services, monitoring the administration of the temporary trailer parks, and working with local governments to coordinate issues of housing construction and rehabilitation. A data analyst will keep track of information regarding the housing and outreach counselor program, the number of families still in need of housing, the number of families remaining in temporary housing, and the number of housing units under construction and in the planning stage, etc. A community relations specialist will work with community-based organizations, local government and the media to ensure that the services available to families are widely publicized. The goal of the State housing recovery effort is to have every family impacted by Hurricane Floyd back into a permanent home by January 1, 2003. The Office of Housing Recovery will then have two months in which to finalize its reporting to the Governor, the General Assembly and the citizens of the State before its sunset on February 28, 2003. (See Appendix III)

Also included in this item is funding for four time-limited staff in the Division of Community Assistance in recognition of the significant increase in workload that the recovery effort will require in that organization.

Total State Crisis Housing Assistance **$350.18 million**

Implementation and Administration

Appropriation and Allocation of Funds

The rebuilding effort required to recover from Hurricane Floyd will be unlike anything that North Carolina has previously experienced. We have attempted to quantify the entire universe of need and make informed estimates of the number of homeowners and renters who fall into each category, based upon FEMA, SBA and census data. However, we understand that each individual family's circumstances and the needs of each community will be unique. Therefore, in order to ensure that funds are maximized and used to best meet the needs of the impacted communities, we recommend that the Direct Housing Assistance, Infrastructure and Predevelopment Activities funding be placed in a Reserve for Housing Recovery in the Office of State Budget and Management (OSBM). Funds will be allocated from the Reserve for the purposes outlined above, by the Director of the Budget, upon advice from the Housing Recovery Council. Funds will be allocated to the following agencies for the following purposes:

Purpose	Agency
SARF Supplements for Homeowners	Commerce, Division of Community Assistance
Grants to Successful SBA Loan Applicants	DHHS, Division of Social Services
Low-Income Home Replacement	NC Housing Finance Agency
Low-Income Home Repair & Rehabilitation	Commerce, Division of Community Assistance
Affordable Rental Housing	NC Housing Finance Agency
Infrastructure for New Neighborhoods	Commerce, Division of Community Assistance
Predevelopment for Nonprofit Agencies	Commerce, Community Development Initiative
Predevelopment for Public Housing Agencies	Commerce, Division of Community Assistance
Land Acquisition	Commerce, Community Development Initiative
Housing Counselors & Housing Recovery Office	Commerce, Office of the Secretary

Funding Principles

This recovery effort will be unprecedented in size, scope and the role the State will play in providing substantial funding and oversight. This is appropriate given the widespread devastation caused by Hurricane Floyd. It is in the best interests of the entire State for Eastern North Carolina to rebuild and continue contributing to the overall State economy as quickly as possible. The following principles and limitations should apply to the use of State funds:

- Families must access all available federal resources before they will be eligible for State funds. They must register with FEMA and, with the exception of HMGP buyout homes, complete the SBA loan application process.
- State funds will be used to repair or replace homes to the standard of the home's prehurricane status. For example, a destroyed or purchased 1,200 square-foot, three-bedroom home will be replaced by a 1,200 square-foot, three-bedroom home on a comparable-sized lot.
- It is in the public interest to maximize the benefits of the Hazard Mitigation Grant Program to increase public safety and to reduce the cost of future disasters. Therefore, if a homeowner declines a valid HMGP buyout offer (the community is participating in the program, the property is eligible, and an official offer to purchase has or will be made along with the necessary supplement to allow for purchase of a comparable replacement home), the homeowner is not eligible for State funds for repair or replacement of that property.

- State funds will not be used to build or purchase replacement homes in the 100-year floodplain. State funds may be used to repair homes not eligible for buyout in the floodplain if the repair includes elevation or other remediation efforts necessary to bring the home into compliance with the local jurisdiction's current floodplain building requirements.
- State funds may be used to purchase manufactured housing if the home qualifies as real estate—it is permanently attached to the lot, underpinned, etc.
- Coordination of activities at the local level will be very important to ensure that rebuilding is done in a planned, effective manner. Each local government should implement a coordination strategy that includes input from all stakeholders.

Crisis Economic Recovery Assistance

Small Business Disaster Assistance

As of November 21, over 12,000 businesses had reported some degree of loss as a result of Hurricane Floyd – either physical loss or economic impact loss – through the FEMA teleregistration system. Businesses have submitted 4,700 applications to the Small Business Administration for loans under the Disaster Physical Loss and Disaster Economic Impact lending programs. There are no federal grant programs available for businesses not engaged in agriculture or commercial fishing. Governor Hunt's request for emergency federal funding included $68 million in funding for innovative revolving loan programs and other efforts to aid business. We will continue to pursue that funding.

The only disaster relief program to meet the needs of small business is the Small Business Administration loan program. SBA loans are available to businesses that suffer physical damage from flooding or economic losses. Economic losses can include loss of income because employees cannot get to work or customers cannot get to the business. SBA loans are flexible in term and interest, going as long as 30 years with interest rates as low as 4%. Loans can be up to $1.5 million; the average loan amount based on past disasters is about $26,000.

We estimate that 5,500 businesses will apply for SBA loans. Estimates provided by the SBA indicate that approximately 3,500 of these will be approved. Approximately 2,000 businesses will fail to qualify. The primary reason for denial is the inability of the business to take on additional debt. SBA has highly flexible lending terms and low interest rates; businesses that cannot repay SBA loans certainly would not be bankable through any other lender. In conversations with business owners in the affected areas and statewide, the most pressing needs for State funding are perceived to be State-funded loans for businesses unable to qualify for SBA loans. More modest assistance is needed to those businesses that do qualify for SBA loans and are faced with taking on additional debt and debt-service costs.

Disaster Business Assistance **$51.00 million**

- ***Deferred Payment Loans*** ***$42.50 million***

We estimate there will be a potential demand for approximately 1,500 State loans to small businesses and 25 State loans to mid-sized businesses. Some businesses that fail to qualify for SBA loans were marginal prior to the storm and the hurricane was the final straw. However, many other businesses will fail to qualify because their cash flow and prestorm debt level render them unable to take on additional debt at this time, even though they are very viable businesses. If these businesses employ just three people each, they represent 4,500+ jobs in Eastern North Carolina.

For these businesses, State funded loans would have to work much like grants, with no requirement for immediate repayment. We do not propose grants because a business with no eventual ability to repay is not economically viable. Additionally, free capital would generate accusations of unfairness from those businesses required to pay for their capital. We do not propose a leveraged fund because indications to date are that these loans will not be bankable.

We recommended an interest-free loan product, funded wholly by the State, with all principal deferred for a three-year term. At the end of that period, the business would be expected to refinance the note and repay the State of North Carolina. For the three-year period, however, the business will not be required to make any cash outlays to support the loan; during that time period it functions much like a grant. Assuming an average loan of $25,000, funding 1,500 small businesses would cost approximately $37.5 million. Providing an average of $200,000 in funding to 25 mid-sized businesses would cost an additional $5 million.

In conjunction with the Small Business and Technology Development Center and Small Business Centers, the Department of Commerce has set up five Business Recovery Assistance Centers in the flooded areas. Satellite centers are set up as requested. These centers have professional staff to prepare SBA loan applications, help reassemble records, advise on other financing options, and provide other business support services. They also help prepare applications for the Business Advance Program initiated under Governor Hunt's emergency powers. The Business Advance Program provides advances against expected SBA loans for up to $10,000 in immediate needs. Commerce worked out an expedited processing system with SBA so checks can be issued within four working days of receiving the applications (final approval of the SBA application can take three to six weeks). Centura Bank is processing the loans at no cost. The Business Recovery Assistance Centers will also support this lending program, which, like the Business Advance Program, will be serviced through commercial banks under contract to the Department of Commerce. (See Appendix IV)

- ***Interest Buy-Down on SBA Loans*** ***$ 8.50 million***

For those businesses that qualify for SBA loans, we propose a grant equal to the cost of interest on the SBA loan for the first three years. This will help reduce the burden of taking on additional debt for these businesses. Based upon SBA estimates, we project that 3,500 businesses will qualify for SBA loans averaging $26,000 for 21 years. The interest for the first three years on those loans will total $8.50 million. The Department of Commerce will contract with commercial banks to administer the program. Businesses that qualify for SBA loans will take their executed SBA loan documents to the bank. The interest for the first three years will be computed and a check will be issued to the businesses in that amount.

Agriculture Disaster Assistance

Agriculture is North Carolina's number one industry. The bulk of crops and livestock in North Carolina are raised in the eastern part of the State—in the counties hardest hit by the flooding from Hurricane Floyd. Even before the damage and destruction caused by Hurricane Floyd, farmers in North Carolina were suffering from economic hardship resulting from depressed crop prices and drought conditions. A large percentage of crops were still in the ground when Hurricane Floyd hit. Livestock losses due to flooding far exceed the losses suffered from Hurricane Fran. The USDA has certified crop losses in excess of $538 million—adding to the $43 million in crop losses from Hurricane Dennis that hit North Carolina less than two weeks before Floyd. Over 30,000 farms were affected, directly involving more than 90,000 workers within the designated counties. More than half of these farms are critically or severely affected.

The catastrophic flooding from Hurricane Floyd will put farmers further in debt and may drive many farmers out of business. Reports submitted by county disaster committees indicate that approximately 85% of crop losses were not insured. Federal assistance on a limited basis has been granted for farmers in North Carolina, but a huge gap remains. The North Carolina economy depends on farmers—their losses will be felt far beyond the eastern counties impacted by the flooding from Floyd.

All agricultural losses facing farmers have been enormous. The breakdown of losses is:

Crop	Amount Loss (Millions)
Corn	49.3
Soybeans	70.0
Tobacco	94.2
Cotton	190.4
Peanuts	38.9
Fruit and Vegetable	79.5
Nursery	16.0
Aquaculture	.10
Livestock	12.8
Farm Structures and Equipment	281.1
TOTAL AGRICULTURAL LOSS	$832.30

Source: Farm Service Agency, USDA

Agriculture Disaster Assistance **$150 million**

- ***Crop Disaster Assistance*** ***$90 million***

A supplemental grant program is proposed that will provide payment of 17% of the yield losses felt by Floyd-impacted farmers. This payment will supplement the crop-loss disaster assistance provided by the federal government. Price is established by insurance programs if the commodity is insured, and all other noninsured crops must also have an established price set by the Farm Service Agency, USDA. The estimated cost to capitalize this crop disaster assistance program is $90 million.

- ***Farm Structure Disaster Assistance*** ***$40 million***

A grant program is proposed that will provide partial payment to compensate farmers for structure and equipment losses. The loss figure associated with these losses exceeds $100 million when farm homes are excluded. Losses of structures must be reported and verified by State officials.

- ***Emergency Conservation Program Cost Share Buy-Down*** ***$15 million***

A grant program is proposed that will provide supplemental payments to farmers to assist with their portion of cost share for restoration of farmlands to usable areas and for restoration of best management practices (BMPs). USDA has provided for $30 million in funds for covering the federal share of the restoration projects under the Emergency Conservation Program (ECP). Covered practices include:

- Removing debris from farmland
- Grading, shaping of farmland or similar measures
- Fence restoration
- Restoring structures and other installations

In addition to the standard ECP program expenditures, USDA has agreed to assist in the restoration of BMPs implemented by farmers. Through the North Carolina Agriculture Cost Share Program (ACSP), Soil and Water Conservation Districts have installed well over 14,000 agricultural best management practices in the counties affected by Hurricane Floyd. Floodwaters have inhibited assessment of repairs to date, but it is believed that 15% or more of the structures will have extensive damage (more than 50% repair necessary) and that as much as 50% of the structures may have moderate-to-slight damage. Damaged best management practices may include: animal waste management structures or components of waste management systems (e.g., pumps), livestock exclusion fencing, remote watering devices for livestock, riparian buffers, terraces, grassed waterways, stream crossings and water control structures. These practices, which were initially installed over a 10-year period, will need to be repaired over the coming 18-24 months to prevent extensive harm to water quality in Eastern North Carolina, including the fragile Albemarle-Pamlico Estuarine Systems and the Neuse River.

The Governor's proposal would provide $15 million in payments to farmers for this effort.

- ***Commodity Quality Losses; Association Assessment Losses $5 million***

A grant program is proposed to provide supplemental payments to farmer-owned cooperatives for quality losses associated with flood-damaged commodities. Many of the farmer-owned cooperatives act as price-stabilizing forces in the market. Commodities that have been purchased by these cooperatives and are now on sale have been found to be deficient in quality due to damage associated with flooding. The Governor proposes to provide payments to these farmer-owned associations to indemnify their losses due to quality deficiencies.

In addition, the Governor also proposes to provide supplemental payments to Growers' Associations for uncollected assessments. Many of the associations operate on an assessment per harvested acre basis to fund promotion and marketing of individual North Carolina commodities. Because the floods prevented the harvest of these critical products, the Associations are unable to provide the necessary marketing assistance to maintain demand.

Commercial Fishing Assistance

Hurricane Floyd had major adverse impacts on the commercial fishing industry in North Carolina due to lost gear, lost fishing time and reduced harvest. Revenue losses from harvesting fish, shrimp, crabs, and other shellfish are probably higher than those associated with any other event in the State's history. This comes at a time when projected revenues from the fall shrimp harvest were predicted to be the best on record and when the harvest of blue crabs, North Carolina's most valuable fishery, was on pace to exceed last year's record harvest. Forty to forty-two inches of rain inundated coastal areas of North Carolina between September 5 and September 16. The intense rainfall from Hurricanes Dennis and Floyd caused the salinity of marine waters to approach zero. The high winds from both storms caused a large storm surge and violent breaking waves, destroying and silting over oyster and scallop beds. As a result of these impacts, several of North Carolina's most critical fisheries have suffered losses due to death and displacement of critical commercial species.

Appendix XII outlines the estimated commercial fishing industry loss from Hurricanes Dennis and Floyd as certified by Penelope Dalton, Assistant Administrator for Fisheries with the National Oceanic and Atmospheric Administration, US Department of Commerce. The estimates are based on historic landing data from the North Carolina Division of Marine Fisheries and on market values for the fishery. Due to displacement of target species, headboat

and charter boat operators have lost approximately 1,500 trips (10 trips per boat for 150 boats). Gear losses from the hurricanes have also been significant. These losses impact 7,932 fishermen.

Commercial Fishing Disaster Assistance **$11.40 million**

In response to this impact, Governor Hunt proposes to establish a fishing loss disaster assistance program in the North Carolina Division of Marine Fisheries for the 7,932 commercial fishermen of the State. Individuals experiencing loss of income due to harvest loss or loss of gear will register their losses with the Division of Marine Fisheries. The Division will verify losses based on historical fishing activity and assist individuals by providing grants and loans to the victim based on noninsured, verifiable losses. The cost associated with this program is estimated at $11.4 million.

General Economic Recovery Assistance **$ 1.00 million**

The devastating effect of Hurricane Floyd has caused tourists, industrial location consultants, and business decision-makers to be hesitant to visit, locate or expand in Eastern North Carolina. The direct economic loss to the lodging industry is estimated to be between $96 to $125 million during the months of September and October. One headline in the New York Times on November 30, 1999 read, "After the Storm, an Ecological Bomb." The lead paragraph went on to state that "...the one-two punch of Hurricanes Dennis and Floyd turned Eastern North Carolina into a putrescent hell of polluted flood waters, decomposing chickens and hogs, rotting farm fields and ruined neighborhoods." It is critical that we act aggressively to combat these negative impressions so that the long-term economic stability of the region does not suffer further damage.

Total Crisis Economic Recovery Assistance **$213.40 million**

Public Health and Environment

The environment of Eastern North Carolina was severely impacted by Hurricane Floyd. Millions of dead animals and other hazardous waste-producing areas that were flooded resulted in an environmental and public health challenge to the State. Governor Hunt's emergency request for federal funds included $625 million to address these issues. Although we will continue to pursue the federal funding which we did not receive, there are pressing needs which must be addressed immediately. As we rebuild Eastern North Carolina, we must do so in a way that will remove the threat of contamination to our waters and will provide a safe and healthy environment for our citizens. Funding in the following areas is needed on an emergency basis to begin to do that.

Safe Water **$ 3.00 million**

- ***Drinking Water Protection*** ***$ 1.00 million***

Contaminated community water systems and private wells require extensive testing beyond the normal volume that can be handled by the State Laboratory for Public Health. In many cases, wells must be repeatedly tested for contamination. Coliform (50,000) and nitrate (20,000) kits must be purchased and analyzed at a cost of over $700,000. Petroleum, pesticide and VOC tests must also be administered. The total cost of all testing is projected to exceed $800,000.

The environmental and public health effects of flooding of the magnitude experienced in Hurricane Floyd are not fully understood. As a result, citizens are asking questions about the short- and long-term effects of moving back into these flooded communities. There are immediate concerns for health and safety relating to flooded buildings such as biological contaminants and safety during cleanup. Home and business owners are requesting assistance from public health professionals in determining the health risks associated with these communities and how to resolve them. Multidiscipline teams of public health professionals skilled in the technical aspects of health risk assessment are needed in many of the flooded communities. This expertise is not available locally and thus is available only on a limited basis in the State. In order to address this need, we propose to deploy three 3-member contracted teams for 12 weeks at a cost of $198,0000. (See Appendix V)

- ***Water Quality Monitoring*** ***$ 2.00 million***

The goal of the water quality-monitoring program is to protect the public health through monitoring of failing systems and those systems currently struggling or in a compromised situation. Monitoring the Pamlico and Albemarle Sounds, in addition to other current monitoring, will help ensure a safe seafood supply. The Department of Environment and Natural Resources (DENR) efforts will be coordinated with those being undertaken by universities and federal agencies. The components of the monitoring will include:

1. *Sediment and Tissue Monitoring* $ .8 million

Funds for the DENR Division of Water Quality to sample and analyze sediment and fish/shellfish tissue from coastal rivers and estuaries for organic pollutants and metals potentially present as the result of the 1999 hurricane season.

2. *Automated Fixed Nutrient Analyzers* $ .12 million

Contract with US Geological Survey for fixed placement of three automated nutrient analyzers in the Albemarle-Pamlico Sound to evaluate the short- and long-term flux of nitrogen at those locations.

3. *Automated Nutrient/Chlorophyll/Water Quality Monitoring Using Ferries* $ .40 million
Contract with the University of North Carolina at Chapel Hill (UNC) and Duke University to establish automated monitoring equipment on the Cedar Island-Ocracoke and Swan Quarter ferries to provide horizontal transects of Pamlico Sound to track nutrient concentration, algal response (via chlorophyll) and dissolved oxygen/pH.

4. *Deployment and Analysis of Semi-Permeable Membrane Devices* $ .10 million
Contract with North Carolina State University (NCSU) for the deployment and analysis of semi-permeable membrane devices (SPMDs) to assess the presence and potential fate of bioaccumulative organic pollutants and pesticides otherwise undetectable due to low water column concentrations.

5. *Assess Sublethal Effects of Biological and Ecological Endpoints* $ .10 million
Contract with Oak Ridge National Laboratory to assess sublethal effects of the flood on important biological and ecological endpoints such as reproductive impairment, histopathological condition (including parasites and associated diseases), physiological condition or dysfunction (including immune system function), and overall condition including bioenergetic status, fat condition, etc.

6. *Measure Impacts on Key Fish and Shellfish* $ .30 million
Contract with Duke to measure key environmental variables (in coordination with water quality studies) in the water column and in the benthic habitat to determine the impact of hurricane-related reductions in salinity and oxygen on the distribution, growth and survival of key fish and shellfish resources.

7. *Monitor Groundwater Contamination* $ .18 million
Funds for the DENR Division of Environmental Health to monitor groundwater contamination of nitrates, organics and pathogen-inundated areas. The eastern part of the State uses groundwater as the primary source of drinking water, thus these evaluations will enhance the drinking water monitoring being performed.

Cleanup **$12.00 million**

- ***Solid Waste Cleanup*** ***$ 4.50 million***

There are eight junkyards located in the 100-year floodplain of the Neuse River Basin that were flooded due to Hurricane Floyd for a period of weeks. The residual material including oil, grease, antifreeze, gasoline, transmission fluid and brake fluid, were directly discharged into the river. This pollution caused a visible sheen for miles. At the present time, local government ordinances do not prohibit siting of such facilities in the floodplain. The goal with this proposal will be to prioritize and clean up those facilities that have the most severe environmental impacts. Local governments will be required to adopt ordinances that prohibit future location of such activities in the floodplain. Following cleanup, the property will be transferred to the local government for use as open space, parks, greenways, buffers, wetlands, or other compatible uses. It is estimated that the cost to assess and clean up all eight facilities would be approximately $9.6 million. The DENR Division of Waste Management will not provide funds until the local government has enacted ordinances prohibiting the location of junkyards in the floodplain. (See Appendix VI)

- ***Hazardous Waste Cleanup*** ***$ 2.50 million***

Following Hurricane Floyd, 35 hazardous waste sites were identified that had been flooded, five of which are known to have been disturbed, thus causing a release of hazardous substances into the environment. Assuming an average of 75 hours per site for assessment, the cost of determining the damage at these 35 sites will be approximately $231,000. An assessment is necessary to evaluate the present location of contaminants and present condition of the site. It is not anticipated that the total cleanup costs of these sites will change significantly based on the assumption that no significant amount of new contaminants was deposited by the floodwaters.

In addition to the 35 sites, 277 old landfills were also flooded. These old landfills predate solid waste permit and regulatory authority and therefore fall under the Inactive Hazardous Waste Sites program in the Superfund Section. Location, visual assessment and repair of these sites are estimated to be $6,850 per site for a total of almost $2 million. Finally, additional funding is needed to supplement the State's laboratories in DENR and Health and Human Services during this time of increased site assessment and sampling activity at a cost of $371,550. (See Appendix VII)

- ***Underground Storage Tanks*** ***$ 5.00 million***

Approximately 679 underground storage tank (UST) facilities were located in the 23 county flood-damaged area. Of these 679 facilities, confirmation has been made, either visually or reported by the facility owner, of flood-related damage to 139 UST facilities. Damage includes water in the tank, tanks shifting or tanks that floated to the ground surface. The UST Section's proposal for $5 million dollars will be used as follows:

1. Precision tank tightness test, precision line tightness test, corrosion protection check and a limited site assessment at the 139 flood-damaged facilities.

Precision tank and line tightness testing will ensure that any leaks, weeps or seeps are discovered prior to becoming a major release. Corrosion protection checks will ensure that the corrosion system is still properly connected and functioning to protect the USTs. Limited site assessments will determine the impact to soil and groundwater and accurately characterize the potential health and environmental risk of the release. We have estimated the cost of this activity at $21,000 per site. Of the 139 sites, we anticipate that 40 sites will require a Comprehensive Site Assessment (CSA).

2. Perform a comprehensive site assessment at approximately 40 high and intermediate sites.

Comprehensive Site Assessments (CSA) will determine the extent of the release both vertically and horizontally in the soil and groundwater. In addition, the CSA will characterize the release and predict impacts to potential receptors such as water supply wells. Our estimate is based upon an approximate cost of $35,000/site.

3. Begin soil and groundwater remediation activities and provide bottled water for sites in which alternative water supplies are not available.

The number of high, intermediate and low priority sites listed in #2 above are projected based on previous historical data following an initial investigation similar to #1 above. Any additional funding received for flood-related investigations and cleanup efforts would be applied on a priority basis as listed above. It should be noted that the above cost projections cover only

those sites for which the UST Section staff were able to confirm a release or received a damage report. This does not include the remaining 540 (679-139=540) facilities for which we have limited information. Additional funds would be required to test the remaining facilities. (See Appendix VIII)

Public Safety **$ 12.70 million**

- ***Dam Safety*** ***$ 2.50 million***

Rainfall from Hurricane Floyd damaged at least 101 dams in Eastern North Carolina. While 40 of these dams failed, 61 of the dams are damaged, but still impounding water. **Twenty-six of these damaged dams would endanger human lives and cause significant property damage downstream if they fail.** At least two industrial waste lagoon dikes are damaged and will cause environmental damage if they fail.

The most immediate critical activity is to ensure the safety of lives and downstream property endangered by the damaged high-hazard dams still impounding water. The owners of these dams have been notified of the potential danger and have been asked to drain the lakes where possible. The owners have also been asked to remove or repair the dams pursuant to approved engineering plans required by the Dam Safety Law of 1967. Many of the damaged dams are old and do not have functioning bottom drains to lower the lake level. The condition of these dams is being monitored by dam owners, dam safety inspectors and local emergency management personnel. However, a permanent solution of either repairing or removing these dams is needed.

FEMA does not provide funding for damaged privately owned dams. Many of the owners of the damaged dams do not have the funding to repair or to breach the damaged dams. Meanwhile, the dams continue to be a hazard to the health, safety and welfare of the downstream public. Under the provisions of 143-215.32(c), DENR may take emergency action as needed to protect life and property below dams and may recover the costs of such action from the owner. The requested funding would provide DENR with the resources needed for emergency action. Reimbursements by owners would revert at the time of collection by the Department.

A detailed, individual cost estimate to remove or repair each damaged high-hazard potential dam is not possible at this time. Using known costs for similar dams in North Carolina, we estimate the cost to lower the lake level, remove the dam, and stabilize the breached dam and exposed lake bottom to prevent water pollution from offsite sedimentation to be $100,000 per dam. These costs are consistent with experience in other states such as Georgia, which had a similar dam safety emergency after flooding in 1994.

The program will be administered by the DENR Division of Land Resources, which will use these funds to take action as authorized by G.S. 143-215.32(c) in situations where the dam owners do not have the immediate resources needed to protect the downstream life and property. We will make every effort to recover the cost from the owner for the work performed, including employing the Attorney General's office in the collection effort, if necessary.

- ***Emergency Dredging*** ***$10.20 million***

Hurricane Floyd greatly increased the amount of shoaling in navigation channels in coastal North Carolina. Based on a preliminary survey by the Corps of Engineers, portions of 12 navigation channels require emergency dredging. This request will cover the cost of dredging, debris removal and any other projects of an emergency nature with similar circumstances. (See Appendix IX for a complete list of projects.)

Local Government Support

Local Government Support **$6.3 million**

After Hurricane Floyd, representatives of the League of Municipalities, the County Commissioners Association, the Department of Revenue, the Local Government Commission, the Institute of Government and the Rural Center convened to discuss local government revenue losses as a result of the storm. Current estimates indicate that most of the property losses in the current year will be attributable to anticipated delinquencies in tax payments for both real and personal property. The projected losses for FY 1999-2000 for North Carolina counties is $4.5 million (See Appendix X). For incorporated municipalities, it has been estimated that losses are approximately 40% of the total county estimates. (See Appendix X) This yields $1.8 million in losses for municipalities, for a total local government loss of $6.3 million.

Governor Hunt proposes to hold these local governments harmless by providing $6.3 million to the local governments to support public education and other governmental operations as deemed appropriate by local elected officials.

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Appendices

Appendix I

Federal Response by Category

HURRICANE FLOYD DISASTER ASSISTANCE OVERVIEW

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	AGENCY	Nov. 23, 1999 Estimated Federal Receipts from Standard Federal Disaster Entitlement	Oct. 20, 1999 Governor's Estimate of Needs Not Addressed by Standard Federal Disaster Entitlement	Nov. 22, 1999 Commitments from Federal Executive Agencies Beyond Standard Federal Disaster Entitlement	Estimated Needs Not Addressed by Entitlement or Federal Agency Commitments = (C) - (D)	Estimated Federal Receipts per Ag Appropriations Bill	Nov. 23, 1999 Estimated Federal Receipts per Omnibus Appropriations Bill	Estimated Needs Unaddressed after Standard Entitlement, Federal Agency Action, and Congressional Action = (E) - (F) - (G)	Decemeber 1, 1999 Proposed State Plan
1	**Department of Health and Human Services**								
2	Low Income Home Energy Assistance program		20,000,000	20,000,000	0	0	0	0	
3	**TOTAL FOR DEPARTMENT**		20,000,000	20,000,000	0	0	0	0	
4	**Department of Labor**								
5	Natural Disaster Dislocated Worker Funds		12,000,000	12,000,000	0	0	0	0	
6	**TOTAL FOR DEPARTMENT**		12,000,000	12,000,000	0	0	0	0	
7	**FEMA**							0	
8	Containment and cleanup of environmental hazards		70,000,000	10,000,000	60,000,000	0	0	60,000,000	
9	Relocation of public wastewater plants		75,000,000	75,000,000	0	0	0	0	
10	Solid waste cleanup		45,500,000	43,000,000	2,500,000	0	0	2,500,000	2,500,000
11	Inspection and cleanup of hazardous waste sites		7,500,000	0	7,500,000	0	0	7,500,000	2,500,000
12	Hazardous waste cleanup		15,000,000	15,000,000	0	0	0	0	
13	Underground storage tank cleanup		50,000,000	0	50,000,000	0	0	50,000,000	5,000,000
14	Acquisition, Elevation and Replacment housing		472,000,000	58,000,000	414,000,000	0	191,000,000	223,000,000	
15	Construction of infrastructure for replacement housing		16,000,000	0	16,000,000	0	0	16,000,000	
16	Public instruction facilities		19,000,000	3,000,000	16,000,000	0	0	16,000,000	
17	Community colleges		287,600	287,600	0	0	0	0	
18	Universities		2,046,727	2,046,727	0	0	0	0	
19	Emergency dredging		10,200,000	0	10,200,000	0	0	10,200,000	10,200,000
20	Reassessing Flood Risks		20,000,000	500,000	19,500,000	0	0	19,500,000	
21	Elevation/Acquisition of insured buildings		30,000,000	30,000,000	0	0	0	0	
22	**TOTAL FOR DEPARTMENT**	456,507,835	832,534,327	236,834,327	595,700,000	0	191,000,000	404,700,000	20,200,000
23	**Department of Agriculture Farm Service Agency**							0	
24	Grants for Crop Losses		349,700,000	0	349,700,000	228,000,000	21,000,000	100,700,000	90,000,000
25	Grants for Farm Structure Losses		182,600,000	0	182,600,000	0		182,600,000	40,000,000
26	Grants for Livestock Losses		12,000,000	0	12,000,000	0	10,000,000	2,000,000	
27	Emergency Conservation Program - restore productive use of farmland		20,000,000	6,000,000	14,000,000	0	14,000,000	0	
28	**Department of Agriculture Farm Service Agency**							0	
29	Watershed Protection and Flood Prevention - flood protection measures for farmsteads		50,000,000	0	50,000,000	0	0	50,000,000	
30	Watershed Protection and Flood Prevention - restore waterways		80,000,000	0	80,000,000	0	65,000,000	15,000,000	
31	Soil and Water Conservation - lagoon conversion		50,000,000	0	50,000,000	0	0	50,000,000	
32	Soil and Water Conservation - damages to BMPs		10,000,000	0	10,000,000	0	10,000,000	0	
33	**USDA - - Food Programs**							0	
34	WIC (Women, Infants and Children Nutrition) - switch to ready-to-feed formula		2,700,000	2,700,000	0	0	0	0	
35	**TOTAL FOR DEPARTMENT**		757,000,000	8,700,000	748,300,000	228,000,000	120,000,000	400,300,000	130,000,000
36	**Commerce**							0	
37	Economic Development Administration - economic adjustment assistance		63,000,000	0	63,000,000	0	0	63,000,000	1,000,000
38	Commercial Fishing		19,000,000	0	19,000,000	0	0	19,000,000	14,250,000
38	**TOTAL FOR DEPARTMENT**		82,000,000	0	82,000,000	0	0	82,000,000	15,250,000

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					= (C) - (D)			= (E) - (F) - (G)	
39	***Department of Transportation***							0	
40	Emergency Relief Program - repairs to roads and debris removal		38,300,000	38,300,000	0	0	0	0	
41	Emergency Relief Program - emergency ferry channel dredging		624,000	624,000	0	0	0	0	
42	Federal Aviation Administration		53,200,000	0	53,200,000	0	0	53,200,000	
43	***TOTAL FOR DEPARTMENT***		92,124,000	38,924,000	53,200,000	0	0	53,200,000	
44	***Defense***							0	
45	Beach Renourishment		76,700,000	0	76,700,000	0	0	76,700,000	
46	NC 12 Study		4,000,000	0	4,000,000	0	0	4,000,000	
47	***TOTAL FOR DEPARTMENT***		80,700,000	0	80,700,000	0	0	80,700,000	
48	***Education***								
49	Community Colleges - financial aid		26,597,859	26,597,859	0	0	0	0	
50	Universities - financial aid		25,200,000	25,200,000	0	0	0	0	
51	***TOTAL FOR DEPARTMENT***		51,797,859	51,797,859	0	0	0	0	
51	***Labor***							0	
52	Employment and Training Administration - discretionary grant funds		5,000,000	5,000,000	0	0	0	0	
53	Natural Disaster Dislocated Worker Funds		24,000,000	24,000,000	0	0	0	0	
54	Technical Assistance		450,000	450,000	0	0	0	0	
5	***TOTAL FOR DEPARTMENT***		29,450,000	29,450,000	0	0	0	0	
56	***Health and Human Services***							0	
57	Social Servics Block Grant - child day care		21,000,000	18,000,000	3,000,000	0	0	3,000,000	
58	***TOTAL FOR DEPARTMENT***		21,000,000	18,000,000	3,000,000	0	0	3,000,000	
59	***Small Business Administration***							0	
60	Loan Program	*286,396,600*				0	0	0	
61	Capital Access Program		5,000,000	0	5,000,000	0	0	5,000,000	
62	***TOTAL FOR DEPARTMENT***	*286,396,600*	5,000,000	0	5,000,000	0	0	5,000,000	
63	***TOTAL FOR DEPARTMENTS***	742,904,435	1,983,606,186	415,706,186	1,567,900,000	228,000,000	311,000,000	1,028,900,000	165,450,000

64 ***Required State Match for:***

65	Column (B)	100,402,079
66	Column (D)	44,600,000
67	Column (G)	87,400,000
68		
69	*Total*	232,402,079

70	**Federal Receipts Beyond Governor's Needs Estimate**								
71	***Department of Agriculture***								
	Emergency Conservation Program - restore productive use of farmland						6,000,000		
3	Farm Loans						400,000,000		
74	"Noninsured Crop" waivers						18,000,000		
75	Tobacco Warehouse Losses						3,000,000		

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					= (C) - (D)			= (E) - (F) - (G)	
76	Rural Housing Grants/Loans						75,000,000		
77	*TOTAL FOR DEPARTMENT*						502,000,000		
78	*Education*								
79	Supplemental Economic Opportunity Grants						10,000,000		
80	*TOTAL FOR DEPARTMENT*						10,000,000		
81	*TOTAL FOR DEPARTMENTS*						512,000,000		
82	**Recommended State Package (in addition to those items funded above)**								
83	State Match Requirement for funded items								232,400,000
84	Crisis Housing Assistance (Direct Housing Assistance beyond FEMA and CDBG)								277,420,000
85	Infrastructure for New Housing Stock								46,330,000
86	Housing Pre-Development Activities								10,000,000
87	Housing Counselors and Recovery Office								13,100,000
88	Business Assistance – Deferred Payment Loans								42,500,000
89	Interest Buydown on SBA Loans								9,000,000
90	ECP Farmer Cost Share Buydown								15,000,000
91	Quality/Assessment Loss Payment								5,000,000
92	Drinking Water Protection								1,000,000
93	Solid Waste Cleanup (Junkyards)								2,000,000
94	Water Quality Monitoring								2,000,000
95	Dam Safety								2,500,000
96	Local Government Support								6,300,000
97	*TOTAL STATE PACKAGE*								*830,000,000*

Appendix II

Direct Housing Assistance

Affected Group		Possible Characteristics	Proposed Remedy		Est. #	State Cost (Millions)
			Federal (inc. Supplemental)	State		
Total Homes Damaged					***55,812***	
Homeowners					**34,943**	**$302.8**
A	Eligible for FEMA buy-out: in 100 year flood plain; greater than 50% damage	All socio-economic groups; mostly single-family homes, with some mobile homes	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable 2. Offer to purchase at pre-flood appraised value (average offer $40,000). Voluntary program. Houses removed or demolished and property remains undeveloped	Supplement to federal purchase price to permit family to secure comparable housing outside of 100-year flood-plain. **Average** supplement $25,000	5,573	$139.3
B	Eligible for FEMA repair and elevation	All socio-economic groups; mostly single-family homes	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable 2. FEMA repair and elevation grant (average $28,000)		3,319	
C	Covered by flood insurance, not buy-out candidate	Upper income OR low to moderate income in financed mobile home	Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable.		1,862	
D	Eligible for SBA loan, not buy-out candidate, no flood insurance	Income over $20,563 for family of 4	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable 2. SBA loan to repair damage or replace home	Supplemental grant of <u>up to</u> $10,000 to repair or replace home	13,062	$61.9
E	Not buy-out candidate; not eligible for SBA loan; not covered by insurance	Low income – less than $20,563 for family of 4	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance of $10,000 or temporary housing if home uninhabitable 2. IFG grant of up to $13,600 to repair or replace home and personal property 3. CDBG unmet needs funds for repair of home or "deep second mortgages" through HOME (HFA)	State funds to supplement federal request for CDBG & HOME to repair or replace damaged housing.	11,127	$ 59.9
F	New Housing Infrastructure	Construction in new neighborhoods	Emergency request includes $16 million in CDBG for infrastructure.	State aid to local gov't for infrastructure – single family	5,700	$41.7
Renters					**18,237**	**$26.3**
G	Eligible for FEMA [redacted]ut	Assume renter mainly low-moderate income; lots of mobile homes	Disaster rental assistance for 60 days if home uninhabitable, beyond th[redacted]a case-by-case basis.	State relocation assistance of $3,000.	5,427	$16.3

Affected Group		Possible Characteristics	Proposed Remedy		Est. #	State Cost (Millions)
			Federal (inc. Supplemental)	State		
H	Eligible for FEMA repair and elevation	All socio-economic groups; mostly single-family homes	3. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance of $10,000 or temporary housing if home uninhabitable 4. FEMA repair & elevation grant (average $28,000)		1,680	
I	Not buy-out candidate; has insurance	Assume renter mainly low-moderate income	Disaster rental assistance for 60 days if home uninhabitable, beyond that on a case-by-case basis.	Rental assistance beyond FEMA, if necessary	1,200	
J	All other renters	Assume renter mainly low-moderate income	1. Landlord may qualify for SBA business loan (estimate 5,800). 2. Disaster rental assistance for 60 days if home uninhabitable, beyond that on a case-by-case basis.	Assume that landlord is treated as a business: no grant assistance to landlord.	11,750	
K	Production of new affordable rental housing	Construction in new neighborhoods	Emergency request includes $147 million for production of affordable rental housing.	Jump-start rental production	3,200	$10.0
Local Government Oversight						**$10**
L	Housing Inspectors			State funds to aid local government oversee massive rebuilding effort		$2.5
M	Land acquisition and predevelopment			State funds to assist non-profit community and local government in rebuilding efforts		$7.5
State Management of Rebuilding						**$11.1**
N	Housing Counselors			Assist families w/ various housing options, advocate with federal agencies	100	$8.5
O	Housing Recovery Office			Responsibility for oversight and coordination	9	2.6 million
Total						**$350.2**

Disaster: 1292
Registration Summary by County

Data As Of: 11/15/99

County	Regs	Damage*			Insurance Type*						Own*	Rent*	Primary Residence*		Residence Type*				Uninsured Expense*		Farm/Ranch Damage*		Residence Destroyed*		Res Univ*		Imminent Danger*		Home Damage*		Per Prop Damage*		Mtg/Rent Assistance*	
		FL	WI	R/WDR	FC o/i	FS own	HO Ins	FO	No RP/ PP Ins	MH Ins			Yes	No	HSD	MR	ATMC	Oth	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Alamance	7	3	3	5	0	0	3	0	3	1	5	2	7	0	4	3	0	0	0	7	1	6	0	7	1	6	0	7	7	0	4	3	0	0
Anson	2	2	0	2	0	0	1	0	0	0	1	0	1	0	1	0	0	0	0	2	0	2	0	1	1	0	0	1	1	1	1	1	0	0
Beaufort	2624	1954	755	1536	166	313	876	50	1045	143	1601	535	2017	115	1205	838	57	56	156	2457	69	2550	131	1981	490	1625	281	1830	1949	665	1431	1178	0	0
Bertie	1046	740	263	620	9	24	441	17	373	53	640	197	783	51	538	273	13	32	43	998	37	1008	65	783	218	630	87	758	766	278	594	449	0	0
Bladen	2529	1106	1007	2053	7	20	612	41	1552	166	1702	625	2259	64	1150	1048	110	29	75	2448	66	2461	34	2303	326	2011	170	2159	2179	347	1589	934	0	0
Brunswick	2831	1514	968	2125	70	103	867	46	1337	230	1836	584	2258	159	1058	1278	43	48	142	2675	56	2768	96	2312	416	1995	237	2172	2247	578	1597	1224	0	0
Camden	112	93	31	62	13	26	63	2	31	4	93	10	101	1	81	17	2	3	6	106	4	108	0	102	21	81	12	90	93	19	71	41	0	0
Carteret	707	402	257	503	54	76	216	9	315	14	478	76	532	21	349	183	6	22	40	661	12	695	24	531	105	451	43	512	536	169	384	322	0	0
Caswell	4	4	2	1	0	0	1	0	2	0	2	1	3	0	1	2	0	0	0	4	0	4	0	3	0	3	0	3	2	2	3	1	0	0
Chatham	12	6	3	8	0	0	6	0	5	0	11	1	12	0	9	3	0	0	1	11	1	10	0	12	4	8	0	12	12	0	6	6	0	0
Chowan	15	8	8	11	0	1	2	0	5	0	6	2	8	0	5	2	0	2	1	14	1	14	0	9	1	8	1	8	6	9	3	12	0	0
Columbus	4098	2086	1554	3165	22	40	973	100	2439	256	2624	1076	3543	147	1928	1642	94	55	150	3926	143	3947	104	3581	622	3064	360	3320	3434	657	2615	1465	0	0
Craven	1644	1089	437	979	37	61	544	25	737	141	1126	297	1362	49	692	664	50	28	66	1572	75	1566	147	1257	419	991	269	1134	1298	340	977	659	0	0
Cumberland	588	178	265	519	1	0	180	4	327	34	396	152	537	8	337	190	17	1	19	565	7	579	11	536	54	495	46	502	517	69	350	237	0	0
Currituck	56	28	22	38	2	4	18	1	13	2	27	4	28	3	21	7	1	4	3	52	1	55	0	33	4	29	4	29	28	28	22	33	0	0
Dare	336	210	109	214	28	59	96	6	89	6	166	34	177	21	118	60	8	11	25	311	3	333	6	189	26	169	16	178	173	163	112	224	0	0
Davidson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Duplin	2606	1703	820	1657	22	42	803	18	1260	219	1641	647	2161	107	1163	1000	89	44	110	2478	149	2453	247	1998	701	1545	369	1871	2101	501	1721	879	0	0
Durham	86	50	26	65	1	1	49	0	29	0	54	22	76	1	66	2	8	0	7	79	2	84	0	75	5	70	4	71	72	14	48	38	0	0
Edgecombe	7404	6474	1359	3246	102	229	2563	128	3219	471	3785	2514	5881	288	3625	1920	685	139	378	6986	159	7226	1723	4251	2431	3554	1286	4686	5396	1983	5107	2267	0	0
Forsyth	14	8	1	6	0	0	9	0	3	0	8	4	11	0	8	2	2	0	0	14	0	14	1	10	4	7	2	9	10	4	7	7	0	0
Franklin	148	82	49	98	0	0	45	6	79	7	97	32	118	10	53	67	5	4	4	142	8	140	11	120	24	106	10	121	118	30	84	64	0	0
Gates																																		
Granville	11	3	2	10	0	0	8	0	2	1	11	0	11	0	7	3	0	0	0	11	0	11	1	10	0	11	2	9	10	1	5	6	0	0
Greene	876	623	258	499	13	24	349	3	307	98	543	206	718	26	391	333	16	10	32	842	61	814	104	628	237	496	133	598	664	208	527	345	0	0
Guilford	8	2	3	7	0	0	4	0	4	0	7	1	8	0	7	1	0	0	1	7	1	7	0	8	3	5	2	6	7	1	2	6	0	0
Halifax	1232	567	434	918	6	10	418	24	572	76	793	293	1044	40	630	417	24	18	41	1185	26	1201	66	1006	190	882	98	973	1013	215	687	538	0	0
Harnett	164	54	69	132	2	3	56	2	83	7	118	32	146	5	87	62	2	1	5	158	8	156	7	143	15	135	16	134	143	21	86	78	0	0
Hertford	755	492	209	468	2	9	375	9	243	49	551	104	627	30	417	215	14	15	42	709	31	721	52	600	140	512	92	561	592	162	445	308	0	0
Hoke	54	21	23	42	1	1	17	1	26	6	44	4	47	2	30	18	0	1	1	53	1	53	1	47	2	46	3	45	46	8	23	31	0	0
Hyde	683	465	245	443	41	91	270	17	241	37	495	76	530	38	389	167	5	15	25	654	66	616	32	537	103	466	57	510	539	142	383	298	0	0
Johnston	804	472	272	548	11	20	277	3	370	41	485	209	637	39	382	250	40	12	45	747	40	760	38	642	158	522	74	606	613	187	466	335	0	0
Jones	765	610	212	444	15	34	318	12	297	59	553	126	645	24	399	268	6	14	40	718	36	727	77	587	209	455	113	551	614	148	487	275	0	0
Lee	16	13	2	5	0	0	9	0	1	0	9	0	9	0	8	1	0	0	0	15	0	15	0	9	2	7	3	6	8	7	7	8	0	0
Lenoir	4302	3471	967	2064	44	145	1243	53	1963	261	2014	1489	3276	219	1944	1194	335	94	239	4033	104	4188	523	2924	1463	1990	875	2569	3082	1205	2714	1570	0	0
Martin	566	323	175	394	2	8	216	5	217	43	364	106	455	9	291	162	13	6	25	538	29	536	34	437	89	300	28	441	431	134	292	273	0	0
Montgomery	3	3	1	2	0	1	2	0	1	0	2	0	2	1	1	0	0	2	0	3	0	3	0	3	1	2	0	3	2	1	2	1	0	0
Moore	17	4	9	15	0	0	6	0	10	0	16	0	15	1	10	6	0	0	1	16	0	17	1	14	3	12	2	13	16	1	9	8	0	0
Nash	3832	2792	809	1855	68	179	1275	31	1438	123	1678	1125	2651	144	1748	441	531	250	260	3347	69	3555	362	2532	922	1972	401	2489	2433	1187	2319	1301	0	0
New Hanover	5156	2806	1661	3829	105	127	1142	69	3153	66	1744	2735	4334	142	2598	426	1409	96	338	4786	27	5113	80	4424	837	3663	272	4222	3926	1214	3774	1366	0	0
Northampton	521	256	212	405	4	2	196	19	225	30	390	80	446	18	274	182	5	7	20	499	19	502	9	459	62	405	29	436	443	77	276	243	0	0
Onslow	1450	729	512	1073	58	74	403	16	711	55	892	322	1159	53	585	532	74	24	94	1349	25	1425	54	1152	242	965	126	1079	1126	324	774	675	0	0
Orange	23	12	10	16	1	1	11	0	8	1	15	5	19	1	15	4	1	0	2	21	0	23	0	19	4	15	5	14	18	5	17	6	0	0
Pamlico	508	317	196	377	21	45	149	20	235	18	359	65	390	33	284	131	4	9	23	483	19	486	21	393	68	346	32	382	389	115	253	254	0	0
Pasquotank	307	214	80	188	8	20	129	7	107	7	202	57	242	14	204	40	12	2	13	294	4	303	8	245	38	215	19	234	236	71	166	140	0	0
Pender	3367	2110	991	2161	92	180	1063	58	1642	276	2237	760	2800	178	1524	1366	67	71	183	3167	77	3281	268	2684	804	2159	470	2486	2717	645	2206	1146	0	0
Perquimans	44	[redacted]	15	34	0	2	14	2	14	1	27	3	30	0	17	[redacted]	0	1	1	42	0	43	3	28	6	25	4	26	30	13	[redacted]	19	0	0
Person	4	[redacted]	1	1	0	0	1	0	1	2	3	0	3	0	2	[redacted]	0	0	0	4	0	4	0	3	1	2	1	2	3	1	[redacted]	3	0	0
Pitt	9665	[redacted]	695	3850	188	413	2785	55	4300	972	4605	3451	7585	376	3152	[redacted]	306	241	572	9010	169	9466	2250	5573	3194	4648	1907	5914	6960	2666	[redacted]	3014	0	1

Disaster: 1292
Registration Summary by County

Data As Of: 11/15/99

County	Regs	Damage*			Insurance Type*						Own*	Rent*	Primary Residence*		Residence Type*				Uninsured Expense*		Farm/Ranch Damage*		Residence Destroyed*		Res Univ*		Imminent Danger*		Home Damage*		Per Prop Damage*		Mtg/Rent Assistance*	
		FL	WI	R/WDR	FC o/i	FS own	HO Ins	FO	No RP/ PP Ins	MH Ins			Yes	No	HSD	MH	ATMC	Oth	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Randolph	14	12	2	6	2	1	4	0	5	1	7	4	11	0	4	7	0	0	0	14	1	13	2	9	1	10	2	8	9	5	6	8	0	0
Richmond	6	4	2	3	0	0	1	0	2	1	4	0	4	0	1	3	0	0	0	6	0	6	0	4	2	2	1	3	4	2	3	3	0	0
Robeson	2428	876	1052	2067	7	16	625	73	1360	259	1796	492	2224	58	1036	1161	65	22	93	2323	40	2385	36	2261	228	2071	181	2114	2157	268	1360	1062	0	1
Rockingham	3	3	0	1	0	0	1	0	1	0	1	1	2	0	2	0	0	0	1	2	1	2	0	2	0	2	0	2	2	1	2	1	0	0
Rowan	1	0	1	1	0	0	0	0	1	0	1	0	1	0	0	1	0	0	0	1	0	1	0	1	0	1	0	1	1	0	0	1	0	0
Sampson	1296	488	519	1047	7	9	349	15	704	112	916	254	1118	45	568	574	17	18	48	1241	56	1235	38	1131	147	1022	89	1077	1098	194	691	598	0	0
Scotland	19	2	13	17	0	0	4	0	11	2	13	3	14	2	9	5	0	2	1	18	1	18	0	17	3	13	0	17	16	3	9	10	0	0
Stanly	84	1	47	45	0	0	9	1	48	1	25	35	56	4	29	4	26	1	5	59	0	64	9	49	19	39	5	53	52	12	45	18	0	0
Tyrrell	91	47	32	75	2	8	25	3	40	6	63	10	72	2	39	33	2	0	0	88	4	86	1	73	8	66	3	71	68	21	32	57	0	0
Union	2	0	0	2	0	0	1	0	0	0	1	0	1	0	1	0	0	0	1	1	0	2	0	1	0	1	0	1	1	1	1	1	0	0
Vance	22	11	7	16	0	0	8	0	9	2	13	6	18	1	11	7	0	0	2	20	1	21	1	17	2	16	0	18	18	4	14	8	0	0
Wake	606	329	199	404	7	16	315	5	184	17	392	132	503	15	381	73	70	6	56	543	9	595	10	519	89	439	55	474	468	137	347	257	0	0
Warren	77	37	31	62	0	1	37	0	27	4	61	7	63	5	43	22	0	3	3	73	2	75	2	64	5	61	3	63	64	13	36	41	0	0
Washington	65	30	19	47	2	1	16	1	25	8	44	5	44	3	25	21	1	4	1	64	4	60	2	47	2	47	2	46	43	22	31	34	0	0
Wayne	4477	3222	1155	2521	103	203	1739	50	1647	279	2450	1186	3459	176	2175	1107	326	100	301	4148	129	4331	311	3300	1125	2501	722	2893	3244	1222	2601	1862	0	0
Wilson	2037	1438	478	1196	32	79	771	28	866	100	1036	704	1653	76	1088	378	235	63	109	1899	37	1993	188	1557	522	1224	263	1478	1561	465	1396	632	0	0
TOTALS	73,010	49,239	20,559	44,203	1,378	2,722	23,009	1,035	33,964	4,768	41,259	20,903	58,947	2,825	33,220	22,308	5,796	1,586	3,848	68,699	1,091	70,936	7,191	54,253	16,819	44,699	9,287	52,101	55,812	16,986	45,855	26,884	0	2

County	Regs	Damage*			Insurance Type*						Own*	Rent*	Primary Residence*		Residence Type*				Uninsured Expense*		Farm/Ranch Damage*		Residence Destroyed*		Res Univ*		Imminent Danger*		Home Damage*		Per Prop Damage*		Mtg/Rent Assistance*	
		FL	WI	R/WDR	FC o/i	FS own	HO Ins	FO	No RP/ PP Ins	MH Ins			Yes	No	HSD	MH	ATMC	Oth	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No

* Numbers may not sum up to total Registrations due to data not being provided by Registrant at Registration.

* This data has been supplied by Registrants and has not been verified by FEMA.

FEMA TELEREGISTRATION SUMMARY, 11/15/99:

Total teleregistrations		73,010	
Teleregistrants reporting home damage		55,812	Percentage
	Destroyed	7,191	12.88%
	Unlivable, but not destroyed	16,819	30.14%
	Damaged, but habitable	31,802	56.98%
Home ownership status of destroyed homes			
	Owners	3,716	52.52%
	Renters	3,359	47.48%
Home ownership status of unlivable homes			
	Owners	9,953	59.81%
	Renters	6,688	40.19%
Home ownership status of destroyed & unlivable homes			
	Owners	13,669	50.66%
	Renters	13,312	49.34%
Home ownership status of all teleregistrants			
	Owners	41,259	66.37%
	Renters	20,903	33.63%
Insurance status of all teleregistrants			
	Flood structure	2,722	3.73%
	Mobile homes	4,768	8.54%
			12.27%
Housing type, all teleregistrants			
	Single Family	33,220	52.81%
	Mobile Home - 40% Owner/60% Renter	22,308	35.46%
	Apartment/Multi-Family	5,796	9.21%
	Other	1,586	2.52%

D MITIGATION GRANT PROGRAM PLANS:	*Requested*
Homes to be bought-out by base FEMA HMGP	5,000
Homes to be bought-out by supplemental CDBG	4,250
Homes to be bought-out by supplemental Hazardous Substance Funding	1,750
Total	11,000
Homes to be elevated/repaired by supplemental CDBG	5,000

IMPUTED TOTALS:	*Total Need:*
Homeowners	
Total homeowners with damage	34,943
Eligible for buy-out	(5,573)
Eligible for elevation	(3,319)
Damage covered by insurance	(1,862)
Homeowners requiring additional assistance	24,189
Eligible for SBA loan	(13,062)
Homeowners for whom IFG is only option	**11,127**
Assumed destroyed	983
Assumed unlivable, but not destroyed	2,704
Assumed damaged but habitable	7,440
Renters	
Total renters with damage	20,869
Eligible for buy-out	(5,427)
Elegible for elevation	(1,681)
Damage covered by insurance	(1,218)
Rental units requiring additional assistance	12,543
Eligible for SBA loan	(6,773)
Rental units for which no funding available	**5,770**
Assumed destroyed	493
Assumed unlivable, but not destroyed	739
Assumed damaged but habitable	4,538

Appendix III

Housing Counselors and Recovery Office

Housing Counselors & Recovery Office Costs

		First Year	Second Year
HOUSING COUNSELORS:			
Counselors - @ $40,000 - 60 Year 1, 30 Year 2		2,400,000	1,200,000
Community Outreach Specialists @ $25,000 - 40 Year 1, 25 Year 2		1,000,000	500,000
Administrative Support- 25 @ $18,000		450,000	450,000
	Salaries	3,850,000	2,150,000
Fringe Benefits		962,500	537,500
Supplies		187,500	120,000
Travel, Phone		300,000	165,000
	Subtotal - recurring costs	5,300,000	
Equipment		750,000	
	Total	6,050,000	2,972,500
Extra 1/2 Year			1,486,250
HOUSING RECOVERY OFFICE:			
Program Coordinator, gr. 78		1	65,000
Community Recovery Specialists, gr. 77		5	318,000
Data Analyst, gr. 73		1	44,000
Community Relations Specialists, gr. 68		1	35,000
Administrative Support, gr. 61		1	26,000
	Salaries	9	488,000
Fringe Benefits			105,806
Supplies			13,500
Travel, Phone			21,000
	Subtotal - recurring costs		628,306
Equipment			54,000
	Total		682,306
Additional 27 months (less equipment)			1,413,689
	Total		2,095,995
Additional DCA Staff			477,000
Grand Total			2,572,995

Appendix IV

Small Business Disaster Assistance

	Quantity	Total Need	Dollars: Basic FEMA	Federal Supplemental (at Emergency Level)	Non-State Match	State Match	*State Supplemental*	Total State Funds
Small Businesses denied SBA loans that will receive deferred payment term notes at average of $25,000 per loan	1,500	37,500,000					*37,500,000*	37,500,000
Medium-sized Businesses denied sufficient SBA loans that will receive deferred payment term notes at an average of $200,000 per loan.	25	5,000,000					*5,000,000*	5,000,000
High Risk Businesses that will receive market rate loans via assignment to higher risk pool at average of $100,000 per borrower with private leverage	1,000	100,000,000		5,000,000	95,000,000		*0**	0
Small to Mid-size business that will receive low interest loans via a revolving loan fund at average $100,000 each with private leverage	200	20,000,000		5,000,000	15,000,000		*0**	0
Interest buy-down on SBA loans for 5 years.	3,500	8,500,000					*8,500,000*	8,500,000
Total	**2,725**	**171,000,000**	**0**	**10,000,000**	**110,000,000**	**0**	*51,000,000*	51,000,000

Assumes private funds leverage for difference between total need and federal package.

Appendix V

Drinking Water

Drinking Water Protection

Supply Costs	
50,000 Coliform Kits @ $2/kit =	$100,000
20,000 Nitrate Kits @ $5/kit =	$100,000
Subtotal	**$200,000**

Test Costs (Includes both reagent supply and manpower costs)

50,000 Coliform Tests @ $7/kit	$350,000
20,000 Nitrate Tests @ $8/kit	$160,000
50 VOC Tests @ $60/test	$ 3,000
150 Petroleum Tests @ $150/test	$ 22,500
100 Pesticide Tests @ $120/test	$ 12,000
Subtotal	**$547,500**

Administrative Costs

Personnel hours devoted to administrative support	**$ 53,707**

Community Environmental Health Assessment - Technical Assistance

Three 3-member teams working 40 hours per week for 12 weeks	$150,000
Travel and Lodging	$ 48,000
Subtotal	**$198,000**
TOTAL	**$999,207**

Bacteriological Samples from Hurricane Floyd
North Carolina State Laboratory of Public Health
Cumulative from 9/17/99 through 11/17/99

Includes Samples Analyzed at Shellfish Laboratory, Morehead City and Craven County Health Department

COUNTY	SAMPLES	# POSITIVE TOTAL COLIFORM	% POS TOTAL C	POSITIVE E.coli	% POS E.coli
BEAUFORT	662	236	35.6	45	6.8
BERTIE	52	12	23.1	6	11.5
BLADEN	207	37	17.9	1	0.5
CAMDEN	53	15	28.3	0	0.0
CARTERET	909	296	32.6	49	5.4
CHOWAN	1	0	0.0	0	0.0
COLUMBUS	1082	207	19.1	19	1.8
CRAVEN	199	28	14.1	2	1.0
DUPLIN	661	202	30.6	66	10.0
EDGECOMBE	416	218	52.4	74	17.8
GATES	10	8	80.0	3	30.0
GREENE	27	8	29.6	1	3.7
HALIFAX	46	36	78.3	12	26.1
HERTFORD	108	42	38.9	11	10.2
JONES	89	30	33.7	4	4.5
LENOIR	59	15	25.4	6	10.2
MARTIN	98	42	42.9	8	8.2
NASH	7	2	28.6	1	14.3
NORTHAMPTON	21	7	33.3	3	14.3
ONSLOW	131	31	23.7	5	3.8
PAMLICO	66	17	25.8	4	6.1
PASQUOTAN	5	1	20.0	0	0.0
PENDER	1232	266	21.6	33	2.7
PITT	21	10	47.6	2	9.5
SAMPSON	118	29	24.6	4	3.4
WAYNE	157	54	34.4	12	7.6
TOTAL	**6437**	**1849**	**28.7**	**371**	**5.8**

Nitrate Samples
Cumulative from 9/17/99 through 11/17/99

Location	Samples Submitted	Positives (> 10 mg/l as N)
BERTIE	10	0
BALDEN	52	2
CARTERET	9	0
COLUMBUS	14	0
DUPLIN	56	3
EDGECOMBE	114	2
GREENE	9	1
HALIFAX	1	0
LENOIR	6	0
NASH	9	0
NORTHAMPTON	2	0
ONSLOW	1	0
PENDER	32	1
SAMPSON	10	1
WAYNE	7	3
WILSON	1	0
TOTAL	**323**	**13**

Samples Analyzed by the Shellfish Laboratory in Morehead City

COUNTY	SAMPLES	# POSITIVE TOTAL COLIFORM	% POS TOTAL C	POSITIVE E.coli	% POS E.coli
Beaufort	15	3	20.0	1	6.7
Carteret	489	163	33.3	31	6.3
Jones	69	23	33.3	3	4.3
Onslow	49	11	22.4	2	4.1
Pamlico	40	11	27.5	3	7.5
Total	662	211	31.9	40	6.0

Appendix VI

Solid Waste Cleanup

SOLID WASTE CLEANUP

The following list of auto salvage facilities will be prioritized for buyout and remediation. It is estimated that four of the eight facilities will cost approximately $4.5 million. All of the sites listed are in the Neuse River Basin.

AL'S
New Bern, NC
252-638-3500 – work phone
252-638-8094 – home phone
Total Acreage: 14

HARPER AUTO SALVAGE, INC.
1313 Highway 11/55
Kinston, NC 28504
252-523-1039 – phone
252-523-9358 – fax
Total Acreage: 33

STROUD'S AUTO SALVAGE
720 Pink Hill Road
Kinston, NC 28504
Total Acreage: 21 ½

TARHEEL AUTO SALVAGE
2406 West New Bern Road
Kinston, NC 28504
919-523-9890
Total Acreage: 13

WAYNE'S AUTO SALVAGE
1911 Highway 117 South
Goldsboro, NC 27530
919-734-3958 – phone
919-735-9684 – fax
Total Acreage: 115-120

WEBB'S AUTOMOTIVE (Two Sites)
900 Pink Hill Road
Kinston, NC 28504
252-523-5227 – phone
252-523-2196 – fax
Total Acreage: 30

WOODY'S
524 Pink Hill road
Kinston, NC 28504
252-527-8148 – phone
Total Acreage: 13

Appendix VII

Hazardous Waste

Old Landfills Potentially Damaged by Hurricane Floyd Flooding

County	Site Name	Address	City
Beaufort	Suburban Sanitation Service Dump		
Beaufort	Aurora Dump		
Beaufort	Texas-gulf Site #4 Landfill	Hwy 306 N	Aurora
Beaufort	Chocowinity Dump		
Beaufort	Bath Dump		
Beaufort	Old Beaufort County Landfill	Flanders Filters Rd	Washington
Beaufort	Washington Dump		
Beaufort	Pantego Dump		
Beaufort	Belhaven Dump		
Beaufort	Pungo Dump		
Beaufort	Pantego Refuse Disposal		
Beaufort	Washington Park Dump		
Beaufort	Town of Washington Park Dump		
Bertie	Kelford Dump		
Bertie	Powellsville Refuse Disposal		
Bertie	Aulander Refuse Disposal		
Bertie	Roxobel Refuse Disposal		
Bertie	Lewiston Refuse Disposal		
Bertie	Windsor Refuse Disposal Area		
Bertie	Colerain Refuse Disposal		
Bladen	Tarheel Refuse Disposal		
Bladen	Dublin Refuse Dump		
Bladen	Elizabethtown Refuse Disposal		
Bladen	White Lake Refuse Dump		
Bladen	Clarkton Refuse Disposal		
Bladen	Bladen County Landfill	US Hwy 701 S	Elizabethtown

County	Site Name	Address	City
Bladen	Bladenboro Refuse Disposal		
Brunswick	Bolivia Refuse Disposal		
Brunswick	Sunny Point Base Landfill	Sunny Point Terminal	Southport
Brunswick	Grissettown Landfill		
Brunswick	Winnabow Landfill		
Brunswick	Shallotte Sanitary Landfill		
Brunswick	Ocean Isle Landfill		
Brunswick	Southport Sanitary Landfill		
Brunswick	Holden Beach Landfill		
Brunswick	Leland Sanitary Landfill		
Brunswick	Leland Landfill		
Brunswick	Long Beach Refuse Disposal		
Brunswick	Old Southport Landfill		
Brunswick	Clemmons Landfill		
Brunswick	Yaupon Beach Dump		
Brunswick	Shallotte Refuse Dump		
Brunswick	Boiling Springs Lake Dump		
Camden	Newby's Trash Service Dump		
Camden	Camden County Landfill		
Carteret	Otway Community Refuse Dump		
Carteret	Atlantic Refuse Dump		
Carteret	Beaufort Refuse Dump		
Carteret	Whaley Refuse Dump		
Carteret	Atlantic Beach Refuse Dump		
Carteret	Marshallberg Dump		
Carteret	Mill Creek Refuse Dump		
Carteret	Morehead City Refuse Dump		

County	Site Name	Address	City
Carteret	Stacy Refuse Dump		
Carteret	Harkers Island Refuse Disposal		
Carteret	Newport Refuse Dump		
Carteret	Carteret County Landfill – Mount Russel		
Carteret	Winston Hill Landfill		
Carteret	Raynor Garbage Disposal Dump		
Carteret	Emerald Isle Dump		
Carteret	Cape Carteret Dump		
Carteret	Carteret County Landfill		
Carteret	Cherry Point Landfill	Hwy 101	Cherry Point
Chowan	J.W. Bradley Dump		
Chowan	Chowan County Landfill		
Chowan	Edonton Landfill		
Chowan	Perquimans-Chowan Landfill		
Columbus	Riegelwood Dump		
Columbus	Bolton Dump		
Columbus	Lake Waccamaw Dump		
Columbus	Chadbourn Dump		
Columbus	Fair Bluff Dump		
Columbus	Whiteville Dump		
Columbus	Tabor City Dump		
Craven	Havelock Refuse Dump		
Craven	Dover Refuse Dump		
Craven	Rowe's Corner Dump		
Craven	Vanceboro Dump		
Craven	Craven County		
Craven	Cherry Point Marine Corp Air Station Landfill		

County	Site Name	Address	City
Craven	Craven County-Vanceboro Landfill		
Craven	New Bern Sanitary Dump		
Currituck	Independent Trash Service Dump		
Dare	Manteo Dump		
Dare	Kill Devils Hills Dump		
Dare	Dare County Dump		
Dare	Buxton Dump-Cape Hatteras	.5mi W of Back Rd	Buxton
Dare	Jennette's Dump		
Duplin	Rose Hill Dump		
Duplin	Kenansville Dump		
Duplin	Beulaville Dump		
Duplin	Calypso Dump		
Duplin	Warsaw Dump		
Duplin	Magnolia Dump		
Duplin	Faison Dump		
Duplin	Wallace Dump		
Edgecombe	Conetoe Refuse Disposal Area		
Edgecombe	Macclesfield Dump		
Edgecombe	Rocky Mtn. Fiber Dump		
Edgecombe	Princeville Dump		
Edgecombe	Pinetops Refuse Dump		
Edgecombe	Old Rocky Mount Landfill		
Edgecombe	Tarboro Landfill	Baker St Ext (Sr1 1518)	Tarboro
Gates	Gatesville Dump		
Gates	Gates County Landfill		
Greene	Walstonburg Dump		
Greene	Hookerton Dump		

County	Site Name	Address	City
Greene	Greene County Landfill		
Greene	Snowhill Dump		
Halifax	Littleton Dump		
Halifax	Enfield Refuse Disposal		
Halifax	Roanoke Rapids Landfill		
Halifax	Weldon Refuse Disposal		
Halifax	Halifax Dump		
Halifax	Scotland Neck Dump		
Halifax	Hobgood Dump		
Halifax	Weldon City Landfill		
Halifax	Roanoke Rapids City Landfill		
Halifax	Halifax County Landfill	Sr 1103 (Crowell's Rd) W Side	
Hertford	Winton Dump		
Hertford	Ahoskie Dump		
Hertford	Murfreesboro Dump		
Hyde	Fairfield Dump		
Hyde	Swan Quarter Dump		
Hyde	Englehard Dump		
Hyde	New Holland Dump		
Hyde	Ocracoke Dump		
Johnston	Four Oaks Dump		
Johnston	Kenly Dump		
Johnston	Selma Refuse Dump		
Johnston	Pine Level Dump		
Johnston	Princeton Dump		
Johnston	Clayton Refuse Disposal	Sr1709	Clayton
Johnston	Benson Refuse Dump		

County	Site Name	Address	City
Johnston	Smithfield Refuse Dump		
Jones	Trenton Refuse Disposal		
Jones	Maysville Refuse Disposal		
Jones	Pollocksville Dump		
Lenoir	Dobbs Farm Dump		
Lenoir	Caswell School Dump		
Lenoir	Kennedy Home Dump		
Lenoir	La Grange Refuse Disposal		
Lenoir	Carter's Refuse Disposal		
Lenoir	Everett Garbage Service Dump		
Lenoir	Pink Hill Dump		
Lenoir	Seven Springs Dump		
Lenoir	Kinston City Landfill		
Lenoir	Kinston Sanitary Landfill		
Martin	Oak City Dump		
Martin	Hamilton Dump		
Martin	Williamston Dump		
Martin	Robesonville Dump		
Martin	Jamesvilles Dump		
Martin	Weyerhauser Company		
Nash	Castalia Refuse Dump	Sr 1321 (Lancaster Store Rd)	Castalia
Nash	Middlesex Dump	Hwy 264 E	Middlesex
Nash	Sharpsburg Dump	Hwy 301 N	Sharpsburg
Nash	Battleboro Dump	Sr 1522	Battleboro
Nash	Spring Hope Dump	Sr 1002	Spring Hope
Nash	Whitakers Dump	Hwy 301 S	
Nash	Bailey Dump	Sr 1108 (Stone-	Bailey

County	Site Name	Address	City
		heritage Rd)	
Nash	Nash County Landfill	Sr 1145 (W Old Spring Hope Rd) & Sr 1147	Spring Hope
Nash	Rocky Mount Landfill	Sr 1765 (Community Rd)	Rocky Mount
Nash	Nashville Dump	Hwy 58	Nashville
Nash	Nash County Landfill (Red Oak Landfill)	Sr 1524 (Red Oak Battleboro Rd)	Red Oak
New Hanover	Barfield's Dump	Hwy 76	Wrightsville Beach
New Hanover	Carolina Beach Refuse Disposal	Sr 1100	Carolina Beach
New Hanover	Castle Hayne Service Dump	5 Mi off Hwy 17 off Sr 1335	Castle Hayne
New Hanover	Castle Hayne Trash Service	Sr 1002, near Castle Hayne	Castle Hayne
New Hanover	Kure Beach Refuse Disposal	Sunny Point Safety Zone	Kure Beach
New Hanover	Military Cutoff Landfill	Military Cutoff Rd	Wilmington
New Hanover	New Hanover County. Landfill	Off Ethyl-Dow Rd	Carolina Beach
New Hanover	Wrightsville Beach Dump		Wrightsville Beach
New Hanover	Blue Clay Rd. Landfill	Sr 2025 (Blue Clay Rd)	
New Hanover	Wilmington Landfill	N 9th St Exit	Wilmington
New Hanover	Rural Garbage Service	Sr 1524	
New Hanover	McRae Street Landfill	McRae St	Wilmington
New Hanover	Flemington Landfill	Fayetteville Ave	Wilmington
New Hanover	New Hanover County & Carolina Landfill	Sr 1534 (Dow Rd)	Carolina Beach

County	Site Name	Address	City
Northampton	Woodland Refuse Disposal		
Northampton	Jackson Refuse Disposal		
Northampton	Conway Refuse Disposal		
Northampton	Seaboard Refuse Disposal		
Northampton	Sovern Refuse Disposal		
Northampton	Rich Square Refuse Disposal		
Northampton	Perdue, Inc.		
Northampton	Gaston Refuse Disposal		
Onslow	Swansboro Dump		
Onslow	Richards Refuse Disposal		
Onslow	Holly Ridge Refuse Disposal		
Onslow	Jacksonville Dump		
Onslow	Southwest Landfill		
Onslow	Ray's Rural Dump		
Onslow	Pumpkin Center Landfill	Pumpkin Center Rd/fox Run Subdivision	Jacksonville
Onslow	Jacksonville Landfill	Georgetown Rd	Jacksonville
Pamlico	Bayboro Dump		
Pamlico	Oriental Dump		
Pamlico	Vandmere Dump		
Pasquotank	Elizabeth City Landfill		
Pender	Atkinson Dump		
Pender	Burgaw Dump		
Pender	Kirkland's Dump		
Perquimans	Hertford Dump		
Pitt	Grimesland Refuse Dump		
Pitt	Fountain Refuse Disposal		

County	Site Name	Address	City
Pitt	Farmville Refuse Disposal		
Pitt	Falkland Dump		
Pitt	Winterville Dump		
Pitt	Grifton Dump		
Pitt	Bethel Refuse Dump		
Pitt	Old Greenville City Landfill	5th & Cemetery	Greenville
Pitt	Ayden Refuse Dump		
Robeson	Parkton Dump		
Robeson	Fairmont Dump		
Robeson	Lumber Bridge Refuse Disposal		
Robeson	Rowland Refuse Dump		
Robeson	Maxton Dump		
Robeson	Pembroke Dump		
Robeson	St. Pauls Dump		
Robeson	Lumberton Dump		
Robeson	Lumberton City Landfill		
Robeson	Red Springs Dump		
Robeson	Sanitation Service Landfill	Sr1743	St. Pauls
Robeson	Robeson County Landfill		
Sampson	Salemburg Dump		
Sampson	Clinton Dump		
Sampson	Newton Grove Dump		
Sampson	Autryville		
Sampson	Roseboro Dump		
Sampson	Keener Landfill	Sr 1820	Clinton
Sampson	Garland Dump		
Tyrrell	Columbia Dump		

County	Site Name	Address	City
Tyrrell	Scuppenong Comm. Dump		
Washington	Roper Refuse Disposal		
Washington	Mackey's Dump		
Washington	Creswell Refuse Disposal		
Washington	Plymouth Refuse Dump		
Wayne	Seymour Johnson Air Force Base Landfill	NC 13	Goldsboro
Wayne	Northern Wayne Landfill		
Wayne	Kermit Gurley Dump		
Wayne	Cherry Hospital Dump		
Wayne	Freemont Refuse Disposal		
Wayne	Pikeville Dump		
Wayne	Goldsboro Dump		
Wayne	Mt. Olive Refuse Disposal		
Wayne	Eureka Refuse Disposal		
Wayne	Old Goldsboro Municipal Landfill	Waynesville State Park	Goldsboro
Wilson	Statonsburg Dump		
Wilson	Black Creek Dump		
Wilson	Saratoga Dump		
Wilson	Elm City Refuse Disposal		
Wilson	Sims Garbage Dump		
Wilson	Wilson Sanitary Landfill		
Brunswick	Carolina Beach Landfill		
Northampton	Northampton County Landfill		
Pasquotank	Pasquotank County Landfill		
Columbus	Columbus County Landfill		
Duplin	Duplin County Landfill		
Edgecombe	Edgecombe County Landfill		

County	Site Name	Address	City
Johnston	Johnston County Landfill		
Pitt	Pitt County Landfill	Sr 1203 (Allen Rd)	Greenville
Pitt	Unknown #1 - Pitt		
Pitt	Unknown #2 - Pitt		
Wayne	Dudley Landfill	Sr 1129/ 117 Bypass	Goldsboro
Wilson	City of Wilson Landfill	1131 US Hwy 301 South	Wilson
Onslow	Phillips Park	W of Hwy 17, S of Phillips Rd	Jacksonville
Onslow	Kerr City Park	Kerr St	Jacksonville
Onslow	Jacksonville Waste Water Treatment Plant Landfill	Shoreline Dr	Jacksonville
Onslow	Henderson Dr Landfill	Henderson Dr	Jacksonville
Onslow	Onslow Pines Rd Landfill	Onslow Pines Rd	Jacksonville
Brunswick	Brunswick County Landfill	Sr 1438 Lanvale Rd	Leland
Wayne	Goldsboro Municipal Landfill	117 Bypass	Goldsboro
Lenoir	Kinston Demolition Landfill	Davie St	Kinston
Pitt	Pitt County Utility Landfill	Port Terminal Rd	Greenville
Washington	Plymouth Shopping Center	Hwys 64 & 32	Plymouth
New Hanover	Tenth St Landfill	10th St off Hwy 117	Wilmington
New Hanover	Burnt Mill Creek Landfill	Stanley St	Wilmington

Appendix VIII

Underground Storage Tanks

Flooded Underground Storage Tanks by Region and Counties

Washington Regional Office:

60 UST sites with confirmed flood-related damage.
- Bertie County
- Wayne County
- Lenoir County
- Beaufort County
- Pitt County
- Pasquotank County
- Greene County
- Jones County
- Craven County

Raleigh Regional Office:

59 UST sites with confirmed flood-related damage.
- Wake County
- Nash County
- Edgecombe County
- Wilson County
- Johnston County

Fayetteville Regional Office:

9 UST sites with confirmed flood-related damage.
- Bladen County (9)

Wilmington Regional Office:

11 UST sites with confirmed flood-related damage.
- Pender County (1)
- Duplin County (2)
- Columbus County (2)
- Brunswick County (2)
- New Hanover County (4)

Appendix IX

Emergency Dredging

WATER RESOURCES DEVELOPMENT PROJECTS

Division of Water Resources
Department of Environment and Natural Resources

Reserve for Emergency Dredging Projects

1. Wilmington Harbor
2. Morehead City Harbor
3. Atlantic Intracoastal Waterway
4. Manteo (Shallowbag Bay) Oregon Inlet
5. Rollinson Channel
6. Silver Lake Harbor
7. Beaufort Harbor
8. New River Inlet
9. Avon Harbor
10. Channel from Pamlico Sound to Rodanthe
11. New Topsail Inlet
12. Channel from Back Sound to Lookout Bight

TOTAL **$10,200,000**

Appendix X

Local Government Support

Hurricane Floyd's Fiscal Impact on County Property Taxes

	1999-2000 Estimated Losses					
Counties	1999-2000 anticipated collection rate	Avg. collection rate (last 3 yrs)	Difference if lower	Fiscal Impact of lower collections	% loss due to Floyd	Estimate Floyd Loss
Beaufort	95.0%	94.0%				
Bertie						
Bladen	95.0%	96.5%	-1.5%	180,633	100%	180,633
Brunswick	95.5%	96.5%	-1.0%	450,000	100%	450,000
Camden						
Carteret						
Chowan						
Columbus	94.0%	93.5%				
Craven	97.9%	97.7%			0%	
Cumberland	97.0%	96.1%				
Currituck						
Dare	98.0%	97.8%			n/a	
Duplin	93.0%	96.1%	-3.1%	352,040	90%	316,836
Durham	97.6%	97.1%			0%	
Edgecombe	90.0%	94.4%	-4.4%	810,000	100%	810,000
Gates	no impact	no impact				
Greene	90.0%	92.0%	-2.0%	97,000	100%	97,000
Halifax	96.5%	95.0%			0%	
Harnett	95.0%	94.0%			n/a	
Hertford	90.0%	92.0%	-2.0%	218,917	100%	218,917
Hoke	95.0%	95.7%	-0.7%		n/a	
Hyde	75.0%	90.8%	-15.8%	530,000	100%	530,000
Johnston						
Jones	92.0%	93.0%	-1.0%	32,115	100%	32,115
Lenoir	95.5%	95.1%		70,000	100%	70,000
Martin						
Nash	95.0%	96.0%	-1.0%	260,000	100%	260,000
New Hanover	98.0%	98.2%	-0.2%		n/a	
Northampton	93.0%	96.0%	-3.0%	570,248	100%	570,248
Onslow	96.3%	96.2%				
Pasquotank	96.0%	96.0%			0%	
Pender	94.0%	96.0%	-2.0%	240,000	100%	240,000
Perquimons						
Pitt	94.0%	95.2%	-1.2%	380,000	100%	380,000
Robeson						
Sampson	96.0%	96.0%	0.0%		0%	
Scotland	95.5%	95.3%			n/a	
Tyrrell						
Wake						
Washington	94.0%	93.4%			n/a	
Wayne	94.0%	95.7%	-1.7%	364,000	100%	364,000
Wilson						
Totals	Max collect decrease =		-15.8%	4,554,953		4,519,749

ANALYSIS OF THE ESTIMATED IMPACT OF HURRICANE FLOYD ON MUNICIPAL PROPERTY TAX REVENUES FOR FY1999-2000, BASED ON VALUATIONS OF REAL AND TAXABLE PERSONAL PROPERTY AND PUBLIC SERVICE COMPANIES FOR NCLM FLOYD-AFFECTED COUNTIES AND MUNICIPALITIES FOR FISCAL YEAR 1998-1999

	Valuations for All NCLM Floyd Counties			Valuations for NCLM Floyd Counties in NCCAC Survey with FY1999-2000 Lost Revenue		
NCLM Floyd Counties	County Total	Municipal Total	Municipal as % of County	County Total	Municipal Total	Municipal as % of County
Beaufort	$2,420,394,660	$571,387,837	23.61%			
Bertie	$700,924,545	$150,239,167	21.43%			
Bladen	$1,486,424,136	$393,228,161	26.45%	$1,486,424,136	$393,228,161	26.45%
Brunswick	$6,534,189,023	$2,895,351,079	44.31%	$6,534,189,023	$2,895,351,079	44.31%
Carteret	$5,367,475,299	$3,385,437,663	63.07%			
Columbus	$2,329,832,978	$588,846,365	25.27%			
Craven	$4,115,591,953	$2,167,725,995	52.67%			
Cumberland	$11,627,562,452	$6,361,967,776	54.71%			
Duplin	$1,893,779,330	$405,490,302	21.41%	$1,893,779,330	$405,490,302	21.41%
Edgecombe	$1,969,495,210	$1,195,614,221	60.71%	$1,969,495,210	$1,195,614,221	60.71%
Greene	$610,004,878	$62,152,694	10.19%	$610,004,878	$62,152,694	10.19%
Halifax	$2,090,531,668	$922,424,394	44.12%			
Hertford	$725,825,967	$283,074,477	39.00%	$725,825,967	$283,074,477	39.00%
Johnston	$4,883,402,506	$1,466,393,134	30.03%			
Jones	$440,032,722	$43,000,542	9.77%	$440,032,722	$43,000,542	9.77%
Lenoir	$2,783,845,815	$1,114,495,109	40.03%	$2,783,845,815	$1,114,495,109	40.03%
Martin	$1,263,944,310	$279,354,101	22.10%			
Nash	$3,967,373,445	$2,358,058,687	59.44%	$3,967,373,445	$2,358,058,687	59.44%
New Hanover	$10,524,404,554	$4,276,468,754	40.63%			
Northampton	$904,701,973	$176,929,178	19.56%	$904,701,973	$176,929,178	19.56%
Onslow	$3,940,878,353	$1,691,702,441	42.93%			
Pamlico	$757,794,267	$240,801,558	31.78%			
Pender	$2,215,840,466	$558,842,003	25.22%	$2,215,840,466	$558,842,003	25.22%
Pitt	$5,500,374,306	$3,065,308,936	55.73%	$5,500,374,306	$3,065,308,936	55.73%
Robeson	$3,308,489,736	$1,217,019,546	36.78%			
Sampson	$2,201,564,648	$545,697,319	24.79%			
Wayne	$3,720,242,029	$1,589,566,209	42.73%	$3,720,242,029	$1,589,566,209	42.73%
Wilson	$3,339,334,922	$2,030,656,681	60.81%			
Totals	$91,624,256,151	$40,037,234,329	43.70%	$32,752,129,300	$14,141,111,598	43.18%

Note: FY1998-1999 weighted average tax rates for NC counties = $.652; for municipalities = $.49. Weighted average municipal tax rate is 75% of weighted average county rate.

Assumption: A higher (though unknown) proportion of Floyd-damaged property is located within municipal boundries, than in counties as a whole. Using an estimated municipal figure of 60% of total county damage and a weighted average tax rate for municipalities 75% of that for counties, yeilds a municipal Floyd FY1999-2000 lost property tax revenue estimate that is 45% of the county revenue loss estimate.

[redacted]nal estimate of FY1999-2000 Floyd-related municipal property [redacted]venue loss is between 43% and 45% of county revenue loss; rounded down to 40% due to uncertainty.

Appendix XI

Federal Emergency Request

Federal [redacted] Needs
October 4, 1999

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
FEMA					
FEMA -- Public Assistance	containment and cleanup of environmental hazards	210,000,000.00	acquire 5,000 homes and clean up 250 minor spills		70,000,000.00
FEMA -- Public Assistance	relocation of public wastewater plants	75,000,000.00	move Kinston and Tarboro WWTP out of flood plain		75,000,000.00
FEMA -- Public Assistance	public water supplies repair/replacement	60,000,000.00	assist in restoration of 400 private water supply systems		
FEMA -- Public Assistance	solid waste cleanup	76,500,000.00	household waste and other debris associated with demolition		45,500,000.00
FEMA -- Public Assistance	inspection and cleanup of hazardous waste sites	7,500,000.00	clean up 267 orphan sites		7,500,000.00
FEMA -- Public Assistance	hazardous waste cleanup	15,000,000.00	cleanup of drums and tanks of hazardous materials		15,000,000.00
FEMA -- Public Assistance	hazard prevention for redevelopment	1,000,000.00	local government redevelopment plans		
FEMA -- Public Assistance	underground storage tank cleanup	73,100,000.00	clean up 3100 underground storage tanks		50,000,000.00
FEMA -- Public Assistance	geographic information mapping	3,000,000.00	update geographic information on eastern NC		
FEMA -- Public Assistance	Public Instruction facilities	19,000,000.00	move two elementary schools in Edgecombe County and uninsured facility losses		19,000,000.00
FEMA -- Public Assistance	Community Colleges	287,600.00	uninsured facilities damages		287,600.00
FEMA -- Public Assistance	Universities	2,046,727.00	uninsured facilities damages		2,046,727.00
FEMA -- Public Assistance	emergency dredging	10,000,000.00	12 channels	200,000.00	10,000,000.00
National Flood Insurance Fund	remap outdated rate maps and Increased Cost of Compliance funds	70,000,000.00	elevate 3,300 homes and remap eastern flood plains		50,000,000.00

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
Dam Safety Inspection Program		26,300,000.00	assist in restoration of 100 private and 8 public		
Unmet needs for replacement housing		572,000,000.00	rehabilitate and assist in acquisition of 10,000 homes and construct 6,500 low income units	78,333,000.00	472,000,000.00
FEMA -- Public Assistance	construction of infrastructure for replacement housing	16,000,000.00	water and sewer to 6,500 low income homes		16,000,000.00
TOTAL FOR DEPARTMENT		*1,236,734,327.00*			*832,334,327.00*
Department of Agriculture					
Farm Service Agency					
Grants for Crop Losses		1,000,000,000.00	coverage for 65% of losses		700,000,000.00
Grants for Livestock Losses		12,000,000.00	coverage for 65% of losses		12,000,000.00
Emergency Conservation Program	restore productive use of farmland	100,000,000.00	grading, re-ditching, erosion repair	33,333,000.00	100,000,000.00
Farm Loans	emergency loans, guaranteed, direct operating and ownership loans	110,000,000.00	farm ownership loan assistance		
Loan and Loan Deficiency Payments		52,000,000.00	farm loan assistance		
Subtotal		*1,274,000,000.00*			
Natural Resources Conservation Service					
Watershed Protection and Flood Prevention	elevation or relocation of farm buildings and homes	50,000,000.00	assist in elevating farm homes and buildings		50,000,000.00
Watershed Protection and Flood Prevention	restore waterways	80,000,000.00	snag and drag	26,666,000.00	80,000,000.00
Soil and Water Conservation	animal waste management systems (lagoon conversion)	155,000,000.00	lagoon conversion at 330 farms in flood plains	51,600,000.00	50,000,000.00
	damages to BMP Cost Share Program	10,000,000.00	repairing cost share measures		10,000,000.00
Subtotal		*295,000,000.00*			
Rural Development Administration					
	Housing	110,000,000.00	multi-family, single family infrastructure		

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
	Water and Sewer	75,000,000.00	water and sewer		
	Community Facilities	15,000,000.00	fire stations, community centers, day care, etc.		
	Business and Industry	30,000,000.00	guaranteed and direct loans		
	Economic Opportunity Fund	10,000,000.00	rural venture capital block grant		
	rural equity investments program	10,000,000.00	revolving investments in agribusiness		
	Adminstrative Assistance	1,000,000.00	administrative resources to develop program resources		
Subtotal		*251,000,000.00*			
Risk Management Agency	Crop idemnity	*307,000,000.00*	*cover additional insurance requirements*		
Forest Service	replant reforestation sites	*900,000.00*	replace seedlings transplanted in areas destroyed by Fran	900,000.00	
USDA Cooperative Agreements					
	fire ant program	26,725.00			
	witchweed eradication	61,086.00			
	gypsy moth program	62,000.00			
Subtotal		*149,811.00*			
NCDA&CS Additional Needs					
	Animal Diseases	320,000.00	control disease among animal populations		
	Zoonotic Diseases	100,000.00	disease control		
	Other Needs	50,000.00	planning for animal disposal		
	Pesticide Disposal	1,000,000.00			
Subtotal		*1,470,000.00*			
USDA -- Food Programs					
	WIC (Women, Infants and Children Nutrition)	2,700,000.00	switch to "ready-to-feed" infant formula where water unsafe -- 5,000 infants		2,700,000.00
Subtotal		*2,700,000.00*			
TOTAL FOR DEPARTMENT		*2,132,219,811.00*			*1,004,700,000.00*

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
Commerce					
Economic Development Administration					
		62,000,000.00	public facilities	62,000,000.00	50,000,000.00
		3,000,000.00	technical assistance	3,000,000.00	1,000,000.00
		3,000,000.00	planning	3,000,000.00	2,000,000.00
		25,000,000.00	revolving loan	25,000,000.00	10,000,000.00
Subtotal		*93,000,000.00*			
NOAA					
		475,000.00	preparation of shoreline aerial orthopothgraphs		
		500,000.00	planning		
		19,000,000.00	commercial fishing assistance for 8,000 fishermen		19,000,000.00
Subtotal		*19,975,000.00*			
NTIA					
		14,342,000.00	restoration of telecommunications capacity		
		25,451,000.00	consolidated interactive service centers (40)		
Subtotal		*39,793,000.00*			
TOTAL FOR DEPARTMENT		*152,768,000.00*			*82,000,000.00*
Department of Transportation					
Emergency Relief Program		38,300,000.00	repairs to roads and structures and debris removal from State Highway System		38,300,000.00
Emergency Relief Program		624,000.00	dredging of Ocracoke-Hatteras ferry channel		624,000.00

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
Emergency Relief Program		2,100,000.00	reimbursment for previous disaster-related eligible projects which have been obligated by FHWA		
National Highway Funds		55,200,000.00	I-40 Evacuation Route	13,800,000.00	
National Highway Funds		135,278,400.00	NC 12 Corridor Access	33,819,600.00	
National Highway Funds		96,800,000.00	Bonner Bridge Replacement	24,200,000.00	
National Highway Funds		134,560,000.00	US 64 -- Outer Banks Evacuation	33,640,000.00	
Federal Aviation Administration	Aviation	53,200,000.00	30 airports plus minor damage due to C-130 drops	13,300,000.00	53,200,000.00
TOTAL FOR DEPARTMENT		*516,062,400.00*			*92,124,000.00*
Defense					
U.S. Army Corps of Engineers	beach renourishment	76,700,000.00	beach renourishment and restoration of 60 miles of beach	41,300,000.00	76,700,000.00
	flood protection public facilities	4,000,000.00	protection of 4 pulic facilties	1,000,000.00	
	flood control study and warning system	5,000,000.00	Tar River Basin study and remote warning system	5,000,000.00	
	protection of NC 12 transportation corridor	4,000,000.00	planning study	4,000,000.00	4,000,000.00
TOTAL FOR DEPARTMENT		*89,700,000.00*			*80,700,000.00*
Education					
Community Colleges	Pell grants	26,597,859.00	financial aid for students		26,597,859.00
Universities	financial aid	25,200,000.00	financial aid for students		25,200,000.00
TOTAL FOR DEPARTMENT		*51,797,859.00*			*51,797,859.00*
Labor					
Employment and Training Administration	Discretionary grant funds	5,000,000.00	recovery training costs		5,000,000.00
	Technical Assistance	450,000.00			450,000.00
	Natural Disaster Dislocated Worker Funds	24,000,000.00	stipends for workers' education		24,000,000.00
TOTAL FOR DEPARTMENT		*29,450,000.00*			*29,450,000.00*

AGENCY	SUMMARY	AMOUNT	DEPARTMENT TOTAL	MATCH AMOUNT	EMERGENCY REQUEST
Health and Human Services					
Social Services Block Grant		21,000,000.00	supplemental funding -- child care (day care) for 7,500 children for 12 months		21,000,000.00
Vaccination Shortfall	vaccination shortfall -- raise cap	92,520.00		57,860.00	
TOTAL FOR DEPARTMENT		*21,092,520.00*			*21,000,000.00*
Small Business Administration					
	capital access program	5,000,000.00	leverage $100 million in business loans	5,000,000.00	5,000,000.00
TOTAL FOR DEPARTMENT		*5,000,000.00*			*5,000,000.00*
Department of Energy					
Weatherization Assistance Program	home weatherization	26,500,000.00	weatherization for 7,500 homes		
State Energy Program - Special Funding	incorporating energy saving techniques into homes	1,000,000.00	energy saving assistance to local governments		
TOTAL FOR DEPARTMENT		*27,500,000.00*			
Department of Interior					
Advanced Flood Modeling Capability		20,400,000.00	develop state of the art flood model for NC river basins		
Automated Weather Stations	construct additional weather stations	1,305,000.00	construct 20 automated data stations		
Geographic Information and Mapping		13,000,000.00	mapping land ownership, infrastructure and critical facilities		
TOTAL FOR DEPARTMENT		*34,705,000.00*			
TOTAL REQUIREMENTS		***4,297,029,917.00***		***380,616,460.00***	***2,199,106,186.00***

Emerg[redacted]Funding
October 3, [redacted]9 (Adjusted)

AGENCY	SUMMARY	FEDERAL REQUIREMENT	DEPARTMENT TOTAL	MATCH AMOUNT
FEMA				
FEMA -- Public Assistance	containment and cleanup of environmental hazards	70,000,000.00		
FEMA -- Public Assistance	relocation of public wastewater plants	75,000,000.00		
FEMA -- Public Assistance	solid waste cleanup	45,500,000.00		
FEMA -- Public Assistance	Inspection and cleanup of hazardous waste sites	7,500,000.00		
FEMA -- Public Assistance	hazardous waste cleanup	15,000,000.00		
FEMA -- Public Assistance	underground storage tank cleanup	50,000,000.00		
Unmet Needs for Replacement Housing	rehabilitation, construction, and elevation of homes	472,000,000.00		78,333,000.00
FEMA -- Public Assistance	Construction of infrastructure for replacement housing	16,000,000.00		
FEMA -- Public Assistance	public instruction facilities	19,000,000.00		
FEMA -- Public Assistance	community colleges	287,600.00		
FEMA -- Public Assistance	universities	2,046,727.00		
FEMA -- Public Assistance	emergency dredging	10,000,000.00		200,000.00
National Flood Insurance Fund	Reassessing Flood Risks	20,000,000.00		
National Flood Insurance Fund	Elevation/Acquisition of insured buildings	30,000,000.00		
TOTAL FOR DEPARTMENT			*832,334,327.00*	
Department of Agriculture				
Farm Service Agency				
Grants for Crop Losses		349,700,000.00		
Grants for Farm Structure Losses		182,600,000.00		
Grants for Livestock Losses		12,000,000.00		
Emergency Conservation Program	restore productive use of farmland	20,000,000.00		6,666,000.00
Subtotal		*564,300,000.00*		
Natural Resources Conservation Service				
Watershed Protection and Flood Prevention	Flood protection measures for farmsteads	50,000,000.00		
Watershed Protection and Flood Prevention	restore waterways	80,000,000.00		26,666,000.00
Soil and Water Conservation	Lagoon conversion	50,000,000.00		16,650,000.00
	damages to BMP Cost Share Program	10,000,000.00		
Subtotal		*190,000,000.00*		
USDA -- Food Programs				
WIC (Women, Infants and Children Nutrition)	switch to "ready-to-feed" infant formula where water unsafe -- 5,000 infants	2,700,000.00		
TOTAL FOR DEPARTMENT			*757,000,000.00*	
Commerce				
Economic Development Administration	economic adjustment assistance: public facilities, planning, technical assistance, revolving loan	63,000,000.00		63,000,000.00
Subtotal		*63,000,000.00*		

Emerg[redacted] Funding
October 3, [redacted]99 (Adjusted)

NOAA				
	commercial fishing assistance	19,000,000.00		6,333,000.00
TOTAL FOR DEPARTMENT			*82,000,000.00*	
AGENCY	SUMMARY	AMOUNT	DEPARTMENT TOTAL	MATCH AMOUNT
Department of Transportation				
Emergency Relief Program	repairs to roads and structures and debris removal from State Highway System	38,300,000.00		
Emergency Relief Program	dredging of Ocracoke-Hatteras ferry channel	624,000.00		
Federal Aviation Administration	Aviation	53,200,000.00		13,300,000.00
TOTAL FOR DEPARTMENT			*92,124,000.00*	
Defense				
U.S. Army Corps of Engineers	beach renourishment and restoration	76,700,000.00		41,300,000.00
	protection of NC 12 transportation corridor	4,000,000.00		4,000,000.00
TOTAL FOR DEPARTMENT			*80,700,000.00*	
Education				
Community Colleges	Pell grants	26,597,859.00		
Universities	financial aid	25,200,000.00		
TOTAL FOR DEPARTMENT			*51,797,859.00*	
Labor				
Employment and Training Administration	Discretionary grant funds	5,000,000.00		
	Technical Assistance	450,000.00		
	Natural Disaster Dislocated Worker Funds	24,000,000.00		
TOTAL FOR DEPARTMENT			*29,450,000.00*	
Health and Human Services				
Social Services Block Grant	supplemental funding -- child care (day care) for 7,500 children for 12 months	21,000,000.00		
TOTAL FOR DEPARTMENT			*21,000,000.00*	
Small Business Administration				
	capital access program	5,000,000.00		5,000,000.00
TOTAL FOR DEPARTMENT			*5,000,000.00*	
GRAND TOTAL			***1,951,406,186.00***	***261,448,000.00***

Appendix XII

Estimated Fishing Losses by National Marine Fisheries Service

Fishery	Projected Value of Commercial Losses
White Shrimp Fishery *4.5 million pounds*	$8 million
Blue Crab Fishery *3 million pounds*	$3 million
Oyster and Scallop Fisheries *100,000 bushels*	$2.5 million
Inshore Flounder Fishery *75,000 pounds*	$1.5 million
Snapper and Grouper Fishery *550,000 pounds*	$.5 million
Lost or Destroyed Crab Traps *80,000 traps*	$1.8 million
Headboat and Charter Boat Trips *1,500 trips*	$1.5 million
TOTAL	$19 million

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December 13, 1999

MEMORANDUM

TO: **Members of the North Carolina General Assembly**

FROM: **Dave Crotts**
Fiscal Research Division

SUBJECT: **Revenue Collection Update (General Fund)**

The revenue situation remained stable in November. For the year, General Fund receipts are still on target.[1] The bad news is that the natural disasters have caused us to drop from a .9% revenue surplus for July and August (combined) to no excess collections. **If the July and August experience had continued, we would have had an additional $115 million of extra 1999-00 revenues that could have been used for one-time needs plus about the same amount of additional 2000-01 recurring revenues for the operating budget.**

The primary impact of the hurricanes has been on the sales tax. For the four quarters ending June 30, 1999, gross state and local sales tax collections were up 7.2% for the lowest quarter and 7.5% for the highest. This was an unusually stable pattern. In July and August the trend continued with a 7.5% increase for the two months combined. For the most recent three months, the growth rate has dropped to .6%. **This is a reduction of $18.3 million per month for the state portion, for a total of $55 million for the three months.**

A positive trend is that due to strong September quarterly estimated tax payments, the corporate income tax is running $22 million ahead of schedule. However, these extra dollars have been offset by personal income tax refunds that are $33 million higher than budgeted. The extra refunds seem to be due to the unusually large number of extension returns for the 1998 tax year. Normally, July-December refunds are closely related to the actual experience for January-June but this was not the case for 1998.

[1]Actual revenues were adjusted downward for problems in forecasting the timing of utility tax receipts because the temporary surplus in these collections will be offset in later months.

(over)

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

In past years we indicated in our early-December revenue outlook that the surplus could increase substantially later in the fiscal year. We cannot make such a statement this December for the following reasons:

1. Unlike the Hurricane Fran recovery, we may see a net loss in sales tax receipts due to the large volume of uninsured losses. Also, a recovery financed by federal and state funds could take longer than the Fran experience (funded mostly by insurance claims).

2. The Federal Reserve has raised short-term interest rates three times in the last six months and is likely to do so again in February, if not before. This will cap (or even lower) stock and bond prices. In addition, job growth and retail sales will eventually slow. The recent dip in the interest-sensitive auto and housing sectors suggests that the impact has already begun. In 1995 and 1996 there was a modest slowing of the economy when the Fed raised rates from 3% to 6%. The impact on withholding and sales tax revenue was $50-75 million. In addition, we lost $60 million in capital gains tax growth.

3. For whatever reasons, quarterly estimated income tax payments from high-income individuals for the 1999 tax year are growing at 1-8% in North Carolina and surrounding states, versus 10-20% in recent years. This does not bode well for April payments.

For these reasons, **our office and the state budget office agree that the current revenue estimates for 1999-00 and 2000-01 should continue to be used.** At the end of January we should have a better idea about holiday sales activity, whether sales tax collections are rebounding under the recovery, how much of the sales tax decline in Eastern counties is due to deferred tax payments by merchants, and whether high-income individuals beefed up estimated tax payments for the fourth quarter in anticipation of selling more stocks and bonds.

Summarizing, the budgeted revenue forecast for the current year and 2000-01 had assumed slower economic growth and a leveling off of the stock market so we have a good chance of making the forecast even with the unexpected natural disasters and interest rate hikes. The bad news is that the disasters and Fed policy have eliminated the usual $100-150 million revenue surplus that we announce in December and have diminished the expectation of an additional surplus once the April income tax numbers become available. In looking forward it is important to keep in mind that **even if revenues recover as distressed areas of Eastern North Carolina are rebuilt and deferred taxes are paid, we still must deal with the effects of Fed tightening on the economy and the financial markets.** This could easily eliminate the $200-300 million "April Surprise" we have come to expect when economic growth exceeds the budget forecast and stock prices explode.

GROSS STATE SALES TAX COLLECTIONS

Month	($Mil.) Amount	% Ch.		($Mil.) Quarter	% Ch.
1-96	382.2	4.1			
2	300.3	7.3			
3	307.2	6.8		989.8	5.9%
4	347.3	8.8			
5	357.3	3.8			
6	360.6	4.8		1,065.2	5.7%
7	361.1	7.4			
8	360.6	7.0			
9	359.4	3.5			
10	363.0	4.6			
11	376.7	11.1			
12	387.3	6.4			
1-97	418.9	9.6	*		
2	336.7	12.1	*		
3	336.0	9.4	*	1,091.6	10.3%
4	376.3	8.3	*		
5	373.1	4.4	*		
6	384.8	6.7	*	1,134.2	6.5%
7	393.6	9.0	*		
8	389.0	7.9	*		
9	392.5	9.2	*	1,175.1	8.7%
10	392.0	8.0	*		
11	392.7	4.3	*		
12	401.1	3.6	*	1,185.7	5.2%
1-98	446.9	6.7	*		
2	343.0	1.9	*		
3	351.7	4.7	*	1,141.7	4.6%
4	406.5	8.0	*		
5	397.2	6.5	*		
6	406.8	5.7	*	1,210.6	6.7%
7	428.0	8.7	*		
8	396.0	1.8	*		
9	435.7	11.0	*	1,259.7	7.2%
10	424.2	8.2	*		
11	423.3	7.8	*		
12	426.8	6.4	*	1,274.3	7.5%
1-99	476.1	6.5	*		
2	369.8	7.8	*		
3	380.2	8.1	*	1,226.1	7.4%
4	449.3	10.5	*		
5	421.7	6.2	*		
6	427.7	5.1	*	1,298.7	7.3%
7	452.4	5.7	*		
8	432.8	9.3	*		
9	428.4	-1.7	*		
10	432.9	2.1	*		
11	428.9	1.3	*		

7.2% BASELINE

4.0% DURING HURRICANE IMPACT

9.7% DURING SPEEDY RECOVERY

7.4% BASELINE

7.5% BASELINE

.6% DURING HURRICANE IMPACT

*EXCLUDES AUTOS

(3)

(OVER)

NONWITHHOLDING TAX PAYMENTS FOR NORTH CAROLINA, VIRGINIA, SOUTH CAROLINA

Tax Year	% Change Estimated Payments (1)			% Change Tax Due Payments (2)			Share of Nonwithholding Payments Paid By Tax Dues		
	S.C.	N.C. (3)	VA.	S.C.	N.C. (3)	VA.	S.C.	N.C.	VA.
1995	-	-	-	-	-	-	43.0%	43.9%	35.0%
1996	14.2	19.1	12.2	22.4	28.8	39.0	44.8%	45.8%	40.0%
1997	11.1	16.6	17.0	14.2	25.1	28.0	45.4%	47.6%	42.0%
1998	16.1	15.7	16.6	12.5	8.1	15.0	44.6%	45.9%	41.0%
1999	3.2	1.4	8.0	-	-	-	-	-	-

(1) Match-up to tax year based on February-January receipts, adjusted for any major spillover of January revenue into February (late processing). The 1999 amount is based on February-September receipts.

(2) Match-up based on January-December collections of year immediately following tax year.

(3) Year-to-year comparison for 1998 and 1999 has been affected by June, 1999 court decision allowing full tax exemption for federal, state, local retirees (in lieu of $4,000 statutory exemption).

Figure 1

The LAO's Economic Forecast 1999 Through 2005

Percent Change (Unless Otherwise Indicated)

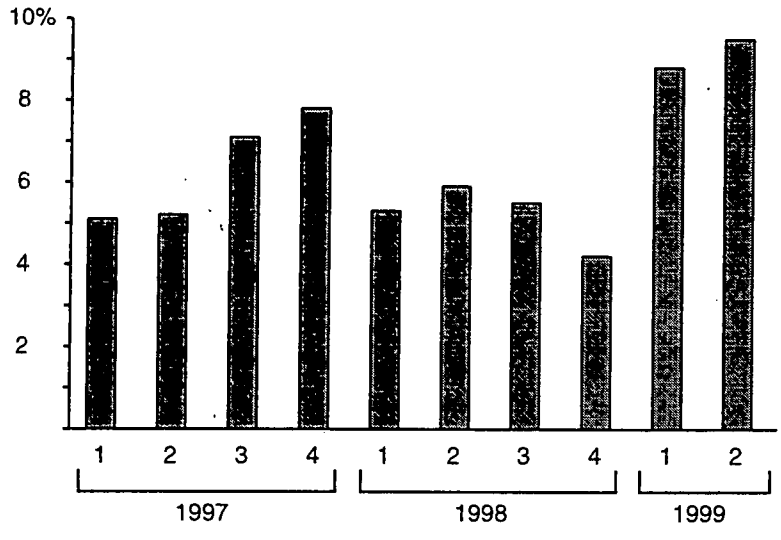
	1999	2000	2001	2002	2003	2004	2005
United States							
Real gross domestic product[a]	3.9%	2.8%	2.6%	2.2%	2.6%	2.4%	2.6%
Wage and salary jobs	2.2	2.7	1.1	1.1	1.2	1.2	1.1
Consumer Price Index (CPI)	2.4	2.8	2.0	2.4	2.5	2.5	2.6
Unemployment rate (%)	4.2	4.2	4.3	4.6	4.7	4.9	5.1
Housing starts (000)	1,675	1,568	1,545	1,499	1,504	1,515	1,510
California							
Personal income	6.7%	6.1%	5.5%	5.2%	5.4%	5.7%	5.6%
Wage and salary jobs	3.5	3.1	2.5	2.2	2.3	2.4	2.4
Taxable sales	8.1	5.5	5.2	5.0	5.3	5.5	5.5
Consumer Price Index (CCPI)	2.9	3.1	2.5	2.7	2.8	2.8	2.9
Unemployment rate (%)	5.3	4.7	4.8	5.1	5.2	5.2	5.3
New housing permits (000)	139	153	165	170	175	180	190

[a] Data do not reflect late-1999 revisions to the National Income and Product Accounts.

Figure 2

Recent Growth in California Taxable Sales

Year-Over-Year Percentage Change, by Quarter



were widespread gains in nonmanufacturing industries such as construction, services, finance, and transportation. These latter industries benefited from high levels of consumer and business confidence and spending in the state. The software side of the computer industry experienced particularly healthy growth during the year. The business services sector, for example, is up about 7 percent from the prior year, reflecting major gains in software development, computer systems design, and Internet-related business.

In other California developments, home sales and new construction continued to rebound in

Personal Income Taxes—Boosted by Rapid Growth at High End of Income Distribution

The dramatic increase in PIT receipts during recent years can be partly attributed to California's overall economic expansion, which has resulted in steady increases in aggregate employment and personal income. However, a second important factor has been particularly rapid increases in incomes reported by taxpayers at the top end of the income distribution. Specifically, from 1994 through 1998, adjusted gross incomes reported by taxpayers filing joint returns in the top 20 percent of the distribution (corresponding to those with earnings of more than $95,000 in 1998) jumped by 62 percent, while incomes reported by taxpayers in the bottom 80 percent of the distribution increased by a more moderate 21 percent.

The increases in earnings at the high end of the distribution have had a major effect on PIT liabilities. This is because under California's progressive tax rate structure (where marginal tax rates increase from 1 percent to 9.3 percent), the earnings reported by high-income taxpayers are subject to tax rates which are several times higher than the tax rates applying to lower- and middle-income taxpayers.

This rapid increase in high-income earnings can be attributed to three main factors:

- First, capital gains realizations (which have historically accrued disproportionately to high-income taxpayers) have increased dramatically, driven by increases in the stock market. As shown in Figure 3, these gains have tripled in recent years, jumping from just over $20 billion in 1994 to over $60 billion in 1998.

- Second, a related factor has been the recent growth in the value of stock options granted to management and highly skilled workers, particularly in high-tech companies that have experienced major increases in stock market values.

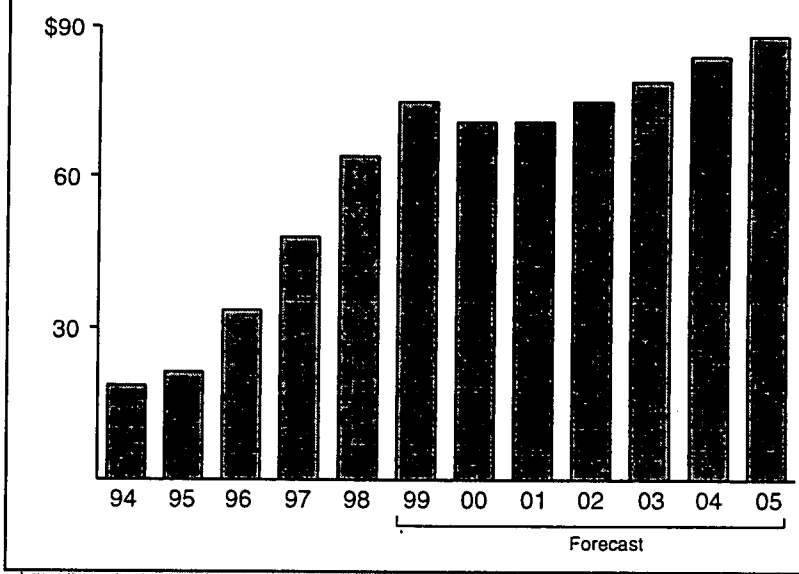
- Third, wages and bonuses of highly compensated employees in various high- tech industries have grown particularly rapidly, reflecting strong competition among firms to attract and retain highly skilled workers.

Looking ahead, after another strong year in 1999, we expect that personal income will continue to grow moderately. We also anticipate that above-average

Figure 3

Capital Gains to Pause After Strong 1999

Capital Gains Reported on California Tax Returns (In Billions)



#4

GENERAL FUND FINANCIAL MODEL

CURRENT SERVICES AND RECONCILIATION WITH OFFICE OF STATE BUDGET PROJECTIONS

2000-2001 through 2004-2005

PRESENTATION TO SENATE COMMITTEE OF THE WHOLE

DECEMBER 14, 1999

FISCAL RESEARCH DIVISION

EXPLANATION OF THE GENERAL FUND FINANCIAL MODEL---CURRENT SERVICES

The General Fund Financial Model is a computer based tool to simulate long term trends in the recurring General Fund 'Current Services Budget' . Maintained by the Fiscal Research Division, it models the impact of trends and proposed spending or tax changes up to 9 years away , including:

- ✓ demographic trends such as population growth
- ✓ caseload changes in school enrollments, prison inmates, Medicaid participation, institutional populations
- ✓ economic factors such as inflation, wage growth, or labor force growth
- ✓ long term costs of existing programs such as teacher pay increases, Smart Start, phased in tax changes or bond issues
- ✓ alternative proposals for tax or spending changes or differing assumptions about future trends

The model is based on the concept that the cost of "current services" will expand to reflect increased caseloads and costs. Using the current fiscal year as a base, the model applies growth factors based on plausible relationships between a department's requirements and factors such as caseload.

- ✓ State employee pay is assumed to keep up with the private sector manufacturing real wage and inflation
- ✓ Other inflation factors (eg medical) are applied by category of spending
- ✓ State Employment and Expenditures in select Departments is assumed to grow slightly with population.

While the model may "simulate" expenditures exceeding revenues, North Carolina operates under a Balanced Budget. The Model is not intended to suggest that the General Fund will not be balanced in future years, but is designed to highlight where actions may be necessary to avoid long term budget problems or deterioration in current services. The model does not include the nonrecurring component of the operating budget nor does it include capital spending or costs of depreciation.

Fiscal Research Division and Office of State Budget Long Term Expenditure Simulations
(DOLLARS IN MILLIONS)

	Items	Fiscal Research Division					Office of State Budget and Management				
		2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
1.	RECURRING GENERAL FUND REVENUE	$13,938.5	$14,862.3	$15,970.2	$17,162.6	$18,447.6	$13,938.5	$14,862.3	$15,970.2	$17,162.6	$18,447.6
	(July 1999 Consensus Estimate by FRD and OSBM)										
2.	CURRENT SERVICES BUDGET BEFORE ITEMS BELOW	$13,438.2	$13,889.2	$14,043.1	$14,093.6	$14,371.0	$13,430.7	$13,781.3	$14,148.6	$14,551.2	$14,986.4
	FRD based on 1998-99 base year adjusted for 1999 Appropriations Act										
	OSBM based on Authorized Budget for 1999-2001										
3.	SMART START EXPANSION	$0.0	$88.0	$93.2	$98.7	$104.5	$67.0	$99.4	$113.7	$129.3	$144.3
4.	STATE EMPLOYEE PAY INCREASE	$158.6	$321.8	$489.7	$662.4	$839.8	$144.2	$290.4	$441.2	$596.5	$740.7
	FRD: 3.3 % in 2000-1, 2.9% 2001-3 and 2.8% 2003-5; OSBM 3% per year in all year										
5.	TEACHER PAY INCREASE	$278.0	$389.2	$503.7	$621.7	$743.2	$295.5	$419.9	$549.4	$684.3	$882.9
	Differing Cost Estimates in 1st year; 3% after 2001 in both simulations										
6.	ADDITIONAL CUTS RECOMMENDED BY THE GOVERNOR FOR FY2000-01	$0.0	$0.0	$0.0	$0.0	$0.0	($150.0)	($150.0)	($150.0)	($150.0)	($150.0)
7.	STATE EMPLOYEE HEALTH INSURANCE	$147.0	$337.0	$401.0	$587.0	$649.0	$147.0	$337.0	$401.0	$587.0	$649.0
	October 1999 revised figures										
8.	EFFECT OF HIGHER ASSUMED MEDICAID GROWTH	$0.0	$25.0	$25.7	$26.0	$26.4	$0.0	$0.0	$0.0	$0.0	$0.0
	FRD assumes 9.7% in 2001-2 then 8%;										
	OSBM 8%/year										
9.	TOTAL RECURRING EXPENDITURES	$14,021.8	$15,050.2	$15,556.5	$16,089.3	$16,734.0	$13,934.4	$14,778.0	$15,503.9	$16,398.3	$17,253.3
10.	NET AVAILABILITY (Revenue-Total Expenditures)	($83.3)	($187.9)	$413.7	$1,073.3	$1,713.6	$4.1	$84.3	$466.3	$764.3	$1,194.3
11.	NON-RECURRING ITEMS INCLUDED IN SIMULATIONS										
	ABC Bonuses (Funded with nonrecurring dollars in FY1999-2000)	$125.0	$125.0	$125.0	$125.0	$125.0					
12.	Remaining Payment Intangibles Suit (Funded from the Savings Reserve in FY1999-2000)	$240.0	$0.0	$0.0	$0.0	$0.0					
13.	REVISED AVAILABILITY	($448.3)	($312.9)	$288.7	$948.3	$1,588.6	$4.1	$84.3	$466.3	$764.3	$1,194.3

RECONCILIATION OF FISCAL RESEARCH AND STATE BUDGET MODELS

($ MILLIONS)

	2000-2001	2001-2002
Availability per Fiscal Research Model (recurring items only)	($83.3)	($187.9)
Adjust to Conform with State Budget Assumptions		
Adjust for higher pay increases in 2000-2001 *3.3% vs. 3% in 2000-1, 2.9% vs 3% in 2001-2: $144.2 for 3%*	$14.4	$31.4
Adjust for higher assumed growth in Medicaid costs *FRD:9.7% growth from 2000-1 to 2001-2, 8% in later years;OSBM 8% from 2001-2*	$0.0	$25.0
Adjust for lower costs of expanding Smart Start *FRD has $88 Million increase in 2001-2*	($67.0)	($11.4)
Adjust for additional cuts from OSBM	$150.0	$150.0
Adjust for different estimates of cost of Teacher Pay Increase *FRD assumes $278 while OSBM has $295.5*	($17.5)	($30.7)
Adjust for simulated changes in employment based on population change *In FRD model only*	($5.6)	($0.9)
Adjust for Differences in Higher Education Growth Rates *FRD grows by projected fte; OSBM applies 4% growth rate*	$19.0	$12.6
"RECONCILED FIGURE"	$10.0	($11.9)
Availablilty per Office of State Budget Model	$4.1	$84.3
REMAINING DIFFERENCE	($5.9)	$96.2
Differences as % of total budget	0.04%	0.64%

Differences due to technical differences between the model; different base years, application of price indices and assumptions about growth in receipts.

FRD Dec. 14

#5 Marie Berman

Schedule I

Office of State Budget and Management
Summary of Funds Available
To Provide Required State Match for Hurricane Floyd Funding
Fiscal Year 1999-2000

Line No.	Description	Recurring Amount	Non-Recurring Amount	Total
1	Natural and Economic Resources	$ 12,968,768	$ 4,315,630 [1]	$ 17,284,398
2	General Government	10,410,572	9,353,000 [2]	19,763,572
3	Human Resource	89,000,000	7,637,947 [3]	96,637,947
4	Justice and Public Safety:			
	a) Judicial	3,750,000	-	3,750,000
	b) Justice	3,500,000	-	3,500,000
	c) Juvenile Justice	3,000,000	1,100,000 [4]	4,100,000
	d) Correction	14,000,000	-	14,000,000
	e) CC & PS	-	2,460,000 [4]	2,460,000
5	Education:			
	a) DPI	45,545,171	-	45,545,171
	b) Community College	5,797,721	-	5,797,721
	c) Universities	13,747,412	-	13,747,412
6	Reserve for State Health Plan Increase	-	55,000,000	55,000,000
7	1999 Repair and Renovation Reserve	-	60,000,000 [5]	60,000,000
8	Capital Improvement	-	146,527,955 [6]	146,527,955
9	Contingency and Emergency Reserve	-	900,000	900,000
10	Legislative Salary Increase Reserve	5,000,000	5,000,000	10,000,000
11	Prior Year Storms	-	5,000,000	5,000,000
12	Unreserved Fund Balance	-	40,000,000	40,000,000
13	Budget Stabilization Reserve	-	285,965,824	285,965,824
14	Total Funds Available	$ 206,719,644	$ 623,260,356	$ 829,980,000

[1] Schedule 3, page 3, line # 8.
[2] Schedule 4, page 4, line # 6.
[3] Schedule 5, page 5, line # 8.
[4] Schedule 6, page 6.
[5] Schedule 7, pages 7 - 16.
[6] Schedule 8, pages 17 - 18.

Schedule 2

Office of State Budget and Management
Summary of Departmental Reversions
And Other Available Funds
For Fiscal Year 1999 - 2000

Budget Code	Department	Recurring Targeted Reversion Amount	Non-Recurring Targeted Reversion Amount
12000	Judicial - AOC	$ 3,750,000	$ -
13000	Governor's Office	148,000	-
13005	OSBM	165,000	-
13006	Office of State Planning	81,000	-
13100	Office of Lt. Governor	13,000	-
13200	Secretary of State	360,864	63,000
13300	State Auditor	807,210	-
13510	DPI	45,545,171	-
13600	Justice	3,500,000	-
13700	DACS	4,469,558	500,000
13800	Labor	1,360,400	100,000
14060	Governor's Office - Juvenile Justice	3,000,000	1,100,000
14100	DOA	4,893,000	1,415,000
14160	OSC	462,775	-
14300	DENR	5,571,354	2,915,630
144xx	DHHS	89,000,000	7,637,947
14500	Correction	14,000,000	-
14600	Commerce	1,567,456	500,000
14601	Commerce - State Aid	-	300,000
14700	Revenue	2,217,737	-
14800	Cultural Resources	941,000	7,875,000
14900	CC & PS	-	700,000
160xx	UNC System	13,747,412	-
16800	Community Colleges	5,797,721	-
18025	State Bd. Of Elections	87,000	-
18210	Office of Administrative Hearings	182,003	-
18300	Rules Review Commission	51,983	-
19001	Reserve - C & E	-	900,000
19003	Reserve - Legislative Increase	5,000,000	-
19007	Reserve - Health Plan Increase	-	55,000,000
19017	Reserve - $125 Comp.Bonus	-	5,000,000
19600	R & R and Capital Improvement	-	206,527,955
19943	Reserve - Budget Stabilization	-	285,965,824
24960	CC & PS - Highway Fund	-	1,760,000
N/A	Prior Year Storms	-	5,000,000
N/A	Unreserved Fund Balance	-	40,000,000
	Total	$ 206,719,644	$ 623,260,356

Schedule 3

Natural and Economic Resources
Reversion Target from Non-Recurring Appropriation
For Fiscal Year 1999-2000

Line No.	Description		Frozen Amount
1	**Commerce**		
	Smart Growth Commission Study		$ 200,000
	Rural Tourism Dev. Grant Funds		300,000
2	**Commerce-State Aid**		
	Grants-in-Aid		
	4-H Clubs	$ 75,000	
	Yadkin-PeeDee Lake	75,000	
	World Trade Center	150,000	300,000
3	**Total Commerce**		$ 800,000
4	**Labor**		
	Information Technology		$ 100,000
5	**Environment & Natural Resources**		
	Grassroots Science Museum		250,000
	Natural Heritage Program		50,000
	Partnership for the Sounds		18,750
	Resource Conservation/Development Grant		25,000
	Drinking Water Match for Federal Grants		2,571,880
6	**Total Environment & Natural Res.**		$ 2,915,630
7	**Agriculture & Consumer Ser**		
	Southern Dairy Compact Commission		$ 500,000
8	**Total for NER**		**$ 4,315,630**

Schedule 4

General Government
Reversion Target from Non-Recurring Appropriation
Fiscal Year 1999-2000

Line No.	Description	Frozen Amount
1	**Administration**	
	Sexual Assault Funds	$ 225,000
	Century of Women Celebration	15,000
	Bd. Of Science & Technology Grants	175,000
	Motor Fleet Mgmt.-Cash Balance	1,000,000
2	**Total Administration**	$ 1,415,000
3	**Cultural Resources**	
	Grants to Local Organizations	$ 7,875,000
4	**Secretary of State**	
	Directory of Women in G.A.	$ 10,000
	Electronic Commerce Demo. Project	53,000
5	**Total Secretary of State**	$ 63,000
6	**Total General Government**	**$ 9,353,000**

Schedule 5

Office of State Budget and Management
Recurring Reversion Target
From Non-Recurring Appropriations
Department of Health and Human Services
For Fiscal Year 1999-2000

Line No.	Division	Frozen Amount
1	**Mental Health:**	
	Health Brd. Trng.	$ 150,000
	Neurobehavioral Treat. Unit	120,246
2	**Office of Secretary:**	
	H.S. Grants-in-Aid	4,000,000
3	**Vocational Rehab:**	
	Independent Living Rehab.	685,762
4	**Health Services:**	
	Pediatric Cancer Serv.	250,000
	Asthma Education	250,000
	Hepatitis C Ed. Awareness	150,000
	Healthy Carolinians	1,000,000
	Birth Defects Monitoring	100,000
	Off. Of Minority Health	138,939
5	**Social Services:**	
	Homestead Pilots	200,000
	Family Success Initiative	250,000
6	**Aging:**	
	Start-up Grants Adult Day	250,000
7	**Deaf & Hard of Hearing:**	
	NC School for Deaf	93,000
8	**Total**	**$ 7,637,947**

Schedule 6

Office of State Budget and Management
Target Reversions
From Non-Recurring Appropriations
Justice and Public Safety
For Fiscal Year 1999-2000

Line No.	Description	Frozen Amount
1	**Juvenile Justice:**	
	FY 1998-99 Carry-forward of Local Program Funds	$ 1,000,000
	Boys and Girls Clubs	100,000
	Total Juvenile Justice	**$ 1,100,000**
2	**Crime Control & Public Safety**	
	School Metal Detectors	350,000
	Victim Assistance Funds	350,000
	Salary Reserve - Highway Patrol	1,760,000
	Total Crime Control & Public Safety	**2,460,000**
3	**Total**	**$ 3,560,000**

PHASE 1

Department	Division	Title	Requested	Recommended
Administration	Garner Rd Complex	SBI Buildings-Roof Replacement Bldgs 11, 17, 18	$143,000	$143,000
	Capitol Square	Window Replacement-First Floor Capitol	$70,000	$70,000
	Government Complex	Court of Appeals Fire Safety	$424,700	$424,700
	Ocracoke	Old Coast Guard Station Roof Replacment	$396,900	$396,900
	Government Complex	Dobbs Building Replace Fire Alarm System	$424,200	
	Government Complex	Archives & History/State Library-Structural Study	$20,000	
	Government Complex	Painting Gov't Complex Buildings	$300,000	$100,000
	Government Complex	F-CAP Corrections & Repairs	$750,000	$375,000
	Government Complex	Phillips Building-Roof Repair	$17,200	$17,200
	Government Complex	Cent. Heating Plant-Replace Roof & Remove Asbestos	$275,200	$275,200
	Government Complex	Blount Street Repairs	$600,000	
	Government Complex	ADA Improvements	$300,000	
	Government Complex	Replace Chillers in Complex	$1,004,500	$250,000
	Government Complex	LL Polk House - Phase 2 Renovations	$303,400	$303,400
	Government Complex	Building Exterior & Repairs for Deferred Maintenance	$1,188,300	
	Government Complex	Cooper Building - Elevator Upgrade	$424,700	
	Government Complex	Old YMCA Bldg-Upgrade Electrical Serv. & Distribut.	$271,700	
	Government Complex	Archdale Building - Replace Chillers	$1,417,600	
	Government Complex	Person. Train Ctr-Electr. Serv, Air Distrib & Cont Ren	$274,200	
	Government Complex	Heck Andrews House Phase 2-Interior Renovations	$2,494,400	
	Government Complex	Bath Building - Chilled Water Sys. & Air Dist. Upgrades	$835,300	
	Government Complex	Dobbs Building - Replace Chillers	$826,500	
	Government Complex	Archives & History/State Library - Replace Chillers	$445,000	
	Government Complex	State Records Center - HVAC Renovations	$293,600	
	Government Complex	Cotton Building - Replace HVAC System	$317,900	
	Government Complex	Shore Building - Replace Chillers	$203,400	
	Government Complex	Caswell Building - Replace Cooling Tower	$76,300	
	Government Complex	Old YMCA Building - Replace windows	$218,700	
	Government Complex	Old YMCA Building - Complete Mechanical Renovation	$699,300	
	Government Complex	Blount Street-Lamarr House-Reroof & Repair exterior	$350,000	$350,000
		GRAND TOTAL	**$15,366,000**	**$2,705,400**
Agriculture	Government Complex	Renovate Agriculture Building	$8,421,500	
	WNC Agricultural Center	Fire Alarm System	$103,100	$103,100
	Government Complex	Old Health Building Renovation	$1,150,100	
	WNC Farmers Market	FCAP Improvements	$149,800	$149,800
	Tidewater Res. Station	Repairs	$165,000	$165,000
	Piedmont Res. Station	Repair Dairy Parlor Floor	$24,517	$24,517
	State Fair	Primary Electrical Distribution System, Phase 3	$581,100	
	Rollins Lab-Raleigh	HVAC Repairs & Hot Water Heater Replacement	$20,944	$20,944
	Western Vet Lab-Arden	FCAP Deficiencies & Necropsy Upgrading	$45,707	$45,707
	Cherry Farm	Renovation of Above Ground Fuel Storage	$85,467	

Department	Division	Title	Requested	Recommended
Agriculture	Fuels Lab-Raleigh	Upgrade Fuel Storage Tanks	$8,506	
	Ballentine Building-Raleigh	Roof Repair & Install Chimney	$16,144	$16,144
	Oxford Tobacco Res. Stat.	Repairs & HVAC Renovation for Packhouse	$34,339	$34,339
	Oxford Tobacco Res. Stat.	Reroof & Renovate Packhouse	$41,681	$41,681
	Raleigh Farmer's Market	Sprinkler System-Wholesale Building #4	$42,462	$42,462
	Griffin Lab-Monroe	ADA & Building Code Improvements	$46,885	$46,885
	Cherry Farm	Renovation of Truck Storage Shelter	$44,723	
	Cherry Farm	Metal Equipment Building Repairs	$153,000	
	Hort. Crops Res Stat-Clinton	Upgrade Irrigation System	$13,952	
	Insect Lab-Raleigh	Beneficial Insect Laboratory-Roof Repairs	$8,073	$8,073
	Piedmont Triad Market	Additional Electrical Circuits	$42,462	
	Upper Coastal Plain Res. Stat.	Renovate Shop/Implement Shed-Building #4	$19,411	
	Oxford Tobacco Res. Station	Tobacco Curing Barns Repairs	$96,682	
	Oxford Tobacco Res. Station	Stick Curing Barns Repair & Renovation	$34,661	
	Cherry Farm	Fertilizer Storage Building Renovation	$61,084	
	Cherry Farm	Hay Barn Renovation	$88,807	
	State Fair	Storm Sewer Repair	$651,664	
	Plant Industry Lab-Raleigh	Support Services Pole Barn	$4,521	
	WNC Agricultural Center	McGough Arena-LSC, Restroom & Roof Repairs	$1,047,700	
	Oxford Tobacco Res. Station	Equipment Shop Repairs	$84,607	
	Oxford Tobacco Res. Station	Superintendent's Dwelling Repairs	$28,054	
	Plant Industry-Crossnore	Crossnore Facility Repair & Renovation	$9,365	
	Food Distrib. Warehouse	Complex Resurfacing	$36,099	
	Upper Coastal Plain Res. Stat.	Upgrade Emergency Generator System	$18,946	
	Upper Coastal Plain Res. Stat.	Feed Delivery System Repairs	$19,698	
	Raleigh Farmers Market	Pave/Seal Parking Areas	$388,500	
	Upper Coastal Plain Res. Stat.	Renovate Feed Handling Facilities	$18,805	
	WNC Agricultural Center	Resurface Parking Lot & Add Site Lighting	$590,500	
	Border Belt Tobac. Res. Stat.	Resurface Border Belt Drive	$56,985	
	Caswell Farm	Resurface Dairy & Milking Barn Access Road & Parking Lot	$38,483	
	State Fair	Jim Graham Building Heating	$271,800	
	WNC Agricultural Center	Davis Arena Renovation	$308,500	
	Tidewater Res. Station	Stabilize & Upgrade Roads & Parking	$83,105	
	Piedmont Triad Farm. Mrkt	Snack Bar Renovation	$59,906	
	State Fair	Dorton Arena Renovation	$877,496	
	Constable Lab-Raleigh	Install Data & Phone Service	$16,680	
	Cherry Farm	Roadway, Parking Lot & Landscape Repairs	$108,200	
	Upper Coastal Plain Res. Stat.	Reroof & Renovate Seven Swine Buildings	$98,877	$98,877
	Mountain Research Station	Renovate Dwelling #19 & Garage #19	$44,646	
	Upper Coastal Plain Res. Stat.	Superintendent's Dwelling Renovation	$60,054	
	Upper Coastal Plain Res. Stat.	Dwelling #13 Repairs	$16,985	
	Ballentine Bldg-Raleigh	Paint Exterior	$10,648	

Department	Division	Title	Requested	Recommended
Agriculture	Agronomic Laboratory	Paint Lab & Hall Areas	$21,000	
	Constable Lab-Raleigh	Replace Floor Tile & Ceramic Cove Base	$53,877	
	Eaddy Building	Compressor Rebuild	$2,604	
		GRAND TOTAL	**$16,528,412**	**$797,529**
Correction	Statewide	Fire/Life Safety Improvements	$750,000	$240,000
	Statewide	Roof Repairs/Renovations	$1,000,000	$1,000,000
	Statewide	Removal of Underground Storage Tanks	$842,607	
	Prisons	Elevator Repair	$801,500	
	DART Cherry	Roof Repair & Waterproof Exterior Walls	$259,398	$259,398
	Western Youth Institution	Facility Repairs & Renovations Design	$300,000	
	Caledonia CI	Perimeter Security Fence Modifications	$3,103,800	
	Piedmont CI	Perimeter Security Fence Modification	$1,951,900	
	Odom CI	Perimeter Security Fence Modification	$3,093,400	
	Southern CI	Perimeter Security Fence Modification	$2,468,700	
	Eastern CI	Perimeter Security Fence Modification	$2,564,300	
	Statewide	Spill Prevention Control & Countermeasure Plans	$178,000	
	McCain Correctional Hospital	Asbestos Abatement	$94,100	
	Hoke CI	Asbestos Abatement	$34,600	
	Central Prison	Kitchen Renovation	$624,111	
	Statewide	Structural Evaluation of Old Field Dorms	$93,700	
	Odom CI	Ceramic Tile Repair/Replacement	$225,600	
	Harnett CI	Renovate Multi-Purpose Dining Hall	$778,500	
	Statewide	Repair Underground Water Lines	$342,300	
	Caledonia CI	Facility Repairs	$55,500	
	Sandhills Youth Center	Facility Repairs	$955,600	
	Hoke CI	Facility Repairs/Renovations	$1,795,800	
	IMPACT East	HVAC Repairs	$42,900	
	Statewide	Dayroom Walls in Old Style Dorms	$132,285	
	Apex Complex	Building Renovations	$2,662,049	
		GRAND TOTAL	$25,150,650	$1,499,398
CC & PS	Monroe&Hamlet Armories	Parking Lot Repairs	$127,300	
	NC Military Academy	Modifying SE Region Combat Arms Training Brigade	$132,500	
	Emergency Management	Public Safety Building	$72,000	
	Various Armories	Fire Alarm Systems	$908,000	
	Armories Statewide	Underground Storage Tank Removal	$326,400	
	Various Armories	Kitchen Hood & Fire Supression Systems	$389,100	
	Armories Statewide	ADA Requirements	$513,600	
	Ashokie Armory	Roof Replacement	$118,300	$118,300
	Albemarle Armory	Roof Replacement	$184,100	$154,100
	Shallotte Armory	Roof Replacement & Miscellaneous Repairs	$176,700	$144,700
	Armories Statewide	Remove Lead Contamination	$788,600	
	NC Military Academy	Stairwell Modification	$103,100	$103,100
		GRAND TOTAL	**$3,839,700**	**$520,200**

Department	Division	Title	Requested	Recommended
Cultural	William R. Davie House	Advance Planning	$60,000	
Resources	Reed Gold Mine	Engine Shaft Rehabilitation	$1,077,400	
	Statewide	Fire Detection & Security Systems	$381,982	$300,000
	State Archives & Lib.	Building Supplement/Asbestos	$4,368,769	
	State Capitol	FCAP Renovations/ADA	$557,800	$557,800
	Government Complex	Arts Council Renovations	$38,650	
	Battleship USS NC	Renovations	$1,681,152	
	Museum of History	Repairs	$141,908	
	Historic Stagville	Restoration - Phase 2	$723,100	
	Spencer Shops	Back Shop - Phase 3	$1,800,000	
	Thomas Wolfe House	Fire Damage Supplement	$656,887	$656,887
	Chowan County Cthouse	Renovation Phase 2	$1,024,951	
	Tryon Palace	Site Preparation History Education & Visitation Center	$5,639,020	
	Government Complex	Lewis Smith Fire Detection & Sprinklers	$82,363	
	C. H. Brown Hist. Site	Restoration of Galen Stone Hall	$2,177,218	
	Maritime Museum	Harborside Building Replacement Supplement	$150,000	
	Oteen Center	Renovation	$761,644	
		GRAND TOTAL	**$21,322,844**	**$1,514,687**
ENR	Fort Macon	Fort Restoration Phase 3	$5,381,834	
	Forestry-Columbus Co.	Aircraft Hangar Door	$56,595	
	Clemmons State Forest	Water Service	$46,500	$46,500
	Griffiths Forestry Center	Water Quality Improvements	$13,400	$13,400
	Forestry - Kinston	Paint Booths	$97,100	
	Forestry - Cumberland	Paint Booths	$97,100	
	Forestry - Buncombe	Paint Booths	$97,100	
	Marine Fisheries	Warehouse Handicap Ramp	$64,171	$64,171
	Marine Fisheries	Warehouse Archives Storage Improvements	$37,368	
	Marine Fisheries	Ceiling Renovations	$26,733	
	Marine Fisheries	Main Lab Conversion	$43,431	
	NC Zoo	Africa Amphitheater Renovations	$1,597,791	
	Aquarium-Pine Knoll Shores	HVAC Replacement	$1,468,745	
	Forestry - District 8	General R&R	$99,300	
	Forestry - District 11	General R&R	$4,000	
	Forestry - District 12	General R&R	$12,300	
	Forestry - District 13	General R&R	$56,600	
	B.R.I.D.G.E.	Genreal R&R	$42,900	
	Dupont State Forest	General R&R	$42,100	
	Mountain Train. Facility	General R&R	$80,000	
	Claridge Nursery	General R&R	$79,100	
	Clayton Warehouse	General R&R	$67,300	
	Marine Fisheries	Hanger Foundation Drainage	$18,958	
	NC Zoo	Baboon Moat Membrane Liner	$200,067	
	NC Zoo	Aviary & Chimp Exhibits	$447,655	

Department	Division	Title	Requested	Recommended
ENR	NC Zoo	Sea Lion Pool Renovations	$459,785	
	Forestry - District 3	Security Alarms	$42,400	
	Forestry - District 4	Security Alarms	$46,700	
	Forestry - District 5	Security Alarms	$33,900	
	Forestry - District 6	Security Alarms	$17,000	
	Forestry - District 7	Security Alarms	$42,400	
	Forestry - District 8	Security Alarms	$38,200	
	Forestry - District 8	Security Alarms	$38,200	
	Forestry - District 10	Security Alarms	$12,700	
	Forestry - District 11	Security Alarms	$29,700	
	Forestry - District 13	Security Alarms	$25,500	
	B.R.I.D.G.E.	Security Alarms	$17,000	
	Dupont State Forest	Security Alarms	$12,700	
	Forestry - Nurseries	Security Alarms	$17,000	
	Griffiths Forestry Center	Security Alarms	$12,700	
	Mountain Train. Facility	Security Alarms	$4,200	
	Forestry - District 8	Electrical Repairs	$50,300	
	Forestry - District 13	Electrical Repairs	$34,300	
	Bladen Lakes St. Forest	Electrical Repairs	$59,500	
	Clayton Warehouse	Electrical Repairs	$25,600	
	Forestry - Field Offices	Electrical Repairs	$79,500	
	Marine Fisheries	Electrical Load Study	$21,315	
	Marine Fisheries	Emergency Generator	$294,700	
	Aquarium-Pine Knoll Shores	Raw Water Filtration System	$97,469	
	Aquarium-Fort Fisher	Exhibit Well	$49,231	
	Aquarium-Roanoke Island	Municipal Waterline Extension	$40,625	$40,625
	Aquarium-Pine Knoll Shores	Wastewater Treatment System	$362,489	
	Claridge Nursery	Irrigation System Upgrade	$89,900	
	Marine Fisheries	Cooling Tower Renovation	$7,828	
	Forestry - Region 2	HVAC Repairs	$95,200	
	Forestry - District 1	HVAC Repairs	$17,400	
	Dupont State Forest	HVAC Repairs	$16,000	
	Forestry - District 2	HVAC Repairs	$79,800	
	Forestry - District 4	HVAC Repairs	$1,800	
	Claridge Nursery	HVAC Repairs	$92,500	
	Griffiths Forestry Center	HVAC Repairs	$41,500	
	B.R.I.D.G.E.	HVAC Repairs	$39,400	
	Educational State Forest	HVAC Repairs	$47,600	
	Bladen Lakes State Forest	HVAC Repair	$33,100	
	Clayton Warehouse	HVAC Repair	$30,400	
	Marine Fisheries	Hanger Exterior Improvements	$191,964	
	Forestry - Various Sites	Above Ground Storage Tanks	$67,100	
	Marine Fisheries	Underground Storage Tank Removal	$86,139	
	Marine Fisheries	Main Building Asbestos Removal	$184,472	
	Aquarium-Fort Fisher	Shark Exhibit	$114,039	

Department	Division	Title	Requested	Recommended
ENR	NC Zoo	TLC Paddock Area Shade Structure	$87,830	
	NC Zoo	TLC Meeting Place Shade Structure	$99,320	
	Edwards Nursery	Renovation	$18,000	
	Linville River Nursery	Renovation	$92,300	
	Claridge Nursery	Site Improvements	$89,700	
	Forestry - Region 1	Storage Building Renovation	$14,600	
	Forestry - Region 1	Carpentry Shop Renovation	$33,100	
	Forestry - Region 1	Autoshop Annex Renovation	$18,700	
	Forestry - Region 1	Aircraft Annex Renovation	$57,900	
	Forestry - Region 1	Headquarters Classroom #8	$53,800	
	Forestry - Region 1	Dining Hall Renovation	$99,400	
	Forestry - Region 1	Classroom #9	$96,500	
	Forestry - Region1	Office Renovation	$32,700	
	Bladen Lakes State Forest	Office Building	$25,100	
	Bladen Lakes State Forest	Student Quarters	$2,500	
	Bladen Lakes State Forest	House #1 Renovations	$16,300	
	Bladen Lakes State Forest	House #8 Renovation	$28,200	
	Bladen Lakes State Forest	Automotive Shop Renovation	$99,000	
	Bladen Lakes State Forest	Transient Quarters Renovation	$4,900	
	Bladen Lakes State Forest	Equipment Shed	$8,300	
	Griffiths Forestry Center	Sign/Carpentry Shop	$90,800	
	Griffiths Forestry Center	Garage	$4,200	
	Griffiths Forestry Center	Long Building	$45,600	
	Griffiths Forestry Center	Nursery Building	$29,000	
	Griffiths Forestry Center	Headhouse	$34,000	
	Forestry-Various Locations	Communications System Upgrade	$25,500	
	Forestry-Various Locations	Chimney Repairs	$22,100	
	Marine Fisheries	Improve Existing Equipment Condition	$15,335	
	Marine Fisheries	Maintenance Dredging	$89,936	
	NC Zoo	Advanced Planning - Africa Upgrades	$82,333	
	Aquarium-Fort Fisher	Visitor Parking & Walkways	$137,233	
	Aquarium-Fort Fisher	Safety Lighting	$179,967	
	NC Zoo	Africa Lots Resurfacing	$444,708	
	Marine Fisheries	South River Road Construction	$14,990	
	Marine Fisheries	Main Complex/Pave & Repair Driveway	$118,836	
	Marine Fisheries	Sidewalk, Curb & Gutter	$45,930	
	Blue Ridge Road Complex	Grounds Maintenance	$15,000	
	Aquarium-Roanoke Island	Safety & Security Fencing	$82,148	
	Aquarium-Fort Fisher	Safety & Security Fencing	$87,358	
	Marine Fisheries	Landscaping	$92,295	
	Marine Fisheries	Site Survey Plan	$9,186	
	NC Zoo	Horiculture Equipment & Work Facility	$548,127	
		GRAND TOTAL	**$16,572,136**	**$164,696**

Department	Division	Title	Requested	Recommended
DHHS	Statewide	Life Safety Code Correction	$2,000,000	$1,000,000
	Caswell Center/Cherry Hospital	Emergency Generators	$116,600	$116,600
	O'Berry Center	Water Main Replacement	$545,775	$545,775
	NC Special Care Center	Fire Alarm Repairs	$205,859	$205,859
	Town of Butner	Water Treatment Plant Upgrades	$333,200	$333,200
	NC Special Care Center	Chiller Plant/HVAC Upgrades Phase 2	$2,631,475	$1,700,000
	Dorothea Dix Hospital	Office Space Renovation	$2,852,200	
	Town of Butner	Water Main Replacement	$2,059,500	
	Wright School	Life Safety Upgrades	$48,000	$48,000
	Dorothea Dix Hospital	Spruill Annex Extension	$4,234,200	
	Cherry Hospital	Life Safety Code Corrections-Royster	$1,000,000	$1,000,000
	Murdoch Center	Heating Plant & Distribution System Replacement Phase 2	$181,300	
	CNCSD	HVAC Controls/Kitchen A/C	$223,275	
	Governor Morehead School	Cox Dorm Renovation Phase 2	$1,041,510	
	WNCSD	Water Distribution System Study	$30,000	
	Cherry Hosp/O'Berry Center	Electrical System Upgrades Phase 2	$680,000	$680,000
	Western Carolina Center	Fire Alarm System Phase 2	$835,500	$835,500
	John Umstead Hospital	Life Safety Corrections Phase 2	$230,469	$230,469
	Broughton Hospital	New Steam Plant	$85,400	
	Caswell Center	Fire Protection Upgrade Phase 4	$600,000	$600,000
	Dorothea Dix Hospital	Steam & Condensate Piping Repair Study	$30,000	
	Broughton Hospital	Service Building Refrigeration Replacement	$300,000	
	ENCSD	Heating System Replacement-Eagles Hall	$26,000	
	Caswell Center	Electrical Upgrade Phase 5	$434,700	$434,700
	Statewide	Roadway Repairs	$2,000,000	$200,000
	Dorothea Dix Hospital	Anderson/Dobbin Buildings Repairs	$681,302	
	Governor Morehead School	Campus Reroofing	$142,300	$142,300
	WNCSD	Exterior Elevator Installation-Rankin Hall	$134,100	
	John Umstead Hospital	Continued Reroofing	$569,600	$569,600
	Governor Morehead School	HVAC Renovations	$628,000	
	Dorothea Dix Hospital	Campus Roofing Phase 2	$520,000	$520,000
	Julian F. Keith ADATC	Floor, Windows & Ceiling Replacement	$99,637	
	Murdoch Center	Campus Reroofing	$400,000	$400,000
	CNCSD	Fascia/Soffit Completion	$157,800	$157,800
	O'Berry Center	Bathroom Renovation	$344,000	
	Cherry Hospital	Elevator Renovations	$400,000	
	Walter B. Jones ADATC	Miscellaneous Building Upgrades	$155,000	
	Town of Butner	"B" Street Pump Station #1 Upgrades	$144,400	
	Western Carolina Center	Campus Renovations	$270,700	
	Black Mountain Center	Campus Reroofing	$762,800	$762,800
	O'Berry Center	Campus Reroofing	$1,076,600	$1,076,600
	Broughton Hospital	Steam & Condensate Line Replacement	$747,800	
	Dorothea Dix Hospital	Life Safety Upgrades	$254,300	
	John Umstead Hospital	Life Safety Corrections	$716,300	
	Cherry Hospital	Fire Alarm & Sprinklers-4 Buildings	$773,700	

Department	Division	Title	Requested	Recommended
DHHS	Julian F. Keith ADATC	Replace Condensers & Upgrade Fire Alarm	$117,100	
	CNCSD	Fire Alarm Replacement	$356,100	
	O'Berry Center	Fire Alarm System Replacement	$889,500	
	Caswell Center	Fire Protection Upgrade Phase 4	$1,037,900	
	NC Special Care Center	Scott Wing Nurse Call System Replacement	$252,300	
	Broughton Hospital	Life Safety Corrections	$2,662,600	
	Broughton Hospital	Fire & Safety Corrections	$2,760,800	
	Caswell Center	Bathroom Renovation Phase 2	$558,100	
	WNCSD	Termite Damage Repair	$231,800	
	CNCSD	Fire Suppression System	$559,200	
	Governor Morehead School	Steam Line Replacement & Continue Tunnel Repair Phase 2	$1,610,100	
	Murdoch Center	Campus Reroofing	$404,100	
	Cherry Hospital	Life Safety Corrections-Royster	$954,700	
	Governor Morehead School	Water, Sewer & Storm Drainage Replacement	$2,561,400	
	John Umstead Hospital	Replace Exterior Doors	$172,196	
	Town of Butner	Water Treatment Plant Upgrades	$3,730,500	
	Eatern Region VR Facility	TBI Center	$3,600,000	
	NC Special Care Center	Domestic Cold Water Distribution System Replace.	$982,673	
	Broughton Hospital	Campus Bathroom Renovation	$3,588,900	
	Cherry Hospital	Elevator Renovations	$1,023,100	
	John Umstead Hospital	Ventilation of Ward Buildings	$128,600	
	O'Berry Center	Sanitary Sewer Line Replacement	$387,000	
	John Umstead Hospital	Replace Fan Coil Units	$1,078,232	
	ENCSD	Heating System Replacement-Eagles Hall	$422,077	
	NC Special Care Center	Fire Booster Pump Project	$83,400	
	ENCSD	Window Replacement	$637,303	
	John Umstead Hospital	Fire Sprinklers	$298,709	
	CNCSD	Boiler & Furnace Replacement	$188,722	
	Western Carolina Center	Cottage Renovation Phase 3	$1,200,800	
	John Umstead Hospital	Fire Sprinklers	$7,845,407	
	Governor Morehead School	Milsap Dorm Renovation Phase 3	$976,900	
	John Umstead Hospital	Gymnasium A/C	$325,471	
	WNCSD	Replace Concrete & Wooden Bleachers	$237,800	
	O'Berry Center	Bathroom Renovation Phase 2	$1,955,300	
	John Umstead Hospital	Campus ADA Corrections	$6,150,490	
	Western Carolina Center	Cedar Cottage Renovation	$2,546,600	
	Black Mountain Center	Moore Building Renovation	$497,000	
	John Umstead Hospital	Chiller Replacement	$4,351,299	
	Dorothea Dix Hospital	Bath/Toilet Renovations	$399,460	
	Broughton Hospital	Replace Service Building Refrigeration	$329,600	
	O'Berry Center	Air Handling Unit Control Replacement	$228,700	
	Western Carolina Center	Fan Coil Unit Replacement & Related Distribution Piping	$127,100	
	John Umstead Hospital	Staff Apartments Renovation	$998,440	
	Caswell Center	HVAC Renovations Phase 3	$1,242,500	
	Broughton Hospital	Chiller Replacement	$1,046,100	

Department	Division	Title	Requested	Recommended
DHHS	John Umstead Hospital	Return Air Elimination	$12,409,246	
	Western Carolina Center	Replace A/C & CFC Refrigeration Units	$165,300	
	Cherry Hospital	Human Resources Building Renovation	$912,600	
	Murdoch Center	Alpine Cottage Renovation	$2,059,800	
	Julian F. Keith ADATC	Replace Transformers, Boilers & Exit Lights	$172,300	
	John Umstead Hospital	Storm Drain Repairs	$251,901	
	Murdoch Center	Rehabilitation Services Gym A/C	$373,000	
	Western Carolina Center	Replace Chiller & Cooling Tower	$190,800	
	Dorothea Dix Hospital	Power Plant Renovations	$318,320	
	WNCSD	Upgrade Exterior Lighting	$17,000	
	Western Carolina Center	Replace Air Handling System	$127,100	
	CNCSD	Facilities Deficiencies	$432,200	
	John Umstead Hospital	Replace Elevator Controls	$58,466	
	John Umstead Hospital	Replace Fuel Tank	$36,081	
	Western Carolina Center	Replace 9 Non-UL Approved Emergency Egress Light Transfer Switch	$38,143	
	Murdoch Center	Auditorium Floor, Acoustical Ceiling Tile & Bathroom Modifications	$695,200	
	John Umstead Hospital	Spill Containment Dikes	$120,574	
	Western Carolina Center	Asbestos Abatement & Abandoned Equipment Disposal	$95,357	
	CNCSD	Safety & Security Deficiencies	$367,100	
	John Umstead Hospital	Main Dining Room & Kitchen Upgrades	$295,383	
	Caswell Center	Generator Installation	$1,369,800	
	John Umstead Hospital	Steam, Hot Water & Plumbing Improvements	$2,438,341	
	John Umstead Hospital	Hospital Secondary Electrical Systems Study	$95,768	
	Western Carolina Center	Campus Reroofing & Repairs	$216,200	
	Dorothea Dix Hospital	Spruill Elevator	$162,280	
		GRAND TOTAL	**$116,857,641**	**$11,559,203**
OJJ	Juvenile Evaluation Center	Smoke Detection/Fire Protection Upgrades	$233,900	$233,900
	C.A. Dillon School	Fire Sprinkler System	$287,100	$287,100
	Juvenile Evaluation Center	Water Mains & Fire Hydrant Replacement	$527,300	$527,300
	Dobbs School	DOI Requirements	$91,100	$91,100
	Dobbs School	ADA Requirements	$690,500	$350,000
	New Hanover Detention	Center Repairs	$217,600	
	Buncombe Detention	Roof Repairs	$93,174	$93,174
	Stonewall Jackson School	Roofing Repairs	$446,700	$446,700
	Samarkland	Electrical System Distribution Improvements	$570,700	
	C.A. Dillon School	New Generator	$76,300	
	C.A. Dillon School	Primary Electrical System Replacement	$65,500	
	Stonewall Jackson School	Renovations	$67,300	
	Juvenile Evaluation Center	Replacing Window Screens	$119,400	
	C. A. Dillon School	Window & Screen Replacement	$58,800	
	C. A. Dillon School	Plumbing Repairs	$43,000	
	Juvenile Evaluation Center	Door Renovation	$179,700	
	Stonewall Jackson School	Cafeteria Renovations	$442,200	
	Samarkland	ADA Compliance	$943,700	

Department	Division	Title	Requested	Recommended
OJJ	C. A. Dillon School	Light Replacement	$336,000	
	Juvenile Evaluation Center	Bathroom Renovations	$574,600	
	C. A. Dillon School	HVAC System	$540,500	
	C. A. Dillon School	Floor Renovation	$220,100	
	Stonewall Jackson School	HVAC	$213,800	
	Samarkland	Security Fence	$1,148,300	
	Samarkland	Road Repairs	$123,300	
	Dobbs School	Road Repairs	$47,000	
	Stonewall Jackson School	Road Repairs	$100,200	
	Dobbs School	Underground Tank Removal	$189,400	
	Juvenile Evaluation Center	HVAC	$1,361,700	
	Samarkland	Centralized Kitchen	$1,708,300	
	Samarkland	Demolish Gardner Hall/New MPAC Building	$1,464,300	
	Juvenile Evaluation Center	Modular Office Unit	$1,806,600	
	Samarkland	Demolish Leonard Building/New Vocational Building	$1,966,100	
	Juvenile Evaluation Center	Additional Classrooms & Auditorium	$1,633,600	
	Samarkland	HVAC	$1,713,600	
	Samarkland	Asbestos Removal	$3,037,200	
	Juvenile Evaluation Center	Maintenance Facility Replacement	$982,600	
	Juvenile Evaluation Center	New Administration Building	$2,177,100	
	Dobbs School	Master Plan Study	$200,000	
	Dobbs School	HVAC	$800,000	
		GRAND TOTAL	**$27,498,274**	**$2,029,274**
Ports	Wilmington	Rehabilitation of Crane Rail	$1,000,000	
	Morehead City	Rehabilitation of Berths 2 & 3	$639,100	
	Wilmington	Rehabilitation of Berth 7	$1,500,000	
	Morehead City	Rail & Paving Repairs, Phase 2 Operations Center	$2,623,700	
	Wilmington	Pavement Rehabilitation	$200,000	
	Morehead City	Rehabilitate Transit Sheds	$721,700	
	Morehead City	Rail & Paving Repairs, Phase 3 Arendell St.	$522,800	
	Wilmington	Study to Modify Berths for 42 Feet	$500,000	
	Wilmington	Maritime Building Headquarters Modifications, Phase 1	$512,300	
	Wilmington	Reroof Transit Shed 3	$533,600	
		GRAND TOTAL	**$8,753,200**	**$0**
Revenue	Government Complex	Replace Carpet	$718,886	
	Government Complex	Door Replacement	$36,000	
	Government Complex	Chair Railing	$1,123,800	
	Government Complex	Chair Railing-Columns	$1,908,170	
		GRAND TOTAL	**$3,786,856**	**$0**
OSBM		Contingency	$1,000,000	$209,613
		OVERALL GRAND TOTAL	$256,675,713	$21,000,000

Capital Appropriations
For
Disaster Recovery
1999-2000

Department/Institution	Code	Item	Project	Amount to be Transferred To Disaster Recovery Fund
Administration	49901	4999	Indian Cultural Ctr - Land	250,000
Agricultre	49717	4353	Piedmont Triad Farmers Mkt. Wholesale Bldg	732,980
Agriculture	49317	4812	Cattle and Livestock Facility	7,662
Agriculture	49717	4799	Cattle and Livestock Facility	18,034
Agriculture	49817	4a03	Cattle and Livestock Facility	6,000,000
Agriculture	49817	4a01	Conservation Education Ctr	458,700
Agriculture	49817	4a05	Ctr for Environmental Farming	471,500
Agriculture	49917	4b02	Eastern Ag Ctr - Development	243,966
Agriculture	49317	4808	Southeastern Farmers Mkt	134,313
Agriculture	49817	4899	Southeastern Farmers Mkt	500,000
Agriculture	49917	4b04	Southeastern Farmers Mkt	500,000
Agriculture	49917	4b05	Vernon James Research Ctr	827,168
Agriculture	49917	4b03	Western NC Farmers Mkt - Small Dealers Bldg	231,500
Agriculture - State Fair	49717	4352	Multipurpose Facility	302,640
Agriculture - State Fair	49817	4a02	Multipurpose Facility	3,000,000
Agriculture - State Fair	49917	4b01	Multipurpose Facility	9,500,000
Commerce-Wanchese	49818	4701	Wanchese Seafood Industrial Park - Construction	230,000
orrection	49813	4a01	Acute Care Hosp. - Central Prison - Design	403,750
orrection	49713	4002	Carteret Co. Multipurpose Modular Bldg	360,000
Crime Control/Public Safety	49707	4701	National Guard Armory - Charlotte	1,260,300
Cultural Resources	49714	4702	Cape Fear Museum - Development	1,100,000
Cultural Resources	49614	4601	Museum of Art - Design Funds	48,393
Cultural Resources	49914	4b01	Museum of Art - Design Funds	1,000,000
Cultural Resources	49814	4a01	Museum of Art - Design Funds	1,775,000
Cultural Resources	49714	4701	Museum of History - Restaurant	608,945
Cultural Resources	49714	4705	Res. For Exhibits - Museum of History and Capitol	535,000
Cultural Resources	49514	4501	Reserve for Land Acquisition	485,241
ENR - Aquariums	49816		Construction - Pine Knoll Shores	15,000,000
ENR - Forest Resources	49816	4825	Construction County Headquarters	202,341
ENR - Forest Resources	49516	4578	Forestry Headquarters - Brunswick Co	48,087
ENR - Forest Resources	49916	4740	Forestry Headquarters - New Construction	2,000,000
ENR - Forest Resources	49516	4576	Forestry Headquarters - Rutherford Co	17,065
ENR - Forest Resources	49516	457	Forestry Headquarters - Transylvania Co	1,548
ENR - Museum	49916	4731	Museum of Forestry	250,000
ENR - Solid Waste	49816	4845	Detoxification of PCB Landfill in Warren County	1,439,450
ENR - Water Resources	49716	4315	AIWW Easement Acquisition	96,400
ENR - Water Resources	49516	4559	Aquatic Plant Control Statewide and Lake Gaston	1,831
ENR - Water Resources	49716	4305	Aquatic Plant Control Statewide and Lake Gaston	12,500
ENR - Water Resources	49616	4455	Aquatic Plant Control Statewide and Lake Gaston	16,982
ENR - Water Resources	49616	4474	Atlantic Channels	50,000
ENR - Water Resources	49616	4461	Beaufort Harbor Maintenance Dredging	70,125
ENR - Water Resources	49816	4805	Beaufort Harbor Maintenance Dredging	80,000
ENR - Water Resources	49916	4711	Cape Fear Above Wilmington Dredging	100,000
NR - Water Resources	49716	4307	Carolina Beach Renourishment	248,237

Department/Institution	Code	Item	Project	Amount to be Transferred To Disaster Recovery Fund
ENR - Water Resources	49716	4312	Clinton Wastewater Treatment Plant Flood Protection	84,000
ENR - Water Resources	49716	4330	Conservation Service Projects - Deep Creek Yadkin Co.	500,000
ENR - Water Resources	49816	4820	Conservation Service Projects - Deep Creek Yadkin Co.	500,000
ENR - Water Resources	49716	4317	Corps of Engineers Feasibility Studies	11,400
ENR - Water Resources	49616	4463	Far Creek Channel Maintenance - Hyde Co	27,645
ENR - Water Resources	49816	4814	Jordan Lake Water Supply	29,845
ENR - Water Resources	49916	4703	Jordan Lake Water Supply	63,057
ENR - Water Resources	49916	4707	Lockwood Folly River Feasibility Study	300,000
ENR - Water Resources	49916	4706	Long Beach Sea Turtle Habitat Restoration	354,000
ENR - Water Resources	49716	4311	Long Beach Sea Turtle Habitat Restoration	500,000
ENR - Water Resources	49916	4712	Moravian Creek Flood Control	96,000
ENR - Water Resources	49616	4453	Morehead City Harbor Maintenance Dredging	38,342
ENR - Water Resources	49916	4713	Neuse River Basin Flood Studies	100,000
ENR - Water Resources	49616	4460	New Hanover Co. Spoil Disposal	745
ENR - Water Resources	49516	4564	Planning Assistance to NC Communities	3,367
ENR - Water Resources	49716	4316	Planning Assistance to NC Communities	40,000
ENR - Water Resources	49916	4717	Planning Assistance to NC Communities	92,500
ENR - Water Resources	49916	4716	Prospective Feasibility Studies	102,200
ENR - Water Resources	49516	4560	Rollinson Channel Maintenance Dredging	6,000
ENR - Water Resources	49816	4807	Rollinson Channel Maintenance Dredging	200,000
ENR - Water Resources	49916	4708	Silver Lake Harbor (Ocracoke Is) Maintenance Dredging	160,000
ENR - Water Resources	49516	4561	State-Local Projects	3,788
ENR - Water Resources	49816	4815	State-Local Projects	21,165
ENR - Water Resources	49916	4709	State-Local Projects	141,000
ENR - Water Resources	49916	4710	Stumpy Point Bay Maintenance Dredging	240,000
ENR - Water Resources	49616	4469	Whittaker Creek Canal Dredging	980
ENR - Water Resources	49816	4804	Wilmington Harbor Long Term Disposal	681,152
Health and Human Services	49843	4801	Cherry - Children/Youth Facility	5,000,000
Health and Human Services	49750	4701	Eastern School for Deaf -- Independent Living Complex	369,206
Health and Human Services	49850	4901	Eastern School for Deaf -- Independent Living Complex	1,040,000
Health and Human Services	49957	4901	Eastern Voc Rehab Ctr	2,000,000
Health and Human Services	49956	4901	Whitaker School - New Building	5,400,000
Junvenile Justice	49947	4b01	Stonewall Jackson School - Demolition	337,000
State Ports Authority	49910	4b01	Continued Development	4,000,000
University - ASU	49830	303	Addition and Renovation of Rankin Science Buidling	5,056,500
University - FSU	49834	301	Fine Arts Building - Site Development	500,000
University - NCA&T	49737	310	Campus Security Improvements	828,716
University - NCA&T	49637	302	General Classroom and Laboratory Building	7,157,675
University - NCCU	49735	301	B. N. Duke Auditorium Addition	740,000
University - NCCU	49835	301	Health and Safety Repairs and Renovations	1,809,003
University - NCSU	49824	308	College of Veterinary Medicine Addition (A/P)	675,000
University - NCSU	49824	305	Engineering Instruction Facility (A/P)	3,200,000
University - NCSU	49524	302	Meat Processing Laboratory	4,853,755
University - NCSU	49724	305	Research and Teaching Feed Mill	2,582,000
University - NCSU	49624	306	Undergraduate General Chemistry and Physics Bldg	4,586,000
University - UNCA	49427	303	Highsmith Center Addition and Renovation	356,800
University - UNCA	49727	317	Renovations to Justice Gym	195,000
University - UNCC	49626	305	Office Classroom Building (Humanities)	9,243,365
University - UNCC	49826	304	Science and Technology Building	2,183,736
University - UNCCH	49722	302	Carolina Living and Learning Center	1,154,275
University - UNCCH	49823	305	Memorial Hall Additional Renovations (A/P)	200,000

Department/Institution	Code	Item	Project	Amount to be Transferred To Disaster Recovery Fund
University - UNCCH	49523	318	Renovate R.B. House Library	9,898,700
University - UNCG	49625	302	Science Instructional Building	6,059,955
University - UNC-GA	49821		Reserve for Land Acquisition	3,051,200
University - UNCP	49731	314	Economic Forum Building	244,600
University - UNCW	49828	302	School of Education Building (A/P)	1,030,800
University - WCU	49629	301	Fine Arts Center	1,888,944
University - WSSU	49732	301	Addition and Renovation to the F. L. Atkins Building	4,159,840
University - WSSU	49832	301	Computer Science Facility (A/P)	350,541
X-Miscellaneous	n/a	n/a	Closing out various completed projects (contingency,etc)	1,000,000
X-Other Funds	13085	n/a	Reserve for Special Events	458,500
			Total	**146,527,955**

DRAFT 12/13/99 2:40 pm 12/14 Senate

GENERAL ASSEMBLY OF NORTH CAROLINA

EXTRA SESSION 1999 w/ Technical Corrections

H D

HOUSE DRH6238-LE001H(12.10) 9:40 am 12/14/99

Short Title: Hurricane Floyd Recovery Act of 1999. (Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999.

The General Assembly of North Carolina enacts:

PART I. TITLE OF ACT

Section 1. This act shall be known as "The Hurricane Floyd Recovery Act of 1999."

PART II. LEGISLATIVE FINDINGS

DAMAGE CAUSED BY HURRICANE FLOYD

Section 2.(a) The General Assembly finds that Hurricane Floyd was the worst natural disaster in the State's history. Extensive and prolonged flooding caused by the storm has been devastating to infrastructure and to the civil, social, economic, and environmental well-being of Eastern North Carolina. The entire economic base of Eastern North Carolina was undermined, including the ability of individuals to earn an income to support themselves and their families. A loss of this magnitude affects all of North Carolina. Extraordinary assistance to the affected areas is required if this region and, indeed, the entire State is to recover from the short- and long-term effects of the devastation.

Section 2.(b) The General Assembly finds that as a result of Hurricane Floyd:

(1) The President of the United States declared 66 of the State's 100 counties to be a disaster area. Twenty-seven counties and 73 municipalities were severely impacted by the disaster.

(2) Fifty-one people lost their lives.

(3) People lost their loved ones, their homes, their communities, their houses of worship, their life savings, their jobs, their family mementos, their pets, and their ways of life.

(4) Entire towns were flooded to the rooftops as the water levels of rivers and streams throughout Eastern North Carolina crested at flood-stage heights far beyond those ever seen before in this State.

(5) Over 56,000 homes were damaged. Of these, over 7,000 homes were completely destroyed and another 17,000 are uninhabitable. This damage represents an extraordinary economic loss since less than thirteen percent (13%) of homes in the affected counties were covered by flood insurance. Many homeowners and inhabitants did not have flood insurance because they did not know there was a danger of flooding. (Most homes covered by flood insurance were financed mobile homes for which the loan included flood insurance.)

With the destruction of homes, the economic engine that propels communities was lost. On average, seventy-five percent (75%) of an American family's wealth is embodied in the home. That home equity is what the family relies on to finance businesses, job training for breadwinners, the children's education, and other enhancements to the family's overall well-being.

Additional State assistance to homeowners is therefore essential to assure that there is safe and adequate housing for the citizens of the affected region and to assure the economic viability of affected communities.

(6) Over 12,000 businesses reported physical damage or disaster-related economic losses. Those businesses without the equity to either absorb their losses or qualify for Small Business Administration loans will not reopen and jobs will be permanently lost.

(7) Millions of farm animals were lost, including 2,100,000 poultry, 1,180 cattle, 250 horses, and over 28,000 hogs.

(8) The ability of North Carolina farmers to operate successfully in the coming year was severely compromised. Most farmers were heavily in debt before Hurricane Floyd caused nearly one billion dollars ($1,000,000,000) of damage to agriculture in the State. Most farmers cannot take on the additional debt necessary to repair farm structures, purchase new equipment, rehabilitate damaged fields, and replace lost livestock. Many farmers may be facing bankruptcy without assistance. Many farmers may be

unable to continue farming without assistance. It is therefore necessary to provide State assistance to farmers to preserve the agricultural sector of the economy in Eastern North Carolina and the economic stability of the region.

(9) Commercial fishing losses are estimated at nineteen million dollars ($19,000,000) and the 8,000 commercial fishermen in the State are in danger of losing not only their livelihood, but a way of life their families have known for generations. Without State assistance to commercial fishers, this sector of the economy and the cultural heritage it represents may disappear from North Carolina. It is therefore necessary to provide State assistance to preserve this sector of the economy and this cultural heritage in Eastern North Carolina.

(10) Tourists, industrial location consultants, and business decision makers were left with the impression that all of Eastern North Carolina was and will continue to be totally devastated. Tourists are therefore hesitant to consider visiting Eastern North Carolina, and industries are hesitant to consider locating or expanding in Eastern North Carolina. Without State programs to change the public perception of North Carolina, these negative and inaccurate impressions will threaten the long-term economic stability of the region and of the entire State.

(11) Floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products, and dead farm animals, leaving untold environmental impacts and public health challenges. Flooding heavily damaged State, county, and local infrastructure. Water and sewer treatment plants were shut down and severely damaged due to the flooding, the road system in Eastern North Carolina was shut down and severely damaged due to the flooding, and numerous dams failed or are still in danger of failing. Threats to the public health and safety and severe and continued environmental degradation will continue without additional State programs and assistance to rectify the damage. Therefore, it is necessary to provide additional ~~resources~~ PROGRAMS and resources to respond to the environmental havoc inflicted upon the citizens and communities of Eastern North Carolina by Hurricane Floyd.

merge (12) and (13) into (11)

~~(12)~~ Over 7,000 public and private wells have been tested for contamination and many must be retested before the water is safe to drink.

~~(13)~~ The rivers, sounds, and offshore waters with low oxygen must be monitored to ensure that our fish and shellfish are safe to eat.

(12) ~~(14)~~ Caskets floated out of the saturated ground.

(13) ~~(15)~~ There was erosion in the tax base in counties with persistently high poverty rates. These same counties must now bear the expense of

replacing and repairing damaged infrastructure and meeting the additional educational and social services needs of their residents.

Section 2.(c) The General Assembly further finds that the devastation caused by Hurricane Floyd was of unprecedented proportions. Devastation of this magnitude was not planned for and could not have been planned for. Public and private decision making was predicated on the 100-year floodplain; actual flooding was throughout, and even outside of, the 500-year floodplain. No policies, no decision making, and no planning could adequately mitigate damage from or prepare an adequate response to such an extraordinary event.

Section 2.(d) The General Assembly further finds that the devastation caused by Hurricane Floyd in Eastern North Carolina continues to affect all aspects of the economy, the environment, public health and safety, infrastructure, public and private institutions, and the general welfare of the region and, indirectly, of the entire State. Immediate short-term responses and long-term responses are necessary to preserve a way of life in Eastern North Carolina, the economic condition of the entire State, and the reputation North Carolina has, nationally and internationally, as a great place to live and a great place to do business. to preserve to preserve

CRITICAL NEEDS NOT MET BY EXISTING STATE AND FEDERAL PROGRAMS AND FUNDS

Section 2.1.(a) The General Assembly finds that State and federal disaster relief initiatives are not intended to make individuals whole after a loss; they are intended to assist the affected area in recovering from the devastation caused by Hurricane Floyd. A massive recovery program that includes assistance to individuals is essential to the recovery of the affected area due to the severity of the damage, the magnitude of the geographical area it covered, and the duration of the emergency conditions in the area. The cumulative effect of devastating losses of lives, homes, schools, life savings, personal effects, jobs, businesses, and other social and civic institutions, and of concerns, both real and imagined, about public health issues and the environment, has substantially impaired the region's ability to recover.

Traditional support systems for victims of losses such as families, friends, religious organizations, relief organizations, other private entities, and existing public programs are simply inadequate given the magnitude of the problem. Their property was also damaged by the disaster and their resources were further depleted by the overwhelming and unrelenting need for emergency assistance after the storm.

Without significant additional State assistance to the area devastated by Hurricane Floyd, further deterioration of the economy, the environment, public health and safety, and quality of life in the region is likely to occur. Without additional State assistance:

(1) Tens of thousands of people in uninsured, damaged homes will either not qualify for federal housing assistance or not have the resources to take advantage of federal housing assistance.

(2) Local governments already overwhelmed with storm-related expenses ~~will~~ may not have the resources to repair damaged

infrastructure and provide the new infrastructure necessary for families relocating out of the flood zone.

(3) Thousands of jobs will be permanently lost because an estimated 1,500 small businesses and 25 mid-sized businesses cannot qualify for Small Business Administration loans.

(4) Farmers, most of whom were deeply in debt before being devastated by Hurricane Floyd, will recoup less than forty-three percent (43%) of their crop losses. Unless farmers receive assistance, the number of forced sales and bankruptcies will rise across all of Eastern North Carolina. Many farmers will never farm again.

(5) Commercial fishers will recoup none of their losses.

(6) Resources for drinking water protection, water quality monitoring to ensure the safety of fish and shellfish, solid waste cleanup, hazardous waste cleanup, remediation of high-risk underground storage tanks, and repair of high-hazard dams will be drastically limited.

(7) The tourism industry will continue to suffer throughout the State due to negative publicity about the storm.

Section 2.1.(b) It is the intent of the General Assembly that the benefits of the projects and programs authorized by this act are for the common good and collective recovery of the people of this State following a devastating natural disaster directly affecting a large portion of the State and indirectly affecting the entire State. The entire State faces a major loss if Eastern North Carolina is not offered the assistance provided by this act. The purpose of this act is to provide an ultimate net public benefit to the State through a successful Hurricane Floyd recovery initiative in Eastern North Carolina.

COUNCIL OF STATE FINDINGS

Section 2.2. On December 9, 1999, the Council of State made the following findings in whereas clauses to a resolution:

(1) Eastern North Carolina has a history of communities supported by an economic base of agriculture, small business, tourism, and professional services.

(2) This economy provides the means for people of the region to earn the money needed for housing, transportation, and other basic necessities of life.

(3) The vitality of Eastern North Carolina communities is dependent upon the prosperity of these economies in order to sustain the tax bases for the political subdivisions which provide services to the citizens of the region.

(4) On September 16, 1999, Hurricane Floyd struck Eastern North Carolina with severe rains, resulting in flooding of a catastrophic

nature, displacing thousands of residents of Eastern North Carolina, and paralyzing these communities and their economies.

(5) On September 15, 1999, a State of Emergency was declared under G.S. 166A for 26 counties in Eastern North Carolina, with a subsequent declaration of a state of emergency from the President, allowing North Carolina to receive federal disaster assistance in excess of one billion dollars ($1,000,000,000).

(6) Subsequent federal actions have allowed North Carolina to receive additional federal disaster assistance, again in excess of one billion dollars ($1,000,000,000).

(7) There remain urgent unmet needs in the affected communities to help the population of Eastern North Carolina, to revitalize the economic base within the communities within this region, and to assist the communities in stabilizing the services needed by the residents.

(8) In order for economic stability to be recaptured in these North Carolina communities, such aid must take the form of grants and loans to the individuals and small businesses, which are the essence of these communities and, without such assistance, the region might not recover as a vital section of the State.

(9) We find that the contingency and emergency funds are insufficient to meet the needs of the State to address housing, economic, public health, environment, and local government needs caused by the disaster in Eastern North Carolina communities.

COUNTIES COVERED BY THIS ACT

Section 2.3. Sections 2 through 4.2 of this act apply in the North Carolina counties that were declared a major disaster as a result of Hurricane Floyd by the President of the United States under the Stafford Act (P.L. 93-288).

PART III. THE HURRICANE FLOYD RESERVE FUND

ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND

Section 3. The Governor has established in the Office of State Budget and Management the Hurricane Floyd Reserve Fund. The purpose of this fund is to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd, consistent with the provisions of this act, in the following areas:

(1) Required match for federal funds for disaster relief.

(2) Housing assistance.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy.

(4) Public health, public safety, social services, and environmental recovery issues.

(5) Support to local governments.

These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds.

APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND

Section 3.1.(a) The appropriations and allocations made in this section are for maximum amounts necessary to implement this act. Savings shall be effected where the total amounts appropriated are not required to implement the act.

Section 3.1.(a1) The General Fund availability used in developing this act is as follows:

		1999-2000 ($ Millions)
Budget Reform Statement		
(01)	Ending Unreserved Credit Balance, June 30, 1999	
	a. Budgeted (S.L. 1999-237)	260.4
	b. Actual	296.7
	c. Excess	36.3
(02)	Net Revenue Gain by Finance Bills in Excess of Authorized Expenditures as Enacted by the 1999 Regular Session of the General Assembly	4.6
(03)	Estimated Unappropriated Balance, June 30, 2000	40.9

Section 3.1.(b) There is appropriated from the General Fund the sum of forty million dollars ($40,000,000) for the 1999-2000 fiscal year to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, primarily to support crisis housing assistance.

Section 3.1.(c) Of the funds the General Assembly appropriated for the 1999-2000 fiscal year and previous fiscal years: (i) for the operation and maintenance of State departments, institutions, and agencies, and for other purposes, (ii) for repairs, renovations, and other capital projects, and (iii) other nonrecurring appropriations, the Governor, with the concurrence of the Council of State, may reallocate funds during a state of disaster to the Hurricane Floyd Reserve Fund, as provided in G.S. 166A-6(c)(5).

Section 3.1.(d) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of two hundred eighty-five million nine hundred sixty-five thousand eight hundred twenty-four dollars ($285,965,824) for the 1999-2000 fiscal year primarily to support crisis housing assistance. These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds; however, these funds shall remain in the Savings Reserve Account and shall be transferred to the Hurricane Floyd Reserve Fund and expended only ~~as certified by~~ after the Director of the Budget ~~when~~ certifies that funds from other sources are not adequate to implement the provisions of this act.

Section 3.1.(e) Funds appropriated or reallocated pursuant to this section shall be used only to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd consistent with the provisions of this act.

Section 3.1.(f) The allocation of funds in the [House] [Senate] Committee Report dated December ____, 1999, are intended as guidance for the Governor. However, notwithstanding Section 4.1 of this act but in accordance with Chapter 166A of the General Statutes, if the Governor determines that allocations should be made to programs other than those set forth in the Committee Report, the Governor shall report to the Joint Legislative Commission on Governmental Operations before implementing any changes in the allocations.

PART IV. IMPLEMENTATION OF ACT

TEMPORARY RULES AUTHORIZED; AUTHORIZATION APPLIES TO THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971

Section 4. The General Assembly finds that the magnitude of the devastation caused by Hurricane Floyd and the urgency of the need for immediate State recovery assistance require expeditious actions by State agencies. Delay could: (i) cause serious and unforeseen threats to the public health, safety, or welfare; (ii) result in the loss of federal revenues for the recovery effort; or (iii) increase the likelihood of fraud and abuse in recovery programs. Therefore, notwithstanding the limitations of G.S. 150B-21.1, every agency, as defined in G.S. 150B-2, may adopt temporary rules to implement the provisions of this act. The authority to adopt temporary rules under this section shall continue in effect until all rules necessary to implement the provisions of this act have become effective as either temporary rules or permanent rules. A temporary rule adopted pursuant to this section shall specify the date on which the rule will expire and shall continue in effect until that date. Any agency that adopts a temporary rule pursuant to this section shall report the text of the rule and the agency's written statement of its findings of the need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the adoption of the temporary rule. This section applies to the adoption of temporary rules by the Department of Administration under G.S. 113A-11(a) and to the adoption of temporary rules that establish minimum criteria by any State agency, as defined in G.S. 113A-9, under G.S. 113A-11(b).

AUTHORIZATION TO ESTABLISH NEW PROGRAMS, EXPAND EXISTING PROGRAMS, AND MODIFY EXISTING PROGRAMS TO IMPLEMENT THIS ACT

Section 4.1. The Governor may: (i) establish new programs, expand existing programs, and modify existing programs to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd and (ii) expend funds from the Hurricane Floyd ~~Relief~~ Reserve Fund to implement these programs. These expenditures and programs shall be used only for:

(1) Required matching funds for federal funds for disaster relief.

(2) Crisis housing assistance, which may include, but shall not be limited to, direct housing assistance to homeowners and renters, grants to local government for water, sewer, and other infrastructure needs for housing in new areas, predevelopment activities, housing counselors, and housing recovery efforts.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy, which may include, but shall not be limited to, small business disaster assistance to small and mid-sized businesses, grants to farmers, and grants and loans to commercial fishers.

(4) Public health, public safety, social services, and environmental recovery issues which may include, but shall not be limited to, drinking water protection, water quality monitoring, solid waste and hazardous waste cleanup, assessment and remediation of high-risk underground storage tank sites, dam safety, and emergency and maintenance dredging.

(5) Support to local governments, by grants to local governments to offset revenue losses resulting from storm damage from natural disasters covered by federal disaster declarations as to any storm between September 1, 1999, and the date of enactment of this act. The amount of the grants shall be based on loss of taxable property in the jurisdiction.

AUTHORIZATION TO TRANSFER FUNDS TO FEDERAL AGENCIES AND TO LOCAL GOVERNMENTS

Section 4.2. The Governor may:

(1) Use funds from the Hurricane Floyd Reserve Fund to match federal funds in accordance with Section 4.1(1) of this act.

(2) Provide grants to local governments in accordance with Section 4.1(5) of this act.

(3) Transfer funds to federal agencies and local governments pursuant to cooperative agreements under which they administer programs or provide services on behalf of the State.

AUTHORIZATION TO ESTABLISH TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT

Section 4.3. The Governor may establish part-time and full-time personnel positions to implement this act. All such positions shall be time-limited and shall be exempt from the State Personnel Act.

AUTHORIZATION TO ESTABLISH ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS

Section 4.4. The Governor may establish advisory councils to advise relevant State agencies on Hurricane Floyd recovery efforts and to ensure input from representatives of affected communities and groups.

TAX EXEMPTION

Section 4.5. Each agency disbursing funds or property under Section 4.1 of this act from the Hurricane Floyd Reserve Fund for hurricane relief or assistance, other than payments for goods or services provided by the recipient, shall include with the disbursement a written statement of the State and federal income tax treatment of the funds or property disbursed.

Section 4.6.(a) G.S. 105-134.6(b) is amended by adding the following new subdivision to read:

"(16) The amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(b) G.S. 105-130.5(b) is amended by adding the following new subdivision to read:

"(19) To the extent included in federal taxable income, the amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6 (c) This section is effective for taxable years beginning on or after January 1, 1999.

PART V. CREATION OF DISASTER RESPONSE AND RECOVERY COMMISSION

Section 5.(a) Commission Established. -- There is established the Legislative Commission to Address Hurricane Floyd Disaster Relief ("Commission").

Section 5.(b) Membership. -- The Commission shall consist of 15 members as follows:

(1) Five members appointed by the Governor.

(2) Five members appointed by the Speaker of the House of Representatives.

(3) Five members appointed by the President Pro Tempore of the Senate.

Appointments to the Commission shall be made not later than January 15, 2000. A vacancy in the Commission or as chair of the Commission resulting from the resignation of a member or otherwise shall be filled in the same manner in which the original appointment was made.

Section 5.(c) Duties of Commission. -- The Commission shall study:

(1) The adequacy of the State's short-term and long-term response to natural disasters under current law and necessary modifications in

the State's response to future natural disasters. In the course of this study, the Commission may consider:

a. The circumstances under which an extraordinary State response to extraordinarily severe and widespread devastation is appropriate and the components of such an extraordinary State response.

b. The need for dedicated sources of funding for disaster recovery.

c. The need to modify State policies and amend State laws to mitigate damages in future disasters and to remove administrative obstacles to the recovery effort.

(2) Short- and long-term recovery efforts for Eastern North Carolina in response to Hurricane Floyd and strategies for supplementing, improving, and enhancing those recovery efforts.

Section 5.(d) Consultation. -- The Commission may consult with appropriate State departments, agencies, and board representatives on issues related to its duties.

Section 5.(e) Organization. -- Members of the Commission and its subcommittees shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate one member to serve as cochair of the Commission. The cochairs shall call the initial meeting of the Commission on or before February 1, 2000. The Commission shall subsequently meet upon such notice and in such manner as its members determine. A majority of the members of the Commission shall constitute a quorum.

The Commission may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission of the General Assembly, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. Upon the direction of the Legislative Services Commission, the Legislative Assistants Directors of the Senate and of the House of Representatives shall assign clerical staff to the Commission. The expenses for clerical employees shall be borne by the Commission.

The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it.

Section 5.(f) Citizen Participation. -- The Commission shall establish a process of citizen participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission. It shall hold meetings throughout the State.

Section 5.(g) Cooperation by Government Agencies. -- The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision thereof for facilities, data, or other assistance.

Section 5.(h) Funding. -- The Commission may apply for, receive, and accept grants of non-State funds or other contributions as appropriate to assist in the performance of its duties.

Section 5.(i) Report. -- The Commission shall submit interim reports to the 2000 Regular Session of the 1999 General Assembly and the 2001 General Assembly and shall submit a final report of its findings and recommendations on May 1, 2002, to the General Assembly, the Governor, and the citizens of the State. The Commission shall terminate upon filing its final report.

PART VI. REPORTING REQUIREMENTS

Section 6. The Governor shall report to the Joint Legislative Commission on Governmental Operations on the implementation of this act on a monthly basis during the third quarter of the 1999-2000 fiscal year and on a quarterly basis thereafter. The Governor shall report more frequently at the request of the Commission.

PART VII. EQUALIZATION OF UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS

Section 7. G.S. 96-13(c) reads as rewritten:

"(c) ~~From January 29, 1975, through February 15, 1977, no week of unemployment for waiting-period credit shall be required of any claimant.~~ Beginning February 16, 1977, an unemployed individual shall be eligible to receive benefits with respect to any week only if the Commission finds that he has been totally, partially, or part-totally unemployed for a waiting period of one week with respect to each benefit year. No week shall be counted as a week of unemployment for waiting-period credit under this provision unless the claimant except for the provisions of this subdivision was otherwise eligible for benefits. As to claims filed on or after September 5, 1999, the waiting period for a benefit year shall not be required of any claimant if all of the following conditions are met:

(1) The benefits are to be paid for unemployment due directly to a major natural disaster.

(2) The President of the United States has declared the disaster pursuant to the Disaster Relief Act of 1970, 42 U.S.C.A. 4401, et seq.

(3) The benefits are to be paid to claimants who would have been eligible for disaster unemployment assistance under this act if they had not been eligible to receive unemployment insurance benefits with respect to that unemployment.

(4) The claimant files for a waiver of the waiting period week within 30 days after the date of notification or mailing of the notice of the right to have the waiting period week waived. The Employment Security Commission, for good cause shown, may at any time in its

discretion, with or without motion or notice, order the period enlarged if the request for an enlargement of time is made before the expiration of the period originally prescribed or as extended by a previous order. After expiration of the specified period, the Employment Security Commission may permit the act to be done where the failure to act was a result of excusable neglect.

move to margin

The benefits paid as a result of the waiver of the waiting period week shall not be charged to the account or accounts of the base period employer or employers in accordance with G.S. 96-9(c)(2)d.

move to margin

The Employment Security Commission shall implement regulations prescribing the procedure for the waiver of the waiting period week in accordance with G.S. 96-4(b)."

PART VIII. EFFECTIVE DATE

Section 8. This act is effective when it becomes law, except that Sections 3.1(c), 4, 4.1, 4.2, and 7 become effective September 1, 1999, and except that Section 4.6 of this act is effective for taxable years beginning on or after January 1, 1999.

#1 Adopted voice vote 10/14 Sara Jarvis

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
HURRICANE RELIEF

AMENDMENT NO. 1
(to be filled in by
Principal Clerk)

HURR-ALB-3

Date ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative

moves to amend the bill on page 3, line 34, by deleting "resources and resources" and substituting "programs and resources"

further moves to amend the bill on page 3, lines 37 through 41 by making these part of subdivision (11), and on page 3 lines 42 and 43 by renumbering those subdivisions accordingly

further moves to amend the bill on page 4, lines 15 and 16 by deleting "the" and substituting "to preserve the"

further moves to amend the bill on page 4, line 44, by deleting "will and substituting "may"

further moves to amend the bill on page 7, lines 41 and 42, by deleting "as certified by the Director of the Budget when", and substituting "after the Director of the Budget certifies that"

further moves to amend the bill on page 8, line 24, by deleting "temporary rules" and substituting "temporary rules necessary"

further moves to amend the bill on page 8, line 42, by deleting "Relief" and substituting "Reserve"

ADOPTED

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
HURRICANE RELIEF

1

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

HURR-ALB-3

further moves to amend the bill on page, 3, line 6, by deleting "fishermen" and substituting "fishers"

further moves to amend the bill on page 13, lines 7 through 12 by designating these as part of subsection (c) rather than as numbered subdivisions (5) and (6) of that subsection.

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

#2 adopted voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

2

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

99EX-Amend-ALH3

Date _____,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative _____

moves to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-1, Item A.1., by changing the dollar amount on that line from "100,402,079" to "100,405,000".; and

on page L-3, Item E.13, by changing the dollar amount on that line from $2,670,000 to $2,575,000; and

on page L-5, by changing the dollar amount that follows "Total Hurricane Floyd Reserve" from "$830,072, 079 to "$829,980,000".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

#3 adopted voice vote as perfected by #4

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

AMENDMENT NO. 3
(to be filled in by Principal Clerk)

99EX-Amend-ALH2

Date _____,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative _____

moves to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-5, item J.29., by deleting the narrative under that item and substituting the following:
"Provides grants to units of local governments adversely affected by Hurricane Floyd to support public education and other governmental operations as deemed appropriate by local elected ~~officials~~ governing boards."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment (perfecting) See #4

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

adopted voice vote #4 #4 perfecting

EDITION No. _____

H. B. No. _____

S. B. No. _____

COMMITTEE SUBSTITUTE AH3

DATE _____

Amendment No. 4 amendment

(to be filled in by Principal Clerk)

Rep.)
)
Sen.) Pope

1 moves to amend the bill on page _____, line _____

2 ( ) WHICH CHANGES THE TITLE

3 by deleting "elected officials"

4 _____

5 and substituting "governing boards"

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. DRH6238-LEOO1H (12-10) DATE 12-14-99

S. B. No. _____ Amendment No. 5 (to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

#5 adopted voice vote

(Rep.) Luebke
(Sen.)

1 moves to amend the bill on page 4, line 9

2 ( ) WHICH CHANGES THE TITLE

3 by adding the following sentence to read: "However,

4 learning from this tragic event, the General

5 Assembly funds that long-term planning for

6 future natural disasters as appropriate."

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SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

question divided #6

#6A adopted voice vote
#6B adopted voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

AMENDMENT NO. 6
(to be filled in by
Principal Clerk)

99EX-Amend-ALR2

Date _____,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Hardaway

#6A

moves to amend the bill on page 10, line 1,
by deleting "may" and substituting "shall";

#6B

and further moves to amend the bill on page 10, line 31,
by deleting "15" and substituting "21";

and further moves to amend the bill on page 10, lines 33, 34, and 36
by deleting "Five" each time it appears and substituting "Seven".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

ADOPTED
Voice vote

11

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill DRH

AMENDMENT NO. _____
(to be filled in by Principal Clerk)

HURR-ALC-~~MEBERT~~ Russell2

Date _____, 199__

Comm. Sub. []
Amends Title []
DRH6238

Rep. ~~Miller~~ Russell

moves to amend the bill on page 10, line 26,
by adding the following on the line:
"DISASTER COUNTIES TIER RANKINGS Revenue Laws Study
Section 4.7.(a) The ~~Legislative Commission to Address Hurricane~~ committee ~~Floyd Disaster Relief,~~ ~~created in Part V of this act,~~ shall study the potential consequences of lowering the enterprise area tier designations under G.S. 105-129.3 of counties that sustained severe or moderate damage from a hurricane or a hurricane-related disaster in 1999, according to the Federal Emergency Management Agency. The ~~Commission~~ Committee shall consider the estimated fiscal impact of such a proposal, its effect on the competitiveness of other counties, whether the current law formula for tier designation is responsive to hurricane-related changes in individual counties, and other relevant issues.
Section 4.7.(b) The ~~Commission~~ Committee shall report its findings and recommendations on this issue to the 2000 Regular Session of the 1999 General Assembly."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

ADOPTED

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

12

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

99EX-Amend-ALR1

Date_____,1999

Comm. Sub. []
Amends Title []

Representative Sutton

moves to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-1, item B.4., by adding the following at the end of the narrative of that item: "Supplemental grants to homeowners shall not exceed $50,000.".

except where necessary to place low and moderate income families in to comparable housing as defined under the federal Uniform Relocation Act

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

except where necessary to place low and moderate income families in to comparable housing as defined under the federal Uniform Relocation Act

A explanation does not reflect House committee amendments

EXPLANATION
Draft LE001H
A BILL TO BE ENTITLED AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999.

Section 1. Title of the bill.

Sections 2- 2.1. Sets out the legislative findings of fact, rationale for enacting the bill, and public purpose doctrine considerations. These findings were largely taken from presentations made by the State of North Carolina to the Congress of the United States in its request for disaster relief, as updated and corrected. The purpose of Part II of the bill is to set out legislative findings that will explain to the taxpayers and citizens in the affected area, to taxpayers and citizens in the remainder of the State, to State and local agencies administering the bill, and, if necessary, to the courts, (i) the reasons the legislation is necessary and appropriate response to the unprecedented disaster, and (ii) the reasons expenditures of public funds to implement are for the common good and collective recovery of the State following a devastating disaster. (That is, to use the legal terms, that the expenditures are for a constitutionally permitted public purpose and they are not for constitutionally impermissible exclusive emoluments.)

Part II, Section 2, of the bill sets out legislative findings regarding:
(1) The severity of destruction caused by Hurricane Floyd and the;
(2) The vastness of the geographical area it covered;
(3) The unprecedented nature of such a disaster, which made it impossible for the affected area to plan for, mitigate, or respond adequately to such a disaster;
(4) The cumulative affect of such a disaster to the economic base, the availability of jobs and housing, communities, infrastructure, the environment, public health and safety, the family, religious institutions, and all other public and private institutions in the affected area; and
(5) The likelihood that the situation will continue to deteriorate without extraordinary action.

Part II, Section 2.1, of the bill sets out critical needs not met by existing State and federal programs and funds and the devastating results anticipated for the affected region and for the remainder of the State if these needs are not met.

Section 2.2. Sets out the findings made by the Council of State in its resolution regarding Hurricane Floyd. These findings are taken verbatim from the resolutions.

Section 2.3. Provides that programmatic aspects of the act apply only to the counties declared a federal disaster area as a result of Hurricane Floyd. Provisions such as the tax exemptions and the permanent change made in Section 7 of the bill concerning eligibility for unemployment compensation in the first week after a major natural disaster apply statewide.

Section 3. Acknowledges that the Governor created the Hurricane Floyd Reserve Fund in the Office of State Budget and Management. Provides that the purpose of the Fund is to provide appropriate relief from the effects of Hurricane Floyd in the areas listed below. The funds are to remain available until the General Assembly directs their reversion.

(1) Match for federal funds for disaster relief
(2) Housing assistance
(3) Economic recovery assistance, including agriculture and fishing
(4) Public health, public safety, social services, and environmental recovery
(5) Local government support

Section 3.1.

(a) Appropriations boilerplate language. Provides that appropriations and allocations are for the maximum amount needed and directs that savings be effected where the total amounts appropriated are not required.

(a1) Sets out the Budget Reform Statement showing the source of funds.

(b) Appropriates $40 million from the General Fund to the Hurricane Floyd Reserve Floyd primarily for crisis housing assistance.

(c) Authorizes the Governor, with the concurrence of the Council of State, to reallocate funds appropriated for the 1999-2000 fiscal year and previous fiscal year in compliance with G.S. 166A-6(c)(5). Funds that may be reallocated are those appropriated for (i) operation and maintenance of State departments, institutions, and agencies and for other purposes; (ii) repairs, renovations, and other capital projects; and (iii) any other nonrecurring appropriations. This is not, in fact, intended to be new authority, but simply to confirm that the Governor had such authority under his emergency powers under Chapter 166A of the General Statutes. In fact, this action has already been taken by the Governor under Chapter 166A.

(d) Appropriates $286,000,000 from the Savings and Reserve Account to the Hurricane Floyd Reserve Fund for the 1999-2000 fiscal year primarily to be used for crisis housing assistance. Those funds are to remain available until the legislature directs that they be reverted. However, the funds are to remain in the Savings and Reserve Account and shall be transferred and spent only as certified by the Director of the Budget when other funds are inadequate.

(e) Provides that funds appropriated or reallocated under this section shall be used only for necessary and appropriate relief from the effects of Hurricane Floyd in compliance with this act.

(f) Provides that the allocations set out in the budget report are for the Governor's guidance. Provides that the Governor may vary from the allocations in the budget report in accordance with Chapter 166A of the General Statutes, but requires the Governor to report to the Joint Legislative Commission on Governmental Operations before implementing those budget report changes. Details on the report will be filled in by Wednesday once the legislative process is further sketched out.

Section 4. Authorizes agencies to adopt temporary rules to implement this act. The authority to adopt temporary rules continues until the rules needed to implement the act are effective as either temporary or permanent rules. A temporary rule adopted under this section must specify the date on which it will expire and continues in effect until that date. Any agency that adopts a temporary rule under this section must report the text of and need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the rule's adoption. This section specifically authorizes the Department of Administration and other State agencies to adopt temporary rules to implement the North Carolina Environmental Policy Act, including the adoption of minimum criteria."

Section 4.1. Authorizes the Governor to establish new programs and to expand and modify existing programs for necessary and appropriate relief from Hurricane Floyd effects. This is not intended to be new authority, but simply to confirm that the Governor had such authority under his emergency powers under Chapter 166A of the General Statutes.

Also authorizes the Governor to fund these programs from the Hurricane Floyd Relief Fund. Expenditures and programs may be used only for the following:

(1) Matching funds for federal disaster relief funds
(2) Crisis housing assistance
(3) Economic recovery assistance
(4) Public health and safety, social services, environmental recovery
(5) Local government support (to reimburse for revenue losses caused by natural disasters on or after September 1, 1999, to be in proportion to loss of taxable property)

Section 4.2. Authorizes the Governor to do the following:

(1) Use Hurricane Floyd Relief Fund funds to match federal funds
(2) Provide grants to local governments
(3) Transfer funds to federal agencies and local governments pursuant to cooperative agreements

This section is designed to clarify to the satisfaction of those other agencies that the State has authority to enter into cooperative arrangements for administration and funding of the programs.

Section 4.3. Authorizes the Governor to establish time-limited personnel positions to implement the act. The positions are exempt from the State Personnel Act. This is intended so that the State does not incur long-term personnel act obligations from a program that is, by its nature , temporary,

Section 4.4. Authorizes the Governor to establish various advisory councils to ensure input from representatives of groups and communities affected by Hurricane Floyd. While this section may be duplicative of G.S. 143B-10(d), it is designed

to encourage advisory councils whether organized on the basis of subject area or locality.

Section 4.5 directs that the State shall give recipients of hurricane relief a written notice of the State and federal tax treatment of the relief. Although at this time the federal tax treatment is not clear, the Department of Revenue is pursing a ruling from the IRS and plans to provide the disbursing agencies with the necessary information to be given recipients of relief.

Section 4.6 exempts from North Carolina individual and corporate income tax the Hurricane Floyd relief payments made by the State, effective beginning with the 1999 tax year. The exemption allows the taxpayer to deduct for State income tax purposes any relief amounts that were included in federal taxable income. The exemption applies only to Hurricane relief -- it does not exempt compensation paid for goods and services the taxpayer provides.

Section 5.

(a) Establishes the Legislative Commission to Address Hurricane Floyd Disaster Relief
(b) The Commission shall consist of 15 members -five appointed by the Governor, five appointed by the Speaker of the House of Representatives, and five appointed by the President Pro Tempore of the Senate.
(c) Duties of the Commission are to study the adequacy of the State's response to natural disaster, recovery efforts in responding to Hurricane Floyd, and possible enhancement of those efforts.
(d) Commission may consult with other agencies.
(e) Sets out the organization of the Commission. Provides that members may receive per diem, subsistence, and travel allowances. The Commission may appoint subcommittees of its members and other knowledgeable persons or experts.
(f) Commission shall ensure citizen participation.
(g) Commission may request data, etc. from other agencies.
(h) Commission may apply for grants.
(i) Reporting requirement.

Much of the language of Section 5 is standard boilerplate

Section 6. Provides that the Governor must report to the Joint Legislative Commission on Governmental Operations on a monthly basis during the third quarter of the 1999-2000 fiscal year (January, February, and March 2000), quarterly thereafter, and more often if so requested by the Commission.

Section 7. Provides that natural disaster victims are not subject to the waiting period for unemployment insurance. This provides the same unemployment benefits for all flood victims without regard to the waiting period.

Section 8. Effective date--Section 3.1(c) (Governor's authority to reallocate funds in compliance with the Emergency Management Act) Section 4 (Temporary rulemaking under the Administrative Procedure Act), Section 4.1(Governor's authority to establish new programs, modify and expand existing programs, and fund those programs to implement Hurricane Floyd relief), and Section 7 (Equalization of unemployment insurance waiting period for unemployed flood victims) were effective on September 1, 1999. Tax provisions are effective for taxable years beginning January 1, 1999. The remainder of the act is effective when it becomes law.

-Gerry Cohen 12/13/99

B

State of North Carolina

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ATTORNEY GENERAL

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December 13, 1999

The Honorable Marc Basnight
Room 2007, Legislative Building
Raleigh, North Carolina 27603

The Honorable James B. Black
Room 2304, Legislative Building
Raleigh, North Carolina 27603

Re: Proposed Disaster Relief Programs; Constitutionality With Respect to the Public Purpose and Exclusive Emolument Clauses; North Carolina Constitution, Article I, Sec. 32 and Article V, Sec. 2(1)

Dear Senator Basnight and Speaker Black:

You seek our opinion regarding the constitutionality of a series of proposed measures for providing relief to citizens from the ravages of Hurricane Floyd. The exact contours of these programs have not been fully developed. However, we understand that some of these programs would include direct grants to individuals for housing repair and assistance and low interest loans to farmers and the owners of small businesses. We further understand that the General Assembly believes, and will find as a part of this legislation, that in view of the magnitude and scope of the damage these direct grants and low interest loans are for the common good and constitute a public purpose. In essence, these findings would declare the legislature's conclusion that restoration of the communities devastated by the hurricane through grants and low interest loans to the citizens and small businesses which make up those communities is primarily for the public good.

Whether a particular legislative program is for a public purpose within the meaning of Article V, Section 2(1) of the Constitution is a question of law which can only finally be resolved by the courts. In making that decision, the courts defer to, but are not bound by, the legislature's findings regarding the need for and benefits of the program. Redevelopment Commission v. Brock, 252 N.C. 575 (1940). Public purpose, as the courts have acknowledged, is an evolving, difficult-to-define concept. Id. In general though, a program will be found to be for a public purpose if it is reasonably connected to a legitimate aim of government and if the ultimate benefit of the program accrues to the benefit of the public generally and not to special interests or persons. See Madison Cablevision v. City of Morganton, 325 N.C. 634 (1989).

These principles were most recently applied in Maready v. City of Winston-Salem, 342 N.C. 608 (1996). There the Court was persuaded that a program of incentive grants to private corporations for economic development purposes was for a public purpose in part because the grant program had significantly increased the local tax base and boosted the local economy.

On earlier occasions, our courts have held that using public funds to provide subsidized housing for families who could not otherwise obtain housing was for a public purpose. Martin v. N.C. Housing Corp., 277 N.C. 29, 50 (1970) ("Nothing could contribute more to the stability of our institutions than the acquisition of homes by an ever-increasing proportion of our people"). More recently, the Court held that extending these low-interest loans for housing to moderate income families was likewise for a public purpose. In Re Denial of Approval of Bonds, 307 N.C. 52 (1982). See also, State Education Assistance Authority v. Bank of Statesville, 276 N.C. 576, 587 (1970) ("Loans to meritorious North Carolinians of slender means [in order to] minimize the number of qualified persons whose education is interrupted or abandoned for lack of funds" is for a public purpose).

Although our courts have not examined the scope of the public purpose doctrine in the context of disaster recovery programs, there seems little doubt that our courts would hold that disaster programs generally are for a public purpose. Indeed, our Constitution at Article XI, Section 4 states: "Beneficent provision for the . . . unfortunate . . . is one of the first duties of a civilized and a Christian State." Moreover, the courts of other states have upheld disaster relief programs which included direct assistance to homeowners. In Suber v. Alaska State Bond Committee, 414 P.2d 546 (1966), the Alaska Supreme Court held that direct grants to homeowners to assist them with the "crushing financial burden" placed on them as a consequence of earthquakes was for a public purpose. In this regard, the Court observed:

> Relief and support of the poor has long been recognized as an obligation of government and a public purpose. It is no less a public purpose to extend public moneys to relieve economic distress by aiding those persons who have suffered a substantial financial burden as a result of a national disaster.

Suber, 414 P.2d at 550. See also, State of New Mexico v. Hannah, 314 P.2d 714 (1957).

Based on the principles set forth in these cases, it is our opinion that our courts would likely hold that disaster relief programs which encompass direct grants to individuals and low interest loans to farmers and small businesses serve a public purpose within the meaning of Article V, Section 2(1) of the Constitution so long as the legislation is reasonably tailored to address the emergency situation presently existing in eastern North Carolina and to assure that private interests do not predominate over the public purpose. For example, the General Assembly should limit direct grants and low-interest loans to persons (1) who reside within the disaster zone (2) whose home, farm or business suffered substantial damage as a consequence of the disaster and (3) who have not otherwise been fully compensated for that damage.

Article I, Section 32 of the Constitution must also be considered. That provision forbids "exclusive or separate emoluments or privileges from the community but in consideration of public service." The test for determining violations of this section of the Constitution is very similar to the test for determining violations of the public purpose clause of Article V, Section 2(1) of the Constitution. A statute that benefits a particular group of persons is not an exclusive emolument or privilege if it "is intended to promote the general welfare rather than the benefit of the individual" and if "there is a reasonable basis for the legislature to conclude that the granting of the [benefit] serves the public interest." Town of Emerald Isle v. State, 320 N.C. 640, 654 (1987). Applying this test, the courts have held that programs providing loans to veterans to purchase homes, Hinton v. State Treasurer, 193 N.C. 496 (1927), and for hospital care for needy citizens, Martin v. Raleigh, 208 N.C. 369 (1935), do not confer exclusive emoluments or privileges on the citizens benefiting from those programs.

Grants and low interest loans to individuals or business that are not directly related to the accomplishment of a legitimate public purpose would be constitutionally suspect as exclusive emolument. In this instance, however, the grants and low interest loans are part and parcel of programs designed to restore communities devastated by a major natural disaster. Based on the principles set forth in the foregoing cases and the provisions of Article XI, Section 4 of the Constitution ("one of the first duties of a civilized and Christian state" is to make "beneficial provision for the unfortunate"), we are of the opinion that our courts would likely hold that disaster relief programs which encompass direct grants to individuals and low interest loans to farmers and small businesses would not be considered exclusive emoluments or privileges within the meaning of Article I, Section 32 so long as the direct grants and low interest loans are reasonably tailored to assure that private interests do not predominate over the public purpose.

Please let us know if we can provide other assistance with your flood relief efforts.

Sincerely,

Edwin M. Speas, Jr.
Chief Deputy Attorney General

EMSjr/spw

cc: Jack Jenkins

C

Hurricane Floyd Relief State Emergency Funding

Summary
December 10, 1999

Federal Match Requirement			$232.40 million
Crisis Housing Assistance			350.18
Direct Housing Assistance		287.42	
Infrastructure		41.69	
Pre-development Activities		10.00	
Counselors & Recovery Office		11.07	
Crisis Economic Recovery Assistance			213.40
Small Business Disaster Assistance		51.00	
Deferred payment loans	42.50		
Interest buy-down on SBA loans	8.50		
Agriculture and Fishing Disaster Assistance		161.40	
Agriculture	150.00		
Commercial Fishing	11.40		
General Economic Recovery Assistance		1.00	
Public Health and Environment			27.70
Safe Water		3.00	
Drinking Water Protection	1.00		
Water Quality Monitoring	2.00		
Clean Up		12.00	
Solid Waste Clean-up	4.50		
Hazardous Waste Clean-up	2.50		
Underground Storage Tanks	5.00		
Public Safety		12.70	
Dam Safety	2.50		
Emergency Dredging	10.20		
Local Government Support			6.30
Total State Emergency Package			**$829.98 million**

Federal Match Requirement

The total federal match requirement as of November 23, 1999 is $232.40 million. These needs are best explained through the following chart.

Item	Amount (Millions)
Stafford Act Programs	$100.4
Agency Commitments – these items include these things funded by the executive agencies without additional budget authority (See Appendix $)	44.6
FEMA Housing Legislation – this is the match on the Housing Package approved in the Omnibus Budget by Congress (See Appendix $)	63.7
Agriculture Appropriations – this is the match on those programs approved in the Omnibus Budget by Congress (See Appendix $)	23.7
TOTAL	**$232.40**

Crisis Housing Assistance

Hurricane Floyd caused damage to over 55,000 homes in eastern North Carolina. Over 7,000 homes were completely destroyed and another 17,000 have been determined to be uninhabitable. To compound the tragedy, less than 13% of all homes in the affected counties were covered by flood insurance (most of these were financed mobile homes for which the loan includes flood insurance for the balance). FEMA has provided rental assistance and emergency shelter in travel trailers and mobile homes. In addition, over 16,000 families have received FEMA Minimum Repair Grants of $10,000 or less to make their home "safe, sanitary, and secure." Most homeowners will have to rely on Small Business Administration (SBA) Disaster Home loans to repair their homes and personal property. Families who cannot qualify for a SBA loan are eligible for an Individual Family Grant (IFG) of up to $13,600. Regular FEMA Hazard Mitigation Grant Program (HMGP) funding will provide grants for local governments to purchase up to 5,000 destroyed and severely damaged homes. Additional federal funds have been committed to bring the total acquisition at this time to 7,900 homes; full funding of Governor Hunt's emergency federal funding request will provide funding to acquire 3,100 additional homes, for a total acquisition of 11,000 homes.

Governor Hunt's request for emergency federal funding included $622 million in funding to address housing needs not covered under the base FEMA programs. We have received a commitment of $191 million for housing needs and will continue to pursue an additional $423 million. State emergency funds are also needed to begin the rebuilding process. ***The package of state crisis housing assistance that we have proposed to Governor Hunt will aid 29,462 homeowners and 5,827 renters*:**

Direct Housing Assistance **$287.42 million**

Homeowners:

- State Acquisition and Relocation Fund (SARF) $139.33
  Approximately 5,573 homeowners with damaged homes are eligible for a HMGP buy-out. The FEMA HMGP program ($167.19 m federal) provides for the purchase of homes at the pre-flood fair market value. In many cases, the homeowner cannot purchase comparable housing outside the 100-year flood plain at that cost. A SARF supplement allows them to purchase a replacement home. The average supplement is $25,000.
- Grants to successful SBA loan applicants 61.88
  An estimated 13,062 families will qualify for SBA loans of over $316 million. These grant funds, which will be graduated based upon age, income and amount of damage, will help to reduce the burden of taking on additional debt to repair or replace a damaged home for these families. Grants will be for $2,500, $5,000, and $10,000.
- Replacement and Repair Grants for Low-Income Families 59.92
  Approximately 11,127 homeowners with damaged homes are not subject to HMGP buy-out, covered by insurance, or eligible for a SBA loan. For these homeowners, supplemental funds are needed to replace, repair or rehabilitate their homes. This funding will allow us to begin the rebuilding process as we continue to pursue $90 m in federal CDBG funds included in the Governor's emergency request for this purpose. (These state funds and the requested CDBG funds in the emergency federal request plus required state match will meet the total estimated need of $180 m.)

Renters:

- State Acquisition and Relocation Fund (SARF) 16.28
  An estimated 5,427 damaged rental units will be purchased under the HMGP buy-out ($163 m federal). The renters of those homes will have to relocate. These funds will provide a $3,000 relocation assistance payment to those families.
- Affordable Rental Housing Production 10.00
  Funds will be leveraged to jump-start the production of affordable rental housing in eastern NC. Will be leveraged to provide housing for at least 400 additional families. We will continue to aggressively pursue $147 million in CDBG funding included in Governor Hunt's emergency federal funding request.

Infrastructure **41.69**

- Infrastructure grants to local government
  Local governments will be encouraged to rebuild houses and neighborhoods on "in-fill" lots and in areas already served by infrastructure. However, we estimate that 5,236 new single family homes will be constructed in areas that will require new infrastructure. These will be new neighborhoods not currently served by water and sewer and requiring sidewalks, storm drainage, etc We will continue to pursue $16 m included in the federal emergency request that is required in addition for this purpose.

Predevelopment Activities **10.00**

- Aid to Local Governments 2.5
  Local governments will oversee the massive rebuilding process in their jurisdictions. These grant funds will allow them to hire or contract for approximately 78 additional housing inspectors and rehabilitation specialists to ensure that the new construction is done well.
- Land Acquisition and Capacity Building 7.5
  The size of the rebuilding effort will require the participation of all housing provider sectors – private developers, non-profit agencies, and public authorities. These funds will provide grants to non-profit agencies and public authorities to increase their ability to undertake the effort and for local governments, non-profit agencies and public authorities to acquire land for new low-income housing.

Counselors and Recovery Office **11.07**

- Housing Counselors 8.5
  Under his emergency powers, Governor Hunt has established Housing Recovery Assistance Centers in the 26 counties with the greatest housing damage. The counselors in these centers are working with families to help them sort through the various federal programs to determine the best options to address the housing needs of their family given their individual circumstances. These funds will allow 100 counselors to remain under contract for 30 months to work intensively with approximately 30,000 families, providing counseling and advocacy as they determine the best solutions for their short-term and long-term housing needs.
- Housing Recovery Council and Office 2.6
  Rebuilding eastern North Carolina will require the effort of many state and federal agencies, over 275 units of local government, and numerous non-profit groups, public authorities, and private developers. The Housing Recovery Council will be a policy-making board responsible for providing oversight of the effort and submitting progress reports to Governor Hunt and the General Assembly on activities and use of available funds. The Housing Recovery Office will be comprised of 9 time-limited positions (39 months) who will direct the activities of the Housing Counselors, staff the Housing Recover Council and ensure that the various state agencies involved in the rebuilding effort make the most efficient use of scarce resources. They will work with local governments during the rebuilding, dealing with challenges such as ensuring that the temporary trailer parks do not inadvertently become permanent.

Total State Crisis Housing Assistance **$350.18 million**

Federal Funds Required in Addition to State Emergency Funds:

Federal grant funds (Supplemental and regular FEMA):	
Committed	$237
Pending	488
Federal loan funds (estimate):	481
Total Federal Funds	$1,206

Crisis Economic Recovery Assistance

As of November 21, over 12,000 businesses had reported some degree of loss as a result of Hurricane Floyd – either physical loss or economic impact loss – through the FEMA teleregistration system. Businesses have submitted 4,700 applications to the Small Business Administration for loans under the Disaster Physical Loss and Disaster Economic Impact lending programs. There are no federal grant programs available for businesses not engaged in agriculture or commercial fishing. For those businesses, SBA loans are the only relief available from the federal government. Governor Hunt's request for emergency federal funding included $68 million in funding for innovative revolving loan programs and other efforts to aid business. We will continue to pursue that funding.

Hurricane Floyd had major adverse impacts on the agriculture and commercial fishing industry in North Carolina. Crop losses alone for the state's farmers exceeded $530 million dollars. In addition, farming infrastructure also experienced major damage threatening the capacity of farmers to operate in the coming year. Commercial fishing losses due to the impact of Hurricane Floyd have been estimated at around $19 million. Governor Hunt's $751 million emergency federal request received $450 million in appropriations by Congress, which includes the $228 million already approved in the normal Agriculture appropriations, and $8.7 million in commitments by the Executive Agencies. The federal agencies and Congress combined responded by providing less than 62% of the entire emergency need facing the agriculture community and did not address the needs of the commercial fishing industry. Governor Hunt intends to return to Washington over the course of the next year to continue to seek the necessary federal assistance to help our farmers recover.

To address the emergency needs for economic recovery, we are proposing the following state emergency assistance:

Small Business Disaster Assistance **$ 51.00 million**

- Deferred Payment, No Interest Loans to Small Business 37.50
  An estimated 1,500 small businesses will not qualify for a SBA loan, in most cases to due an inability to take on additional debt. If we assume that these businesses only average 3 employees each, that represents a loss of 4,500 jobs. A deferred-payment, no interest 3-year loan averaging $25,000 per business will allow these businesses to replace damaged equipment, repair damaged property and provide cash flow for the business to get back operational. At the end of 3 years, the business will repay the loan principal or refinance with an interest-bearing loan.
- Deferred Payment, No Interest Loans to Mid-Sized Business 5.0
  Approximately 25 mid-sized businesses will also be unable to qualify for a SBA loan. For these businesses, Governor Hunt proposes a deferred-payment, no interest 3-year loan that functions in the same manner as the Small Businesses loans but which will average $200,000 per business.
- Interest Payments for Businesses that Qualify for SBA Loans 8.5
  The SBA estimates that 2,000 businesses in eastern North Carolina will be approved for SBA Disaster Business Loans in an average amount of $42,000 for 21 years. In order to reduce the burden for these businesses that must take on debt, the Governor proposes that the state provide a grant to cover the interest on the loan for the first 3 years.

Agriculture and Fishing Disaster Assistance **$164.25**

- Grants to Farmers 150.00
  NC's agricultural community is already heavily in debt. Farmers are not eligible according to federal law for low-interest SBA loans. In addition, most farmers simply cannot afford to take on additional debt to repair their farm structures, purchase new equipment, rehabilitate damaged fields, and replace lost livestock. We propose grants to farmers to address the following needs:

- Crop Loss Assistance 90.00
  17% crop loss payments to supplement federal program disaster payments which will address a portion of the $531 million in crop losses
- Farm Structure and Equipment Grants 40.00
  Payments to partially compensate farmers for structures and equipment losses exceeding $100 million -- excludes homes
- Emergency Conservation Program Cost Share Buydown 15.00
  Supplemental payments to farmers to assist in cost for restoration of land including payments for restoration of BMPs.
- Peanut, Cotton Quality; Growers Association Assessment 5.00
  Supplemental payments to farmer owned cooperatives for quality losses and marketing assistance

- Grants and Loans to Commercial Fishers to Offset Fishing Harvest Loss 11.40
  The NC Division of Marine Fisheries will administer a disaster assistance program for the 7,932 commercial fishermen in the state experiencing loss of income and due to harvest loss and gear. The Division will verify losses claimed by fishers based on historical fishing activity.

General Economic Recovery Assistance **1.0**

- Marketing Funds
  The devastating effect of Hurricane Floyd has caused tourists, industrial location consultants, and business decision-makers to be hesitant to visit, locate or expand in eastern NC. The direct economic loss to the lodging industry is estimated to be between $96 to $125 million during the months of September and October. One headline in the New York Times on November 30, 1999 read "After the Storm, an Ecological Bomb." The lead paragraph went on to state that "...the one-two punch of Hurricanes Dennis and Floyd turned Eastern North Carolina into a putrescent hell of polluted flood waters, decomposing chickens and hogs, rotting farm fields and ruined neighborhoods." It is critical that we act aggressively to combat these negative impressions so that the long-term economic stability of the region does not suffer further damage.

Total Crisis Economic Recovery Assistance **$216.75 million**

Public Health and Environment

The environment of eastern North Carolina was severely impacted by Hurricane Floyd. Millions of dead livestock, and other hazardous waste-producing areas that we flooded resulted in a environmental and public health challenge to the state. Governor Hunt's emergency request for federal funds included $625 million to address these issues. Although we will continue to pursue the federal funding which we did not receive, there are pressing needs which must be addressed immediately. As we rebuild eastern North Carolina, we must do so in a smart way to remove the threat of contamination to our waters and to provide a safe and healthy environment for our citizens. Therefore, we are proposing that the following areas receive state emergency funding:

Safe Water **$ 3.00 million**

- Drinking Water Protection $ 1.00
  Over 7,000 public and private wells have been tested for contamination. Many of those wells must be retested before the water is safe to drink. Funds will be used by the State Health Lab to test private contaminated wells and to provide community assistance with health professionals trained in assessing environmental health risks.
- Water Quality Monitoring 2.00
  Funds will be used to monitor areas with low oxygen, and to ensure that our fish and shellfish are safe to eat in our rivers, estuaries and sounds impacted by the flooding. Monitoring will be coordinated with universities to get a complete picture of North Carolina's water quality.

Cleanup **12.00**

- Solid Waste Cleanup 4.50
  Funds will be used to manage debris and to increase capacity for septage disposal in the disaster counties, as well as to begin clean up of junkyards located in the 100-year floodplain.
  Hazardous Waste Cleanup 2.50
  North Carolina has 28 Superfund hazardous substances sites and 256 old landfills in the impacted counties. Funds will be used to inspect and mitigate of the high-risk sites.
- Underground Storage Tanks 5.0
  DENR has identified 679 facilities in the disaster counties. To date, 139 have contaminated the environment as a result of the flooding. Funds will be used to assess and remediate the high-risk sites.

Public Safety **12.70**

- Dam Safety 2.50
  Funds will be provided to establish a pilot program to design the repair 25 high hazard dams that were damaged during Hurricane Floyd.

- Emergency Dredging 10.20
  Funds will be used for emergency dredging of portions of 12 navigation channels and the disposal of dredged material.

Total Public Health and Environment **$27.70 million**

Local Government Support

After Hurricane Floyd, representatives of the League of Municipalities, the County Commissioners Association, the Department of Revenue, the Local Government Commission, the Institute of Government and the Rural Center convened to discuss local government revenue losses as a result of the storm. Current estimates indicate that most of the property losses in the current year will be attributable to anticipated delinquencies in tax payments for both real and personal property. The projected losses for FY 1999-00 are $6.3 million ($4.5 m – counties; $1.8 m – incorporated municipalities). To address this revenue shortfall, we propose:

Local Government Support **$6.30 Million**

- Grants to Local Governments
  Funds to hold local governments harmless by providing $6.3 million in grants to support public education and other governmental operations

Hurricane Floyd Relief: State Emergency Funding Package

Frequently Asked Questions

In reviewing the State Emergency Funding Package proposed by Governor Hunt for Hurricane Floyd Relief it is important to remember that the package was developed with every intention of continuing to pursue funding from the federal government for many items included in the Governor's Emergency Federal Funding request. Among those items are:

- *Floodplain remapping: $19.5 million (floodplain mapping is a federal activity)*
- *Housing: $147 million for affordable rental housing production, $90 million for single family housing production, funds to complete the anticipated buy-out of 11,000 severely damaged homes in the 100-year floodplain; $16 million in housing infrastructure funding.*
- *Economy: $67 million for revolving loans and Capital Access Program loans for businesses, $65 million for watershed protection on farmsteads.*
- *Environment: $50 million hog lagoon conversions; $5 million cleanup of hazardous waste sites; $45 million underground storage tank cleanup.*

General:

1. When you use the term "floodplain," what do you mean?

   We use the term "floodplain" to refer to Special Flood Hazard Area (SFHA), which is defined as an area of land that would be inundated by a flood having a 1% chance of occurring in any given year, according to the most recent maps prepared by the Federal Emergency Management Agency (FEMA). This is also referred to as the "100-year floodplain."

2. We've heard that the flood maps are out-of-date. Why aren't we remapping? Why are we going to begin rebuilding if we're not really sure that we know where the 100-year floodplain is?

   We do believe that our flood maps are out-of-date and have requested $19.5 million in federal funding from FEMA to re-map. By law, the re-mapping must be done by the federal government and we intend to continue to push them to do that. However, re-mapping is a time-consuming, analytical process; families cannot wait to begin rebuilding their lives while maps are re-drawn. We will exercise caution, but we must move expeditiously to begin the recovery.

3. How do we justify using taxpayer dollars to help these particular people?

   Hurricane Floyd caused significant damage to over one-third of the state. Other communities have suffered catastrophes, but we have not had an event in the recorded history of this state that affected so many people or such a wide area. The state's bond counsel, after reviewing Governor Hunt's proposals, has rendered an opinion that the "public purpose" served by assisting eastern NC to recover from this tragedy is not in question.

Housing:

4. Will state money be used to purchase homes or rebuild in the 100-year floodplain?

   State funds will not be used to purchase or construct homes in the 100-year floodplain. We will use state funds to repair those homes in the 100-year floodplain that are not severely damaged enough to qualify for the buy-out program. In those cases, we will require that the repair include any modifications necessary – such as elevation – to bring the home into compliance with the local

jurisdiction's current floodplain building requirements and we will require that the homeowner purchase flood insurance as a prerequisite for state funding.

5. Will the state replace mobile homes?

   The state will participate in the purchase of manufactured housing **if** the home qualifies as real estate – it is permanently attached to the land, underpinned, etc. and is, therefore, no longer "mobile."

6. How will you make sure that people don't "double dip" and get help from both the state and federal government?

   We will require that all families register with FEMA and make application to the Small Business Administration (SBA) if they meet minimum qualifications. Families that will be assisted with a State Acquisition and Relocation Fund (SARF) grant in conjunction with the federally-funded buy-out of their home will receive just enough SARF money to purchase a comparable home outside the 100-year floodplain. Families who cannot qualify for a SBA loan will receive just enough money to repair or replace their home at a comparable level. Those homeowners who do qualify for a SBA loan will receive a state grant to lessen the amount of debt that they must incur to repair or replace their homes.

7. Why isn't there more money for affordable rental housing production?

   The plan includes $10 million to begin production of affordable rental housing. We recognize the need and will continue to push in Washington for the $147 million in Governor Hunt's federal emergency request for this purpose.

8. Why are you creating a whole new bureaucracy with positions for 100 Housing Counselors, 78 building inspectors and housing rehabilitation specialists and a Housing Recovery Office?

   We have purposefully tried to avoid creating a new bureaucracy. The plan calls for all housing funding to run through existing programs so that we don't have to create new systems and new positions, despite the massive size of the effort.

   All staffing included in the Crisis Housing Assistance package are time-limited; there are no permanent positions in the request. The Housing Counselors, building inspectors and housing rehabilitation specialists are not state positions. The Housing Counselors are employees or contractors of local Community Development Corporations, Consumer Credit Counseling Services and other non-profit agencies. The building inspectors and housing rehabilitation specialists will be employees or contractors of local government. Only the 9-person Housing Recovery Office and 4 time-limited positions for the Department of Commerce, Division of Community Assistance are state positions.

   Housing Counselors:
   The Housing Counselors are vital to the recovery effort. They are working now with families to help them sort through the complicated federal programs. In the coming months they will serve as the gateway for families to access the state low-income housing assistance program and will also work with families whose home is being purchased in the buy-out locate a comparable home outside the 100-year floodplain. We computed the need for 100 counselors by assuming a need of 1 counselor for every 250 families with a destroyed home and 1 counselor for every 600 families with other housing damage in the most severely impacted counties. We are receiving over 200 calls a day from families wanting to make appointments with the counselors.

Housing Inspectors and Housing Rehabilitation Specialists:
We estimate that between 11,000 and 15,000 new homes will be built in eastern NC as part of the Hurricane Floyd recovery. In comparison, in 1997: 17,836 new housing units were constructed in the entire State of Alabama; 11,027 in Arkansas; 19,185 in Kentucky; and 15,544 in Louisiana. Local governments are not staffed at the level required to adequately ensure that the rebuilding is done quickly and in a quality manner. As an example, according to the FEMA data as of November 15, 1999, 2,717 homes were damaged in Pender County, with 268 of those reported as destroyed. Pender County employs one half-time building inspector. The county will need to contract or hire additional time-limited personnel to provide adequate oversight to the rebuilding effort in the county.

Housing Recovery Office
Rebuilding eastern North Carolina will require the effort of many state and federal agencies, over 275 units of local government, and numerous non-profit groups, public authorities, and private developers. The Housing Recovery Council will be responsible for providing oversight of the effort and submitting progress reports to Governor Hunt and the General Assembly on activities and use of available funds. The office will direct the activities of the Housing Counselors, staff the Housing Recovery Council and ensure that the various state agencies involved in the rebuilding effort make the most efficient use of scarce resources. Given the size of the rebuilding effort, this coordinated oversight and management is essential.

9. Can we use Petroleum Overcharge (POV) funds to repair and replace houses?

POV funds can be used within the Weatherization program to make housing repairs which impact the home's energy efficiency. We have received permission to increase the maximum grant under the program in the impacted counties to $3,500. In order to be eligible for the program, household income must be below 125% of the federal poverty level. North Carolina has received $20 million in supplemental Low Income Home Energy Assistance Program funds as a result of Hurricane Floyd. We are reserving $8 million of this funding to assist in home repairs. Working within the restrictions in the program for eligible recipients, maximum funding and uses of the funds, we plan to combine these dollars with state grant funds to maximize the repair funding available for low-income owner-occupied homes.

Economy:

10. Why are farmers and commercial fishers getting grants and other small businesses can only receive a loan?

Farmers, for the last 3 years, have experienced excessively low commodity prices. For the past 2 years tobacco quotas have declined by 35% and are expected to drop another 25% this year. Therefore, farmers as the economic engines of eastern NC are at-risk of failure, thereby putting the entire east at risk. In addition, non-agricultural and non-fishing businesses can begin generating income as soon as they repair their property and equipment and restock their inventory. Farmers and commercial fishers cannot. A turkey farmer whose flock was destroyed will have to repair the houses, restock, and then wait several months for the birds to be ready for market. It can take four to six months from the time that the farmer is "back in business" before any income is produced.

11. Why aren't you means-testing the grants to farmers?

The federal government already severely limits assistance available to individual farmers at substantially less than 100% compensation. We feel these caps that are in place currently in the federal program provide the accountability that we would seek to gain by means-testing. In addition, the grant funds provided to farmers serve to supplement the federal programs available at a small percentage of the total economic loss.

12. How many businesses had "business interruption insurance?" Is that being taken into consideration?

Over 1,600 businesses have received assistance through the Department of Commerce/UNC Small Business and Technology Develop Center's (SBTDC) Business Recovery Assistance Centers. In working with those businesses we have learned that less than 12% carry business interruption insurance. The SBA confirms that this figure matches their data as well. SBA makes loans for uninsured losses, so in those few cases where the business does carry other insurance, they deduct the benefits from that policy in computing the loan amount.

Health & Public Safety:

13. How many hog lagoons were damaged by the hurricane?

We had approximately 200 hog farms impacted as a result of the hurricane, approximately 180 of these are located in the 100-year flood plain. Only six lagoons were actually breached, resulting in concentrated waste being released.

14. Why doesn't the plan include funding to get all the hog lagoons out of the floodplain?

We will continue to pursue federal funding included in Governor Hunt's emergency federal funding request of $50 million to remove hog lagoons from the 100-year floodplain. Additionally, the Clean Water Management Trust has already provided grants of $5.7 million for lagoon removal. Finally, USDA, EPA, and FEMA are discussing plans for a pilot program to address this issue in the future.

15. Can't we use the Petroleum Overcharge (POV) reserves as a funding source to move the lagoons?

No. We can use POV funds for demonstration projects to show how alternative disposal methods can save or produce energy. We are currently funding a demonstration in Zebulon of an anaerobic digestion system which creates energy using animal waste. However, the POV funds cannot be used just to move lagoons. The use of Petroleum Overcharge lawsuit funds must be approved by the federal Department of Energy and the use must 1) relate to an energy-creation or energy-saving activity and 2) must benefit proportionately the various segments of the population found to have been harmed by the oil companies' overcharges in the past – residential heating customers, commercial users, motor vehicle users.

Funding Source:

16. What is the impact of using all of this money on next year's budget?

All of the funding comes from one-time sources; there is no impact on the recurring budget. Governor Hunt will submit a balanced budget in the Spring.

17. Where are the cuts coming from? What is the impact on agencies and services?

The State Budget Office will have a complete list of where agencies are making their reductions by Monday. By giving agencies the latitude to determine themselves where best to reduce spending we believe that the impact on services will be minimal. There will be some discomfort, but this one-time reduction in spending is possible without undue strain.

18. What does the revenue forecast look like?

    We are currently on-target. The State Budget Office and Fiscal Research Division are finalizing estimates for the future.

19. Why do we need to find all of the money at once? Can't we spread these payments out over time?

    A great deal of this money will be spent very quickly. We've already spent $100 million in state match on the Stafford Act programs and the total climbs daily. The grants to homeowners who receive SBA loans will be paid out very quickly, as will grants to farmers, commercial fishers, and the loans to small businesses. Putting the money we need aside at this time preserves our AAA bond rating and gives the people of eastern NC confidence that we really will honor this commitment. We don't know what will happen in the future; it is better to meet the needs of today now.

20. Why not consider a tax increase? A bond issue?

    We were able to identify the funds needed to respond to this emergency without a tax increase. Nor is it necessary for us to take on additional debt to pay for these needs. The State Treasurer has also communicated to the Governor that using bonds to fund disaster recovery "could easily be viewed as deficit spending and dramatically reduce the State's future resource capacity . . ."

MINUTES OF THE ENHANCED HOUSE APPROPRIATIONS COMMITTEE INCLUDES THE COMMITTEE ATTENDANCE AND VISITOR REGISTRATION

ENHANCED HOUSE APPROPRIATIONS COMMITTEE
MINUTES
December 13, 1999

The meeting was called to order by House Appropriations Co-Chair Representative Ruth Easterling at 10:18 a.m. She asked that the Agenda for the meeting be distributed. She stated that the meeting had been called in response to the distress caused by Hurricane Floyd to sixty-six counties in eastern North Carolina. While federal assistance will be made available, it will not be enough and the state must do more than match federal funds. She stated that the committee would work on the plan presented by the Governor in order that a response could be made to emergency needs as well as other needs that effect all of us.

House Appropriations Co-Chair Representative Rep. Hardaway concurred, stating that efforts have been made to obtain relief from Congress but they fell short in their response.

House Appropriations Co-Chair Representative Rep. Redwine added that the committee had a serious situation to deal with and that the purpose was to look at ideas, ask questions, and come up with the best response. He welcomed the Speaker's appointment of additional members who have been added to the usual committee makeup. The Enhanced Appropriations Committee includes the Chairs of the Finance Committee, (Rep. Gordon Allen Sr., Rep. Paul Luebke, and Rep. George Miller,) Rep. Dewey Hill, Rep. Russell Tucker, Rep. Art Pope, Rep. Connie Wilson, and Rep. Zeno Edwards. House Appropriations Co-Chair Representative Rep. Redwine stated the Enhanced Appropriations Committee is called to order under the 1999 session rules that no special rules have yet been adopted and that would be done on Wednesday. This committee will meet again on Tuesday to review the draft committee report and that and on Wednesday to the full membership of the House in Session.

The meeting was then turned over to Co-Chair Rep. Thomas C. Hardaway. He stated that presentations would be made by Rick Carlisle (Secretary, Department of Commerce), Billy Ray Hall (Director, The Rural Center), and Bill Wheelman (Secretary, Department of Environment and Natural Resources).

Governor's Disaster Recovery Proposal - Expenditures
Secretary Rick Carlisle distributed Handout #1 Hurricane Floyd Relief – State Emergency Funding Package. Which contained the recommendations to the General Assembly by Gov. James B. Hunt. He stated the plan was built around what the state needs to do, what will be made available via federal funds, and that the North Carolina emergency package totals $829.98 million. Recipients will be required to go through the federal process first.

It was noted that attempts are underway to get deadline extended to apply for federal funds. More information will be available December 14, 1999.

In the Governor's budget, the funds would be designated as follows: (See page 7, Governor's report)

Millions	
$232.40	Federal Match
$350.18	Crisis Housing Assistance
213.40	Crisis Economic Recovery Assistance (small businesses, Agriculture, and fishing and general economic recovery Assistance
27.70-	Public Health and Environment (Safe Water, Clean Up, and Public Safety)
6.30	Local Government Support
$829.98	

Billy Ray Hall, Director of the Rural Center provided an overview of the section on Crisis Economic Recovery and stated there will be no administrative cost. Included in this section are Small Business Disaster Assistance ($51 million), Agriculture and Fishing Disaster Assistance ($161.40 million), and General Economic Recovery Assistance ($1 million). In response to questions he stated that federal funds will cover some replacement of livestock and drought damage will be taken into account in considering damage caused by Hurricane Floyd. He stated further, there is a good chance that large farmers will get zero funds but infrastructure assistance will be granted to local governments.

Bill Holman, Secretary of the Department of Environment and Natural Resources reviewed the section of the Governor's Report on Public Health and Environment which includes the following funds: Safe Water funds ($3 million), Clean Up funds ($12 million), and Public Safety ($12.70 million).

The meeting was recessed for lunch at 12:45.

ENHANCED APPROPRIATION COMMITTEE MINUTES-3
December 13, 1999

Afternoon Session

House Appropriations Committee Co-Chair Rep. Redwine called the meeting to order at 2:10 p.m. and opened the floor for additional questions. Members voiced concerns about job replacement, a long-term issue, and questions were asked regarding how loans would be paid back in the future.

Governor's Disaster Recovery Proposal - Financing

Marvin Dorman, Director, Office of State Budget and Management distributed and reviewed a handout #2 entitled Office of State Budget and Management, Summary of Funds Available to Provide Required State Match Hurricane Floyd Funding, Fiscal Year 1999-2000). A copy is attached. He stated that state agencies had been asked to target unspent funds that the Governor can redirect, noted on Page 1, Lines 1 – 11 and totaling $504 million. Funds on Lines 12 and 13 require General Assembly approval.

Marvin Dorman noted that non-recurring appropriations for fiscal year 1999-2000 are listed on pages 3 – 6.

Dr. David Bruton, Secretary, Department of Health & Human Services answered questions offered by committee members. He stated that some flexibility exists in making cuts and that while Area Mental Health Programs will be cut, most services are contractual and that the contracts will be honored but it will not be possible to provide a rate increase. He was asked to provide more detailed information about cuts.

Members expressed concern that funds may not be available when the General Assembly returns in May. Mr. Dorman stated that we couldn't know what would happen in the future. Members questioned cuts in the education budget. Mr. Dorman stated that most would come from remaining salary funds. Also revision funds from state agencies will go into the general fund and will be drawing interest in that account until spent. Mr. Dorman stated that Capital project funds can be put back on schedule in the future but that will be up to the direction of the General Assembly.

State Treasurer Harlan Boyles was recognized to speak to the committee about the effect this spending plan will have on the state budget. He stated that the state operates on a balanced budget and funds must be identified to make binding commitments. He added that the Governor has identified funds in keeping with the constitutional requirement for a balanced budget.

A question was asked about the impact on North Carolina's credit and reputation and to what extent we would be retrenching. Mr. Boyles stated that he would do everything in his ability under the balanced budget and that this proposed funding would have to be done with the same manner as if the natural disaster had not occurred. The plan shows we have a logical source for funds and he has total confidence that North Carolina's credit standing will not be imperiled.

If the State uses rainy day funds, the state will commit to make an appropriate plan to return funds to the rainy day fund in the future.

General Fund Availability Outlook

At this time, Co-Chair Redwine stated that a document entitled "Estimated Cash Flow Analysis – Hurricane Floyd Recovery Proposal" (Handout #3) was being passed out which had been brought to the attention of the committee. This was prepared at the request of Rep. Wilson, who requested this document be prepared in order to take a look the Governor's cash requirement associated with the Governor's proposal and was explained by Lynn Muchmore of the Fiscal Division.

This is an attempt to discern the rate at which the 830 million would be passed out over the years. Mr. Willis has worked hard to press the various agencies for information. This is a work in progress. This is a" guestament" over the current FY and over the next two Fiscal Years. Roughly, approximately 700 million is expected to be paid out between now and the end of this fiscal year, leaving a little over 70 million for FY 2000—01 and 20 million left for FY 2001-02.

David Crotts, of the Fiscal Research Division was then recognized by House Appropriations Co-Chair David Redwine to explain the revenue situation. Handout #4 entitled Revenue Collection Update (General Fund) is attached. Mr. Crotts stated although the primary impact of the hurricanes had been on

the sales tax the current revenue estimates should continue to be used and suggested watching the Federal Reserve.

Next, Elisa Wolper with the Fiscal Research Division was recognized to explain handout #5, an analysis of the General Fund Current Services Model maintained by Fiscal Research Division and a comparison with the Office of State Budget and Management's Expenditure Forecast for 2000-5. She stated the Model is limited to recurring items and does not include any direct impact on State Agencies from Hurricane Floyd or the recovery package.

The Chairman then gave instructions for three documents to be passed out to the members of the committee. He stated that the documents being passed out was a draft bill, draft report and explanation of the draft bill. He then recognized Jerry Cohen, Director, Bill Drafting Division to explain the documents. The Chairman then announced that the committee would meet again in the morning to consider amendments to the draft bill. The committee adjourned at 5:30 PM.

Rep. Ruth Easterling, Co-Chair	Marie Horn, Committee Clerk
Rep. Thomas C. Hardaway, Co-Chair	Rita Harris, Committee Clerk
Rep. David Redwine, Co-Chair	Nancy Brantley, Committee Clerk

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HOUSE APPROPRIATIONS COMMITTEE
1999 SPECIAL SESSION

December 13, 1999
10:00 AM

AGENDA

I. Introductory Remarks

Rep. Ruth Easterling *Committee Co-chair*

II. Governor's Disaster Recovery Proposal -- Expenditures

Rick Carlisle *Secretary, Department of Commerce*
Billy Ray Hall *Director, Rural Center*
Bill Holman *Secretary, Department of Environment and Natural Resources*

III. Governor's Disaster Recovery Proposal – Financing

Governor

Marvin Dorman *Director, Office of State Budget and Management*

IV. General Fund Availability Outlook

David Crotts *Fiscal Research Division*
Elisa Wolper *Fiscal Research Division*

V. Explanation of Draft Bill and Committee Report

Legislative Staff

Handout #1

Hurricane Floyd Relief

State Emergency Funding Package



Recommendations to the General Assembly

The Honorable James B. Hunt, Jr.
Governor

December 10, 1999

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Impact Overview

The flooding associated with Hurricane Floyd was unprecedented in the history of North Carolina. Hurricane Dennis had just made landfall in Eastern North Carolina in August, dumping over 12 inches of rain in Eastern North Carolina. A few weeks later, Hurricane Floyd brought 15 inches of rain to an area already saturated by Dennis and by the heavy rainfall prior to Floyd making landfall. As a result, this disaster met or exceeded the 500-year flood for many communities.

Perhaps the most significant indicator of how devastating and unexpected the rapidly rising floodwaters were can be tied to the number of North Carolinians who lost their lives due to the hurricane. Hurricane Floyd has resulted in 51 confirmed fatalities. The saturated ground also caused caskets to rise to the surface in at least three counties, necessitating the task of collecting the caskets and reintering the bodies.

Current estimates show that nearly 57,000 homes have been impacted because of Hurricane Floyd. Not only did the rains associated with the hurricane flood more homes than any previous event in the history of North Carolina, but the depth of the flooding was also unprecedented. Entire towns throughout Eastern North Carolina were flooded to the rooftops. Twenty-six counties are facing severe flood damages and approximately 30 downtown areas were completely submerged.

Rural areas have also suffered catastrophic, flood-related losses. Much of the floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products and dead farm animals. As a result, many of these homes will likely be condemned. It is projected that several thousand additional homes may be relocated to higher ground, elevated in place, or acquired and demolished using Hazard Mitigation Grant Program (HMGP) funds. These funds are available following the President's disaster declaration and are limited to assist those families living in the 100-year floodplain that has been repetitively flooded. HMGP funds are not meant to fully restore damaged homes, but are provided to acquire or elevate homes. This leaves an enormous funding shortfall relative to the remaining homes. In order to address these needs, North Carolina has sought emergency federal funds of significant proportions.

The flooding also caused massive damages to North Carolina's infrastructure and temporarily shut down parts of all major road systems in the State. Over 1,000 roads were closed as a result of Hurricane Floyd. Interstates 40 and 95 were closed, as were parts of US Highways 70, 264, and 64.

Water and wastewater treatment plants across the eastern third of the State were significantly impacted, causing many to temporarily shut down, necessitating the disbursement of bottled water to many isolated communities by helicopter. The high waters also damaged 101 dams; 40 of which failed. The remaining 61 dams that were overtopped are now at a higher risk of failure. In order to reduce repeated losses of life and property, the infrastructure must be built back in a way that can better withstand the forces of rapidly flowing floodwaters and coastal storm surge or relocated away from known high-risk areas.

Agricultural losses were over $830,000,000. This figure includes losses to agricultural facilities, many of which are uninsured against flood damage. As of October 29, losses to farm animals were 2.1 million poultry, 1,180 cattle, 28,000 hogs and almost 753,000 turkeys. In order to minimize public health threats, State and federal officials have incinerated the dead animals. Tobacco in the field was ruined by wind and flooding, while that in curing barns was destroyed

by loss of electricity. Much of the harvested and cured crop was flooded in warehouses. Crop damage estimates are over $530,000,000 m

Federal disaster recovery funding triggered by the President's disaster declaration will help North Carolinians rebuild. However, massive shortfalls exist between available funds and broad needs that are unmet by existing federal and State funds.

Methodology

Federal Request

On October 5, 1999, Governor James B. Hunt, Jr. presented to the federal government a request for supplemental relief funding to cover those needs unmet by the normal Stafford Act programs (Disaster Recovery Programs administered by the Federal Emergency Management Agency [FEMA]). A team of representatives from across State government partnered with their federal agency counterparts to develop an inventory of programs that have traditionally been available to meet needs in excess of those items covered by the Stafford Act.

As a result of these efforts, the Governor generated documentation on $4.3 billion in federal resources that were necessary to help Eastern North Carolina recover from Hurricane Floyd. (See Appendix XI) After consultation with the North Carolina Congressional Delegation and others, Governor Hunt tailored an emergency package of items that the State needed immediately in order to provide some level of relief. The emergency package centered on the priorities of housing, economic recovery and public health and environment. The federal emergency package, after adjustment for crop loss, totaled $1.9 billion (See Appendix XII).

Federal Response

Governor Hunt made six trips to Washington, DC, meeting with federal agencies, the North Carolina Congressional Delegation, other members of Congress, White House staff and the President of the United States of America, to encourage support for the State's request. As of December 1, the federal government has responded to those needs with $838 million in federal resources, less than 45% of the Governor's original request. Attached in Appendix I, is a summary of the response from the federal government to the Governor's request.

State Emergency Response

After reviewing the response by the federal government, Governor Hunt has mapped out a strategy to address the critical needs of the victims of Hurricane Floyd. This plan has two crucial elements:

1) continue seeking support in Washington, DC for remaining federal needs, and
2) activate a series of State initiatives using budget reserves and the State's Rainy Day fund to begin meeting the needs of the victims of Hurricane Floyd – the State Emergency Package.

The State Emergency Package is a responsible and comprehensive beginning to rebuilding Eastern North Carolina. The package focuses on four critical areas:

- Crisis Housing Recovery Assistance,
- Crisis Economic Recovery Assistance,
- Crisis Environmental and Public Health Recovery Assistance, and
- Assistance to Local Governments for Tax Losses.

Commerce Secretary Rick Carlisle was charged with developing the State emergency response for Housing and the Economy. Environmental and Natural Resources Secretary Bill Holman has had primary responsibility for determining State actions needed in the areas of Environment and Public Health. Billy Ray Hall, President of the Rural Center and recently appointed by Governor Hunt as Director of the State's Hurricane Floyd Redevelopment Center, worked with the State's farming community to develop strategies to assist farmers and commercial fishers.

The proposals have been developed based upon input from families and business owners, farmers, commercial fishers, housing and environmental advocacy groups, local government officials, representatives from the League of Municipalities and the County Commissioners Association, and the NC Housing Finance Agency.

To make the commitment for beginning recovery, and in many cases continuing relief, the State must provide $829.98 million. This amount has been computed using FEMA, SBA, census data, Farm Service Agency data and other sources to attempt to quantify the entire universe of need. It was estimated which of those needs would be met with the standard federal emergency programs, with the federal supplemental funds already committed and with the balance of Governor Hunt's $1.9 billion federal emergency request. This analysis led to the computation of the total unmet need, assuming full funding of the Governor's request. For some items, timing is so critical that it is necessary to propose State funding in lieu of some items in the federal emergency request. The total funding package also includes the State funds necessary to match the committed federal dollars.

State Emergency Package
As proposed by Governor James B. Hunt Jr.
December 10, 1999

ITEM			MILLIONS
Federal Match requirement			$232.40
Crisis Housing Assistance			350.18
Direct Housing Assistance	287.42		
Infrastructure	41.69		
Predevelopment Activities	10.00		
Counselors and Recovery Office	11.07		
Crisis Economic Recovery Assistance			213.40
Small Business Disaster Assistance		51.00	
Deferred Payment Loans	42.50		
Interest Buy-down on SBA Loans	8.50		
Agriculture and Fishing Disaster Assistance		161.40	
Agriculture	150.00		
Commercial Fishing	11.40		
General Economic Recovery Assistance		1.00	
Public Health and Environment			27.70
Safe Water		3.00	
Drinking Water Protection	1.00		
Water Quality Monitoring	2.00		
Clean Up		12.00	
Solid Waste Cleanup	4.50		
Hazardous Waste Cleanup	2.50		
Underground Storage Tanks	5.00		
Public Safety		12.70	
Dam Safety	2.50		
Emergency Dredging	10.20		
Local Government Support			6.30
Total State Emergency Package			**$829.98**

Federal Match Requirement

The total federal match requirement as of November 23, 1999, is $232.4 million. These needs are best explained through the following chart.

Item	Amount (Millions)
Stafford Act Programs	$100.4
Agency Commitments – Includes items funded by the executive agencies without additional budget authority. (See Appendix I)	44.6
FEMA Housing Legislation – Match on the Housing Package approved in the Omnibus Budget by Congress. (See Appendix I)	63.7
Agriculture Appropriations – Match on approved programs in the Omnibus Budget by Congress. (See Appendix I)	23.7
TOTAL	**$232.4**

match

Crisis Housing Assistance

Rick

Hurricane Floyd damaged over 56,000 homes in Eastern North Carolina. Over 7,000 homes were completely destroyed and another 17,000 have been determined to be uninhabitable. To compound the tragedy, less than 13% of all homes in the affected counties were covered by flood insurance and most of those covered by insurance were financed mobile homes for which the loans required flood insurance sufficient to cover the outstanding balance. The following table indicates the magnitude of the housing loss in some communities:

County	Total Number of Households	Households Reporting Home Damage (as of 11/15/99)	Percent of Households with Damage	Homes Severely Damaged	
				Home Destroyed	Home Unlivable
Columbus	19,701	3,434	17.43	104	622
Edgecombe	19,678	5,396	27.42	1,723	2,431
Lenoir	22,903	3,082	13.46	523	1,483
Pender	15,794	2,717	17.20	268	804
Pitt	48,997	6,960	14.20	2,250	3,194
Wayne	39,769	3,244	8.16	311	1,125

The federal government operates several programs under FEMA to address the needs of housing for families. FEMA Disaster Housing Assistance offers grants of up to $10,000 to homeowners through the Minimum Repair Grant program, if that amount of funding will make their home "safe, secure and sanitary." To date, approximately 16,000 North Carolina families have received those grants. The Disaster Housing Program also offers rental assistance to homeowners for up to 18 months while their homes are being repaired or replaced and to renters in 60-day intervals while they locate other affordable housing. The Small Business Administration (SBA) offers low-interest loans of up to $200,000 for real property repair or replacement and up to $40,000 to replace personal property. Based upon information from SBA, we estimate that over 13,000 homeowners will qualify for SBA loans. Families that cannot qualify for a SBA loan are eligible for the FEMA-funded Individual Family Grant (IFG) program, which offers grants of up to $13,600 to families for a variety of purposes, including repair or replacement of real and personal property. As of November 23, 14,219 families have been approved for nearly $50 million in aid from this program; 471 families have been approved for the maximum grant of $13,600, with the average grant for all recipients being $3,516. In addition, FEMA has purchased travel trailers and mobile homes to provide emergency housing for families. Over 2,500 units have been ordered; almost 1,500 have been occupied as of November 23, 1999.

The FEMA Hazard Mitigation Grant Program (HMGP) purchases homes with significant damage when it can be demonstrated to be cost effective in view of the cost of likely subsequent flooding. Our current estimate is that regular FEMA HMGP funding will be sufficient to purchase up to 5,000 destroyed and severely damaged homes. Additional federal funds have been committed to bring the total acquisition at this time to 7,900 homes; full funding of Governor Hunt's emergency federal funding request will provide funding to acquire 3,100 additional homes, for a total acquisition of 11,000 homes.

Given the magnitude of the disaster suffered in Eastern North Carolina as a result of Hurricane Floyd and the low flood insurance coverage available, it is clear that State funds will be needed to supplement the federal programs. The need is exacerbated by the predisaster economic challenges with which many impacted communities were already grappling and a predicted shortfall in affordable housing alternatives for families whose homes have suffered substantial damage. Governor Hunt's request for emergency federal funding included $622 million in funding to address housing needs not covered under the Stafford Act programs. We have received a commitment of $191 million for housing needs and will continue to pursue an additional $423 million. State emergency funds are also needed to begin the rebuilding process.

This package of State crisis housing assistance proposed by the Governor will aid 29,462 homeowners and 5,827 renters in the following areas:

Direct Housing Assistance **$287.42 million**

The State crisis housing assistance package will provide aid to homeowners with uninsured damage from Hurricane Floyd. In developing this proposal, we used SBA, FEMA and census data to estimate the total universe of need. Families will be required to take full advantage of the assistance available to them under the federal programs. We assumed that those few homes covered by insurance would be repaired by that means. Of the nearly 35,000 homeowners with damage, we estimate that fewer than 1,900 will be covered by flood insurance. Another 3,300 homes will be eligible for federal elevation and repair funding. The remaining homeowners fall into three categories: HMGP buyout candidates, homeowners whose homes will not be bought out but who qualify for a SBA loan, and low-income homeowners who will not be eligible for either a SBA loan or the buyout program. These three categories of homeowners, assistance to renters whose homes are purchased under the HMGP buyout, and funding to jump-start affordable rental housing production will be addressed by the Direct Housing Assistance fund. See Appendix II for additional information on assumptions and calculations.

Assistance to Homeowners:

- ***State Acquisition and Relocation Fund (SARF)*** ***$139.33 million***

Approximately 5,573 homeowners with damaged homes will be eligible for a HMGP buyout. The buyout – funded by $167.19 million in federal funding plus $55.7 million in required State match – provides for the purchase of homes at the preflood fair market value. In many cases, the homeowner cannot purchase comparable housing outside the 100-year floodplain at that cost. A SARF supplement will allow them to purchase a replacement home. The supplement will vary in each individual buyout, depending upon the cost differential between the preflood value of the current home and the cost of a comparable home in a less flood-prone area. Based upon our experience with buyouts following Hurricane Fran, we project the average supplement will be $25,000. To be eligible for a SARF grant, homeowners must relocate in the same general geographic area. Housing Counselors will be available to assist homeowners in locating comparable housing. If they receive a SARF grant, families will be required to occupy the replacement home for at least five years to avoid repayment. If the replacement home is sold before the end of the five-year period, a prorated portion of the SARF grant must be repaid to the State. The SARF funding will be administered by the Department of Commerce, Division of Community Assistance.

- ***Grants to successful SBA loan applicants*** ***$ 61.88 million***

An estimated 13,062 families will qualify for SBA loans of over $316 million. These families will have to take on additional debt to repair or replace their homes. In order to lessen the burden associated with this additional debt, we propose a grant program, graduated based upon age, income and amount of damage. Grants will be for $2,500, $5,000, and $10,000 as follows:

Homeowners Aged 60+	
Damage less than $25,000	$ 5,000
Damage over $25,000	$10,000
Homeowners under Age 60	
Adjusted Gross Family Income under $35,000	
Damage less than $25,000	$ 5,000
Damage over $25,000	$10,000
Adjusted Gross Family Income between $35,000 - $99,999	
Damage less than $25,000	$ 2,500
Damage less than $50,000 but more than $25,000	$ 5,000
Damage $50,000 or more	$10,000
Adjusted Gross Family Income $100,000 + - Not Eligible for Grants	

County Departments of Social Service will determine eligibility for the grants based upon three documents: the completed SBA loan application, the appraisal of damages completed by SBA, and the notice of loan approval from SBA. Families will be expected to pay down their SBA loan if it has already been executed or reduce the amount of their SBA loan if they have not already finalized the loan documents.

- ***Replacement and Repair Grants for Low-Income Families*** ***$ 59.92 million***

Approximately 11,127 low-income homeowners with damaged homes are not subject to buyout, covered by insurance, or eligible for a SBA loan. For these homeowners, supplemental funds are needed to replace, repair or rehabilitate their homes. This funding will allow the State to begin the rebuilding process as it continues to pursue $90 million in federal Community Development Block Grant (CDBG) funds included in the Governor's emergency request for this purpose. These State funds, together with the requested CDBG funds in the emergency federal request plus the required State match, will meet the total estimated need of $180 million. Housing Counselors will work with families to determine if they are candidates for home replacement or repair.

If it is determined that a homeowner's home must be replaced, the Housing Counselors will refer the family to the local NC Housing Finance Agency (HFA) lender in the area. HFA will administer a program of deep-second mortgages with no interest and deferred payments for these homeowners. If the homeowner lives in the replacement home for 10 years, the loan will be forgiven and the lien cancelled. If the homeowner lives in the home for less than five years, the loan will be repaid upon sale of the home. The value of the loan will be prorated in the event of sale of the home between years five and ten.

If the determination is made that the home can be repaired, the Housing Counselor will refer the family to the local government. The Department of Commerce, Division of Community Assistance, will administer a program based upon a modification of the CDBG Urgent Needs funding that will provide grants to local governments for repair of damaged owner-occupied homes. Families whose homes are repaired will be required to live in the home for five years. If the home is sold before the end of the five-year period, a prorated amount of the repair grant will be repaid to the State.

We will incorporate the dollars authorized under the Commerce, Division of Energy Weatherization Program, into this funding. The Program makes grants of up to $3,500 to homeowners with incomes no greater than 125% of the federal poverty level for rehabilitations that result in energy improvements. We will leverage these funds with the Weatherization funding to maximize the dollars available.

Assistance to Renters:

- ***State Acquisition and Relocation Fund (SARF)*** ***$ 16.28 million***

An estimated 5,427 damaged rental units will be purchased under the HMGP buyout ($163 million in federal funds plus required State match). The renters of those homes will have to relocate. These funds will provide a $3,000 relocation assistance payment to those families. To be eligible, the home must be the renter's primary residence and the family must be either still residing in the home to be purchased or be in a temporary living arrangement. Households in which all members are full-time, undergraduate students are not eligible. The program will be administered by the Department of Commerce, Division of Community Assistance.

- ***Affordable Rental Housing Production*** ***$ 10.00 million***

Renters and rental housing suffered significantly during Hurricane Floyd. To compound the problem, affordable rental housing was in short supply prior to the flood. These funds will be leveraged to jump-start the production of affordable rental housing in Eastern North Carolina. The NC Housing Finance Agency has already taken steps in this direction by announcing a special round of tax credit projects early. Those funds, which require that units be available no later than December 2000, will provide a minimum of 250 additional units. We believe that these dollars can be leveraged to provide housing for at least 400 additional families. We will continue to aggressively pursue the $147 million in CDBG funding included in Governor Hunt's emergency federal funding request for this purpose as well. This $10 million will be administered by the NC Housing Finance Agency.

Infrastructure **$ 41.69 million**

- ***Infrastructure grants to local government***

Local governments will be encouraged to rebuild houses and neighborhoods on "in-fill" lots and in areas already served by infrastructure. However, we estimate that at least 5,236 new single-family homes will be constructed in areas that will require new infrastructure. These will be new neighborhoods not currently served by water and sewer and will require sidewalks, storm drainage, etc. This funding, administered by the Department of Commerce, Division of Community Assistance, will provide grants to local governments for this needed infrastructure. The funding is based upon an estimated cost of $10,000 per home. We will continue to pursue $16 million included in the federal emergency request that is also required for this purpose and for the building of infrastructure for multifamily developments.

Predevelopment Activities **$ 10.00 million**

- ***Aid to Local Governments*** ***$ 2.5 million***

Local governments will oversee the massive rebuilding process in their jurisdictions. These grant funds will allow them to hire or contract for approximately 78 additional housing inspectors and rehabilitation specialists to ensure that the new construction is done well. We estimate that between 11,000 and 15,000 new homes will be built in Eastern North Carolina as part of the Hurricane Floyd recovery. In comparison, in 1997: 17,836 new housing units were constructed in the entire state of Alabama; 11,027 in Arkansas; 19,185 in Kentucky; and 15,544 in Louisiana. Local governments are not staffed at the level required to adequately ensure that the rebuilding is done quickly and in a quality manner. As an example, according to the FEMA data as of November 15, 1999, 2,717 homes were damaged in Pender County, with 268 of those reported as destroyed. Pender County employs one half-time building inspector. The county will need to contract or hire additional time-limited personnel to provide adequate oversight to the rebuilding effort in the county. The funding will be administered by the Department of Commerce, Division of Community Assistance, and will be allocated to local governments based upon numbers of damaged homes.

- ***Land Acquisition and Capacity Building*** ***$ 7.5 million***

The size of the rebuilding effort will require the participation of all housing provider sectors – private developers, nonprofit agencies, and public authorities. A portion of these funds, $2.5 million, will provide grants to nonprofit agencies and public housing authorities to increase their ability to undertake the rebuilding effort and will pay for site preparation, engineering studies, etc. The remaining $5 million will be available for local governments, nonprofit agencies and public authorities to acquire land for new affordable housing development.

Counselors and Recovery Office **$ 11.07 million**

- ***Housing Counselors*** ***$ 8.50 million***

Under his emergency powers, Governor Hunt has established Housing Recovery Assistance Centers in the 26 counties with the greatest housing damage. The counselors in these centers are working with families to help them sort through the various federal programs to determine the best options to address the housing needs of their family given their individual circumstances. These funds will provide for 100 counselors under contract for 30 months to work intensively with approximately 30,000 families, providing counseling and advocacy as they determine the best solutions for their short-term and long-term housing needs. We computed the need for 100 counselors by assuming a need of 1 counselor for every 250 families with a destroyed home and 1 counselor for every 600 families with other housing damage in the most severely impacted counties.

The housing counselors will work with renters to ensure that they continue to apply for FEMA rental assistance for as long as they cannot find suitable rental property at the rate they were paying for rent prior to the hurricane. They will assist homeowners whose homes are to be purchased under the buyout to locate comparable housing outside the 100-year floodplain. They will also serve as the gateway for low-income homeowners who do not qualify for a SBA loan and whose home is not subject to buyout. They will work with the family to determine if the home can be repaired and, if so, work with the family and the local government to secure repair funding. If the home must be replaced, they will refer the family to the local Housing Finance Agency intermediary for funding and will aid the family in securing a new home. The Housing

Counseling service is administered by the Department of Commerce, Division of Community Assistance, and is staffed by Commerce and through contractual arrangements with local Community Development Corporations, Consumer Credit Counseling services, NC State Cooperative Extension Service, and Legal Services of NC. (See Appendix III)

- ***Housing Recovery Council and Office*** ***$ 2.67 million***

Rebuilding Eastern North Carolina will require the effort of many State and federal agencies, over 275 units of local government, and numerous nonprofit groups, public authorities, and private developers. The Housing Recovery Council will be responsible for providing oversight of the effort and submitting progress reports to Governor Hunt and the General Assembly on activities and use of available funds.

The Housing Recovery Council will make recommendations to the Director of the Budget on allocation of funds from the Housing Recovery Reserve. The Housing Recovery Council will be chaired by the Secretary of the Department of Commerce. Other members will be representatives from the following agencies and organizations:

- Department of Crime Control, Division of Emergency Management
- NC Housing Finance Agency
- Office of State Budget and Management
- NC Community Development Initiative
- NC Association of Community Development Corporations
- NC League of Municipalities
- NC Association of County Commissioners

The Housing Recovery Office will be comprised of nine time-limited positions (39 months) who will direct the activities of the Housing Counselors, staff the Housing Recovery Council and ensure that the various State agencies involved in the rebuilding effort make the most efficient use of scarce resources. The Director will work with the various agencies involved in housing recovery at the State level – Housing Finance Agency, Division of Emergency Management, Division of Community Assistance – to ensure that efforts are coordinated and that decision-makers are informed of progress. Five community recovery specialists will work at the local level to oversee the housing recovery process. This will include supervising the effectiveness of the housing counseling services, monitoring the administration of the temporary trailer parks, and working with local governments to coordinate issues of housing construction and rehabilitation. A data analyst will keep track of information regarding the housing and outreach counselor program, the number of families still in need of housing, the number of families remaining in temporary housing, and the number of housing units under construction and in the planning stage, etc. A community relations specialist will work with community-based organizations, local government and the media to ensure that the services available to families are widely publicized. The goal of the State housing recovery effort is to have every family impacted by Hurricane Floyd back into a permanent home by January 1, 2003. The Office of Housing Recovery will then have two months in which to finalize its reporting to the Governor, the General Assembly and the citizens of the State before its sunset on February 28, 2003. (See Appendix III)

Also included in this item is funding for four time-limited staff in the Division of Community Assistance in recognition of the significant increase in workload that the recovery effort will require in that organization.

Total State Crisis Housing Assistance **$350.18 million**

Implementation and Administration

Appropriation and Allocation of Funds

The rebuilding effort required to recover from Hurricane Floyd will be unlike anything that North Carolina has previously experienced. We have attempted to quantify the entire universe of need and make informed estimates of the number of homeowners and renters who fall into each category, based upon FEMA, SBA and census data. However, we understand that each individual family's circumstances and the needs of each community will be unique. Therefore, in order to ensure that funds are maximized and used to best meet the needs of the impacted communities, we recommend that the Direct Housing Assistance, Infrastructure and Predevelopment Activities funding be placed in a Reserve for Housing Recovery in the Office of State Budget and Management (OSBM). Funds will be allocated from the Reserve for the purposes outlined above, by the Director of the Budget, upon advice from the Housing Recovery Council. Funds will be allocated to the following agencies for the following purposes:

Purpose	Agency
SARF Supplements for Homeowners	Commerce, Division of Community Assistance
Grants to Successful SBA Loan Applicants	DHHS, Division of Social Services
Low-Income Home Replacement	NC Housing Finance Agency
Low-Income Home Repair & Rehabilitation	Commerce, Division of Community Assistance
Affordable Rental Housing	NC Housing Finance Agency
Infrastructure for New Neighborhoods	Commerce, Division of Community Assistance
Predevelopment for Nonprofit Agencies	Commerce, Community Development Initiative
Predevelopment for Public Housing Agencies	Commerce, Division of Community Assistance
Land Acquisition	Commerce, Community Development Initiative
Housing Counselors & Housing Recovery Office	Commerce, Office of the Secretary

Funding Principles

This recovery effort will be unprecedented in size, scope and the role the State will play in providing substantial funding and oversight. This is appropriate given the widespread devastation caused by Hurricane Floyd. It is in the best interests of the entire State for Eastern North Carolina to rebuild and continue contributing to the overall State economy as quickly as possible. The following principles and limitations should apply to the use of State funds:

- Families must access all available federal resources before they will be eligible for State funds. They must register with FEMA and, with the exception of HMGP buyout homes, complete the SBA loan application process.
- State funds will be used to repair or replace homes to the standard of the home's prehurricane status. For example, a destroyed or purchased 1,200 square-foot, three-bedroom home will be replaced by a 1,200 square-foot, three-bedroom home on a comparable-sized lot.
- It is in the public interest to maximize the benefits of the Hazard Mitigation Grant Program to increase public safety and to reduce the cost of future disasters. Therefore, if a homeowner declines a valid HMGP buyout offer (the community is participating in the program, the property is eligible, and an official offer to purchase has or will be made along with the necessary supplement to allow for purchase of a comparable replacement home), the homeowner is not eligible for State funds for repair or replacement of that property.

- State funds will not be used to build or purchase replacement homes in the 100-year floodplain. State funds may be used to repair homes not eligible for buyout in the floodplain if the repair includes elevation or other remediation efforts necessary to bring the home into compliance with the local jurisdiction's current floodplain building requirements.
- State funds may be used to purchase manufactured housing if the home qualifies as real estate—it is permanently attached to the lot, underpinned, etc.
- Coordination of activities at the local level will be very important to ensure that rebuilding is done in a planned, effective manner. Each local government should implement a coordination strategy that includes input from all stakeholders.

Crisis Economic Recovery Assistance

Small Business Disaster Assistance

As of November 21, over 12,000 businesses had reported some degree of loss as a result of Hurricane Floyd – either physical loss or economic impact loss – through the FEMA teleregistration system. Businesses have submitted 4,700 applications to the Small Business Administration for loans under the Disaster Physical Loss and Disaster Economic Impact lending programs. There are no federal grant programs available for businesses not engaged in agriculture or commercial fishing. Governor Hunt's request for emergency federal funding included $68 million in funding for innovative revolving loan programs and other efforts to aid business. We will continue to pursue that funding.

The only disaster relief program to meet the needs of small business is the Small Business Administration loan program. SBA loans are available to businesses that suffer physical damage from flooding or economic losses. Economic losses can include loss of income because employees cannot get to work or customers cannot get to the business. SBA loans are flexible in term and interest, going as long as 30 years with interest rates as low as 4%. Loans can be up to $1.5 million; the average loan amount based on past disasters is about $26,000.

We estimate that 5,500 businesses will apply for SBA loans. Estimates provided by the SBA indicate that approximately 3,500 of these will be approved. Approximately 2,000 businesses will fail to qualify. The primary reason for denial is the inability of the business to take on additional debt. SBA has highly flexible lending terms and low interest rates; businesses that cannot repay SBA loans certainly would not be bankable through any other lender. In conversations with business owners in the affected areas and statewide, the most pressing needs for State funding are perceived to be State-funded loans for businesses unable to qualify for SBA loans. More modest assistance is needed to those businesses that do qualify for SBA loans and are faced with taking on additional debt and debt-service costs.

Disaster Business Assistance **$51.00 million**

- ***Deferred Payment Loans*** ***$42.50 million***

We estimate there will be a potential demand for approximately 1,500 State loans to small businesses and 25 State loans to mid-sized businesses. Some businesses that fail to qualify for SBA loans were marginal prior to the storm and the hurricane was the final straw. However, many other businesses will fail to qualify because their cash flow and prestorm debt level render them unable to take on additional debt at this time, even though they are very viable businesses. If these businesses employ just three people each, they represent 4,500+ jobs in Eastern North Carolina.

For these businesses, State funded loans would have to work much like grants, with no requirement for immediate repayment. We do not propose grants because a business with no eventual ability to repay is not economically viable. Additionally, free capital would generate accusations of unfairness from those businesses required to pay for their capital. We do not propose a leveraged fund because indications to date are that these loans will not be bankable.

We recommended an interest-free loan product, funded wholly by the State, with all principal deferred for a three-year term. At the end of that period, the business would be expected to refinance the note and repay the State of North Carolina. For the three-year period, however, the business will not be required to make any cash outlays to support the loan; during that time period it functions much like a grant. Assuming an average loan of $25,000, funding 1,500 small businesses would cost approximately $37.5 million. Providing an average of $200,000 in funding to 25 mid-sized businesses would cost an additional $5 million.

In conjunction with the Small Business and Technology Development Center and Small Business Centers, the Department of Commerce has set up five Business Recovery Assistance Centers in the flooded areas. Satellite centers are set up as requested. These centers have professional staff to prepare SBA loan applications, help reassemble records, advise on other financing options, and provide other business support services. They also help prepare applications for the Business Advance Program initiated under Governor Hunt's emergency powers. The Business Advance Program provides advances against expected SBA loans for up to $10,000 in immediate needs. Commerce worked out an expedited processing system with SBA so checks can be issued within four working days of receiving the applications (final approval of the SBA application can take three to six weeks). Centura Bank is processing the loans at no cost. The Business Recovery Assistance Centers will also support this lending program, which, like the Business Advance Program, will be serviced through commercial banks under contract to the Department of Commerce. (See Appendix IV)

- ***Interest Buy-Down on SBA Loans*** ***$ 8.50 million***

For those businesses that qualify for SBA loans, we propose a grant equal to the cost of interest on the SBA loan for the first three years. This will help reduce the burden of taking on additional debt for these businesses. Based upon SBA estimates, we project that 3,500 businesses will qualify for SBA loans averaging $26,000 for 21 years. The interest for the first three years on those loans will total $8.50 million. The Department of Commerce will contract with commercial banks to administer the program. Businesses that qualify for SBA loans will take their executed SBA loan documents to the bank. The interest for the first three years will be computed and a check will be issued to the businesses in that amount.

Agriculture Disaster Assistance

Billie Ray Direct Rural Centra

Agriculture is North Carolina's number one industry. The bulk of crops and livestock in North Carolina are raised in the eastern part of the State—in the counties hardest hit by the flooding from Hurricane Floyd. Even before the damage and destruction caused by Hurricane Floyd, farmers in North Carolina were suffering from economic hardship resulting from depressed crop prices and drought conditions. A large percentage of crops were still in the ground when Hurricane Floyd hit. Livestock losses due to flooding far exceed the losses suffered from Hurricane Fran. The USDA has certified crop losses in excess of $538 million—adding to the $43 million in crop losses from Hurricane Dennis that hit North Carolina less than two weeks before Floyd. Over 30,000 farms were affected, directly involving more than 90,000 workers within the designated counties. More than half of these farms are critically or severely affected.

The catastrophic flooding from Hurricane Floyd will put farmers further in debt and may drive many farmers out of business. Reports submitted by county disaster committees indicate that approximately 85% of crop losses were not insured. Federal assistance on a limited basis has been granted for farmers in North Carolina, but a huge gap remains. The North Carolina economy depends on farmers—their losses will be felt far beyond the eastern counties impacted by the flooding from Floyd.

All agricultural losses facing farmers have been enormous. The breakdown of losses is:

Crop	Amount Loss (Millions)
Corn	49.3
Soybeans	70.0
Tobacco	94.2
Cotton	190.4
Peanuts	38.9
Fruit and Vegetable	79.5
Nursery	16.0
Aquaculture	.10
Livestock	12.8
Farm Structures and Equipment	281.1
TOTAL AGRICULTURAL LOSS	$832.30

Source: Farm Service Agency, USDA

Agriculture Disaster Assistance **$150 million**

- ***Crop Disaster Assistance*** ***$90 million***

A supplemental grant program is proposed that will provide payment of 17% of the yield losses felt by Floyd-impacted farmers. This payment will supplement the crop-loss disaster assistance provided by the federal government. Price is established by insurance programs if the commodity is insured, and all other noninsured crops must also have an established price set by the Farm Service Agency, USDA. The estimated cost to capitalize this crop disaster assistance program is $90 million.

- ***Farm Structure Disaster Assistance*** ***$40 million***

A grant program is proposed that will provide partial payment to compensate farmers for structure and equipment losses. The loss figure associated with these losses exceeds $100 million when farm homes are excluded. Losses of structures must be reported and verified by State officials.

- ***Emergency Conservation Program Cost Share Buy-Down*** ***$15 million***

A grant program is proposed that will provide supplemental payments to farmers to assist with their portion of cost share for restoration of farmlands to usable areas and for restoration of best management practices (BMPs). USDA has provided for $30 million in funds for covering the federal share of the restoration projects under the Emergency Conservation Program (ECP). Covered practices include:

- Removing debris from farmland
- Grading, shaping of farmland or similar measures
- Fence restoration
- Restoring structures and other installations

In addition to the standard ECP program expenditures, USDA has agreed to assist in the restoration of BMPs implemented by farmers. Through the North Carolina Agriculture Cost Share Program (ACSP), Soil and Water Conservation Districts have installed well over 14,000 agricultural best management practices in the counties affected by Hurricane Floyd. Floodwaters have inhibited assessment of repairs to date, but it is believed that 15% or more of the structures will have extensive damage (more than 50% repair necessary) and that as much as 50% of the structures may have moderate-to-slight damage. Damaged best management practices may include: animal waste management structures or components of waste management systems (e.g., pumps), livestock exclusion fencing, remote watering devices for livestock, riparian buffers, terraces, grassed waterways, stream crossings and water control structures. These practices, which were initially installed over a 10-year period, will need to be repaired over the coming 18-24 months to prevent extensive harm to water quality in Eastern North Carolina, including the fragile Albemarle-Pamlico Estuarine Systems and the Neuse River.

The Governor's proposal would provide $15 million in payments to farmers for this effort.

- ***Commodity Quality Losses; Association Assessment Losses $5 million***

A grant program is proposed to provide supplemental payments to farmer-owned cooperatives for quality losses associated with flood-damaged commodities. Many of the farmer-owned cooperatives act as price-stabilizing forces in the market. Commodities that have been purchased by these cooperatives and are now on sale have been found to be deficient in quality due to damage associated with flooding. The Governor proposes to provide payments to these farmer-owned associations to indemnify their losses due to quality deficiencies.

In addition, the Governor also proposes to provide supplemental payments to Growers' Associations for uncollected assessments. Many of the associations operate on an assessment per harvested acre basis to fund promotion and marketing of individual North Carolina commodities. Because the floods prevented the harvest of these critical products, the Associations are unable to provide the necessary marketing assistance to maintain demand.

Commercial Fishing Assistance

Hurricane Floyd had major adverse impacts on the commercial fishing industry in North Carolina due to lost gear, lost fishing time and reduced harvest. Revenue losses from harvesting fish, shrimp, crabs, and other shellfish are probably higher than those associated with any other event in the State's history. This comes at a time when projected revenues from the fall shrimp harvest were predicted to be the best on record and when the harvest of blue crabs, North Carolina's most valuable fishery, was on pace to exceed last year's record harvest. Forty to forty-two inches of rain inundated coastal areas of North Carolina between September 5 and September 16. The intense rainfall from Hurricanes Dennis and Floyd caused the salinity of marine waters to approach zero. The high winds from both storms caused a large storm surge and violent breaking waves, destroying and silting over oyster and scallop beds. As a result of these impacts, several of North Carolina's most critical fisheries have suffered losses due to death and displacement of critical commercial species.

Appendix XII outlines the estimated commercial fishing industry loss from Hurricanes Dennis and Floyd as certified by Penelope Dalton, Assistant Administrator for Fisheries with the National Oceanic and Atmospheric Administration, US Department of Commerce. The estimates are based on historic landing data from the North Carolina Division of Marine Fisheries and on market values for the fishery. Due to displacement of target species, headboat

and charter boat operators have lost approximately 1,500 trips (10 trips per boat for 150 boats). Gear losses from the hurricanes have also been significant. These losses impact 7,932 fishermen.

Commercial Fishing Disaster Assistance **$11.40 million** ✓

In response to this impact, Governor Hunt proposes to establish a fishing loss disaster assistance program in the North Carolina Division of Marine Fisheries for the 7,932 commercial fishermen of the State. Individuals experiencing loss of income due to harvest loss or loss of gear will register their losses with the Division of Marine Fisheries. The Division will verify losses based on historical fishing activity and assist individuals by providing grants and loans to the victim based on noninsured, verifiable losses. The cost associated with this program is estimated at $11.4 million.

General Economic Recovery Assistance **$ 1.00 million**

The devastating effect of Hurricane Floyd has caused tourists, industrial location consultants, and business decision-makers to be hesitant to visit, locate or expand in Eastern North Carolina. The direct economic loss to the lodging industry is estimated to be between $96 to $125 million during the months of September and October. One headline in the New York Times on November 30, 1999 read, "After the Storm, an Ecological Bomb." The lead paragraph went on to state that "...the one-two punch of Hurricanes Dennis and Floyd turned Eastern North Carolina into a putrescent hell of polluted flood waters, decomposing chickens and hogs, rotting farm fields and ruined neighborhoods." It is critical that we act aggressively to combat these negative impressions so that the long-term economic stability of the region does not suffer further damage.

Total Crisis Economic Recovery Assistance **$213.40 million**

Bill Holman

Public Health and Environment

The environment of Eastern North Carolina was severely impacted by Hurricane Floyd. Millions of dead animals and other hazardous waste-producing areas that were flooded resulted in an environmental and public health challenge to the State. Governor Hunt's emergency request for federal funds included $625 million to address these issues. Although we will continue to pursue the federal funding which we did not receive, there are pressing needs which must be addressed immediately. As we rebuild Eastern North Carolina, we must do so in a way that will remove the threat of contamination to our waters and will provide a safe and healthy environment for our citizens. Funding in the following areas is needed on an emergency basis to begin to do that.

Safe Water **$ 3.00 million**

- ***Drinking Water Protection*** ***$ 1.00 million***

Contaminated community water systems and private wells require extensive testing beyond the normal volume that can be handled by the State Laboratory for Public Health. In many cases, wells must be repeatedly tested for contamination. Coliform (50,000) and nitrate (20,000) kits must be purchased and analyzed at a cost of over $700,000. Petroleum, pesticide and VOC tests must also be administered. The total cost of all testing is projected to exceed $800,000.

The environmental and public health effects of flooding of the magnitude experienced in Hurricane Floyd are not fully understood. As a result, citizens are asking questions about the short- and long-term effects of moving back into these flooded communities. There are immediate concerns for health and safety relating to flooded buildings such as biological contaminants and safety during cleanup. Home and business owners are requesting assistance from public health professionals in determining the health risks associated with these communities and how to resolve them. Multidiscipline teams of public health professionals skilled in the technical aspects of health risk assessment are needed in many of the flooded communities. This expertise is not available locally and thus is available only on a limited basis in the State. In order to address this need, we propose to deploy three 3-member contracted teams for 12 weeks at a cost of $198,0000. (See Appendix V)

- ***Water Quality Monitoring*** ***$ 2.00 million***

The goal of the water quality-monitoring program is to protect the public health through monitoring of failing systems and those systems currently struggling or in a compromised situation. Monitoring the Pamlico and Albemarle Sounds, in addition to other current monitoring, will help ensure a safe seafood supply. The Department of Environment and Natural Resources (DENR) efforts will be coordinated with those being undertaken by universities and federal agencies. The components of the monitoring will include:

1. *Sediment and Tissue Monitoring* $ .8 million

Funds for the DENR Division of Water Quality to sample and analyze sediment and fish/shellfish tissue from coastal rivers and estuaries for organic pollutants and metals potentially present as the result of the 1999 hurricane season.

2. *Automated Fixed Nutrient Analyzers* $ .12 million

Contract with US Geological Survey for fixed placement of three automated nutrient analyzers in the Albemarle-Pamlico Sound to evaluate the short- and long-term flux of nitrogen at those locations.

3. *Automated Nutrient/Chlorophyll/Water Quality Monitoring Using Ferries* $ .40 million
Contract with the University of North Carolina at Chapel Hill (UNC) and Duke University to establish automated monitoring equipment on the Cedar Island-Ocracoke and Swan Quarter ferries to provide horizontal transects of Pamlico Sound to track nutrient concentration, algal response (via chlorophyll) and dissolved oxygen/pH.

4. *Deployment and Analysis of Semi-Permeable Membrane Devices* $ .10 million
Contract with North Carolina State University (NCSU) for the deployment and analysis of semi-permeable membrane devices (SPMDs) to assess the presence and potential fate of bioaccumulative organic pollutants and pesticides otherwise undetectable due to low water column concentrations.

5. *Assess Sublethal Effects of Biological and Ecological Endpoints* $ .10 million
Contract with Oak Ridge National Laboratory to assess sublethal effects of the flood on important biological and ecological endpoints such as reproductive impairment, histopathological condition (including parasites and associated diseases), physiological condition or dysfunction (including immune system function), and overall condition including bioenergetic status, fat condition, etc.

6. *Measure Impacts on Key Fish and Shellfish* $ .30 million
Contract with Duke to measure key environmental variables (in coordination with water quality studies) in the water column and in the benthic habitat to determine the impact of hurricane-related reductions in salinity and oxygen on the distribution, growth and survival of key fish and shellfish resources.

7. *Monitor Groundwater Contamination* $ .18 million
Funds for the DENR Division of Environmental Health to monitor groundwater contamination of nitrates, organics and pathogen-inundated areas. The eastern part of the State uses groundwater as the primary source of drinking water, thus these evaluations will enhance the drinking water monitoring being performed.

Cleanup **$12.00 million**

- ***Solid Waste Cleanup*** ***$ 4.50 million***

There are eight junkyards located in the 100-year floodplain of the Neuse River Basin that were flooded due to Hurricane Floyd for a period of weeks. The residual material including oil, grease, antifreeze, gasoline, transmission fluid and brake fluid, were directly discharged into the river. This pollution caused a visible sheen for miles. At the present time, local government ordinances do not prohibit siting of such facilities in the floodplain. The goal with this proposal will be to prioritize and clean up those facilities that have the most severe environmental impacts. Local governments will be required to adopt ordinances that prohibit future location of such activities in the floodplain. Following cleanup, the property will be transferred to the local government for use as open space, parks, greenways, buffers, wetlands, or other compatible uses. It is estimated that the cost to assess and clean up all eight facilities would be approximately $9.6 million. The DENR Division of Waste Management will not provide funds until the local government has enacted ordinances prohibiting the location of junkyards in the floodplain. (See Appendix VI)

- ***Hazardous Waste Cleanup*** 277 old dumps **$ 2.50 million**

Following Hurricane Floyd, 35 hazardous waste sites were identified that had been flooded, five of which are known to have been disturbed, thus causing a release of hazardous substances into the environment. Assuming an average of 75 hours per site for assessment, the cost of determining the damage at these 35 sites will be approximately $231,000. An assessment is necessary to evaluate the present location of contaminants and present condition of the site. It is not anticipated that the total cleanup costs of these sites will change significantly based on the assumption that no significant amount of new contaminants was deposited by the floodwaters.

In addition to the 35 sites, 277 old landfills were also flooded. These old landfills predate solid waste permit and regulatory authority and therefore fall under the Inactive Hazardous Waste Sites program in the Superfund Section. Location, visual assessment and repair of these sites are estimated to be $6,850 per site for a total of almost $2 million. Finally, additional funding is needed to supplement the State's laboratories in DENR and Health and Human Services during this time of increased site assessment and sampling activity at a cost of $371,550. (See Appendix VII)

- ***Underground Storage Tanks*** 679 facilities 139 damage 44 high risk **$ 5.00 million**

Approximately 679 underground storage tank (UST) facilities were located in the 23 county flood-damaged area. Of these 679 facilities, confirmation has been made, either visually or reported by the facility owner, of flood-related damage to 139 UST facilities. Damage includes water in the tank, tanks shifting or tanks that floated to the ground surface. The UST Section's proposal for $5 million dollars will be used as follows:

1. Precision tank tightness test, precision line tightness test, corrosion protection check and a limited site assessment at the 139 flood-damaged facilities.

Precision tank and line tightness testing will ensure that any leaks, weeps or seeps are discovered prior to becoming a major release. Corrosion protection checks will ensure that the corrosion system is still properly connected and functioning to protect the USTs. Limited site assessments will determine the impact to soil and groundwater and accurately characterize the potential health and environmental risk of the release. We have estimated the cost of this activity at $21,000 per site. Of the 139 sites, we anticipate that 40 sites will require a Comprehensive Site Assessment (CSA).

2. Perform a comprehensive site assessment at approximately 40 high and intermediate sites.

Comprehensive Site Assessments (CSA) will determine the extent of the release both vertically and horizontally in the soil and groundwater. In addition, the CSA will characterize the release and predict impacts to potential receptors such as water supply wells. Our estimate is based upon an approximate cost of $35,000/site.

3. Begin soil and groundwater remediation activities and provide bottled water for sites in which alternative water supplies are not available.

The number of high, intermediate and low priority sites listed in #2 above are projected based on previous historical data following an initial investigation similar to #1 above. Any additional funding received for flood-related investigations and cleanup efforts would be applied on a priority basis as listed above. It should be noted that the above cost projections cover only

those sites for which the UST Section staff were able to confirm a release or received a damage report. This does not include the remaining 540 (679-139=540) facilities for which we have limited information. Additional funds would be required to test the remaining facilities. (See Appendix VIII)

Public Safety **$ 12.70 million**

- ***Dam Safety*** ***$ 2.50 million***

Rainfall from Hurricane Floyd damaged at least 101 dams in Eastern North Carolina. While 40 of these dams failed, 61 of the dams are damaged, but still impounding water. **Twenty-six of these damaged dams would endanger human lives and cause significant property damage downstream if they fail.** At least two industrial waste lagoon dikes are damaged and will cause environmental damage if they fail.

The most immediate critical activity is to ensure the safety of lives and downstream property endangered by the damaged high-hazard dams still impounding water. The owners of these dams have been notified of the potential danger and have been asked to drain the lakes where possible. The owners have also been asked to remove or repair the dams pursuant to approved engineering plans required by the Dam Safety Law of 1967. Many of the damaged dams are old and do not have functioning bottom drains to lower the lake level. The condition of these dams is being monitored by dam owners, dam safety inspectors and local emergency management personnel. However, a permanent solution of either repairing or removing these dams is needed.

FEMA does not provide funding for damaged privately owned dams. Many of the owners of the damaged dams do not have the funding to repair or to breach the damaged dams. Meanwhile, the dams continue to be a hazard to the health, safety and welfare of the downstream public. Under the provisions of 143-215.32(c), DENR may take emergency action as needed to protect life and property below dams and may recover the costs of such action from the owner. The requested funding would provide DENR with the resources needed for emergency action. Reimbursements by owners would revert at the time of collection by the Department.

A detailed, individual cost estimate to remove or repair each damaged high-hazard potential dam is not possible at this time. Using known costs for similar dams in North Carolina, we estimate the cost to lower the lake level, remove the dam, and stabilize the breached dam and exposed lake bottom to prevent water pollution from offsite sedimentation to be $100,000 per dam. These costs are consistent with experience in other states such as Georgia, which had a similar dam safety emergency after flooding in 1994.

The program will be administered by the DENR Division of Land Resources, which will use these funds to take action as authorized by G.S. 143-215.32(c) in situations where the dam owners do not have the immediate resources needed to protect the downstream life and property. We will make every effort to recover the cost from the owner for the work performed, including employing the Attorney General's office in the collection effort, if necessary.

- ***Emergency Dredging*** ***$10.20 million***

Hurricane Floyd greatly increased the amount of shoaling in navigation channels in coastal North Carolina. Based on a preliminary survey by the Corps of Engineers, portions of 12 navigation channels require emergency dredging. This request will cover the cost of dredging, debris removal and any other projects of an emergency nature with similar circumstances. (See Appendix IX for a complete list of projects.)

Local Government Support

Local Government Support **$6.3 million**

After Hurricane Floyd, representatives of the League of Municipalities, the County Commissioners Association, the Department of Revenue, the Local Government Commission, the Institute of Government and the Rural Center convened to discuss local government revenue losses as a result of the storm. Current estimates indicate that most of the property losses in the current year will be attributable to anticipated delinquencies in tax payments for both real and personal property. The projected losses for FY 1999-2000 for North Carolina counties is $4.5 million (See Appendix X). For incorporated municipalities, it has been estimated that losses are approximately 40% of the total county estimates. (See Appendix X) This yields $1.8 million in losses for municipalities, for a total local government loss of $6.3 million.

Governor Hunt proposes to hold these local governments harmless by providing $6.3 million to the local governments to support public education and other governmental operations as deemed appropriate by local elected officials.

Appendices

Appendix I

Federal Response by Category

HURRICANE FLOYD DISASTER ASSISTANCE OVERVIEW

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	AGENCY	*Nov. 23, 1999 Estimated Federal Receipts from Standard Federal Disaster Entitlement*	*Oct. 20, 1999 Governor's Estimate of Needs Not Addressed by Standard Federal Disaster Entitlement*	*Nov. 22, 1999 Commitments from Federal Executive Agencies Beyond Standard Federal Disaster Entitlement*	*Estimated Needs Not Addressed by Entitlement or Federal Agency Commitments*	*Estimated Federal Receipts per Ag Appropriations Bill*	*Nov. 23, 1999 Estimated Federal Receipts per Omnibus Appropriations Bill*	*Estimated Needs Unaddressed after Standard Entitlement, Federal Agency Action, and Congressional Action.*	Decemeber 1, 1999 Proposed State Plan
					= (C) - (D)			= (E) - (F) - (G)	
1	***Department of Health and Human Services***								
2	Low Income Home Energy Assistance program		20,000,000	20,000,000	0	0	0	0	
3	***TOTAL FOR DEPARTMENT***		**20,000,000**	**20,000,000**	**0**	**0**	**0**	**0**	
4	***Department of Labor***								
5	Natural Disaster Dislocated Worker Funds		12,000,000	12,000,000	0	0	0	0	
6	***TOTAL FOR DEPARTMENT***		**12,000,000**	**12,000,000**	**0**	**0**	**0**	**0**	
7	***FEMA***							0	
8	Containment and cleanup of environmental hazards		70,000,000	10,000,000	60,000,000	0	0	60,000,000	
9	Relocation of public wastewater plants		75,000,000	75,000,000	0	0	0	0	
10	Solid waste cleanup		45,500,000	43,000,000	2,500,000	0	0	2,500,000	2,500,000
11	Inspection and cleanup of hazardous waste sites		7,500,000	0	7,500,000	0	0	7,500,000	2,500,000
12	Hazardous waste cleanup		15,000,000	15,000,000	0	0	0	0	
13	Underground storage tank cleanup		50,000,000	0	50,000,000	0	0	50,000,000	5,000,000
14	Acquisition, Elevation and Replacment housing		472,000,000	58,000,000	414,000,000	0	191,000,000	223,000,000	
15	Construction of infrastructure for replacement housing		16,000,000	0	16,000,000	0	0	16,000,000	
16	Public instruction facilities		19,000,000	3,000,000	16,000,000	0	0	16,000,000	
17	Community colleges		287,600	287,600	0	0	0	0	
18	Universities		2,046,727	2,046,727	0	0	0	0	
19	Emergency dredging		10,200,000	0	10,200,000	0	0	10,200,000	10,200,000
20	Reassessing Flood Risks		20,000,000	500,000	19,500,000	0	0	19,500,000	
21	Elevation/Acquisition of insured buildings		30,000,000	30,000,000	0	0	0	0	
22	***TOTAL FOR DEPARTMENT***	***456,507,835***	**832,534,327**	**236,834,327**	**595,700,000**	**0**	**191,000,000**	**404,700,000**	**20,200,000**
23	***Department of Agriculture Farm Service Agency***							0	
24	Grants for Crop Losses		349,700,000	0	349,700,000	228,000,000	21,000,000	100,700,000	90,000,000
25	Grants for Farm Structure Losses		182,600,000	0	182,600,000	0		182,600,000	40,000,000
26	Grants for Livestock Losses		12,000,000	0	12,000,000	0	10,000,000	2,000,000	
27	Emergency Conservation Program - restore productive use of farmland		20,000,000	6,000,000	14,000,000	0	14,000,000	0	
28	***Department of Agriculture Farm Service Agency***							0	
29	Watershed Protection and Flood Prevention - flood protection measures for farmsteads		50,000,000	0	50,000,000	0	0	50,000,000	
30	Watershed Protection and Flood Prevention - restore waterways		80,000,000	0	80,000,000	0	65,000,000	15,000,000	
31	Soil and Water Conservation - lagoon conversion		50,000,000	0	50,000,000	0	0	50,000,000	
32	Soil and Water Conservation - damages to BMPs		10,000,000	0	10,000,000	0	10,000,000	0	
33	***USDA - - Food Programs***							0	
34	WIC (Women, Infants and Children Nutrition) - switch to ready-to-feed formula		2,700,000	2,700,000	0	0	0	0	
35	***TOTAL FOR DEPARTMENT***		**757,000,000**	**8,700,000**	**748,300,000**	**228,000,000**	**120,000,000**	**400,300,000**	**130,000,000**
35	***Commerce***							0	
37	Economic Development Administration - economic adjustment assistance		63,000,000	0	63,000,000	0	0	63,000,000	1,000,000
38	Commercial Fishing		19,000,000	0	19,000,000	0	0	19,000,000	14,250,000
38	***TOTAL FOR DEPARTMENT***		**82,000,000**	**0**	**82,000,000**	**0**	**0**	**82,000,000**	**15,250,000**

HURRICANE FLOYD DISASTER ASSISTANCE OVERVIEW

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	AGENCY	*Nov. 23, 1999 Estimated Federal Receipts from Standard Federal Disaster Entitlement*	*Oct. 20, 1999 Governor's Estimate of Needs Not Addressed by Standard Federal Disaster Entitlement*	*Nov. 22, 1999 Commitments from Federal Executive Agencies Beyond Standard Federal Disaster Entitlement*	*Estimated Needs Not Addressed by Entitlement or Federal Agency Commitments*	*Estimated Federal Receipts per Ag Appropriations Bill*	*Nov. 23, 1999 Estimated Federal Receipts per Omnibus Appropriations Bill*	*Estimated Needs Unaddressed after Standard Entitlement, Federal Agency Action, and Congressional Action*	Decemeber 1, 1999 Proposed State Plan
					= (C) - (D)			= (E) - (F) - (G)	
39	***Department of Transportation***							0	
40	Emergency Relief Program - repairs to roads and debris removal		38,300,000	38,300,000	0	0	0	0	
41	Emergency Relief Program - emergency ferry channel dredging		624,000	624,000	0	0	0	0	
42	Federal Aviation Administration		53,200,000	0	53,200,000	0	0	53,200,000	
43	***TOTAL FOR DEPARTMENT***		**92,124,000**	**38,924,000**	**53,200,000**	**0**	**0**	**53,200,000**	
44	***Defense***							0	
45	Beach Renourishment		76,700,000	0	76,700,000	0	0	76,700,000	
46	NC 12 Study		4,000,000	0	4,000,000	0	0	4,000,000	
47	***TOTAL FOR DEPARTMENT***		**80,700,000**	**0**	**80,700,000**	**0**	**0**	**80,700,000**	
48	***Education***								
49	Community Colleges - financial aid		26,597,859	26,597,859	0	0	0	0	
50	Universities - financial aid		25,200,000	25,200,000	0	0	0	0	
51	***TOTAL FOR DEPARTMENT***		**51,797,859**	**51,797,859**	**0**	**0**	**0**	**0**	
51	***Labor***							0	
52	Employment and Training Administration - discretionary grant funds		5,000,000	5,000,000	0	0	0	0	
53	Natural Disaster Dislocated Worker Funds		24,000,000	24,000,000	0	0	0	0	
54	Technical Assistance		450,000	450,000	0	0	0	0	
55	***TOTAL FOR DEPARTMENT***		**29,450,000**	**29,450,000**	**0**	**0**	**0**	**0**	
56	***Health and Human Services***							0	
57	Social Servics Block Grant - child day care		21,000,000	18,000,000	3,000,000	0	0	3,000,000	
58	***TOTAL FOR DEPARTMENT***		**21,000,000**	**18,000,000**	**3,000,000**	**0**	**0**	**3,000,000**	
59	***Small Business Administration***							0	
60	Loan Program	*286,396,600*				0	0	0	
61	Capital Access Program		5,000,000	0	5,000,000	0	0	5,000,000	
62	***TOTAL FOR DEPARTMENT***	*286,396,600*	**5,000,000**	**0**	**5,000,000**	**0**	**0**	**5,000,000**	
63	***TOTAL FOR DEPARTMENTS***	742,904,435	1,983,606,186	415,706,186	1,567,900,000	228,000,000	311,000,000	1,028,900,000	165,450,000

64 ***Required State Match for:***

65	Column (B)	100,402,079
66	Column (D)	44,600,000
67	Column (G)	87,400,000
68		
69	*Total*	232,402,079

70	Federal Receipts Beyond Governor's Needs Estimate								
71	***Department of Agriculture***								
72	Emergency Conservation Program - restore productive use of farmland						6,000,000		
73	Farm Loans						400,000,000		
74	"Noninsured Crop" waivers						18,000,000		
75	Tobacco Warehouse Losses						3,000,000		

HURRICANE FLOYD DISASTER ASSISTANCE OVERVIEW

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	AGENCY	*Nov. 23, 1999 Estimated Federal Receipts from Standard Federal Disaster Entitlement*	*Oct. 20, 1999 Governor's Estimate of Needs Not Addressed by Standard Federal Disaster Entitlement*	*Nov. 22, 1999 Commitments from Federal Executive Agencies Beyond Standard Federal Disaster Entitlement*	*Estimated Needs Not Addressed by Entitlement or Federal Agency Commitments*	*Estimated Federal Receipts per Ag Appropriations Bill*	*Nov. 23, 1999 Estimated Federal Receipts per Omnibus Appropriations Bill*	*Estimated Needs Unaddressed after Standard Entitlement, Federal Agency Action, and Congressional Action*	Decemeber 1, 1999 Proposed State Plan
					= (C) - (D)			= (E) - (F) - (G)	
76	Rural Housing Grants/Loans						75,000,000		
77	*TOTAL FOR DEPARTMENT*						502,000,000		
78	*Education*								
79	Supplemental Economic Opportunity Grants						10,000,000		
80	*TOTAL FOR DEPARTMENT*						10,000,000		
81	*TOTAL FOR DEPARTMENTS*						512,000,000		
82	**Recommended State Package (in addition to those items funded above)**								
83	State Match Requirement for funded items								232,400,000
84	Crisis Housing Assistance (Direct Housing Assistance beyond FEMA and CDBG)								277,420,000
85	Infrastructure for New Housing Stock								46,330,000
86	Housing Pre-Development Activities								10,000,000
87	Housing Counselors and Recovery Office								13,100,000
88	Business Assistance -- Deferred Payment Loans								42,500,000
89	Interest Buydown on SBA Loans								9,000,000
90	ECP Farmer Cost Share Buydown								15,000,000
91	Quality/Assessment Loss Payment								5,000,000
92	Drinking Water Protection								1,000,000
93	Solid Waste Cleanup (Junkyards)								2,000,000
94	Water Quality Monitoring								2,000,000
95	Dam Safety								2,500,000
96	Local Government Support								6,300,000
97	*TOTAL STATE PACKAGE*								*830,000,000*

Appendix II

Direct Housing Assistance

Housing Recovery Proposals

Affected Group		Possible Characteristics	Proposed Remedy		Est. #	State Cost (Millions)
			Federal (inc. Supplemental)	State		
Total Homes Damaged					*55,812*	
Homeowners					**34,943**	**$302.8**
A	Eligible for FEMA buy-out: in 100 year flood plain; greater than 50% damage	All socio-economic groups; mostly single-family homes, with some mobile homes	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable 2. Offer to purchase at pre-flood appraised value (average offer $40,000). Voluntary program. Houses removed or demolished and property remains undeveloped	Supplement to federal purchase price to permit family to secure comparable housing outside of 100-year flood-plain. **Average** supplement $25,000	5,573	$139.3
B	Eligible for FEMA repair and elevation	All socio-economic groups; mostly single-family homes	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable 2. FEMA repair and elevation grant (average $28,000)		3,319	
C	Covered by flood insurance, not buy-out candidate	Upper income OR low to moderate income in financed mobile home	Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable.		1,862	
D	Eligible for SBA loan, not buy-out candidate, no flood insurance	Income over $20,563 for family of 4	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance up to $10,000 or temporary housing if home uninhabitable 2. SBA loan to repair damage or replace home	Supplemental grant of <u>up to</u> $10,000 to repair or replace home	13,062	$61.9
E	Not buy-out candidate; not eligible for SBA loan; not covered by insurance	Low income – less than $20,563 for family of 4	1. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance of $10,000 or temporary housing if home uninhabitable 2. IFG grant of up to $13,600 to repair or replace home and personal property 3. CDBG unmet needs funds for repair of home or "deep second mortgages" through HOME (HFA)	State funds to supplement federal request for CDBG & HOME to repair or replace damaged housing.	11,127	$ 59.9
F	New Housing Infrastructure	Construction in new neighborhoods	Emergency request includes $16 million in CDBG for infrastructure.	State aid to local gov't for infrastructure – single family	5,700	$41.7
Renters					**18,237**	**$26.3**
G	Eligible for FEMA buy-out	Assume renter mainly low-moderate income; lots of mobile homes	Disaster rental assistance for 60 days if home uninhabitable, beyond th[redacted] a case-by-case basis.	State relocation assistance of $3,000.	5,427	$16.3

Affected Group		Possible Characteristics	Proposed Remedy		Est. #	State Cost (Millions)
			Federal (inc. Supplemental)	State		
H	Eligible for FEMA repair and elevation	All socio-economic groups; mostly single-family homes	3. Disaster repair grant of up to $10,000 if that will make home "safe & habitable" if not, housing allowance of $10,000 or temporary housing if home uninhabitable 4. FEMA repair & elevation grant (average $28,000)		1,680	
I	Not buy-out candidate; has insurance	Assume renter mainly low-moderate income	Disaster rental assistance for 60 days if home uninhabitable, beyond that on a case-by-case basis.	Rental assistance beyond FEMA, if necessary	1,200	
J	All other renters	Assume renter mainly low-moderate income	1. Landlord may qualify for SBA business loan (estimate 5,800). 2. Disaster rental assistance for 60 days if home uninhabitable, beyond that on a case-by-case basis.	Assume that landlord is treated as a business: no grant assistance to landlord.	11,750	
K	Production of new affordable rental housing	Construction in new neighborhoods	Emergency request includes $147 million for production of affordable rental housing.	Jump-start rental production	3,200	$10.0
Local Government Oversight						**$10**
L	Housing Inspectors			State funds to aid local government oversee massive rebuilding effort		$2.5
M	Land acquisition and predevelopment			State funds to assist non-profit community and local government in rebuilding efforts		$7.5
State Management of Rebuilding						**$11.1**
N	Housing Counselors			Assist families w/ various housing options, advocate with federal agencies	100	$8.5
O	Housing Recovery Office			Responsibility for oversight and coordination	9	2.6 million
Total						**$350.2**

Disaster: 1292
Registration Summary by County

Data As Of: 11/15/99

County	Regs	Damage*			Insurance Type*						Own*	Rent*	Primary Residence*		Residence Type*				Uninsured Expense*		Farm/Ranch Damage*		Residence Destroyed*		Res Univ*		Imminent Danger*		Home Damage*		Per Prop Damage*		Mtg/Rent Assistance*	
		FL	WI	R/WDR	FC o/t	FS own	HO Ins	FO	No RP/ PP Ins	MH Ins			Yes	No	HSD	MH	ATMC	Oth	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Alamance	7	3	3	5	0	0	3	0	3	1	5	2	7	0	4	3	0	0	0	7	1	6	0	7	1	6	0	7	7	0	4	3	0	0
Anson	2	2	0	2	0	0	1	0	0	0	1	0	1	0	1	0	0	0	0	2	0	2	0	1	1	0	0	1	1	1	1	1	0	0
Beaufort	2624	1954	755	1536	166	313	876	50	1045	143	1601	535	2017	115	1205	838	57	56	156	2457	69	2550	131	1981	490	1625	281	1830	1949	665	1431	1178	0	0
Bertie	1046	740	263	620	9	24	441	17	373	53	640	197	783	51	538	273	13	32	43	998	37	1008	65	783	218	630	87	758	766	278	594	449	0	0
Bladen	2529	1106	1007	2053	7	20	612	41	1552	166	1702	625	2259	64	1150	1048	110	29	75	2448	66	2461	34	2303	326	2011	170	2159	2179	347	1589	934	0	0
Brunswick	2831	1514	968	2125	70	103	867	46	1337	230	1836	584	2258	159	1058	1278	43	48	142	2675	56	2768	96	2312	416	1995	237	2172	2247	578	1597	1224	0	0
Camden	112	93	31	62	13	26	63	2	31	4	93	10	101	1	81	17	2	3	6	106	4	108	0	102	21	81	12	90	93	19	71	41	0	0
Carteret	707	402	257	503	54	76	216	9	315	14	478	76	532	21	349	183	6	22	40	661	12	695	24	531	105	451	43	512	536	169	384	322	0	0
Caswell	4	4	2	1	0	0	1	0	2	0	2	1	3	0	1	2	0	0	0	4	0	4	0	3	0	3	0	3	2	2	3	1	0	0
Chatham	12	6	3	8	0	0	6	0	5	0	11	1	12	0	9	3	0	0	1	11	1	10	0	12	4	8	0	12	12	0	6	6	0	0
Chowan	15	8	8	11	0	1	2	0	5	0	6	2	8	0	5	2	0	2	1	14	1	14	0	9	1	8	1	8	6	9	3	12	0	0
Columbus	4098	2086	1554	3165	22	40	973	100	2439	256	2624	1076	3543	147	1928	1642	94	55	150	3926	143	3947	104	3581	622	3064	360	3320	3434	657	2615	1465	0	0
Craven	1644	1089	437	979	37	61	544	25	737	141	1126	297	1362	49	692	664	50	28	66	1572	75	1566	147	1257	419	991	269	1134	1298	340	977	659	0	0
Cumberland	588	178	265	519	1	0	180	4	327	34	396	152	537	8	337	190	17	1	19	565	7	579	11	536	54	495	46	502	517	69	350	237	0	0
Currituck	56	28	22	38	2	4	18	1	13	2	27	4	28	3	21	7	1	4	3	52	1	55	0	33	4	29	4	29	28	28	22	33	0	0
Dare	336	210	109	214	28	59	96	6	89	6	166	34	177	21	118	60	8	11	25	311	3	333	6	189	26	169	16	178	173	163	112	224	0	0
Davidson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Duplin	2606	1703	820	1657	22	42	803	18	1260	219	1641	647	2161	107	1163	1000	89	44	110	2478	149	2453	247	1998	701	1545	369	1871	2101	501	1721	879	0	0
Durham	86	50	26	65	1	1	49	0	29	0	54	22	76	1	66	2	8	0	7	79	2	84	0	75	5	70	4	71	72	14	48	38	0	0
Edgecombe	7404	6474	1359	3246	102	229	2563	128	3219	471	3785	2514	5881	288	3625	1920	685	139	378	6986	159	7226	1723	4251	2431	3554	1286	4686	5396	1983	5107	2267	0	0
Forsyth	14	8	1	6	0	0	9	0	3	0	8	4	11	0	8	2	2	0	0	14	0	14	1	10	4	7	2	9	10	4	7	7	0	0
Franklin	148	82	49	98	0	0	45	6	79	7	97	32	118	10	53	67	5	4	4	142	8	140	11	120	24	106	10	121	118	30	84	64	0	0
Gates																																		
Granville	11	3	2	10	0	0	8	0	2	1	11	0	11	0	7	3	0	0	0	11	0	11	1	10	0	11	2	9	10	1	5	6	0	0
Greene	876	623	258	499	13	24	349	3	307	98	543	206	718	26	391	333	16	10	32	842	61	814	104	628	237	496	133	598	664	208	527	345	0	0
Guilford	8	2	3	7	0	0	4	0	4	0	7	1	8	0	7	1	0	0	1	7	1	7	0	8	3	5	2	6	7	1	2	6	0	0
Halifax	1232	567	434	918	6	10	418	24	572	76	793	293	1044	40	630	417	24	18	41	1185	26	1201	66	1006	190	882	98	973	1013	215	687	538	0	0
Harnett	164	54	69	132	2	3	56	2	83	7	118	32	146	5	87	62	2	1	5	158	8	156	7	143	15	135	16	134	143	21	86	78	0	0
Hertford	755	492	209	468	2	9	375	9	243	49	551	104	627	30	417	215	14	15	42	709	31	721	52	600	140	512	92	561	592	162	445	308	0	0
Hoke	54	21	23	42	1	1	17	1	26	6	44	4	47	2	30	18	0	1	1	53	1	53	1	47	2	46	3	45	46	8	23	31	0	0
Hyde	683	465	245	443	41	91	270	17	241	37	495	76	530	38	389	167	5	15	25	654	66	616	32	537	103	466	57	510	539	142	383	298	0	0
Johnston	804	472	272	548	11	20	277	3	370	41	465	209	637	39	382	250	40	12	45	747	40	760	38	642	158	522	74	606	613	187	466	335	0	0
Jones	765	610	212	444	15	34	318	12	297	59	553	126	645	24	399	268	6	14	40	718	36	727	77	587	209	455	113	551	614	148	487	275	0	0
Lee	16	13	2	5	0	0	9	0	1	0	9	0	9	0	8	1	0	0	0	15	0	15	0	9	2	7	3	6	8	7	7	8	0	0
Lenoir	4302	3471	967	2064	44	145	1243	53	1963	261	2014	1489	3276	219	1944	1194	335	94	239	4033	104	4188	523	2924	1463	1990	875	2569	3082	1205	2714	1570	0	0
Martin	566	323	175	394	2	8	216	5	217	43	364	106	455	9	291	162	13	6	25	536	29	536	34	437	89	380	28	441	431	134	292	273	0	0
Montgomery	3	3	1	2	0	1	2	0	1	0	2	0	2	1	1	0	0	2	0	3	0	3	0	3	1	2	0	3	2	1	2	1	0	0
Moore	17	4	9	15	0	0	6	0	10	0	16	0	15	1	10	6	0	0	1	16	0	17	1	14	3	12	2	13	16	1	9	8	0	0
Nash	3632	2792	809	1855	68	179	1275	31	1438	123	1678	1125	2651	144	1748	441	531	250	260	3347	69	3555	362	2532	922	1972	401	2489	2433	1187	2319	1301	0	0
New Hanover	5156	2806	1661	3829	105	127	1142	69	3153	66	1744	2735	4334	142	2598	426	1409	96	330	4786	27	5113	80	4424	837	3663	272	4222	3926	1214	3774	1366	0	0
Northampton	521	256	212	405	4	2	196	19	225	30	390	80	446	18	274	182	5	7	20	499	19	502	9	459	62	405	29	436	443	77	276	243	0	0
Onslow	1450	729	512	1073	58	74	403	16	711	55	892	322	1159	53	585	532	74	24	94	1349	25	1425	54	1152	242	965	126	1079	1126	324	774	675	0	0
Orange	23	12	10	16	1	1	11	0	8	1	15	5	19	1	15	4	1	0	2	21	0	23	0	19	4	15	5	14	18	5	17	6	0	0
Pamlico	508	317	196	377	21	45	149	20	235	18	359	65	390	33	284	131	4	9	23	483	19	486	21	393	68	346	32	382	389	115	253	254	0	0
Pasquotank	307	214	80	188	8	20	129	7	107	7	202	57	242	14	204	40	12	2	13	294	4	303	8	245	38	215	19	234	236	71	166	140	0	0
Pender	3367	2110	991	2161	92	180	1063	58	1642	276	2237	760	2800	178	1524	1366	67	71	183	3167	77	3281	268	2684	804	2159	470	2486	2717	645	2206	1146	0	0
Perquimans	44	23	15	34	0	2	14	2	14	1	27	3	30	0	17	13	0	1	1	42	0	43	3	28	6	25	4	26	30	13	[redacted]	19	0	0
Person	4[redacted]	[redacted]	1	1	0	0	1	0	1	2	3	0	3	0	2	[redacted]	0	0	0	4	0	4	0	3	1	2	1	2	3	1	[redacted]	3	0	0
Pitt	966[redacted]	[redacted]	1695	3850	188	413	2785	55	4300	972	4605	3451	7585	376	3152	[redacted]	4306	241	572	9010	169	9466	2250	5573	3194	4648	1907	5914	6960	2666	[redacted]	2014	0	1

Disaster: 1292
Registration Summary by County

Data As Of: 11/15/99

County	Regs	Damage*			Insurance Type*						Own*	Rent*	Primary Residence*		Residence Type*				Uninsured Expense*		Farm/Ranch Damage*		Residence Destroyed*		Res Univ*		Imminent Danger*		Home Damage*		Per Prop Damage*		Mtg/Rent Assistance*	
		FL	WI	R/WDR	FC o/i	FS own	HO Ins	FO	No RP/ PP Ins	MH Ins			Yes	No	HSD	MH	ATMC	Oth	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
Randolph	14	12	2	6	2	1	4	0	5	1	7	4	11	0	4	7	0	0	0	14	1	13	2	9	1	10	2	8	9	5	6	8	0	0
Richmond	6	4	2	3	0	0	1	0	2	1	4	0	4	0	1	3	0	0	0	6	0	6	0	4	2	2	1	3	4	2	3	3	0	0
Robeson	2428	876	1052	2067	7	16	625	73	1360	259	1796	492	2224	58	1036	1161	65	22	93	2323	40	2385	36	2261	228	2071	181	2114	2157	268	1360	1062	0	1
Rockingham	3	3	0	1	0	0	1	0	1	0	1	1	2	0	2	0	0	0	1	2	1	2	0	2	0	2	0	2	2	1	2	1	0	0
Rowan	1	0	1	1	0	0	0	0	1	0	1	0	1	0	0	1	0	0	0	1	0	1	0	1	0	1	0	1	1	0	0	1	0	0
Sampson	1296	488	519	1047	7	9	349	15	704	112	916	254	1118	45	568	574	17	18	46	1241	56	1235	38	1131	147	1022	89	1077	1098	194	691	598	0	0
Scotland	19	2	13	17	0	0	4	0	11	2	13	3	14	2	9	5	0	2	1	18	1	18	0	17	3	13	0	17	16	3	9	10	0	0
Stanly	64	1	47	45	0	0	9	1	48	1	25	35	56	4	29	4	26	1	5	59	0	64	9	49	19	39	5	53	52	12	45	18	0	0
Tyrrell	91	47	32	75	2	8	25	3	40	6	63	10	72	2	39	33	2	0	0	88	4	86	1	73	8	66	3	71	68	21	32	57	0	0
Union	2	0	0	2	0	0	1	0	0	0	1	0	1	0	1	0	0	0	1	1	0	2	0	1	0	1	0	1	1	1	1	1	0	0
Vance	22	11	7	16	0	0	8	0	9	2	13	6	18	1	11	7	0	0	2	20	1	21	1	17	2	16	0	18	18	4	14	8	0	0
Wake	606	329	199	404	7	16	315	5	184	17	392	132	503	15	381	73	70	6	56	543	9	595	10	519	89	439	55	474	468	137	347	257	0	0
Warren	77	37	31	62	0	1	37	0	27	4	61	7	63	5	43	22	0	3	3	73	2	75	2	64	5	61	3	63	64	13	36	41	0	0
Washington	65	30	19	47	2	1	16	1	25	8	44	5	44	3	25	21	1	4	1	64	4	60	2	47	2	47	2	46	43	22	31	34	0	0
Wayne	4477	3222	1155	2521	103	203	1739	50	1647	279	2450	1186	3459	176	2175	1107	326	100	301	4148	129	4331	311	3300	1125	2501	722	2893	3244	1222	2601	1862	0	0
Wilson	2037	1438	478	1196	32	79	771	28	866	100	1036	704	1653	76	1088	378	235	63	109	1899	37	1993	188	1557	522	1224	263	1478	1561	465	1396	632	0	0
TOTALS	73,010	49,239	20,559	44,203	1,378	2,722	23,009	1,035	33,964	4,768	41,259	20,903	58,947	2,825	33,220	22,308	5,796	1,586	3,848	68,699	1,091	70,936	7,191	54,253	16,819	44,699	9,287	52,101	55,812	16,986	45,855	26,884	0	2

County	Regs	Damage*			Insurance Type*						Own*	Rent*	Primary Residence*		Residence Type*				Uninsured Expense*		Farm/Ranch Damage*		Residence Destroyed*		Res Univ*		Imminent Danger*		Home Damage*		Per Prop Damage*		Mtg/Rent Assistance*	
		FL	WI	R/WDR	FC o/i	FS own	HO Ins	FO	No RP/ PP Ins	MH Ins			Yes	No	HSD	MH	ATMC	Oth	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No

* Numbers may not sum up to total Registrations due to data not being provided by Registrant at Registration.

* This data has been supplied by Registrants and has not been verified by FEMA.

FEMA TELEREGISTRATION SUMMARY, 11/15/99:

Total teleregistrations		73,010	
[redacted]egistrants reporting home damage		55,812	Percentage
	Destroyed	7,191	12.88%
	Unlivable, but not destroyed	16,819	30.14%
	Damaged, but habitable	31,802	56.98%
Home ownership status of destroyed homes			
	Owners	3,716	52.52%
	Renters	3,359	47.48%
Home ownership status of unlivable homes			
	Owners	9,953	59.81%
	Renters	6,688	40.19%
Home ownership status of destroyed & unlivable homes			
	Owners	13,669	50.66%
	Renters	13,312	49.34%
Home ownership status of all teleregistrants			
	Owners	41,259	66.37%
	Renters	20,903	33.63%
Insurance status of all teleregistrants			
	Flood structure	2,722	3.73%
	Mobile homes	4,768	8.54%
			12.27%
Housing type, all teleregistrants			
	Single Family	33,220	52.81%
	Mobile Home - 40% Owner/60% Renter	22,308	35.46%
	Apartment/Multi-Family	5,796	9.21%
	Other	1,586	2.52%

[redacted]ARD MITIGATION GRANT PROGRAM PLANS:	*Requested*
Homes to be bought-out by base FEMA HMGP	5,000
Homes to be bought-out by supplemental CDBG	4,250
Homes to be bought-out by supplemental Hazardous Substance Funding	1,750
Total	11,000
Homes to be elevated/repaired by supplemental CDBG	5,000

IMPUTED TOTALS:	*Total Need:*
Homeowners	
Total homeowners with damage	34,943
Eligible for buy-out	(5,573)
Eligible for elevation	(3,319)
Damage covered by insurance	(1,862)
Homeowners requiring additional assistance	24,189
Eligible for SBA loan	(13,062)
Homeowners for whom IFG is only option	**11,127**
Assumed destroyed	983
Assumed unlivable, but not destroyed	2,704
Assumed damaged but habitable	7,440
Renters	
Total renters with damage	20,869
Eligible for buy-out	(5,427)
Elegible for elevation	(1,681)
Damage covered by insurance	(1,218)
Rental units requiring additional assistance	12,543
[redacted]e for SBA loan	(6,773)
Rental units for which no funding available	**5,770**
Assumed destroyed	493
Assumed unlivable, but not destroyed	739
Assumed damaged but habitable	4,538

Appendix III

Housing Counselors and Recovery Office

Housing Counselors & Recovery Office Costs

HOUSING COUNSELORS:		First Year	Second Year
Counselors - @ $40,000 - 60 Year 1, 30 Year 2		2,400,000	1,200,000
Community Outreach Specialists @ $25,000 - 40 Year 1, 25 Year 2		1,000,000	500,000
Administrative Support- 25 @ $18,000		450,000	450,000
	Salaries	3,850,000	2,150,000
Fringe Benefits		962,500	537,500
Supplies		187,500	120,000
Travel, Phone		300,000	165,000
	Subtotal - recurring costs	5,300,000	
Equipment		750,000	
	Total	6,050,000	2,972,500
Extra 1/2 Year			1,486,250
HOUSING RECOVERY OFFICE:			
Program Coordinator, gr. 78		1	65,000
Community Recovery Specialists, gr. 77		5	318,000
Data Analyst, gr. 73		1	44,000
Community Relations Specialists, gr. 68		1	35,000
Administrative Support, gr. 61		1	26,000
	Salaries	9	488,000
Fringe Benefits			105,806
Supplies			13,500
Travel, Phone			21,000
	Subtotal - recurring costs		628,306
Equipment			54,000
	Total		682,306
Additional 27 months (less equipment)			1,413,689
	Total		2,095,995
Additional DCA Staff			477,000
Grand Total			2,572,995

Appendix IV

Small Business Disaster Assistance

		Quantity	Total Need	Dollars: Basic FEMA	Federal Supplemental (at Emergency Level)	Non-State Match	State Match	*State Supplemental*	Total State Funds
1.	Small Businesses denied SBA loans that will receive deferred payment term notes at average of $25,000 per loan	1,500	37,500,000					*37,500,000*	37,500,000
2.	Medium-sized Businesses denied sufficient SBA loans that will receive deferred payment term notes at an average of $200,000 per loan.	25	5,000,000					*5,000,000*	5,000,000
3.	High Risk Businesses that will receive market rate loans via assignment to higher risk pool at average of $100,000 per borrower with private leverage	1,000	100,000,000		5,000,000	95,000,000		*0**	0
4.	Small to Mid-size business that will receive low interest loans via a revolving loan fund at average $100,000 each with private leverage	200	20,000,000		5,000,000	15,000,000		*0**	0
5.	Interest buy-down on SBA loans for 5 years.	3,500	8,500,000					*8,500,000*	8,500,000
	Total	**2,725**	**171,000,000**	**0**	**10,000,000**	**110,000,000**	**0**	***51,000,000***	**51,000,000**

* Assumes private funds leverage for difference between total need and federal package.

Appendix V

Drinking Water

Supply Costs	
50,000 Coliform Kits @ $2/kit =	$100,000
20,000 Nitrate Kits @ $5/kit =	$100,000
Subtotal	**$200,000**

Test Costs (Includes both reagent supply and manpower costs)

50,000 Coliform Tests @ $7/kit	$350,000
20,000 Nitrate Tests @ $8/kit	$160,000
50 VOC Tests @ $60/test	$ 3,000
150 Petroleum Tests @ $150/test	$ 22,500
100 Pesticide Tests @ $120/test	$ 12,000
Subtotal	**$547,500**

Administrative Costs

Personnel hours devoted to administrative support	**$ 53,707**

Community Environmental Health Assessment - Technical Assistance

Three 3-member teams working 40 hours per week for 12 weeks	$150,000
Travel and Lodging	$ 48,000
Subtotal	**$198,000**
TOTAL	**$999,207**

Bacteriological Samples from Hurricane Floyd
North Carolina State Laboratory of Public Health
Cumulative from 9/17/99 through 11/17/99

Includes Samples Analyzed at Shellfish Laboratory, Morehead City and Craven County Health Department

COUNTY	SAMPLES	# POSITIVE TOTAL COLIFORM	% POS TOTAL C	POSITIVE E.coli	% POS E.coli
BEAUFORT	662	236	35.6	45	6.8
BERTIE	52	12	23.1	6	11.5
BLADEN	207	37	17.9	1	0.5
CAMDEN	53	15	28.3	0	0.0
CARTERET	909	296	32.6	49	5.4
CHOWAN	1	0	0.0	0	0.0
COLUMBUS	1082	207	19.1	19	1.8
CRAVEN	199	28	14.1	2	1.0
DUPLIN	661	202	30.6	66	10.0
EDGECOMBE	416	218	52.4	74	17.8
GATES	10	8	80.0	3	30.0
GREENE	27	8	29.6	1	3.7
HALIFAX	46	36	78.3	12	26.1
HERTFORD	108	42	38.9	11	10.2
JONES	89	30	33.7	4	4.5
LENOIR	59	15	25.4	6	10.2
MARTIN	98	42	42.9	8	8.2
NASH	7	2	28.6	1	14.3
NORTHAMPTON	21	7	33.3	3	14.3
ONSLOW	131	31	23.7	5	3.8
PAMLICO	66	17	25.8	4	6.1
PASQUOTAN	5	1	20.0	0	0.0
PENDER	1232	266	21.6	33	2.7
PITT	21	10	47.6	2	9.5
SAMPSON	118	29	24.6	4	3.4
WAYNE	157	54	34.4	12	7.6
TOTAL	**6437**	**1849**	**28.7**	**371**	**5.8**

Nitrate Samples
Cumulative from 9/17/99 through 11/17/99

Location	Samples Submitted	Positives (> 10 mg/l as N)
BERTIE	10	0
BALDEN	52	2
CARTERET	9	0
COLUMBUS	14	0
DUPLIN	56	3
EDGECOMBE	114	2
GREENE	9	1
HALIFAX	1	0
LENOIR	6	0
NASH	9	0
NORTHAMPTON	2	0
ONSLOW	1	0
PENDER	32	1
SAMPSON	10	1
WAYNE	7	3
WILSON	1	0
TOTAL	**323**	**13**

Samples Analyzed by the Shellfish Laboratory in Morehead City

COUNTY	SAMPLES	# POSITIVE TOTAL COLIFORM	% POS TOTAL C	POSITIVE E.coli	% POS E.coli
Beaufort	15	3	20.0	1	6.7
Carteret	489	163	33.3	31	6.3
Jones	69	23	33.3	3	4.3
Onslow	49	11	22.4	2	4.1
Pamlico	40	11	27.5	3	7.5
Total	662	211	31.9	40	6.0

Appendix VI

Solid Waste Cleanup

SOLID WASTE CLEANUP

The following list of auto salvage facilities will be prioritized for buyout and remediation. It is estimated that four of the eight facilities will cost approximately $4.5 million. All of the sites listed are in the Neuse River Basin.

AL'S
New Bern, NC
252-638-3500 – work phone
252-638-8094 – home phone
Total Acreage: 14

HARPER AUTO SALVAGE, INC.
1313 Highway 11/55
Kinston, NC 28504
252-523-1039 – phone
252-523-9358 – fax
Total Acreage: 33

STROUD'S AUTO SALVAGE
720 Pink Hill Road
Kinston, NC 28504
Total Acreage: 21 ½

TARHEEL AUTO SALVAGE
2406 West New Bern Road
Kinston, NC 28504
919-523-9890
Total Acreage: 13

WAYNE'S AUTO SALVAGE
1911 Highway 117 South
Goldsboro, NC 27530
919-734-3958 – phone
919-735-9684 – fax
Total Acreage: 115-120

WEBB'S AUTOMOTIVE (Two Sites)
900 Pink Hill Road
Kinston, NC 28504
252-523-5227 – phone
252-523-2196 – fax
Total Acreage: 30

WOODY'S
524 Pink Hill road
Kinston, NC 28504
252-527-8148 – phone
Total Acreage: 13

Appendix VII

Hazardous Waste

Old Landfills Potentially Damaged by Hurricane Floyd Flooding

County	Site Name	Address	City
Beaufort	Suburban Sanitation Service Dump		
Beaufort	Aurora Dump		
Beaufort	Texas-gulf Site #4 Landfill	Hwy 306 N	Aurora
Beaufort	Chocowinity Dump		
Beaufort	Bath Dump		
Beaufort	Old Beaufort County Landfill	Flanders Filters Rd	Washington
Beaufort	Washington Dump		
Beaufort	Pantego Dump		
Beaufort	Belhaven Dump		
Beaufort	Pungo Dump		
Beaufort	Pantego Refuse Disposal		
Beaufort	Washington Park Dump		
Beaufort	Town of Washington Park Dump		
Bertie	Kelford Dump		
Bertie	Powellsville Refuse Disposal		
Bertie	Aulander Refuse Disposal		
Bertie	Roxobel Refuse Disposal		
Bertie	Lewiston Refuse Disposal		
Bertie	Windsor Refuse Disposal Area		
Bertie	Colerain Refuse Disposal		
Bladen	Tarheel Refuse Disposal		
Bladen	Dublin Refuse Dump		
Bladen	Elizabethtown Refuse Disposal		
Bladen	White Lake Refuse Dump		
Bladen	Clarkton Refuse Disposal		
Bladen	Bladen County Landfill	US Hwy 701 S	Elizabethtown

County	Site Name	Address	City
Bladen	Bladenboro Refuse Disposal		
Brunswick	Bolivia Refuse Disposal		
Brunswick	Sunny Point Base Landfill	Sunny Point Terminal	Southport
Brunswick	Grissettown Landfill		
Brunswick	Winnabow Landfill		
Brunswick	Shallotte Sanitary Landfill		
Brunswick	Ocean Isle Landfill		
Brunswick	Southport Sanitary Landfill		
Brunswick	Holden Beach Landfill		
Brunswick	Leland Sanitary Landfill		
Brunswick	Leland Landfill		
Brunswick	Long Beach Refuse Disposal		
Brunswick	Old Southport Landfill		
Brunswick	Clemmons Landfill		
Brunswick	Yaupon Beach Dump		
Brunswick	Shallotte Refuse Dump		
Brunswick	Boiling Springs Lake Dump		
Camden	Newby's Trash Service Dump		
Camden	Camden County Landfill		
Carteret	Otway Community Refuse Dump		
Carteret	Atlantic Refuse Dump		
Carteret	Beaufort Refuse Dump		
Carteret	Whaley Refuse Dump		
Carteret	Atlantic Beach Refuse Dump		
Carteret	Marshallberg Dump		
Carteret	Mill Creek Refuse Dump		
Carteret	Morehead City Refuse Dump		

County	Site Name	Address	City
Carteret	Stacy Refuse Dump		
Carteret	Harkers Island Refuse Disposal		
Carteret	Newport Refuse Dump		
Carteret	Carteret County Landfill – Mount Russel		
Carteret	Winston Hill Landfill		
Carteret	Raynor Garbage Disposal Dump		
Carteret	Emerald Isle Dump		
Carteret	Cape Carteret Dump		
Carteret	Carteret County Landfill		
Carteret	Cherry Point Landfill	Hwy 101	Cherry Point
Chowan	J.W. Bradley Dump		
Chowan	Chowan County Landfill		
Chowan	Edonton Landfill		
Chowan	Perquimans-Chowan Landfill		
Columbus	Riegelwood Dump		
Columbus	Bolton Dump		
Columbus	Lake Waccamaw Dump		
Columbus	Chadbourn Dump		
Columbus	Fair Bluff Dump		
Columbus	Whiteville Dump		
Columbus	Tabor City Dump		
Craven	Havelock Refuse Dump		
Craven	Dover Refuse Dump		
Craven	Rowe's Corner Dump		
Craven	Vanceboro Dump		
Craven	Craven County		
Craven	Cherry Point Marine Corp Air Station Landfill		

County	Site Name	Address	City
Craven	Craven County-Vanceboro Landfill		
Craven	New Bern Sanitary Dump		
Currituck	Independent Trash Service Dump		
Dare	Manteo Dump		
Dare	Kill Devils Hills Dump		
Dare	Dare County Dump		
Dare	Buxton Dump-Cape Hatteras	.5mi W of Back Rd	Buxton
Dare	Jennette's Dump		
Duplin	Rose Hill Dump		
Duplin	Kenansville Dump		
Duplin	Beulaville Dump		
Duplin	Calypso Dump		
Duplin	Warsaw Dump		
Duplin	Magnolia Dump		
Duplin	Faison Dump		
Duplin	Wallace Dump		
Edgecombe	Conetoe Refuse Disposal Area		
Edgecombe	Macclesfield Dump		
Edgecombe	Rocky Mtn. Fiber Dump		
Edgecombe	Princeville Dump		
Edgecombe	Pinetops Refuse Dump		
Edgecombe	Old Rocky Mount Landfill		
Edgecombe	Tarboro Landfill	Baker St Ext (Sr1 1518)	Tarboro
Gates	Gatesville Dump		
Gates	Gates County Landfill		
Greene	Walstonburg Dump		
Greene	Hookerton Dump		

County	Site Name	Address	City
Greene	Greene County Landfill		
Greene	Snowhill Dump		
Halifax	Littleton Dump		
Halifax	Enfield Refuse Disposal		
Halifax	Roanoke Rapids Landfill		
Halifax	Weldon Refuse Disposal		
Halifax	Halifax Dump		
Halifax	Scotland Neck Dump		
Halifax	Hobgood Dump		
Halifax	Weldon City Landfill		
Halifax	Roanoke Rapids City Landfill		
Halifax	Halifax County Landfill	Sr 1103 (Crowell's Rd) W Side	
Hertford	Winton Dump		
Hertford	Ahoskie Dump		
Hertford	Murfreesboro Dump		
Hyde	Fairfield Dump		
Hyde	Swan Quarter Dump		
Hyde	Englehard Dump		
Hyde	New Holland Dump		
Hyde	Ocracoke Dump		
Johnston	Four Oaks Dump		
Johnston	Kenly Dump		
Johnston	Selma Refuse Dump		
Johnston	Pine Level Dump		
Johnston	Princeton Dump		
Johnston	Clayton Refuse Disposal	Sr1709	Clayton
Johnston	Benson Refuse Dump		

County	Site Name	Address	City
Johnston	Smithfield Refuse Dump		
Jones	Trenton Refuse Disposal		
Jones	Maysville Refuse Disposal		
Jones	Pollocksville Dump		
Lenoir	Dobbs Farm Dump		
Lenoir	Caswell School Dump		
Lenoir	Kennedy Home Dump		
Lenoir	La Grange Refuse Disposal		
Lenoir	Carter's Refuse Disposal		
Lenoir	Everett Garbage Service Dump		
Lenoir	Pink Hill Dump		
Lenoir	Seven Springs Dump		
Lenoir	Kinston City Landfill		
Lenoir	Kinston Sanitary Landfill		
Martin	Oak City Dump		
Martin	Hamilton Dump		
Martin	Williamston Dump		
Martin	Robesonville Dump		
Martin	Jamesvilles Dump		
Martin	Weyerhauser Company		
Nash	Castalia Refuse Dump	Sr 1321 (Lancaster Store Rd)	Castalia
Nash	Middlesex Dump	Hwy 264 E	Middlesex
Nash	Sharpsburg Dump	Hwy 301 N	Sharpsburg
Nash	Battleboro Dump	Sr 1522	Battleboro
Nash	Spring Hope Dump	Sr 1002	Spring Hope
Nash	Whitakers Dump	Hwy 301 S	
Nash	Bailey Dump	Sr 1108 (Stone-	Bailey

County	Site Name	Address	City
		heritage Rd)	
Nash	Nash County Landfill	Sr 1145 (W Old Spring Hope Rd) & Sr 1147	Spring Hope
Nash	Rocky Mount Landfill	Sr 1765 (Community Rd)	Rocky Mount
Nash	Nashville Dump	Hwy 58	Nashville
Nash	Nash County Landfill (Red Oak Landfill)	Sr 1524 (Red Oak Battleboro Rd)	Red Oak
New Hanover	Barfield's Dump	Hwy 76	Wrightsville Beach
New Hanover	Carolina Beach Refuse Disposal	Sr 1100	Carolina Beach
New Hanover	Castle Hayne Service Dump	5 Mi off Hwy 17 off Sr 1335	Castle Hayne
New Hanover	Castle Hayne Trash Service	Sr 1002, near Castle Hayne	Castle Hayne
New Hanover	Kure Beach Refuse Disposal	Sunny Point Safety Zone	Kure Beach
New Hanover	Military Cutoff Landfill	Military Cutoff Rd	Wilmington
New Hanover	New Hanover County. Landfill	Off Ethyl-Dow Rd	Carolina Beach
New Hanover	Wrightsville Beach Dump		Wrightsville Beach
New Hanover	Blue Clay Rd. Landfill	Sr 2025 (Blue Clay Rd)	
New Hanover	Wilmington Landfill	N 9th St Exit	Wilmington
New Hanover	Rural Garbage Service	Sr 1524	
New Hanover	McRae Street Landfill	McRae St	Wilmington
New Hanover	Flemington Landfill	Fayetteville Ave	Wilmington
New Hanover	New Hanover County & Carolina Landfill	Sr 1534 (Dow Rd)	Carolina Beach

County	Site Name	Address	City
Northampton	Woodland Refuse Disposal		
Northampton	Jackson Refuse Disposal		
Northampton	Conway Refuse Disposal		
Northampton	Seaboard Refuse Disposal		
Northampton	Sovern Refuse Disposal		
Northampton	Rich Square Refuse Disposal		
Northampton	Perdue, Inc.		
Northampton	Gaston Refuse Disposal		
Onslow	Swansboro Dump		
Onslow	Richards Refuse Disposal		
Onslow	Holly Ridge Refuse Disposal		
Onslow	Jacksonville Dump		
Onslow	Southwest Landfill		
Onslow	Ray's Rural Dump		
Onslow	Pumpkin Center Landfill	Pumpkin Center Rd/fox Run Subdivision	Jacksonville
Onslow	Jacksonville Landfill	Georgetown Rd	Jacksonville
Pamlico	Bayboro Dump		
Pamlico	Oriental Dump		
Pamlico	Vandmere Dump		
Pasquotank	Elizabeth City Landfill		
Pender	Atkinson Dump		
Pender	Burgaw Dump		
Pender	Kirkland's Dump		
Perquimans	Hertford Dump		
Pitt	Grimesland Refuse Dump		
Pitt	Fountain Refuse Disposal		

County	Site Name	Address	City
Pitt	Farmville Refuse Disposal		
Pitt	Falkland Dump		
Pitt	Winterville Dump		
Pitt	Grifton Dump		
Pitt	Bethel Refuse Dump		
Pitt	Old Greenville City Landfill	5th & Cemetery	Greenville
Pitt	Ayden Refuse Dump		
Robeson	Parkton Dump		
Robeson	Fairmont Dump		
Robeson	Lumber Bridge Refuse Disposal		
Robeson	Rowland Refuse Dump		
Robeson	Maxton Dump		
Robeson	Pembroke Dump		
Robeson	St. Pauls Dump		
Robeson	Lumberton Dump		
Robeson	Lumberton City Landfill		
Robeson	Red Springs Dump		
Robeson	Sanitation Service Landfill	Sr1743	St. Pauls
Robeson	Robeson County Landfill		
Sampson	Salemburg Dump		
Sampson	Clinton Dump		
Sampson	Newton Grove Dump		
Sampson	Autryville		
Sampson	Roseboro Dump		
Sampson	Keener Landfill	Sr 1820	Clinton
Sampson	Garland Dump		
Tyrrell	Columbia Dump		

County	Site Name	Address	City
Tyrrell	Scuppenong Comm. Dump		
Washington	Roper Refuse Disposal		
Washington	Mackey's Dump		
Washington	Creswell Refuse Disposal		
Washington	Plymouth Refuse Dump		
Wayne	Seymour Johnson Air Force Base Landfill	NC 13	Goldsboro
Wayne	Northern Wayne Landfill		
Wayne	Kermit Gurley Dump		
Wayne	Cherry Hospital Dump		
Wayne	Freemont Refuse Disposal		
Wayne	Pikeville Dump		
Wayne	Goldsboro Dump		
Wayne	Mt. Olive Refuse Disposal		
Wayne	Eureka Refuse Disposal		
Wayne	Old Goldsboro Municipal Landfill	Waynesville State Park	Goldsboro
Wilson	Statonsburg Dump		
Wilson	Black Creek Dump		
Wilson	Saratoga Dump		
Wilson	Elm City Refuse Disposal		
Wilson	Sims Garbage Dump		
Wilson	Wilson Sanitary Landfill		
Brunswick	Carolina Beach Landfill		
Northampton	Northampton County Landfill		
Pasquotank	Pasquotank County Landfill		
Columbus	Columbus County Landfill		
Duplin	Duplin County Landfill		
Edgecombe	Edgecombe County Landfill		

County	Site Name	Address	City
Johnston	Johnston County Landfill		
Pitt	Pitt County Landfill	Sr 1203 (Allen Rd)	Greenville
Pitt	Unknown #1 - Pitt		
Pitt	Unknown #2 - Pitt		
Wayne	Dudley Landfill	Sr 1129/ 117 Bypass	Goldsboro
Wilson	City of Wilson Landfill	1131 US Hwy 301 South	Wilson
Onslow	Phillips Park	W of Hwy 17, S of Phillips Rd	Jacksonville
Onslow	Kerr City Park	Kerr St	Jacksonville
Onslow	Jacksonville Waste Water Treatment Plant Landfill	Shoreline Dr	Jacksonville
Onslow	Henderson Dr Landfill	Henderson Dr	Jacksonville
Onslow	Onslow Pines Rd Landfill	Onslow Pines Rd	Jacksonville
Brunswick	Brunswick County Landfill	Sr 1438 Lanvale Rd	Leland
Wayne	Goldsboro Municipal Landfill	117 Bypass	Goldsboro
Lenoir	Kinston Demolition Landfill	Davie St	Kinston
Pitt	Pitt County Utility Landfill	Port Terminal Rd	Greenville
Washington	Plymouth Shopping Center	Hwys 64 & 32	Plymouth
New Hanover	Tenth St Landfill	10th St off Hwy 117	Wilmington
New Hanover	Burnt Mill Creek Landfill	Stanley St	Wilmington

Appendix VIII

Underground Storage Tanks

Flooded Underground Storage Tanks by Region and Counties

Washington Regional Office:

60 UST sites with confirmed flood-related damage.
- Bertie County
- Wayne County
- Lenoir County
- Beaufort County
- Pitt County
- Pasquotank County
- Greene County
- Jones County
- Craven County

Raleigh Regional Office:

59 UST sites with confirmed flood-related damage.
- Wake County
- Nash County
- Edgecombe County
- Wilson County
- Johnston County

Fayetteville Regional Office:

9 UST sites with confirmed flood-related damage.
- Bladen County (9)

Wilmington Regional Office:

11 UST sites with confirmed flood-related damage.
- Pender County (1)
- Duplin County (2)
- Columbus County (2)
- Brunswick County (2)
- New Hanover County (4)

Appendix IX

Emergency Dredging

WATER RESOURCES DEVELOPMENT PROJECTS

Division of Water Resources
Department of Environment and Natural Resources

Reserve for Emergency Dredging Projects

1. Wilmington Harbor
2. Morehead City Harbor
3. Atlantic Intracoastal Waterway
4. Manteo (Shallowbag Bay) Oregon Inlet
5. Rollinson Channel
6. Silver Lake Harbor
7. Beaufort Harbor
8. New River Inlet
9. Avon Harbor
10. Channel from Pamlico Sound to Rodanthe
11. New Topsail Inlet
12. Channel from Back Sound to Lookout Bight

TOTAL	**$10,200,000**

Appendix X

Local Government Support

Hurricane Floyd's Fiscal Impact on County Property Taxes

	1999-2000 Estimated Losses					
Counties	1999-2000 anticipated collection rate	Avg. collection rate (last 3 yrs)	Difference if lower	Fiscal Impact of lower collections	% loss due to Floyd	Estimate Floyd Loss
Beaufort	95.0%	94.0%				
Bertie						
Bladen	95.0%	96.5%	-1.5%	180,633	100%	180,633
Brunswick	95.5%	96.5%	-1.0%	450,000	100%	450,000
Camden						
Carteret						
Chowan						
Columbus	94.0%	93.5%				
Craven	97.9%	97.7%			0%	
Cumberland	97.0%	96.1%				
Currituck						
Dare	98.0%	97.8%			n/a	
Duplin	93.0%	96.1%	-3.1%	352,040	90%	316,836
Durham	97.6%	97.1%			0%	
Edgecombe	90.0%	94.4%	-4.4%	810,000	100%	810,000
Gates	no impact	no impact				
Greene	90.0%	92.0%	-2.0%	97,000	100%	97,000
Halifax	96.5%	95.0%			0%	
Harnett	95.0%	94.0%			n/a	
Hertford	90.0%	92.0%	-2.0%	218,917	100%	218,917
Hoke	95.0%	95.7%	-0.7%		n/a	
Hyde	75.0%	90.8%	-15.8%	530,000	100%	530,000
Johnston						
Jones	92.0%	93.0%	-1.0%	32,115	100%	32,115
Lenoir	95.5%	95.1%		70,000	100%	70,000
Martin						
Nash	95.0%	96.0%	-1.0%	260,000	100%	260,000
New Hanover	98.0%	98.2%	-0.2%		n/a	
Northampton	93.0%	96.0%	-3.0%	570,248	100%	570,248
Onslow	96.3%	96.2%				
Pasquotank	96.0%	96.0%			0%	
Pender	94.0%	96.0%	-2.0%	240,000	100%	240,000
Perquimons						
Pitt	94.0%	95.2%	-1.2%	380,000	100%	380,000
Robeson						
Sampson	96.0%	96.0%	0.0%		0%	
Scotland	95.5%	95.3%			n/a	
Tyrrell						
Wake						
Washington	94.0%	93.4%			n/a	
Wayne	94.0%	95.7%	-1.7%	364,000	100%	364,000
Wilson						
Totals	Max collect decrease =		-15.8%	4,554,953		4,519,749

ANALYSIS OF THE ESTIMATED IMPACT OF HURRICANE FLOYD ON MUNICIPAL PROPERTY TAX REVENUES FOR FY1999-2000, BASED ON VALUATIONS OF REAL AND TAXABLE PERSONAL PROPERTY AND PUBLIC SERVICE COMPANIES FOR NCLM FLOYD-AFFECTED COUNTIES AND MUNICIPALITIES FOR FISCAL YEAR 1998-1999

	Valuations for All NCLM Floyd Counties			Valuations for NCLM Floyd Counties in NCCAC Survey with FY1999-2000 Lost Revenue		
NCLM Floyd Counties	County Total	Municipal Total	Municipal as % of County	County Total	Municipal Total	Municipal as % of County
Beaufort	$2,420,394,660	$571,387,837	23.61%			
Bertie	$700,924,545	$150,239,167	21.43%			
Bladen	$1,486,424,136	$393,228,161	26.45%	$1,486,424,136	$393,228,161	26.45%
Brunswick	$6,534,189,023	$2,895,351,079	44.31%	$6,534,189,023	$2,895,351,079	44.31%
Carteret	$5,367,475,299	$3,385,437,663	63.07%			
Columbus	$2,329,832,978	$588,846,365	25.27%			
Craven	$4,115,591,953	$2,167,725,995	52.67%			
Cumberland	$11,627,562,452	$6,361,967,776	54.71%			
Duplin	$1,893,779,330	$405,490,302	21.41%	$1,893,779,330	$405,490,302	21.41%
Edgecombe	$1,969,495,210	$1,195,614,221	60.71%	$1,969,495,210	$1,195,614,221	60.71%
Greene	$610,004,878	$62,152,694	10.19%	$610,004,878	$62,152,694	10.19%
Halifax	$2,090,531,668	$922,424,394	44.12%			
Hertford	$725,825,967	$283,074,477	39.00%	$725,825,967	$283,074,477	39.00%
Johnston	$4,883,402,506	$1,466,393,134	30.03%			
Jones	$440,032,722	$43,000,542	9.77%	$440,032,722	$43,000,542	9.77%
Lenoir	$2,783,845,815	$1,114,495,109	40.03%	$2,783,845,815	$1,114,495,109	40.03%
Martin	$1,263,944,310	$279,354,101	22.10%			
Nash	$3,967,373,445	$2,358,058,687	59.44%	$3,967,373,445	$2,358,058,687	59.44%
New Hanover	$10,524,404,554	$4,276,468,754	40.63%			
Northampton	$904,701,973	$176,929,178	19.56%	$904,701,973	$176,929,178	19.56%
Onslow	$3,940,878,353	$1,691,702,441	42.93%			
Pamlico	$757,794,267	$240,801,558	31.78%			
Pender	$2,215,840,466	$558,842,003	25.22%	$2,215,840,466	$558,842,003	25.22%
Pitt	$5,500,374,306	$3,065,308,936	55.73%	$5,500,374,306	$3,065,308,936	55.73%
Robeson	$3,308,489,736	$1,217,019,546	36.78%			
Sampson	$2,201,564,648	$545,697,319	24.79%			
Wayne	$3,720,242,029	$1,589,566,209	42.73%	$3,720,242,029	$1,589,566,209	42.73%
Wilson	$3,339,334,922	$2,030,656,681	60.81%			
Totals	$91,624,256,151	$40,037,234,329	43.70%	$32,752,129,300	$14,141,111,598	43.18%

Note: FY1998-1999 weighted average tax rates for NC counties = $.652; for municipalities = $.49. Weighted average municipal tax rate is 75% of weighted average county rate.

Assumption: A higher (though unknown) proportion of Floyd-damaged property is located within municipal boundries, than in counties as a whole. Using an estimated municipal figure of 60% of total county damage and a weighted average tax rate for municipalities 75% of that for counties, yeilds a municipal Floyd FY1999-2000 lost property tax revenue estimate that is 45% of the county revenue loss estimate.

Final estimate of FY1999-2000 Floyd-related municipal property revenue loss is between 43% and 45% of county revenue loss; rounded down to 40% due to uncertainty.

Appendix XI

Federal Emergency Request

Federal [illegible]et Needs
October 4, 1999

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
FEMA					
FEMA -- Public Assistance	containment and cleanup of environmental hazards	210,000,000.00	acquire 5,000 homes and clean up 250 minor spills		70,000,000.00
FEMA -- Public Assistance	relocation of public wastewater plants	75,000,000.00	move Kinston and Tarboro WWTP out of flood plain		75,000,000.00
FEMA -- Public Assistance	public water supplies repair/replacement	60,000,000.00	assist in restoration of 400 private water supply systems		
FEMA -- Public Assistance	solid waste cleanup	76,500,000.00	household waste and other debris associated with demolition		45,500,000.00
FEMA -- Public Assistance	inspection and cleanup of hazardous waste sites	7,500,000.00	clean up 267 orphan sites		7,500,000.00
FEMA -- Public Assistance	hazardous waste cleanup	15,000,000.00	cleanup of drums and tanks of hazardous materials		15,000,000.00
FEMA -- Public Assistance	hazard prevention for redevelopment	1,000,000.00	local government redevelopment plans		
FEMA -- Public Assistance	underground storage tank cleanup	73,100,000.00	clean up 3100 underground storage tanks		50,000,000.00
FEMA -- Public Assistance	geographic information mapping	3,000,000.00	update geographic information on eastern NC		
FEMA -- Public Assistance	Public Instruction facilities	19,000,000.00	move two elementary schools in Edgecombe County and uninsured facility losses		19,000,000.00
FEMA -- Public Assistance	Community Colleges	287,600.00	uninsured facilities damages		287,600.00
FEMA -- Public Assistance	Universities	2,046,727.00	uninsured facilities damages		2,046,727.00
FEMA -- Public Assistance	emergency dredging	10,000,000.00	12 channels	200,000.00	10,000,000.00
National Flood Insurance Fund	remap outdated rate maps and Increased Cost of Compliance funds	70,000,000.00	elevate 3,300 homes and remap eastern flood plains		50,000,000.00

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
Dam Safety Inspection Program		26,300,000.00	assist in restoration of 100 private and 8 public		
Unmet needs for replacement housing		572,000,000.00	rehabilitate and assist in acquisition of 10,000 homes and construct 6,500 low income units	78,333,000.00	472,000,000.00
FEMA -- Public Assistance	construction of infrastructure for replacement housing	16,000,000.00	water and sewer to 6,500 low income homes		16,000,000.00
TOTAL FOR DEPARTMENT		*1,236,734,327.00*			*832,334,327.00*
Department of Agriculture					
Farm Service Agency					
Grants for Crop Losses		1,000,000,000.00	coverage for 65% of losses		700,000,000.00
Grants for Livestock Losses		12,000,000.00	coverage for 65% of losses		12,000,000.00
Emergency Conservation Program	restore productive use of farmland	100,000,000.00	grading, re-ditching, erosion repair	33,333,000.00	100,000,000.00
Farm Loans	emergency loans, guaranteed, direct operating and ownership loans	110,000,000.00	farm ownership loan assistance		
Loan and Loan Deficiency Payments		52,000,000.00	farm loan assistance		
Subtotal		*1,274,000,000.00*			
Natural Resources Conservation Service					
Watershed Protection and Flood Prevention	elevation or relocation of farm buildings and homes	50,000,000.00	assist in elevating farm homes and buildings		50,000,000.00
Watershed Protection and Flood Prevention	restore waterways	80,000,000.00	snag and drag	26,666,000.00	80,000,000.00
Soil and Water Conservation	animal waste management systems (lagoon conversion)	155,000,000.00	lagoon conversion at 330 farms in flood plains	51,600,000.00	50,000,000.00
	damages to BMP Cost Share Program	10,000,000.00	repairing cost share measures		10,000,000.00
Subtotal		*295,000,000.00*			
Rural Development Administration					
	Housing	110,000,000.00	multi-family, single family infrastructure		

Federal [illegible]t Needs
October 4, 1999

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
	Water and Sewer	75,000,000.00	water and sewer		
	Community Facilities	15,000,000.00	fire stations, community centers, day care, etc.		
	Business and Industry	30,000,000.00	guaranteed and direct loans		
	Economic Opportunity Fund	10,000,000.00	rural venture capital block grant		
	rural equity investments program	10,000,000.00	revolving investments in agribusiness		
	Adminstrative Assistance	1,000,000.00	administrative resources to develop program resources		
Subtotal		*251,000,000.00*			
Risk Management Agency	Crop idemnity	*307,000,000.00*	*cover additional insurance requirements*		
Forest Service	replant reforestation sites	*900,000.00*	replace seedlings transplanted in areas destroyed by Fran	900,000.00	
USDA Cooperative Agreements					
	fire ant program	26,725.00			
	witchweed eradication	61,086.00			
	gypsy moth program	62,000.00			
Subtotal		*149,811.00*			
NCDA&CS Additional Needs					
	Animal Diseases	320,000.00	control disease among animal populations		
	Zoonotic Diseases	100,000.00	disease control		
	Other Needs	50,000.00	planning for animal disposal		
	Pesticide Disposal	1,000,000.00			
Subtotal		*1,470,000.00*			
USDA -- Food Programs					
	WIC (Women, Infants and Children Nutrition)	2,700,000.00	switch to "ready-to-feed" infant formula where water unsafe -- 5,000 infants		2,700,000.00
Subtotal		*2,700,000.00*			
TOTAL FOR DEPARTMENT		*2,132,219,811.00*			*1,004,700,000.00*

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
Commerce					
Economic Development Administration					
		62,000,000.00	public facilities	62,000,000.00	50,000,000.00
		3,000,000.00	technical assistance	3,000,000.00	1,000,000.00
		3,000,000.00	planning	3,000,000.00	2,000,000.00
		25,000,000.00	revolving loan	25,000,000.00	10,000,000.00
Subtotal		*93,000,000.00*			
NOAA					
		475,000.00	preparation of shoreline aerial orthopothgraphs		
		500,000.00	planning		
		19,000,000.00	commercial fishing assistance for 8,000 fishermen		19,000,000.00
Subtotal		*19,975,000.00*			
NTIA					
		14,342,000.00	restoration of telecommunications capacity		
		25,451,000.00	consolidated interactive service centers (40)		
Subtotal		*39,793,000.00*			
TOTAL FOR DEPARTMENT		*152,768,000.00*			*82,000,000.00*
Department of Transportation					
Emergency Relief Program		38,300,000.00	repairs to roads and structures and debris removal from State Highway System		38,300,000.00
Emergency Relief Program		624,000.00	dredging of Ocracoke-Hatteras ferry channel		624,000.00

Federal [illegible]et Needs
October 4, 1999

AGENCY	FUNDING ITEM	FEDERAL REQUIREMENT	IMPACTS	MATCH AMOUNT	EMERGENCY REQUEST
Emergency Relief Program		2,100,000.00	reimbursment for previous disaster-related eligible projects which have been obligated by FHWA		
National Highway Funds		55,200,000.00	I-40 Evacuation Route	13,800,000.00	
National Highway Funds		135,278,400.00	NC 12 Corridor Access	33,819,600.00	
National Highway Funds		96,800,000.00	Bonner Bridge Replacement	24,200,000.00	
National Highway Funds		134,560,000.00	US 64 -- Outer Banks Evacuation	33,640,000.00	
Federal Aviation Administration	Aviation	53,200,000.00	30 airports plus minor damage due to C-130 drops	13,300,000.00	53,200,000.00
TOTAL FOR DEPARTMENT		*516,062,400.00*			*92,124,000.00*
Defense					
U.S. Army Corps of Engineers	beach renourishment	76,700,000.00	beach renourishment and restoration of 60 miles of beach	41,300,000.00	76,700,000.00
	flood protection public facilities	4,000,000.00	protection of 4 pulic faciltie s	1,000,000.00	
	flood control study and warning system	5,000,000.00	Tar River Basin study and remote warning system	5,000,000.00	
	protection of NC 12 transportation corridor	4,000,000.00	planning study	4,000,000.00	4,000,000.00
TOTAL FOR DEPARTMENT		*89,700,000.00*			*80,700,000.00*
Education					
Community Colleges	Pell grants	26,597,859.00	financial aid for students		26,597,859.00
Universities	financial aid	25,200,000.00	financial aid for students		25,200,000.00
TOTAL FOR DEPARTMENT		*51,797,859.00*			*51,797,859.00*
Labor					
Employment and Training Administration	Discretionary grant funds	5,000,000.00	recovery training costs		5,000,000.00
	Technical Assistance	450,000.00			450,000.00
	Natural Disaster Dislocated Worker Funds	24,000,000.00	stipends for workers' education		24,000,000.00
TOTAL FOR DEPARTMENT		*29,450,000.00*			*29,450,000.00*

AGENCY	SUMMARY	AMOUNT	DEPARTMENT TOTAL	MATCH AMOUNT	EMERGENCY REQUEST
Health and Human Services					
Social Services Block Grant		21,000,000.00	supplemental funding -- child care (day care) for 7,500 children for 12 months		21,000,000.00
Vaccination Shortfall	vaccination shortfall -- raise cap	92,520.00		57,860.00	
TOTAL FOR DEPARTMENT		*21,092,520.00*			*21,000,000.00*
Small Business Administration					
	capital access program	5,000,000.00	leverage $100 million in business loans	5,000,000.00	5,000,000.00
TOTAL FOR DEPARTMENT		*5,000,000.00*			*5,000,000.00*
Department of Energy					
Weatherization Assistance Program	home weatherization	26,500,000.00	weatherization for 7,500 homes		
State Energy Program - Special Funding	incorporating energy saving techniques into homes	1,000,000.00	energy saving assistance to local governments		
TOTAL FOR DEPARTMENT		*27,500,000.00*			
Department of Interior					
Advanced Flood Modeling Capability		20,400,000.00	develop state of the art flood model for NC river basins		
Automated Weather Stations	construct additional weather stations	1,305,000.00	construct 20 automated data stations		
Geographic Information and Mapping		13,000,000.00	mapping land ownership, infrastructure and critical facilities		
TOTAL FOR DEPARTMENT		*34,705,000.00*			
TOTAL REQUIREMENTS		***4,297,029,917.00***		***380,616,460.00***	***2,199,106,186.00***

Emerge[redacted] Funding
October 3, 1999 (Adjusted)

AGENCY	SUMMARY	FEDERAL REQUIREMENT	DEPARTMENT TOTAL	MATCH AMOUNT
FEMA				
FEMA -- Public Assistance	containment and cleanup of environmental hazards	70,000,000.00		
FEMA -- Public Assistance	relocation of public wastewater plants	75,000,000.00		
FEMA -- Public Assistance	solid waste cleanup	45,500,000.00		
FEMA -- Public Assistance	Inspection and cleanup of hazardous waste sites	7,500,000.00		
FEMA -- Public Assistance	hazardous waste cleanup	15,000,000.00		
FEMA -- Public Assistance	underground storage tank cleanup	50,000,000.00		
Unmet Needs for Replacement Housing	rehabilitation, construction, and elevation of homes	472,000,000.00		78,333,000.00
FEMA -- Public Assistance	Construction of infrastructure for replacement housing	16,000,000.00		
FEMA -- Public Assistance	public instruction facilities	19,000,000.00		
FEMA -- Public Assistance	community colleges	287,600.00		
FEMA -- Public Assistance	universities	2,046,727.00		
FEMA -- Public Assistance	emergency dredging	10,000,000.00		200,000.00
National Flood Insurance Fund	Reassessing Flood Risks	20,000,000.00		
National Flood Insurance Fund	Elevation/Acquisition of insured buildings	30,000,000.00		
TOTAL FOR DEPARTMENT			*832,334,327.00*	
Department of Agriculture				
Farm Service Agency				
Grants for Crop Losses		349,700,000.00		
Grants for Farm Structure Losses		182,600,000.00		
Grants for Livestock Losses		12,000,000.00		
Emergency Conservation Program	restore productive use of farmland	20,000,000.00		6,666,000.00
Subtotal		*564,300,000.00*		
Natural Resources Conservation Service				
Watershed Protection and Flood Prevention	Flood protection measures for farmsteads	50,000,000.00		
Watershed Protection and Flood Prevention	restore waterways	80,000,000.00		26,666,000.00
Soil and Water Conservation	Lagoon conversion	50,000,000.00		16,650,000.00
	damages to BMP Cost Share Program	10,000,000.00		
Subtotal		*190,000,000.00*		
USDA -- Food Programs				
WIC (Women, Infants and Children Nutrition)	switch to "ready-to-feed" infant formula where water unsafe -- 5,000 infants	2,700,000.00		
TOTAL FOR DEPARTMENT			*757,000,000.00*	
Commerce				
Economic Development Administration	economic adjustment assistance: public facilities, planning, technical assistance, revolving loan	63,000,000.00		63,000,000.00
Subtotal		*63,000,000.00*		

Emerg[redacted] Funding
October 3, 1999 (Adjusted)

NOAA				
	commercial fishing assistance	19,000,000.00		6,333,000.00
TOTAL FOR DEPARTMENT			*82,000,000.00*	
AGENCY	SUMMARY	AMOUNT	DEPARTMENT TOTAL	MATCH AMOUNT
Department of Transportation				
Emergency Relief Program	repairs to roads and structures and debris removal from State Highway System	38,300,000.00		
Emergency Relief Program	dredging of Ocracoke-Hatteras ferry channel	624,000.00		
Federal Aviation Administration	Aviation	53,200,000.00		13,300,000.00
TOTAL FOR DEPARTMENT			*92,124,000.00*	
Defense				
U.S. Army Corps of Engineers	beach renourishment and restoration	76,700,000.00		41,300,000.00
	protection of NC 12 transportation corridor	4,000,000.00		4,000,000.00
TOTAL FOR DEPARTMENT			*80,700,000.00*	
Education				
Community Colleges	Pell grants	26,597,859.00		
Universities	financial aid	25,200,000.00		
TOTAL FOR DEPARTMENT			*51,797,859.00*	
Labor				
Employment and Training Administration	Discretionary grant funds	5,000,000.00		
	Technical Assistance	450,000.00		
	Natural Disaster Dislocated Worker Funds	24,000,000.00		
TOTAL FOR DEPARTMENT			*29,450,000.00*	
Health and Human Services				
Social Services Block Grant	supplemental funding -- child care (day care) for 7,500 children for 12 months	21,000,000.00		
TOTAL FOR DEPARTMENT			*21,000,000.00*	
Small Business Administration				
	capital access program	5,000,000.00		5,000,000.00
TOTAL FOR DEPARTMENT			*5,000,000.00*	
GRAND TOTAL			***1,951,406,186.00***	***261,448,000.00***

Appendix XII

Estimated Fishing Losses by National Marine Fisheries Service

Fishery	Projected Value of Commercial Losses
White Shrimp Fishery *4.5 million pounds*	$8 million
Blue Crab Fishery *3 million pounds*	$3 million
Oyster and Scallop Fisheries *100,000 bushels*	$2.5 million
Inshore Flounder Fishery *75,000 pounds*	$1.5 million
Snapper and Grouper Fishery *550,000 pounds*	$.5 million
Lost or Destroyed Crab Traps *80,000 traps*	$1.8 million
Headboat and Charter Boat Trips *1,500 trips*	$1.5 million
TOTAL	$19 million

#2

Schedule I

Office of State Budget and Management
Summary of Funds Available
To Provide Required State Match for Hurricane Floyd Funding
Fiscal Year 1999-2000

Line No.	Description	Recurring Amount	Non-Recurring Amount	Total
1	Natural and Economic Resources	$ 12,968,768	$ 4,315,630 [1]	$ 17,284,398
2	General Government	10,410,572	9,353,000 [2]	19,763,572
3	Human Resource	89,000,000	7,637,947 [3]	96,637,947
4	Justice and Public Safety:			
	a) Judicial	3,750,000	-	3,750,000
	b) Justice	3,500,000	-	3,500,000
	c) Juvenile Justice	3,000,000	1,100,000 [4]	4,100,000
	d) Correction	14,000,000	-	14,000,000
	e) CC & PS	-	2,460,000 [4]	2,460,000
5	Education:			
	a) DPI	45,545,171	-	45,545,171
	b) Community College	5,797,721	-	5,797,721
	c) Universities	13,747,412	-	13,747,412
6	Reserve for State Health Plan Increase	-	55,000,000	55,000,000
7	1999 Repair and Renovation Reserve	-	60,000,000 [5]	60,000,000
8	Capital Improvement	-	146,527,955 [6]	146,527,955
9	Contingency and Emergency Reserve	-	900,000	900,000
10	Legislative Salary Increase Reserve	5,000,000	5,000,000	10,000,000
11	Prior Year Storms	-	5,000,000	5,000,000
12	Unreserved Fund Balance	-	40,000,000	40,000,000
13	Budget Stabilization Reserve	-	285,965,824	285,965,824
14	Total Funds Available	$ 206,719,644	$ 623,260,356	$ 829,980,000

[1] Schedule 3, page 3, line # 8.
[2] Schedule 4, page 4, line # 6.
[3] Schedule 5, page 5, line # 8.
[4] Schedule 6, page 6.
[5] Schedule 7, pages 7 - 16.
[6] Schedule 8, pages 17 - 18.

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Schedule 2

Office of State Budget and Management
Summary of Departmental Reversions
And Other Available Funds
For Fiscal Year 1999 - 2000

Budget Code	Department	Recurring Targeted Reversion Amount	Non-Recurring Targeted Reversion Amount
12000	Judicial - AOC	$ 3,750,000	$ -
13000	Governor's Office	148,000	-
13005	OSBM	165,000	-
13006	Office of State Planning	81,000	-
13100	Office of Lt. Governor	13,000	-
13200	Secretary of State	360,864	63,000
13300	State Auditor	807,210	-
13510	DPI Michaux ✓	45,545,171	-
13600	Justice	3,500,000	-
13700	DACS	4,469,558	500,000
13800	Labor	1,360,400	100,000
14060	Governor's Office - Juvenile Justice	3,000,000	1,100,000
14100	DOA	4,893,000	1,415,000
14160	OSC	462,775	-
14300	DENR	5,571,354	2,915,630
144xx	DHHS	89,000,000	7,637,947
14500	Correction	14,000,000	-
14600	Commerce	1,567,456	500,000
14601	Commerce - State Aid	-	300,000
14700	Revenue	2,217,737	-
14800	Cultural Resources	941,000	7,875,000
14900	CC & PS	-	700,000
160xx	UNC System	13,747,412	-
16800	Community Colleges	5,797,721	-
18025	State Bd. Of Elections	87,000	-
18210	Office of Administrative Hearings	182,003	-
18300	Rules Review Commission	51,983	-
19001	Reserve - C & E	-	900,000
19003	Reserve - Legislative Increase Cut? Sutton	5,000,000	-
19007	Reserve - Health Plan Increase	-	55,000,000
19017	Reserve - $125 Comp.Bonus	-	5,000,000
19600	R & R and Capital Improvement	-	206,527,955
19943	Reserve - Budget Stabilization	-	285,965,824
24960	CC & PS - Highway Fund	-	1,760,000
N/A	Prior Year Storms	-	5,000,000
N/A	Unreserved Fund Balance	-	40,000,000
	Total	$ 206,719,644	$ 623,260,356

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Natural and Economic Resources
Reversion Target from Non-Recurring Appropriation
For Fiscal Year 1999-2000

Line No.	Description		Frozen Amount
1	**Commerce**		
	Smart Growth Commission Study		$ 200,000
	Rural Tourism Dev. Grant Funds		300,000
2	**Commerce-State Aid**		
	Grants-in-Aid		
	4-H Clubs	$ 75,000	
	Yadkin-PeeDee Lake	75,000	
	World Trade Center	150,000	300,000
3	**Total Commerce**		$ 800,000
4	**Labor**		
	Information Technology		$ 100,000
5	**Environment & Natural Resources**		
	Grassroots Science Museum		250,000
	Natural Heritage Program		50,000
	Partnership for the Sounds		18,750
	Resource Conservation/Development Grant		25,000
	Drinking Water Match for Federal Grants		2,571,880
6	**Total Environment & Natural Res.**		$ 2,915,630
7	**Agriculture & Consumer Ser**		
	Southern Dairy Compact Commission		$ 500,000
8	**Total for NER**		**$ 4,315,630**

Schedule 4

General Government
Reversion Target from Non-Recurring Appropriation
Fiscal Year 1999-2000

Line No.	Description	Frozen Amount
1	**Administration**	
	Sexual Assault Funds	$ 225,000
	Century of Women Celebration	15,000
	Bd. Of Science & Technology Grants	175,000
	Motor Fleet Mgmt.-Cash Balance	1,000,000
2	**Total Administration**	$ 1,415,000
3	**Cultural Resources**	
	Grants to Local Organizations	$ 7,875,000
4	**Secretary of State**	
	Directory of Women in G.A.	$ 10,000
	Electronic Commerce Demo. Project	53,000
5	**Total Secretary of State**	$ 63,000
6	**Total General Government**	**$ 9,353,000**

Schedule 5

Office of State Budget and Management
Recurring Reversion Target
From Non-Recurring Appropriations
Department of Health and Human Services
For Fiscal Year 1999-2000

Line No.	Division	Frozen Amount
1	**Mental Health:**	
	Health Brd. Trng.	$ 150,000
	Neurobehavioral Treat. Unit	120,246
2	**Office of Secretary:**	
	H.S. Grants-in-Aid	4,000,000
3	**Vocational Rehab:**	
	Independent Living Rehab.	685,762
4	**Health Services:**	
	Pediatric Cancer Serv.	250,000
	Asthma Education	250,000
	Hepatitis C Ed. Awareness	150,000
	Healthy Carolinians	1,000,000
	Birth Defects Monitoring	100,000
	Off. Of Minority Health	138,939
5	**Social Services:**	
	Homestead Pilots	200,000
	Family Success Initiative	250,000
6	**Aging:**	
	Start-up Grants Adult Day	250,000
7	**Deaf & Hard of Hearing:**	
	NC School for Deaf	93,000
8	**Total**	**$ 7,637,947**

Schedule 6

Office of State Budget and Management
Target Reversions
From Non-Recurring Appropriations
Justice and Public Safety
For Fiscal Year 1999-2000

Line No.	Description	Frozen Amount
1	**Juvenile Justice:**	
	FY 1998-99 Carry-forward of Local Program Funds	$ 1,000,000
	Boys and Girls Clubs	100,000
	Total Juvenile Justice	**$ 1,100,000**
2	**Crime Control & Public Safety**	
	School Metal Detectors	350,000
	Victim Assistance Funds	350,000
	Salary Reserve - Highway Patrol	1,760,000
	Total Crime Control & Public Safety	**2,460,000**
3	**Total**	**$ 3,560,000**

PHASE 1

Department	Division	Title	Requested	Recommended
Administration	Garner Rd Complex	SBI Buildings-Roof Replacement Bldgs 11, 17, 18	$143,000	$143,000
	Capitol Square	Window Replacement-First Floor Capitol	$70,000	$70,000
	Government Complex	Court of Appeals Fire Safety	$424,700	$424,700
	Ocracoke	Old Coast Guard Station Roof Replacment	$396,900	$396,900
	Government Complex	Dobbs Building Replace Fire Alarm System	$424,200	
	Government Complex	Archives & History/State Library-Structural Study	$20,000	
	Government Complex	Painting Gov't Complex Buildings	$300,000	$100,000
	Government Complex	F-CAP Corrections & Repairs	$750,000	$375,000
	Government Complex	Phillips Building-Roof Repair	$17,200	$17,200
	Government Complex	Cent. Heating Plant-Replace Roof & Remove Asbestos	$275,200	$275,200
	Government Complex	Blount Street Repairs	$600,000	
	Government Complex	ADA Improvements	$300,000	
	Government Complex	Replace Chillers in Complex	$1,004,500	$250,000
	Government Complex	LL Polk House - Phase 2 Renovations	$303,400	$303,400
	Government Complex	Building Exterior & Repairs for Deferred Maintenance	$1,188,300	
	Government Complex	Cooper Building - Elevator Upgrade	$424,700	
	Government Complex	Old YMCA Bldg-Upgrade Electrical Serv. & Distribut.	$271,700	
	Government Complex	Archdale Building - Replace Chillers	$1,417,600	
	Government Complex	Person. Train Ctr-Electr. Serv, Air Distrib & Cont Ren	$274,200	
	Government Complex	Heck Andrews House Phase 2-Interior Renovations	$2,494,400	
	Government Complex	Bath Building - Chilled Water Sys. & Air Dist. Upgrades	$835,300	
	Government Complex	Dobbs Building - Replace Chillers	$826,500	
	Government Complex	Archives & History/State Library - Replace Chillers	$445,000	
	Government Complex	State Records Center - HVAC Renovations	$293,600	
	Government Complex	Cotton Building - Replace HVAC System	$317,900	
	Government Complex	Shore Building - Replace Chillers	$203,400	
	Government Complex	Caswell Building - Replace Cooling Tower	$76,300	
	Government Complex	Old YMCA Building - Replace windows	$218,700	
	Government Complex	Old YMCA Building - Complete Mechanical Renovation	$699,300	
	Government Complex	Blount Street-Lamarr House-Reroof & Repair exterior	$350,000	$350,000
		GRAND TOTAL	**$15,366,000**	**$2,705,400**
Agriculture	Government Complex	Renovate Agriculture Building	$8,421,500	
	WNC Agricultural Center	Fire Alarm System	$103,100	$103,100
	Government Complex	Old Health Building Renovation	$1,150,100	
	WNC Farmers Market	FCAP Improvements	$149,800	$149,800
	Tidewater Res. Station	Repairs	$165,000	$165,000
	Piedmont Res. Station	Repair Dairy Parlor Floor	$24,517	$24,517
	State Fair	Primary Electrical Distribution System, Phase 3	$581,100	
	Rollins Lab-Raleigh	HVAC Repairs & Hot Water Heater Replacement	$20,944	$20,944
	Western Vet Lab-Arden	FCAP Deficiencies & Necropsy Upgrading	$45,707	$45,707
	Cherry Farm	Renovation of Above Ground Fuel Storage	$85,467	

Department	Division	Title	Requested	Recommended
Agriculture	Fuels Lab-Raleigh	Upgrade Fuel Storage Tanks	$8,506	
	Ballentine Building-Raleigh	Roof Repair & Install Chimney	$16,144	$16,144
	Oxford Tobacco Res. Stat.	Repairs & HVAC Renovation for Packhouse	$34,339	$34,339
	Oxford Tobacco Res. Stat.	Reroof & Renovate Packhouse	$41,681	$41,681
	Raleigh Farmer's Market	Sprinkler System-Wholesale Building #4	$42,462	$42,462
	Griffin Lab-Monroe	ADA & Building Code Improvements	$46,885	$46,885
	Cherry Farm	Renovation of Truck Storage Shelter	$44,723	
	Cherry Farm	Metal Equipment Building Repairs	$153,000	
	Hort. Crops Res Stat-Clinton	Upgrade Irrigation System	$13,952	
	Insect Lab-Raleigh	Beneficial Insect Laboratory-Roof Repairs	$8,073	$8,073
	Piedmont Triad Market	Additional Electrical Circuits	$42,462	
	Upper Coastal Plain Res. Stat.	Renovate Shop/Implement Shed-Building #4	$19,411	
	Oxford Tobacco Res. Station	Tobacco Curing Barns Repairs	$96,682	
	Oxford Tobacco Res. Station	Stick Curing Barns Repair & Renovation	$34,661	
	Cherry Farm	Fertilizer Storage Building Renovation	$61,084	
	Cherry Farm	Hay Barn Renovation	$88,807	
	State Fair	Storm Sewer Repair	$651,664	
	Plant Industry Lab-Raleigh	Support Services Pole Barn	$4,521	
	WNC Agricultural Center	McGough Arena-LSC, Restroom & Roof Repairs	$1,047,700	
	Oxford Tobacco Res. Station	Equipment Shop Repairs	$84,607	
	Oxford Tobacco Res. Station	Superintendent's Dwelling Repairs	$28,054	
	Plant Industry-Crossnore	Crossnore Facility Repair & Renovation	$9,365	
	Food Distrib. Warehouse	Complex Resurfacing	$36,099	
	Upper Coastal Plain Res. Stat.	Upgrade Emergency Generator System	$18,946	
	Upper Coastal Plain Res. Stat.	Feed Delivery System Repairs	$19,698	
	Raleigh Farmers Market	Pave/Seal Parking Areas	$388,500	
	Upper Coastal Plain Res. Stat.	Renovate Feed Handling Facilities	$18,805	
	WNC Agricultural Center	Resurface Parking Lot & Add Site Lighting	$590,500	
	Border Belt Tobac. Res. Stat.	Resurface Border Belt Drive	$56,985	
	Caswell Farm	Resurface Dairy & Milking Barn Access Road & Parking Lot	$38,483	
	State Fair	Jim Graham Building Heating	$271,800	
	WNC Agricultural Center	Davis Arena Renovation	$308,500	
	Tidewater Res. Station	Stabilize & Upgrade Roads & Parking	$83,105	
	Piedmont Triad Farm. Mrkt	Snack Bar Renovation	$59,906	
	State Fair	Dorton Arena Renovation	$877,496	
	Constable Lab-Raleigh	Install Data & Phone Service	$16,680	
	Cherry Farm	Roadway, Parking Lot & Landscape Repairs	$108,200	
	Upper Coastal Plain Res. Stat.	Reroof & Renovate Seven Swine Buildings	$98,877	$98,877
	Mountain Research Station	Renovate Dwelling #19 & Garage #19	$44,646	
	Upper Coastal Plain Res. Stat.	Superintendent's Dwelling Renovation	$60,054	
	Upper Coastal Plain Res. Stat.	Dwelling #13 Repairs	$16,985	
	Ballentine Bldg-Raleigh	Paint Exterior	$10,648	

Department	Division	Title	Requested	Recommended
Agriculture	Agronomic Laboratory	Paint Lab & Hall Areas	$21,000	
	Constable Lab-Raleigh	Replace Floor Tile & Ceramic Cove Base	$53,877	
	Eaddy Building	Compressor Rebuild	$2,604	
		GRAND TOTAL	**$16,528,412**	**$797,529**
Correction	Statewide	Fire/Life Safety Improvements	$750,000	$240,000
	Statewide	Roof Repairs/Renovations	$1,000,000	$1,000,000
	Statewide	Removal of Underground Storage Tanks	$842,607	
	Prisons	Elevator Repair	$801,500	
	DART Cherry	Roof Repair & Waterproof Exterior Walls	$259,398	$259,398
	Western Youth Institution	Facility Repairs & Renovations Design	$300,000	
	Caledonia CI	Perimeter Security Fence Modifications	$3,103,800	
	Piedmont CI	Perimeter Security Fence Modification	$1,951,900	
	Odom CI	Perimeter Security Fence Modification	$3,093,400	
	Southern CI	Perimeter Security Fence Modification	$2,468,700	
	Eastern CI	Perimeter Security Fence Modification	$2,564,300	
	Statewide	Spill Prevention Control & Countermeasure Plans	$178,000	
	McCain Correctional Hospital	Asbestos Abatement	$94,100	
	Hoke CI	Asbestos Abatement	$34,600	
	Central Prison	Kitchen Renovation	$624,111	
	Statewide	Structural Evaluation of Old Field Dorms	$93,700	
	Odom CI	Ceramic Tile Repair/Replacement	$225,600	
	Harnett CI	Renovate Multi-Purpose Dining Hall	$778,500	
	Statewide	Repair Underground Water Lines	$342,300	
	Caledonia CI	Facility Repairs	$55,500	
	Sandhills Youth Center	Facility Repairs	$955,600	
	Hoke CI	Facility Repairs/Renovations	$1,795,800	
	IMPACT East	HVAC Repairs	$42,900	
	Statewide	Dayroom Walls in Old Style Dorms	$132,285	
	Apex Complex	Building Renovations	$2,662,049	
		GRAND TOTAL	$25,150,650	$1,499,398
CC & PS	Monroe&Hamlet Armories	Parking Lot Repairs	$127,300	
	NC Military Academy	Modifying SE Region Combat Arms Training Brigade	$132,500	
	Emergency Management	Public Safety Building	$72,000	
	Various Armories	Fire Alarm Systems	$908,000	
	Armories Statewide	Underground Storage Tank Removal	$326,400	
	Various Armories	Kitchen Hood & Fire Supression Systems	$389,100	
	Armories Statewide	ADA Requirements	$513,600	
	Ashokie Armory	Roof Replacement	$118,300	$118,300
	Albemarle Armory	Roof Replacement	$184,100	$154,100
	Shallotte Armory	Roof Replacement & Miscellaneous Repairs	$176,700	$144,700
	Armories Statewide	Remove Lead Contamination	$788,600	
	NC Military Academy	Stairwell Modification	$103,100	$103,100
		GRAND TOTAL	**$3,839,700**	**$520,200**

Department	Division	Title	Requested	Recommended
Cultural Resources	William R. Davie House	Advance Planning	$60,000	
	Reed Gold Mine	Engine Shaft Rehabilitation	$1,077,400	
	Statewide	Fire Detection & Security Systems	$381,982	$300,000
	State Archives & Lib.	Building Supplement/Asbestos	$4,368,769	
	State Capitol	FCAP Renovations/ADA	$557,800	$557,800
	Government Complex	Arts Council Renovations	$38,650	
	Battleship USS NC	Renovations	$1,681,152	
	Museum of History	Repairs	$141,908	
	Historic Stagville	Restoration - Phase 2	$723,100	
	Spencer Shops	Back Shop - Phase 3	$1,800,000	
	Thomas Wolfe House	Fire Damage Supplement	$656,887	$656,887
	Chowan County Cthouse	Renovation Phase 2	$1,024,951	
	Tryon Palace	Site Preparation History Education & Visitation Center	$5,639,020	
	Government Complex	Lewis Smith Fire Detection & Sprinklers	$82,363	
	C. H. Brown Hist. Site	Restoration of Galen Stone Hall	$2,177,218	
	Maritime Museum	Harborside Building Replacement Supplement	$150,000	
	Oteen Center	Renovation	$761,644	
		GRAND TOTAL	**$21,322,844**	**$1,514,687**
ENR	Fort Macon	Fort Restoration Phase 3	$5,381,834	
	Forestry-Columbus Co.	Aircraft Hangar Door	$56,595	
	Clemmons State Forest	Water Service	$46,500	$46,500
	Griffiths Forestry Center	Water Quality Improvements	$13,400	$13,400
	Forestry - Kinston	Paint Booths	$97,100	
	Forestry - Cumberland	Paint Booths	$97,100	
	Forestry - Buncombe	Paint Booths	$97,100	
	Marine Fisheries	Warehouse Handicap Ramp	$64,171	$64,171
	Marine Fisheries	Warehouse Archives Storage Improvements	$37,368	
	Marine Fisheries	Ceiling Renovations	$26,733	
	Marine Fisheries	Main Lab Conversion	$43,431	
	NC Zoo	Africa Amphitheater Renovations	$1,597,791	
	Aquarium-Pine Knoll Shores	HVAC Replacement	$1,468,745	
	Forestry - District 8	General R&R	$99,300	
	Forestry - District 11	General R&R	$4,000	
	Forestry - District 12	General R&R	$12,300	
	Forestry - District 13	General R&R	$56,600	
	B.R.I.D.G.E.	Genreal R&R	$42,900	
	Dupont State Forest	General R&R	$42,100	
	Mountain Train. Facility	General R&R	$80,000	
	Claridge Nursery	General R&R	$79,100	
	Clayton Warehouse	General R&R	$67,300	
	Marine Fisheries	Hanger Foundation Drainage	$18,958	
	NC Zoo	Baboon Moat Membrane Liner	$200,067	
	NC Zoo	Aviary & Chimp Exhibits	$447,655	

Department	Division	Title	Requested	Recommended
ENR	NC Zoo	Sea Lion Pool Renovations	$459,785	
	Forestry - District 3	Security Alarms	$42,400	
	Forestry - District 4	Security Alarms	$46,700	
	Forestry - District 5	Security Alarms	$33,900	
	Forestry - District 6	Security Alarms	$17,000	
	Forestry - District 7	Security Alarms	$42,400	
	Forestry - District 8	Security Alarms	$38,200	
	Forestry - District 8	Security Alarms	$38,200	
	Forestry - District 10	Security Alarms	$12,700	
	Forestry - District 11	Security Alarms	$29,700	
	Forestry - District 13	Security Alarms	$25,500	
	B.R.I.D.G.E.	Security Alarms	$17,000	
	Dupont State Forest	Security Alarms	$12,700	
	Forestry - Nurseries	Security Alarms	$17,000	
	Griffiths Forestry Center	Security Alarms	$12,700	
	Mountain Train. Facility	Security Alarms	$4,200	
	Forestry - District 8	Electrical Repairs	$50,300	
	Forestry - District 13	Electrical Repairs	$34,300	
	Bladen Lakes St. Forest	Electrical Repairs	$59,500	
	Clayton Warehouse	Electrical Repairs	$25,600	
	Forestry - Field Offices	Electrical Repairs	$79,500	
	Marine Fisheries	Electrical Load Study	$21,315	
	Marine Fisheries	Emergency Generator	$294,700	
	Aquarium-Pine Knoll Shores	Raw Water Filtration System	$97,469	
	Aquarium-Fort Fisher	Exhibit Well	$49,231	
	Aquarium-Roanoke Island	Municipal Waterline Extension	$40,625	$40,625
	Aquarium-Pine Knoll Shores	Wastewater Treatment System	$362,489	
	Claridge Nursery	Irrigation System Upgrade	$89,900	
	Marine Fisheries	Cooling Tower Renovation	$7,828	
	Forestry - Region 2	HVAC Repairs	$95,200	
	Forestry - District 1	HVAC Repairs	$17,400	
	Dupont State Forest	HVAC Repairs	$16,000	
	Forestry - District 2	HVAC Repairs	$79,800	
	Forestry - District 4	HVAC Repairs	$1,800	
	Claridge Nursery	HVAC Repairs	$92,500	
	Griffiths Forestry Center	HVAC Repairs	$41,500	
	B.R.I.D.G.E.	HVAC Repairs	$39,400	
	Educational State Forest	HVAC Repairs	$47,600	
	Bladen Lakes State Forest	HVAC Repair	$33,100	
	Clayton Warehouse	HVAC Repair	$30,400	
	Marine Fisheries	Hanger Exterior Improvements	$191,964	
	Forestry - Various Sites	Above Ground Storage Tanks	$67,100	
	Marine Fisheries	Underground Storage Tank Removal	$86,139	
	Marine Fisheries	Main Building Asbestos Removal	$184,472	
	Aquarium-Fort Fisher	Shark Exhibit	$114,039	

Department	Division	Title	Requested	Recomm
ENR	NC Zoo	TLC Paddock Area Shade Structure	$87,830	
	NC Zoo	TLC Meeting Place Shade Structure	$99,320	
	Edwards Nursery	Renovation	$18,000	
	Linville River Nursery	Renovation	$92,300	
	Claridge Nursery	Site Improvements	$89,700	
	Forestry - Region 1	Storage Building Renovation	$14,600	
	Forestry - Region 1	Carpentry Shop Renovation	$33,100	
	Forestry - Region 1	Autoshop Annex Renovation	$18,700	
	Forestry - Region 1	Aircraft Annex Renovation	$57,900	
	Forestry - Region 1	Headquarters Classroom #8	$53,800	
	Forestry - Region 1	Dining Hall Renovation	$99,400	
	Forestry - Region 1	Classroom #9	$96,500	
	Forestry - Region1	Office Renovation	$32,700	
	Bladen Lakes State Forest	Office Building	$25,100	
	Bladen Lakes State Forest	Student Quarters	$2,500	
	Bladen Lakes State Forest	House #1 Renovations	$16,300	
	Bladen Lakes State Forest	House #8 Renovation	$28,200	
	Bladen Lakes State Forest	Automotive Shop Renovation	$99,000	
	Bladen Lakes State Forest	Transient Quarters Renovation	$4,900	
	Bladen Lakes State Forest	Equipment Shed	$8,300	
	Griffiths Forestry Center	Sign/Carpentry Shop	$90,800	
	Griffiths Forestry Center	Garage	$4,200	
	Griffiths Forestry Center	Long Building	$45,600	
	Griffiths Forestry Center	Nursery Building	$29,000	
	Griffiths Forestry Center	Headhouse	$34,000	
	Forestry-Various Locations	Communications System Upgrade	$25,500	
	Forestry-Various Locations	Chimney Repairs	$22,100	
	Marine Fisheries	Improve Existing Equipment Condition	$15,335	
	Marine Fisheries	Maintenance Dredging	$89,936	
	NC Zoo	Advanced Planning - Africa Upgrades	$82,333	
	Aquarium-Fort Fisher	Visitor Parking & Walkways	$137,233	
	Aquarium-Fort Fisher	Safety Lighting	$179,967	
	NC Zoo	Africa Lots Resurfacing	$444,708	
	Marine Fisheries	South River Road Construction	$14,990	
	Marine Fisheries	Main Complex/Pave & Repair Driveway	$118,836	
	Marine Fisheries	Sidewalk, Curb & Gutter	$45,930	
	Blue Ridge Road Complex	Grounds Maintenance	$15,000	
	Aquarium-Roanoke Island	Safety & Security Fencing	$82,148	
	Aquarium-Fort Fisher	Safety & Security Fencing	$87,358	
	Marine Fisheries	Landscaping	$92,295	
	Marine Fisheries	Site Survey Plan	$9,186	
	NC Zoo	Horiculture Equipment & Work Facility	$548,127	
		GRAND TOTAL	**$16,572,136**	**$164,696**

Department	Division	Title	Requested	Recommended
DHHS	Statewide	Life Safety Code Correction	$2,000,000	$1,000,000
	Caswell Center/Cherry Hospital	Emergency Generators	$116,600	$116,600
	O'Berry Center	Water Main Replacement	$545,775	$545,775
	NC Special Care Center	Fire Alarm Repairs	$205,859	$205,859
	Town of Butner	Water Treatment Plant Upgrades	$333,200	$333,200
	NC Special Care Center	Chiller Plant/HVAC Upgrades Phase 2	$2,631,475	$1,700,000
	Dorothea Dix Hospital	Office Space Renovation	$2,852,200	
	Town of Butner	Water Main Replacement	$2,059,500	
	Wright School	Life Safety Upgrades	$48,000	$48,000
	Dorothea Dix Hospital	Spruill Annex Extension	$4,234,200	
	Cherry Hospital	Life Safety Code Corrections-Royster	$1,000,000	$1,000,000
	Murdoch Center	Heating Plant & Distribution System Replacement Phase 2	$181,300	
	CNCSD	HVAC Controls/Kitchen A/C	$223,275	
	Governor Morehead School	Cox Dorm Renovation Phase 2	$1,041,510	
	WNCSD	Water Distribution System Study	$30,000	
	Cherry Hosp/O'Berry Center	Electrical System Upgrades Phase 2	$680,000	$680,000
	Western Carolina Center	Fire Alarm System Phase 2	$835,500	$835,500
	John Umstead Hospital	Life Safety Corrections Phase 2	$230,469	$230,469
	Broughton Hospital	New Steam Plant	$85,400	
	Caswell Center	Fire Protection Upgrade Phase 4	$600,000	$600,000
	Dorothea Dix Hospital	Steam & Condensate Piping Repair Study	$30,000	
	Broughton Hospital	Service Building Refrigeration Replacement	$300,000	
	ENCSD	Heating System Replacement-Eagles Hall	$26,000	
	Caswell Center	Electrical Upgrade Phase 5	$434,700	$434,700
	Statewide	Roadway Repairs	$2,000,000	$200,000
	Dorothea Dix Hospital	Anderson/Dobbin Buildings Repairs	$681,302	
	Governor Morehead School	Campus Reroofing	$142,300	$142,300
	WNCSD	Exterior Elevator Installation-Rankin Hall	$134,100	
	John Umstead Hospital	Continued Reroofing	$569,600	$569,600
	Governor Morehead School	HVAC Renovations	$628,000	
	Dorothea Dix Hospital	Campus Roofing Phase 2	$520,000	$520,000
	Julian F. Keith ADATC	Floor, Windows & Ceiling Replacement	$99,637	
	Murdoch Center	Campus Reroofing	$400,000	$400,000
	CNCSD	Fascia/Soffit Completion	$157,800	$157,800
	O'Berry Center	Bathroom Renovation	$344,000	
	Cherry Hospital	Elevator Renovations	$400,000	
	Walter B. Jones ADATC	Miscellaneous Building Upgrades	$155,000	
	Town of Butner	"B" Street Pump Station #1 Upgrades	$144,400	
	Western Carolina Center	Campus Renovations	$270,700	
	Black Mountain Center	Campus Reroofing	$762,800	$762,800
	O'Berry Center	Campus Reroofing	$1,076,600	$1,076,600
	Broughton Hospital	Steam & Condensate Line Replacement	$747,800	
	Dorothea Dix Hospital	Life Safety Upgrades	$254,300	
	John Umstead Hospital	Life Safety Corrections	$716,300	
	Cherry Hospital	Fire Alarm & Sprinklers-4 Buildings	$773,700	

Department	Division	Title	Requested	Recommended
DHHS	Julian F. Keith ADATC	Replace Condensers & Upgrade Fire Alarm	$117,100	
	CNCSD	Fire Alarm Replacement	$356,100	
	O'Berry Center	Fire Alarm System Replacement	$889,500	
	Caswell Center	Fire Protection Upgrade Phase 4	$1,037,900	
	NC Special Care Center	Scott Wing Nurse Call System Replacement	$252,300	
	Broughton Hospital	Life Safety Corrections	$2,662,600	
	Broughton Hospital	Fire & Safety Corrections	$2,760,800	
	Caswell Center	Bathroom Renovation Phase 2	$558,100	
	WNCSD	Termite Damage Repair	$231,800	
	CNCSD	Fire Suppression System	$559,200	
	Governor Morehead School	Steam Line Replacement & Continue Tunnel Repair Phase 2	$1,610,100	
	Murdoch Center	Campus Reroofing	$404,100	
	Cherry Hospital	Life Safety Corrections-Royster	$954,700	
	Governor Morehead School	Water, Sewer & Storm Drainage Replacement	$2,561,400	
	John Umstead Hospital	Replace Exterior Doors	$172,196	
	Town of Butner	Water Treatment Plant Upgrades	$3,730,500	
	Eatern Region VR Facility	TBI Center	$3,600,000	
	NC Special Care Center	Domestic Cold Water Distribution System Replace.	$982,673	
	Broughton Hospital	Campus Bathroom Renovation	$3,588,900	
	Cherry Hospital	Elevator Renovations	$1,023,100	
	John Umstead Hospital	Ventilation of Ward Buildings	$128,600	
	O'Berry Center	Sanitary Sewer Line Replacement	$387,000	
	John Umstead Hospital	Replace Fan Coil Units	$1,078,232	
	ENCSD	Heating System Replacement-Eagles Hall	$422,077	
	NC Special Care Center	Fire Booster Pump Project	$83,400	
	ENCSD	Window Replacement	$637,303	
	John Umstead Hospital	Fire Sprinklers	$298,709	
	CNCSD	Boiler & Furnace Replacement	$188,722	
	Western Carolina Center	Cottage Renovation Phase 3	$1,200,800	
	John Umstead Hospital	Fire Sprinklers	$7,845,407	
	Governor Morehead School	Milsap Dorm Renovation Phase 3	$976,900	
	John Umstead Hospital	Gymnasium A/C	$325,471	
	WNCSD	Replace Concrete & Wooden Bleachers	$237,800	
	O'Berry Center	Bathroom Renovation Phase 2	$1,955,300	
	John Umstead Hospital	Campus ADA Corrections	$6,150,490	
	Western Carolina Center	Cedar Cottage Renovation	$2,546,600	
	Black Mountain Center	Moore Building Renovation	$497,000	
	John Umstead Hospital	Chiller Replacement	$4,351,299	
	Dorothea Dix Hospital	Bath/Toilet Renovations	$399,460	
	Broughton Hospital	Replace Service Building Refrigeration	$329,600	
	O'Berry Center	Air Handling Unit Control Replacement	$228,700	
	Western Carolina Center	Fan Coil Unit Replacement & Related Distribution Piping	$127,100	
	John Umstead Hospital	Staff Apartments Renovation	$998,440	
	Caswell Center	HVAC Renovations Phase 3	$1,242,500	
	Broughton Hospital	Chiller Replacement	$1,046,100	

Department	Division	Title	Requested	Recommended
DHHS	John Umstead Hospital	Return Air Elimination	$12,409,246	
	Western Carolina Center	Replace A/C & CFC Refrigeration Units	$165,300	
	Cherry Hospital	Human Resources Building Renovation	$912,600	
	Murdoch Center	Alpine Cottage Renovation	$2,059,800	
	Julian F. Keith ADATC	Replace Transformers, Boilers & Exit Lights	$172,300	
	John Umstead Hospital	Storm Drain Repairs	$251,901	
	Murdoch Center	Rehabilitation Services Gym A/C	$373,000	
	Western Carolina Center	Replace Chiller & Cooling Tower	$190,800	
	Dorothea Dix Hospital	Power Plant Renovations	$318,320	
	WNCSD	Upgrade Exterior Lighting	$17,000	
	Western Carolina Center	Replace Air Handling System	$127,100	
	CNCSD	Facilities Deficiencies	$432,200	
	John Umstead Hospital	Replace Elevator Controls	$58,466	
	John Umstead Hospital	Replace Fuel Tank	$36,081	
	Western Carolina Center	Replace 9 Non-UL Approved Emergency Egress Light Transfer Switch	$38,143	
	Murdoch Center	Auditorium Floor, Acoustical Ceiling Tile & Bathroom Modifications	$695,200	
	John Umstead Hospital	Spill Containment Dikes	$120,574	
	Western Carolina Center	Asbestos Abatement & Abandoned Equipment Disposal	$95,357	
	CNCSD	Safety & Security Deficiencies	$367,100	
	John Umstead Hospital	Main Dining Room & Kitchen Upgrades	$295,383	
	Caswell Center	Generator Installation	$1,369,800	
	John Umstead Hospital	Steam, Hot Water & Plumbing Improvements	$2,438,341	
	John Umstead Hospital	Hospital Secondary Electrical Systems Study	$95,768	
	Western Carolina Center	Campus Reroofing & Repairs	$216,200	
	Dorothea Dix Hospital	Spruill Elevator	$162,280	
		GRAND TOTAL	**$116,857,641**	**$11,559,203**
OJJ	Juvenile Evaluation Center	Smoke Detection/Fire Protection Upgrades	$233,900	$233,900
	C.A. Dillon School	Fire Sprinkler System	$287,100	$287,100
	Juvenile Evaluation Center	Water Mains & Fire Hydrant Replacement	$527,300	$527,300
	Dobbs School	DOI Requirements	$91,100	$91,100
	Dobbs School	ADA Requirements	$690,500	$350,000
	New Hanover Detention	Center Repairs	$217,600	
	Buncombe Detention	Roof Repairs	$93,174	$93,174
	Stonewall Jackson School	Roofing Repairs	$446,700	$446,700
	Samarkland	Electrical System Distribution Improvements	$570,700	
	C.A. Dillon School	New Generator	$76,300	
	C.A. Dillon School	Primary Electrical System Replacement	$65,500	
	Stonewall Jackson School	Renovations	$67,300	
	Juvenile Evaluation Center	Replacing Window Screens	$119,400	
	C. A. Dillon School	Window & Screen Replacement	$58,800	
	C. A. Dillon School	Plumbing Repairs	$43,000	
	Juvenile Evaluation Center	Door Renovation	$179,700	
	Stonewall Jackson School	Cafeteria Renovations	$442,200	
	Samarkland	ADA Compliance	$943,700	

Department	Division	Title	Requested	Recommended
OJJ	C. A. Dillon School	Light Replacement	$336,000	
	Juvenile Evaluation Center	Bathroom Renovations	$574,600	
	C. A. Dillon School	HVAC System	$540,500	
	C. A. Dillon School	Floor Renovation	$220,100	
	Stonewall Jackson School	HVAC	$213,800	
	Samarkland	Security Fence	$1,148,300	
	Samarkland	Road Repairs	$123,300	
	Dobbs School	Road Repairs	$47,000	
	Stonewall Jackson School	Road Repairs	$100,200	
	Dobbs School	Underground Tank Removal	$189,400	
	Juvenile Evaluation Center	HVAC	$1,361,700	
	Samarkland	Centralized Kitchen	$1,708,300	
	Samarkland	Demolish Gardner Hall/New MPAC Building	$1,464,300	
	Juvenile Evaluation Center	Modular Office Unit	$1,806,600	
	Samarkland	Demolish Leonard Building/New Vocational Building	$1,966,100	
	Juvenile Evaluation Center	Additional Classrooms & Auditorium	$1,633,600	
	Samarkland	HVAC	$1,713,600	
	Samarkland	Asbestos Removal	$3,037,200	
	Juvenile Evaluation Center	Maintenance Facility Replacement	$982,600	
	Juvenile Evaluation Center	New Administration Building	$2,177,100	
	Dobbs School	Master Plan Study	$200,000	
	Dobbs School	HVAC	$800,000	
		GRAND TOTAL	**$27,498,274**	**$2,029,274**
Ports	Wilmington	Rehabilitation of Crane Rail	$1,000,000	
	Morehead City	Rehabilitation of Berths 2 & 3	$639,100	
	Wilmington	Rehabilitation of Berth 7	$1,500,000	
	Morehead City	Rail & Paving Repairs, Phase 2 Operations Center	$2,623,700	
	Wilmington	Pavement Rehabilitation	$200,000	
	Morehead City	Rehabilitate Transit Sheds	$721,700	
	Morehead City	Rail & Paving Repairs, Phase 3 Arendell St.	$522,800	
	Wilmington	Study to Modify Berths for 42 Feet	$500,000	
	Wilmington	Maritime Building Headquarters Modifications, Phase 1	$512,300	
	Wilmington	Reroof Transit Shed 3	$533,600	
		GRAND TOTAL	**$8,753,200**	**$0**
Revenue	Government Complex	Replace Carpet	$718,886	
	Government Complex	Door Replacement	$36,000	
	Government Complex	Chair Railing	$1,123,800	
	Government Complex	Chair Railing-Columns	$1,908,170	
		GRAND TOTAL	**$3,786,856**	**$0**
OSBM		Contingency	$1,000,000	$209,613
		OVERALL GRAND TOTAL	$256,675,713	$21,000,000

Capital Appropriations
For
Disaster Recovery
1999-2000

Department/Institution	Code	Item	Project	Amount to be Transferred To Disaster Recovery Fund
Administration	49901	4999	Indian Cultural Ctr - Land	250,000
Agricultre	49717	4353	Piedmont Triad Farmers Mkt. Wholesale Bldg	732,980
Agriculture	49317	4812	Cattle and Livestock Facility	7,662
Agriculture	49717	4799	Cattle and Livestock Facility	18,034
Agriculture	49817	4a03	Cattle and Livestock Facility	6,000,000
Agriculture	49817	4a01	Conservation Education Ctr	458,700
Agriculture	49817	4a05	Ctr for Environmental Farming	471,500
Agriculture	49917	4b02	Eastern Ag Ctr - Development	243,966
Agriculture	49317	4808	Southeastern Farmers Mkt	134,313
Agriculture	49817	4899	Southeastern Farmers Mkt	500,000
Agriculture	49917	4b04	Southeastern Farmers Mkt	500,000
Agriculture	49917	4b05	Vernon James Research Ctr	827,168
Agriculture	49917	4b03	Western NC Farmers Mkt - Small Dealers Bldg	231,500
Agriculture - State Fair	49717	4352	Multipurpose Facility	302,640
Agriculture - State Fair	49817	4a02	Multipurpose Facility	3,000,000
Agriculture - State Fair	49917	4b01	Multipurpose Facility	9,500,000
Commerce-Wanchese	49818	4701	Wanchese Seafood Industrial Park - Construction	230,000
rrection	49813	4a01	Acute Care Hosp. - Central Prison - Design	403,750
Correction	49713	4002	Carteret Co. Multipurpose Modular Bldg	360,000
Crime Control/Public Safety	49707	4701	National Guard Armory - Charlotte	1,260,300
Cultural Resources	49714	4702	Cape Fear Museum - Development	1,100,000
Cultural Resources	49614	4601	Museum of Art - Design Funds	48,393
Cultural Resources	49914	4b01	Museum of Art - Design Funds	1,000.000
Cultural Resources	49814	4a01	Museum of Art - Design Funds	1,775,000
Cultural Resources	49714	4701	Museum of History - Restaurant	608,945
Cultural Resources	49714	4705	Res. For Exhibits - Museum of History and Capitol	535,000
Cultural Resources	49514	4501	Reserve for Land Acquisition	485,241
ENR - Aquariums	49816		Construction - Pine Knoll Shores	15,000,000
ENR - Forest Resources	49816	4825	Construction County Headquarters	202,341
ENR - Forest Resources	49516	4578	Forestry Headquarters - Brunswick Co	48,087
ENR - Forest Resources	49916	4740	Forestry Headquarters - New Construction	2,000,000
ENR - Forest Resources	49516	4576	Forestry Headquarters - Rutherford Co	17,065
ENR - Forest Resources	49516	457	Forestry Headquarters - Transylvania Co	1,548
ENR - Museum	49916	4731	Museum of Forestry	250,000
ENR - Solid Waste	49816	4845	Detoxification of PCB Landfill in Warren County	1,439,450
ENR - Water Resources	49716	4315	AIWW Easement Acquisition	96,400
ENR - Water Resources	49516	4559	Aquatic Plant Control Statewide and Lake Gaston	1,831
ENR - Water Resources	49716	4305	Aquatic Plant Control Statewide and Lake Gaston	12,500
ENR - Water Resources	49616	4455	Aquatic Plant Control Statewide and Lake Gaston	16,982
ENR - Water Resources	49616	4474	Atlantic Channels	50,000
ENR - Water Resources	49616	4461	Beaufort Harbor Maintenance Dredging	70,125
ENR - Water Resources	49816	4805	Beaufort Harbor Maintenance Dredging	80,000
NR - Water Resources	49916	4711	Cape Fear Above Wilmington Dredging	100,000
NR - Water Resources	49716	4307	Carolina Beach Renourishment	248,237

Department/Institution	Code	Item	Project	Amount to be Transferred To Disaster Recovery Fund
ENR - Water Resources	49716	4312	Clinton Wastewater Treatment Plant Flood Protection	84,000
ENR - Water Resources	49716	4330	Conservation Service Projects - Deep Creek Yadkin Co.	500,000
ENR - Water Resources	49816	4820	Conservation Service Projects - Deep Creek Yadkin Co.	500,000
ENR - Water Resources	49716	4317	Corps of Engineers Feasibility Studies	11,400
ENR - Water Resources	49616	4463	Far Creek Channel Maintenance - Hyde Co	27,645
ENR - Water Resources	49816	4814	Jordan Lake Water Supply	29,845
ENR - Water Resources	49916	4703	Jordan Lake Water Supply	63,057
ENR - Water Resources	49916	4707	Lockwood Folly River Feasibility Study	300,000
ENR - Water Resources	49916	4706	Long Beach Sea Turtle Habitat Restoration	354,000
ENR - Water Resources	49716	4311	Long Beach Sea Turtle Habitat Restoration	500,000
ENR - Water Resources	49916	4712	Moravian Creek Flood Control	96,000
ENR - Water Resources	49616	4453	Morehead City Harbor Maintenance Dredging	38,342
ENR - Water Resources	49916	4713	Neuse River Basin Flood Studies	100,000
ENR - Water Resources	49616	4460	New Hanover Co. Spoil Disposal	745
ENR - Water Resources	49516	4564	Planning Assistance to NC Communities	3,367
ENR - Water Resources	49716	4316	Planning Assistance to NC Communities	40,000
ENR - Water Resources	49916	4717	Planning Assistance to NC Communities	92,500
ENR - Water Resources	49916	4716	Prospective Feasibility Studies	102,200
ENR - Water Resources	49516	4560	Rollinson Channel Maintenance Dredging	6,000
ENR - Water Resources	49816	4807	Rollinson Channel Maintenance Dredging	200,000
ENR - Water Resources	49916	4708	Silver Lake Harbor (Ocracoke Is) Maintenance Dredging	160,000
ENR - Water Resources	49516	4561	State-Local Projects	3,788
ENR - Water Resources	49816	4815	State-Local Projects	21,165
ENR - Water Resources	49916	4709	State-Local Projects	141,000
ENR - Water Resources	49916	4710	Stumpy Point Bay Maintenance Dredging	240,000
ENR - Water Resources	49616	4469	Whittaker Creek Canal Dredging	980
ENR - Water Resources	49816	4804	Wilmington Harbor Long Term Disposal	681,152
Health and Human Services	49843	4801	Cherry - Children/Youth Facility	5,000,000
Health and Human Services	49750	4701	Eastern School for Deaf -- Independent Living Complex	369,206
Health and Human Services	49850	4901	Eastern School for Deaf -- Independent Living Complex	1,040,000
Health and Human Services	49957	4901	Eastern Voc Rehab Ctr	2,000,000
Health and Human Services	49956	4901	Whitaker School - New Building	5,400,000
Junvenile Justice	49947	4b01	Stonewall Jackson School - Demolition	337,000
State Ports Authority	49910	4b01	Continued Development	4,000,000
University - ASU	49830	303	Addition and Renovation of Rankin Science Buidling	5,056,500
University - FSU	49834	301	Fine Arts Building - Site Development	500,000
University - NCA&T	49737	310	Campus Security Improvements	828,716
University - NCA&T	49637	302	General Classroom and Laboratory Building	7,157,675
University - NCCU	49735	301	B. N. Duke Auditorium Addition	740,000
University - NCCU	49835	301	Health and Safety Repairs and Renovations	1,809,003
University - NCSU	49824	308	College of Veterinary Medicine Addition (A/P)	675,000
University - NCSU	49824	305	Engineering Instruction Facility (A/P)	3,200,000
University - NCSU	49524	302	Meat Processing Laboratory	4,853,755
University - NCSU	49724	305	Research and Teaching Feed Mill	2,582,000
University - NCSU	49624	306	Undergraduate General Chemistry and Physics Bldg	4,586,000
University - UNCA	49427	303	Highsmith Center Addition and Renovation	356,800
University - UNCA	49727	317	Renovations to Justice Gym	195,000
University - UNCC	49626	305	Office Classroom Building (Humanities)	9,243,365
University - UNCC	49826	304	Science and Technology Building	2,183,736
University - UNCCH	49722	302	Carolina Living and Learning Center	1,154,275
University - UNCCH	49823	305	Memorial Hall Additional Renovations (A/P)	200,000

Department/Institution	Code	Item	Project	Amount to be Transferred To Disaster Recovery Fund
University - UNCCH	49523	318	Renovate R.B. House Library	9,898,700
University - UNCG	49625	302	Science Instructional Building	6,059,955
University - UNC-GA	49821		Reserve for Land Acquisition	3,051,200
University - UNCP	49731	314	Economic Forum Building	244,600
University - UNCW	49828	302	School of Education Building (A/P)	1,030,800
University - WCU	49629	301	Fine Arts Center	1,888,944
University - WSSU	49732	301	Addition and Renovation to the F. L. Atkins Building	4,159,840
University - WSSU	49832	301	Computer Science Facility (A/P)	350,541
X-Miscellaneous	n/a	n/a	Closing out various completed projects (contingency,etc)	1,000,000
X-Other Funds	13085	n/a	Reserve for Special Events	458,500
			Total	**146,527,955**

Handout #3

"Guestament" Lynn

ESTIMATED CASH FLOW ANALYSIS - HURRICANE FLOYD RECOVERY PROPOSAL

ITEM	MONTHS - FY 1999-2000						FY YEAR		
	January	February	March	April	May	June	FY 1999-00	FY 2000-01	FY 2001-02
FEMA Standard Program:									
Public Assistance Program	$25,000,000	$25,000,000	$10,000,000	$10,000,000	$2,500,000	$2,500,000	$75,000,000	$10,000,000	$15,000,000
Hazard Mitigation Grant Program	$15,000,000	$10,000,000					$25,000,000		
Individual and Family Grant Program	$13,000,000	$3,000,000					$16,000,000		
Federal Agency Commitments:									
Federal Emergency Management Agency									
Congressional Legislation:									
Housing Acquisition - Expan. of HGMP above			$15,000,000	$15,000,000	$15,000,000	$2,750,000	$47,750,000		
Governor's Proposal:									
Direct Housing Assistance									
Homeowners:									
SARF JP	$50,000,000	$50,000,000	$39,330,000				$139,330,000		
Grants to Successful SBA		$20,620,000	$20,630,000	$20,630,000			$61,880,000		
Replacement and Repair (Low Income)		$8,990,000	$8,990,000	$8,990,000	$8,990,000	$8,990,000	$44,950,000	$14,970,000	
Renters:									
Affordable Housing Production		$2,000,000	$2,000,000	$3,000,000	$3,000,000		$10,000,000		
SARF	$5,420,000	$5,430,000	$5,430,000				$16,280,000		
Infrastructure									
Grants to Local Governments					$4,500,000	$5,000,000	$9,500,000	$32,190,000	
Predevelopment Activities									
Aid to Local Governments		$1,250,000	$1,250,000				$2,500,000		
Land Acqusition and Capacity			$3,750,000	$3,750,000			$7,500,000		
Counselors and Recovery Office									
Housing Counselors	$283,334	$283,334	$283,334	$283,334	$283,334	$283,334	$1,700,004	$3,399,998	$3,399,998
Housing Recovery Council Office	$68,462	$68,462	$68,462	$68,462	$68,462	$68,462	$410,772	$821,544	$821,544

Ba[illegible]n Estimates Received from Executive Branch Agencies

12/13/99

ITEM	MONTHS - FY 1999-2000						FY YEAR		
	January	February	March	April	May	June	FY 1999-00	FY 2000-01	FY 2001-02
Small Business Disaster Assistance									
Deferred Payment, No Interest Loans									
(Small Businesses)		$12,500,000	$12,500,000	$12,500,000			$37,500,000		
Deferred Payment, No Interest Loans									
(Mid-Sized Businesses)		$1,666,666	$1,666,667	$1,666,667			$5,000,000		
Interest Payments									
(Businesses that Qualify for SBA Loans)		$3,000,000	$3,000,000	$3,000,000			$9,000,000		
Ag and Fishing Disaster Assistance									
Grants to Farmers:									
Crop Loss Assistance	$35,000,000	$35,000,000	$20,000,000				$90,000,000		
Farm Structure and Equipment			$10,000,000	$10,000,000	$20,000,000		$40,000,000		
ECP Cost Share Buydown			$5,000,000	$5,000,000	$5,000,000		$15,000,000		
Growers Association Assessment	$5,000,000						$5,000,000		
Grants to Fishermen									
Harvesting Loss Offset				$1,000,000	$1,000,000	$2,000,000	$4,000,000	$7,400,000	
General Economic Recovery									
Marketing Funds	$333,333	$333,333	$333,334				$1,000,000		
Public Health and Environment									
Safe Water									
Drinking Water Protection	$460,000	$460,000	$20,000	$30,000	$30,000		$1,000,000		
Water Quality Monitoring	$165,000	$165,000	$425,000	$165,000	$165,000	$415,000	$1,500,000	$500,000	
Cleanup									
Solid Waste		$600,000	$425,000		$1,625,000		$2,650,000	$1,850,000	
Hazardous Waste		$500,000	$500,000	$500,000	$500,000	$500,000	$2,500,000		
Underground Storage Tanks	$1,200,000	$2,500,000	$700,000	$200,000	$200,000	$200,000	$5,000,000		
Public Safety									
Dam Safety	$200,000	$200,000	$300,000	$600,000	$600,000	$600,000	$2,500,000		
Emergency Dredging		$3,000,000	$3,000,000	$1,050,000	$1,050,000	$1,050,000	$9,150,000	$1,050,000	
Local Government Support									
Lost Property Tax Reimbursement				$6,300,000			$6,300,000		
TOTAL	**$151,130,129**	**$186,566,795**	**$164,601,797**	**$103,733,463**	**$64,511,796**	**$24,356,796**	**$694,900,776**	**$72,181,542**	**$19,221,542**

Ba[illegible]n Estimates Received from Executive Branch Agencies

12/13/99

#4

North Carolina General Assembly
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December 13, 1999

MEMORANDUM

TO: **Members of the North Carolina General Assembly**

FROM: **Dave Crotts**
Fiscal Research Division

SUBJECT: **Revenue Collection Update (General Fund)**

The revenue situation remained stable in November. For the year, General Fund receipts are still on target.[1] The bad news is that the natural disasters have caused us to drop from a .9% revenue surplus for July and August (combined) to no excess collections. **If the July and August experience had continued, we would have had an additional $115 million of extra 1999-00 revenues that could have been used for one-time needs plus about the same amount of additional 2000-01 recurring revenues for the operating budget.**

The primary impact of the hurricanes has been on the sales tax. For the four quarters ending June 30, 1999, gross state and local sales tax collections were up 7.2% for the lowest quarter and 7.5% for the highest. This was an unusually stable pattern. In July and August the trend continued with a 7.5% increase for the two months combined. For the most recent three months, the growth rate has dropped to .6%. **This is a reduction of $18.3 million per month for the state portion, for a total of $55 million for the three months.**

stable

A positive trend is that due to strong September quarterly estimated tax payments, the corporate income tax is running $22 million ahead of schedule. However, these extra dollars have been offset by personal income tax refunds that are $33 million higher than budgeted. The extra refunds seem to be due to the unusually large number of extension returns for the 1998 tax year. Normally, July-December refunds are closely related to the actual experience for January-June but this was not the case for 1998.

[1]Actual revenues were adjusted downward for problems in forecasting the timing of utility tax receipts because the temporary surplus in these collections will be offset in later months.

(over)

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

In past years we indicated in our early-December revenue outlook that the surplus could increase substantially later in the fiscal year. We cannot make such a statement this December for the following reasons:

1. Unlike the Hurricane Fran recovery, we may see a net loss in sales tax receipts due to the large volume of uninsured losses. Also, a recovery financed by federal and state funds could take longer than the Fran experience (funded mostly by insurance claims).

2. The Federal Reserve has raised short-term interest rates three times in the last six months and is likely to do so again in February, if not before. This will cap (or even lower) stock and bond prices. In addition, job growth and retail sales will eventually slow. The recent dip in the interest-sensitive auto and housing sectors suggests that the impact has already begun. In 1995 and 1996 there was a modest slowing of the economy when the Fed raised rates from 3% to 6%. The impact on withholding and sales tax revenue was $50-75 million. In addition, we lost $60 million in capital gains tax growth.

3. For whatever reasons, quarterly estimated income tax payments from high-income individuals for the 1999 tax year are growing at 1-8% in North Carolina and surrounding states, versus 10-20% in recent years. This does not bode well for April payments.

For these reasons, **our office and the state budget office agree that the current revenue estimates for 1999-00 and 2000-01 should continue to be used**. At the end of January we should have a better idea about holiday sales activity, whether sales tax collections are rebounding under the recovery, how much of the sales tax decline in Eastern counties is due to deferred tax payments by merchants, and whether high-income individuals beefed up estimated tax payments for the fourth quarter in anticipation of selling more stocks and bonds.

Summarizing, the budgeted revenue forecast for the current year and 2000-01 had assumed slower economic growth and a leveling off of the stock market so we have a good chance of making the forecast even with the unexpected natural disasters and interest rate hikes. The bad news is that the disasters and Fed policy have eliminated the usual $100-150 million revenue surplus that we announce in December and have diminished the expectation of an additional surplus once the April income tax numbers become available. In looking forward it is important to keep in mind that **even if revenues recover as distressed areas of Eastern North Carolina are rebuilt and deferred taxes are paid, we still must deal with the effects of Fed tightening on the economy and the financial markets**. This could easily eliminate the $200-300 million "April Surprise" we have come to expect when economic growth exceeds the budget forecast and stock prices explode.

#5

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To: Representative Ruth M. Easterling, Representative Thomas C. Hardaway, and Representative David Redwine, Co-Chairs House Appropriations Committee

From: Elisa Wolper, Fiscal Research Division

Date: December 12, 1999

Subject: Current Services Model Through 2004-2005

Attached is an analysis of the General Fund Current Services Model maintained by the Fiscal Research Division and a comparison with the Office of State Budget and Management's Expenditure Forecast for 2000-2005 as updated on December 8, 1999. This analysis reflects the consensus revenue forecasts from July 1999 and the Current Services Model used during the 1999 Session. The Model has been updated to reflect revised forecasts of growth in State Employee Health Insurance costs and to illustrate potential expansion items for 2000-2005. While the Current Service Model is limited to recurring items, this analysis also shows separately the impact of the continued cost of ABC bonuses for teachers and the remaining payment related to the Intangibles Tax refunds.

The Model does not include any direct impact on State Agencies from Hurricane Floyd or the recovery package.

While there are some differences between the availability amounts in the Office of State Budget and Management's simulation and the General Fund Model, these differences can be explained by the different assumptions highlighted on the enclosed chart and by some technical differences in the methodologies.

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

EXPLANATION OF THE GENERAL FUND FINANCIAL MODEL---CURRENT SERVICES

The General Fund Financial Model is a computer based tool to simulate long term trends in the recurring General Fund 'Current Services Budget' . Maintained by the Fiscal Research Division, it models the impact of trends and proposed spending or tax changes up to 9 years away , including:

- ✓ demographic trends such as population growth
- ✓ caseload changes in school enrollments, prison inmates, Medicaid participation, institutional populations
- ✓ economic factors such as inflation, wage growth, or labor force growth
- ✓ long term costs of existing programs such as teacher pay increases, Smart Start, phased in tax changes or bond issues
- ✓ alternative proposals for tax or spending changes or differing assumptions about future trends

The model is based on the concept that the cost of "current services" will expand to reflect increased caseloads and costs. Using the current fiscal year as a base, the model applies growth factors based on plausible relationships between a department's requirements and factors such as caseload.

- ✓ State employee pay is assumed to keep up with the private sector manufacturing real wage and inflation
- ✓ Other inflation factors (eg medical) are applied by category of spending
- ✓ State Employment and Expenditures in select Departments is assumed to grow slightly with population.

While the model may "simulate" expenditures exceeding revenues, North Carolina operates under a Balanced Budget. The Model is not intended to suggest that the General Fund will not be balanced in future years, but is designed to highlight where actions may be necessary to avoid long term budget problems or deterioration in current services. The model does not include the nonrecurring component of the operating budget nor does it include capital spending or costs of depreciation.

HIGHLIGHTS OF THE DECEMBER 12, 1999 CURRENT SERVICES MODEL

- Recurring General Fund Revenues are consensus estimates by Fiscal Research and the Office of State Budget and Management. They reflect all tax changes approved in 1999 and earlier sessions.
- The Current Services Budget accounts for growth in public school enrollment (ADM), community college and university enrollment, Medicaid Growth at 8%, and inflationary adjustments. The Fiscal Research Division scenario includes some modest growth in State employment and expenditures to reflect changes in population and other growth factors.
- The two scenarios have different assumptions about Smart Start expansion (line 3),, the rate of State Employee Pay Increases (line 4), the cost of scheduled increases in Teacher Pay (line 5) and the growth rate of Medicaid costs in 2001-2 (line 8).
- The Office of State Budget scenario includes $150 Million in unspecified recurring cuts in 2000-2001.
- Both scenarios have updated estimates on the increasing cost of State Employee Health Insurance.
- While the Current Services Model is limited to recurring items, the Fiscal Research scenario notes the cost of two non-recurring items; the continued cost of ABC bonuses for public school teachers and the remaining payment on the Intangibles Tax Settlement.

Fiscal Research Division and Office of State Budget Long Term Expenditure Simulations
(DOLLARS IN MILLIONS)

	Items	Fiscal Research Division					Office of State Budget and Management				
		2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
1.	**RECURRING GENERAL FUND REVENUE**	$13,938.5	$14,862.3	$15,970.2	$17,162.6	$18,447.6	$13,938.5	$14,862.3	$15,970.2	$17,162.6	$18,447.6
	(July 1999 Consensus Estimate by FRD and OSBM)										
2.	**CURRENT SERVICES BUDGET BEFORE ITEMS BELOW**	$13,438.2	$13,889.2	$14,043.1	$14,093.6	$14,371.0	$13,430.7	$13,781.3	$14,148.6	$14,551.2	$14,986.4
	FRD based on 1998-99 base year adjusted for 1999 Appropriations Act OSBM based on Authorized Budget for 1999-2001										
3.	**SMART START EXPANSION**	$0.0	$88.0	$93.2	$98.7	$104.5	$67.0	$99.4	$113.7	$129.3	$144.3
4.	**STATE EMPLOYEE PAY INCREASE**	$158.6	$321.8	$489.7	$662.4	$839.8	$144.2	$290.4	$441.2	$596.5	$740.7
	FRD: 3.3 % in 2000-1, 2.9% 2001-3 and 2.8% 2003-5; OSBM 3% per year in all year										
5.	**TEACHER PAY INCREASE**	$278.0	$389.2	$503.7	$621.7	$743.2	$295.5	$419.9	$549.4	$684.3	$882.9
	Differing Cost Estimates in 1st year; 3% after 2001 in both simulations										
6.	**ADDITIONAL CUTS RECOMMENDED BY THE GOVERNOR FOR FY2000-01**	$0.0	$0.0	$0.0	$0.0	$0.0	($150.0)	($150.0)	($150.0)	($150.0)	($150.0)
7.	**STATE EMPLOYEE HEALTH INSURANCE**	$147.0	$337.0	$401.0	$587.0	$649.0	$147.0	$337.0	$401.0	$587.0	$649.0
	October 1999 revised figures										
8.	**EFFECT OF HIGHER ASSUMED MEDICAID GROWTH**	$0.0	$25.0	$25.7	$26.0	$26.4	$0.0	$0.0	$0.0	$0.0	$0.0
	FRD assumes 9.7% in 2001-2 then 8%; OSBM 8%/year										
9.	**TOTAL RECURRING EXPENDITURES**	$14,021.8	$15,050.2	$15,556.5	$16,089.3	$16,734.0	$13,934.4	$14,778.0	$15,503.9	$16,398.3	$17,253.3
10.	**NET AVAILABILITY (Revenue-Total Expenditures)**	($83.3)	($187.9)	$413.7	$1,073.3	$1,713.6	$4.1	$84.3	$466.3	$764.3	$1,194.3
11.	**NON-RECURRING ITEMS INCLUDED IN SIMULATIONS**										
	ABC Bonuses (Funded with nonrecurring dollars in FY1999-2000)	$125.0	$125.0	$125.0	$125.0	$125.0					
12.	**Remaining Payment Intangibles Suit (Funded from the Savings Reserve in FY1999-2000)**	$240.0	$0.0	$0.0	$0.0	$0.0					
13.	**REVISED AVAILABILITY**	($448.3)	($312.9)	$288.7	$948.3	$1,588.6	$4.1	$84.3	$466.3	$764.3	$1,194.3

Fiscal Research Division
December 12, 1999

DRAFT 12/13/99 2:40 pm

GENERAL ASSEMBLY OF NORTH CAROLINA

EXTRA SESSION 1999

H D

HOUSE DRH6238-LE001H(12.10)

Short Title: Hurricane Floyd Recovery Act of 1999. (Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999.

The General Assembly of North Carolina enacts:

PART I. TITLE OF ACT

Section 1. This act shall be known as "The Hurricane Floyd Recovery Act of 1999."

PART II. LEGISLATIVE FINDINGS

DAMAGE CAUSED BY HURRICANE FLOYD

Section 2.(a) The General Assembly finds that Hurricane Floyd was the worst natural disaster in the State's history. Extensive and prolonged flooding caused by the storm has been devastating to infrastructure and to the civil, social, economic, and environmental well-being of Eastern North Carolina. The entire economic base of Eastern North Carolina was undermined, including the ability of individuals to earn an income to support themselves and their families. A loss of this magnitude affects all of North Carolina. Extraordinary assistance to the affected areas is required if this region and, indeed, the entire State is to recover from the short- and long-term effects of the devastation.

Section 2.(b) The General Assembly finds that as a result of Hurricane Floyd:

(1) The President of the United States declared 66 of the State's 100 counties to be a disaster area. Twenty-seven counties and 73 municipalities were severely impacted by the disaster.

(2) Fifty-one people lost their lives.

(3) People lost their loved ones, their homes, their communities, their houses of worship, their life savings, their jobs, their family mementos, their pets, and their ways of life.

(4) Entire towns were flooded to the rooftops as the water levels of rivers and streams throughout Eastern North Carolina crested at flood-stage heights far beyond those ever seen before in this State.

(5) Over 56,000 homes were damaged. Of these, over 7,000 homes were completely destroyed and another 17,000 are uninhabitable. This damage represents an extraordinary economic loss since less than thirteen percent (13%) of homes in the affected counties were covered by flood insurance. Many homeowners and inhabitants did not have flood insurance because they did not know there was a danger of flooding. (Most homes covered by flood insurance were financed mobile homes for which the loan included flood insurance.)

With the destruction of homes, the economic engine that propels communities was lost. On average, seventy-five percent (75%) of an American family's wealth is embodied in the home. That home equity is what the family relies on to finance businesses, job training for breadwinners, the children's education, and other enhancements to the family's overall well-being.

Additional State assistance to homeowners is therefore essential to assure that there is safe and adequate housing for the citizens of the affected region and to assure the economic viability of affected communities.

(6) Over 12,000 businesses reported physical damage or disaster-related economic losses. Those businesses without the equity to either absorb their losses or qualify for Small Business Administration loans will not reopen and jobs will be permanently lost.

(7) Millions of farm animals were lost, including 2,100,000 poultry, 1,180 cattle, 250 horses, and over 28,000 hogs.

(8) The ability of North Carolina farmers to operate successfully in the coming year was severely compromised. Most farmers were heavily in debt before Hurricane Floyd caused nearly one billion dollars ($1,000,000,000) of damage to agriculture in the State. Most farmers cannot take on the additional debt necessary to repair farm structures, purchase new equipment, rehabilitate damaged fields, and replace lost livestock. Many farmers may be facing bankruptcy without assistance. Many farmers may be

unable to continue farming without assistance. It is therefore necessary to provide State assistance to farmers to preserve the agricultural sector of the economy in Eastern North Carolina and the economic stability of the region.

(9) Commercial fishing losses are estimated at nineteen million dollars ($19,000,000) and the 8,000 commercial fishermen in the State are in danger of losing not only their livelihood, but a way of life their families have known for generations. Without State assistance to commercial fishers, this sector of the economy and the cultural heritage it represents may disappear from North Carolina. It is therefore necessary to provide State assistance to preserve this sector of the economy and this cultural heritage in Eastern North Carolina.

(10) Tourists, industrial location consultants, and business decision makers were left with the impression that all of Eastern North Carolina was and will continue to be totally devastated. Tourists are therefore hesitant to consider visiting Eastern North Carolina, and industries are hesitant to consider locating or expanding in Eastern North Carolina. Without State programs to change the public perception of North Carolina, these negative and inaccurate impressions will threaten the long-term economic stability of the region and of the entire State.

(11) Floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products, and dead farm animals, leaving untold environmental impacts and public health challenges. Flooding heavily damaged State, county, and local infrastructure. Water and sewer treatment plants were shut down and severely damaged due to the flooding, the road system in Eastern North Carolina was shut down and severely damaged due to the flooding, and numerous dams failed or are still in danger of failing. Threats to the public health and safety and severe and continued environmental degradation will continue without additional State programs and assistance to rectify the damage. Therefore, it is necessary to provide additional resources and resources to respond to the environmental havoc inflicted upon the citizens and communities of Eastern North Carolina by Hurricane Floyd.

(12) Over 7,000 public and private wells have been tested for contamination and many must be retested before the water is safe to drink.

(13) The rivers, sounds, and offshore waters with low oxygen must be monitored to ensure that our fish and shellfish are safe to eat.

(14) Caskets floated out of the saturated ground.

(15) There was erosion in the tax base in counties with persistently high poverty rates. These same counties must now bear the expense of

replacing and repairing damaged infrastructure and meeting the additional educational and social services needs of their residents.

Section 2.(c) The General Assembly further finds that the devastation caused by Hurricane Floyd was of unprecedented proportions. Devastation of this magnitude was not planned for and could not have been planned for. Public and private decision making was predicated on the 100-year floodplain; actual flooding was throughout, and even outside of, the 500-year floodplain. No policies, no decision making, and no planning could adequately mitigate damage from or prepare an adequate response to such an extraordinary event.

Section 2.(d) The General Assembly further finds that the devastation caused by Hurricane Floyd in Eastern North Carolina continues to affect all aspects of the economy, the environment, public health and safety, infrastructure, public and private institutions, and the general welfare of the region and, indirectly, of the entire State. Immediate short-term responses and long-term responses are necessary to preserve a way of life in Eastern North Carolina, the economic condition of the entire State, and the reputation North Carolina has, nationally and internationally, as a great place to live and a great place to do business.

CRITICAL NEEDS NOT MET BY EXISTING STATE AND FEDERAL PROGRAMS AND FUNDS

Section 2.1.(a) The General Assembly finds that State and federal disaster relief initiatives are not intended to make individuals whole after a loss; they are intended to assist the affected area in recovering from the devastation caused by Hurricane Floyd. A massive recovery program that includes assistance to individuals is essential to the recovery of the affected area due to the severity of the damage, the magnitude of the geographical area it covered, and the duration of the emergency conditions in the area. The cumulative effect of devastating losses of lives, homes, schools, life savings, personal effects, jobs, businesses, and other social and civic institutions, and of concerns, both real and imagined, about public health issues and the environment, has substantially impaired the region's ability to recover.

Traditional support systems for victims of losses such as families, friends, religious organizations, relief organizations, other private entities, and existing public programs are simply inadequate given the magnitude of the problem. Their property was also damaged by the disaster and their resources were further depleted by the overwhelming and unrelenting need for emergency assistance after the storm.

Without significant additional State assistance to the area devastated by Hurricane Floyd, further deterioration of the economy, the environment, public health and safety, and quality of life in the region is likely to occur. Without additional State assistance:

(1) Tens of thousands of people in uninsured, damaged homes will either not qualify for federal housing assistance or not have the resources to take advantage of federal housing assistance.

(2) Local governments already overwhelmed with storm-related expenses will not have the resources to repair damaged

infrastructure and provide the new infrastructure necessary for families relocating out of the flood zone.

(3) Thousands of jobs will be permanently lost because an estimated 1,500 small businesses and 25 mid-sized businesses cannot qualify for Small Business Administration loans.

(4) Farmers, most of whom were deeply in debt before being devastated by Hurricane Floyd, will recoup less than forty-three percent (43%) of their crop losses. Unless farmers receive assistance, the number of forced sales and bankruptcies will rise across all of Eastern North Carolina. Many farmers will never farm again.

(5) Commercial fishers will recoup none of their losses.

(6) Resources for drinking water protection, water quality monitoring to ensure the safety of fish and shellfish, solid waste cleanup, hazardous waste cleanup, remediation of high-risk underground storage tanks, and repair of high-hazard dams will be drastically limited.

(7) The tourism industry will continue to suffer throughout the State due to negative publicity about the storm.

Section 2.1.(b) It is the intent of the General Assembly that the benefits of the projects and programs authorized by this act are for the common good and collective recovery of the people of this State following a devastating natural disaster directly affecting a large portion of the State and indirectly affecting the entire State. The entire State faces a major loss if Eastern North Carolina is not offered the assistance provided by this act. The purpose of this act is to provide an ultimate net public benefit to the State through a successful Hurricane Floyd recovery initiative in Eastern North Carolina.

COUNCIL OF STATE FINDINGS

Section 2.2. On December 9, 1999, the Council of State made the following findings in whereas clauses to a resolution:

(1) Eastern North Carolina has a history of communities supported by an economic base of agriculture, small business, tourism, and professional services.

(2) This economy provides the means for people of the region to earn the money needed for housing, transportation, and other basic necessities of life.

(3) The vitality of Eastern North Carolina communities is dependent upon the prosperity of these economies in order to sustain the tax bases for the political subdivisions which provide services to the citizens of the region.

(4) On September 16, 1999, Hurricane Floyd struck Eastern North Carolina with severe rains, resulting in flooding of a catastrophic

nature, displacing thousands of residents of Eastern North Carolina, and paralyzing these communities and their economies.

(5) On September 15, 1999, a State of Emergency was declared under G.S. 166A for 26 counties in Eastern North Carolina, with a subsequent declaration of a state of emergency from the President, allowing North Carolina to receive federal disaster assistance in excess of one billion dollars ($1,000,000,000).

(6) Subsequent federal actions have allowed North Carolina to receive additional federal disaster assistance, again in excess of one billion dollars ($1,000,000,000).

(7) There remain urgent unmet needs in the affected communities to help the population of Eastern North Carolina, to revitalize the economic base within the communities within this region, and to assist the communities in stabilizing the services needed by the residents.

(8) In order for economic stability to be recaptured in these North Carolina communities, such aid must take the form of grants and loans to the individuals and small businesses, which are the essence of these communities and, without such assistance, the region might not recover as a vital section of the State.

(9) We find that the contingency and emergency funds are insufficient to meet the needs of the State to address housing, economic, public health, environment, and local government needs caused by the disaster in Eastern North Carolina communities.

COUNTIES COVERED BY THIS ACT

Section 2.3. Sections 2 through 4.2 of this act apply in the North Carolina counties that were declared a major disaster as a result of Hurricane Floyd by the President of the United States under the Stafford Act (P.L. 93-288).

PART III. THE HURRICANE FLOYD RESERVE FUND

ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND

Section 3. The Governor has established in the Office of State Budget and Management the Hurricane Floyd Reserve Fund. The purpose of this fund is to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd, consistent with the provisions of this act, in the following areas:

(1) Required match for federal funds for disaster relief.

(2) Housing assistance.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy.

(4) Public health, public safety, social services, and environmental recovery issues.

(5) Support to local governments.

These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds.

APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND

Section 3.1.(a) The appropriations and allocations made in this section are for maximum amounts necessary to implement this act. Savings shall be effected where the total amounts appropriated are not required to implement the act.

Section 3.1.(a1) The General Fund availability used in developing this act is as follows:

		1999-2000 ($ Millions)
Budget Reform Statement		
(01)	Ending Unreserved Credit Balance, June 30, 1999	
	a. Budgeted (S.L. 1999-237)	260.4
	b. Actual	296.7
	c. Excess	36.3
(02)	Net Revenue Gain by Finance Bills in Excess of Authorized Expenditures as Enacted by the 1999 Regular Session of the General Assembly	4.6
(03)	Estimated Unappropriated Balance, June 30, 2000	40.9

Section 3.1.(b) There is appropriated from the General Fund the sum of forty million dollars ($40,000,000) for the 1999-2000 fiscal year to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, primarily to support crisis housing assistance.

Section 3.1.(c) Of the funds the General Assembly appropriated for the 1999-2000 fiscal year and previous fiscal years: (i) for the operation and maintenance of State departments, institutions, and agencies, and for other purposes, (ii) for repairs, renovations, and other capital projects, and (iii) other nonrecurring appropriations, the Governor, with the concurrence of the Council of State, may reallocate funds during a state of disaster to the Hurricane Floyd Reserve Fund, as provided in G.S. 166A-6(c)(5).

Section 3.1.(d) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of two hundred eighty-five million nine hundred sixty-five thousand eight hundred twenty-four dollars ($285,965,824) for the 1999-2000 fiscal year primarily to support crisis housing assistance. These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds; however, these funds shall remain in the Savings Reserve Account and shall be transferred to the Hurricane Floyd Reserve Fund and expended only as certified by the Director of the Budget when funds from other sources are not adequate to implement the provisions of this act.

Section 3.1.(e) Funds appropriated or reallocated pursuant to this section shall be used only to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd consistent with the provisions of this act.

Section 3.1.(f) The allocation of funds in the [House] [Senate] Committee Report dated December ____, 1999, are intended as guidance for the Governor. However, notwithstanding Section 4.1 of this act but in accordance with Chapter 166A of the General Statutes, if the Governor determines that allocations should be made to programs other than those set forth in the Committee Report, the Governor shall report to the Joint Legislative Commission on Governmental Operations before implementing any changes in the allocations.

PART IV. IMPLEMENTATION OF ACT

TEMPORARY RULES AUTHORIZED; AUTHORIZATION APPLIES TO THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971

Section 4. The General Assembly finds that the magnitude of the devastation caused by Hurricane Floyd and the urgency of the need for immediate State recovery assistance require expeditious actions by State agencies. Delay could: (i) cause serious and unforeseen threats to the public health, safety, or welfare; (ii) result in the loss of federal revenues for the recovery effort; or (iii) increase the likelihood of fraud and abuse in recovery programs. Therefore, notwithstanding the limitations of G.S. 150B-21.1, every agency, as defined in G.S. 150B-2, may adopt temporary rules to implement the provisions of this act. The authority to adopt temporary rules under this section shall continue in effect until all rules necessary to implement the provisions of this act have become effective as either temporary rules or permanent rules. A temporary rule adopted pursuant to this section shall specify the date on which the rule will expire and shall continue in effect until that date. Any agency that adopts a temporary rule pursuant to this section shall report the text of the rule and the agency's written statement of its findings of the need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the adoption of the temporary rule. This section applies to the adoption of temporary rules by the Department of Administration under G.S. 113A-11(a) and to the adoption of temporary rules that establish minimum criteria by any State agency, as defined in G.S. 113A-9, under G.S. 113A-11(b).

AUTHORIZATION TO ESTABLISH NEW PROGRAMS, EXPAND EXISTING PROGRAMS, AND MODIFY EXISTING PROGRAMS TO IMPLEMENT THIS ACT

Section 4.1. The Governor may: (i) establish new programs, expand existing programs, and modify existing programs to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd and (ii) expend funds from the Hurricane Floyd Relief Fund to implement these programs. These expenditures and programs shall be used only for:

(1) Required matching funds for federal funds for disaster relief.

(2) Crisis housing assistance, which may include, but shall not be limited to, direct housing assistance to homeowners and renters, grants to local government for water, sewer, and other infrastructure needs for housing in new areas, predevelopment activities, housing counselors, and housing recovery efforts.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy, which may include, but shall not be limited to, small business disaster assistance to small and mid-sized businesses, grants to farmers, and grants and loans to commercial fishers.

(4) Public health, public safety, social services, and environmental recovery issues which may include, but shall not be limited to, drinking water protection, water quality monitoring, solid waste and hazardous waste cleanup, assessment and remediation of high-risk underground storage tank sites, dam safety, and emergency and maintenance dredging.

(5) Support to local governments, by grants to local governments to offset revenue losses resulting from storm damage from natural disasters covered by federal disaster declarations as to any storm between September 1, 1999, and the date of enactment of this act. The amount of the grants shall be based on loss of taxable property in the jurisdiction.

AUTHORIZATION TO TRANSFER FUNDS TO FEDERAL AGENCIES AND TO LOCAL GOVERNMENTS

Section 4.2. The Governor may:

(1) Use funds from the Hurricane Floyd Reserve Fund to match federal funds in accordance with Section 4.1(1) of this act.

(2) Provide grants to local governments in accordance with Section 4.1(5) of this act.

(3) Transfer funds to federal agencies and local governments pursuant to cooperative agreements under which they administer programs or provide services on behalf of the State.

AUTHORIZATION TO ESTABLISH TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT

Section 4.3. The Governor may establish part-time and full-time personnel positions to implement this act. All such positions shall be time-limited and shall be exempt from the State Personnel Act.

AUTHORIZATION TO ESTABLISH ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS

Section 4.4. The Governor may establish advisory councils to advise relevant State agencies on Hurricane Floyd recovery efforts and to ensure input from representatives of affected communities and groups.

TAX EXEMPTION

Section 4.5. Each agency disbursing funds or property under Section 4.1 of this act from the Hurricane Floyd Reserve Fund for hurricane relief or assistance, other than payments for goods or services provided by the recipient, shall include with the disbursement a written statement of the State and federal income tax treatment of the funds or property disbursed.

Section 4.6.(a) G.S. 105-134.6(b) is amended by adding the following new subdivision to read:

"(16) The amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(b) G.S. 105-130.5(b) is amended by adding the following new subdivision to read:

"(19) To the extent included in federal taxable income, the amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6 (c) This section is effective for taxable years beginning on or after January 1, 1999.

PART V. CREATION OF DISASTER RESPONSE AND RECOVERY COMMISSION

Section 5.(a) Commission Established. -- There is established the Legislative Commission to Address Hurricane Floyd Disaster Relief ("Commission").

Section 5.(b) Membership. -- The Commission shall consist of 15 members as follows:

(1) Five members appointed by the Governor.

(2) Five members appointed by the Speaker of the House of Representatives.

(3) Five members appointed by the President Pro Tempore of the Senate.

Appointments to the Commission shall be made not later than January 15, 2000. A vacancy in the Commission or as chair of the Commission resulting from the resignation of a member or otherwise shall be filled in the same manner in which the original appointment was made.

Section 5.(c) Duties of Commission. -- The Commission shall study:

(1) The adequacy of the State's short-term and long-term response to natural disasters under current law and necessary modifications in

the State's response to future natural disasters. In the course of this study, the Commission may consider:

a. The circumstances under which an extraordinary State response to extraordinarily severe and widespread devastation is appropriate and the components of such an extraordinary State response.

b. The need for dedicated sources of funding for disaster recovery.

c. The need to modify State policies and amend State laws to mitigate damages in future disasters and to remove administrative obstacles to the recovery effort.

(2) Short- and long-term recovery efforts for Eastern North Carolina in response to Hurricane Floyd and strategies for supplementing, improving, and enhancing those recovery efforts.

Section 5.(d) Consultation. -- The Commission may consult with appropriate State departments, agencies, and board representatives on issues related to its duties.

Section 5.(e) Organization. -- Members of the Commission and its subcommittees shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate one member to serve as cochair of the Commission. The cochairs shall call the initial meeting of the Commission on or before February 1, 2000. The Commission shall subsequently meet upon such notice and in such manner as its members determine. A majority of the members of the Commission shall constitute a quorum.

The Commission may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission of the General Assembly, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. Upon the direction of the Legislative Services Commission, the Legislative Assistants Directors of the Senate and of the House of Representatives shall assign clerical staff to the Commission. The expenses for clerical employees shall be borne by the Commission.

The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it.

Section 5.(f) Citizen Participation. -- The Commission shall establish a process of citizen participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission. It shall hold meetings throughout the State.

Section 5.(g) Cooperation by Government Agencies. -- The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision thereof for facilities, data, or other assistance.

Section 5.(h) Funding. -- The Commission may apply for, receive, and accept grants of non-State funds or other contributions as appropriate to assist in the performance of its duties.

Section 5.(i) Report. -- The Commission shall submit interim reports to the 2000 Regular Session of the 1999 General Assembly and the 2001 General Assembly and shall submit a final report of its findings and recommendations on May 1, 2002, to the General Assembly, the Governor, and the citizens of the State. The Commission shall terminate upon filing its final report.

PART VI. REPORTING REQUIREMENTS

Section 6. The Governor shall report to the Joint Legislative Commission on Governmental Operations on the implementation of this act on a monthly basis during the third quarter of the 1999-2000 fiscal year and on a quarterly basis thereafter. The Governor shall report more frequently at the request of the Commission.

PART VII. EQUALIZATION OF UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS

Section 7. G.S. 96-13(c) reads as rewritten:

"(c) ~~From January 29, 1975, through February 15, 1977, no week of unemployment for waiting-period credit shall be required of any claimant.~~ Beginning February 16, 1977, an unemployed individual shall be eligible to receive benefits with respect to any week only if the Commission finds that he has been totally, partially, or part-totally unemployed for a waiting period of one week with respect to each benefit year. No week shall be counted as a week of unemployment for waiting-period credit under this provision unless the claimant except for the provisions of this subdivision was otherwise eligible for benefits. As to claims filed on or after September 5, 1999, the waiting period for a benefit year shall not be required of any claimant if all of the following conditions are met:

(1) The benefits are to be paid for unemployment due directly to a major natural disaster.

(2) The President of the United States has declared the disaster pursuant to the Disaster Relief Act of 1970, 42 U.S.C.A. 4401, et seq.

(3) The benefits are to be paid to claimants who would have been eligible for disaster unemployment assistance under this act if they had not been eligible to receive unemployment insurance benefits with respect to that unemployment.

(4) The claimant files for a waiver of the waiting period week within 30 days after the date of notification or mailing of the notice of the right to have the waiting period week waived. The Employment Security Commission, for good cause shown, may at any time in its

discretion, with or without motion or notice, order the period enlarged if the request for an enlargement of time is made before the expiration of the period originally prescribed or as extended by a previous order. After expiration of the specified period, the Employment Security Commission may permit the act to be done where the failure to act was a result of excusable neglect.

(5) The benefits paid as a result of the waiver of the waiting period week shall not be charged to the account or accounts of the base period employer or employers in accordance with G.S. 96-9(c)(2)d.

(6) The Employment Security Commission shall implement regulations prescribing the procedure for the waiver of the waiting period week in accordance with G.S. 96-4(b)."

PART VIII. EFFECTIVE DATE

Section 8. This act is effective when it becomes law, except that Sections 3.1(c), 4, 4.1, 4.2, and 7 become effective September 1, 1999, and except that Section 4.6 of this act is effective for taxable years beginning on or after January 1, 1999.

gerry Cohen #6 B

EXPLANATION
Draft LE001H
A BILL TO BE ENTITLED AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999.

Section 1. Title of the bill.

Sections 2- 2.1. Sets out the legislative findings of fact, rationale for enacting the bill, and public purpose doctrine considerations. These findings were largely taken from presentations made by the State of North Carolina to the Congress of the United States in its request for disaster relief, as updated and corrected. The purpose of Part II of the bill is to set out legislative findings that will explain to the taxpayers and citizens in the affected area, to taxpayers and citizens in the remainder of the State, to State and local agencies administering the bill, and, if necessary, to the courts, (i) the reasons the legislation is necessary and appropriate response to the unprecedented disaster, and (ii) the reasons expenditures of public funds to implement are for the common good and collective recovery of the State following a devastating disaster. (That is, to use the legal terms, that the expenditures are for a constitutionally permitted public purpose and they are not for constitutionally impermissible exclusive emoluments.)

Part II, Section 2, of the bill sets out legislative findings regarding:
(1) The severity of destruction caused by Hurricane Floyd and the;
(2) The vastness of the geographical area it covered;
(3) The unprecedented nature of such a disaster, which made it impossible for the affected area to plan for, mitigate, or respond adequately to such a disaster;
(4) The cumulative affect of such a disaster to the economic base, the availability of jobs and housing, communities, infrastructure, the environment, public health and safety, the family, religious institutions, and all other public and private institutions in the affected area; and
(5) The likelihood that the situation will continue to deteriorate without extraordinary action.

Part II, Section 2.1, of the bill sets out critical needs not met by existing State and federal programs and funds and the devastating results anticipated for the affected region and for the remainder of the State if these needs are not met.

Section 2.2. Sets out the findings made by the Council of State in its resolution regarding Hurricane Floyd. These findings are taken verbatim from the resolutions.

Section 2.3. Provides that programmatic aspects of the act apply only to the counties declared a federal disaster area as a result of Hurricane Floyd. Provisions such as the tax exemptions and the permanent change made in Section 7 of the bill concerning eligibility for unemployment compensation in the first week after a major natural disaster apply statewide.

Section 3. Acknowledges that the Governor created the Hurricane Floyd Reserve Fund in the Office of State Budget and Management. Provides that the purpose of the Fund is to provide appropriate relief from the effects of Hurricane Floyd in the areas listed below. The funds are to remain available until the General Assembly directs their reversion.

(1) Match for federal funds for disaster relief
(2) Housing assistance
(3) Economic recovery assistance, including agriculture and fishing
(4) Public health, public safety, social services, and environmental recovery
(5) Local government support

Section 3.1.

(a) Appropriations boilerplate language. Provides that appropriations and allocations are for the maximum amount needed and directs that savings be effected where the total amounts appropriated are not required.

(a1) Sets out the Budget Reform Statement showing the source of funds.

(b) Appropriates $40 million from the General Fund to the Hurricane Floyd Reserve Floyd primarily for crisis housing assistance.

(c) Authorizes the Governor, with the concurrence of the Council of State, to reallocate funds appropriated for the 1999-2000 fiscal year and previous fiscal year in compliance with G.S. 166A-6(c)(5). Funds that may be reallocated are those appropriated for (i) operation and maintenance of State departments, institutions, and agencies and for other purposes; (ii) repairs, renovations, and other capital projects; and (iii) any other nonrecurring appropriations. This is not, in fact, intended to be new authority, but simply to confirm that the Governor had such authority under his emergency powers under Chapter 166A of the General Statutes. In fact, this action has already been taken by the Governor under Chapter 166A.

(d) Appropriates $286,000,000 from the Savings and Reserve Account to the Hurricane Floyd Reserve Fund for the 1999-2000 fiscal year primarily to be used for crisis housing assistance. Those funds are to remain available until the legislature directs that they be reverted. However, the funds are to remain in the Savings and Reserve Account and shall be transferred and spent only as certified by the Director of the Budget when other funds are inadequate.

(e) Provides that funds appropriated or reallocated under this section shall be used only for necessary and appropriate relief from the effects of Hurricane Floyd in compliance with this act.

(f) Provides that the allocations set out in the budget report are for the Governor's guidance. Provides that the Governor may vary from the allocations in the budget report in accordance with Chapter 166A of the General Statutes, but requires the Governor to report to the Joint Legislative Commission on Governmental Operations before implementing those budget report changes. Details on the report will be filled in by Wednesday once the legislative process is further sketched out.

Section 4. Authorizes agencies to adopt temporary rules to implement this act. The authority to adopt temporary rules continues until the rules needed to implement the act are effective as either temporary or permanent rules. A temporary rule adopted under this section must specify the date on which it will expire and continues in effect until that date. Any agency that adopts a temporary rule under this section must report the text of and need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the rule's adoption. This section specifically authorizes the Department of Administration and other State agencies to adopt temporary rules to implement the North Carolina Environmental Policy Act, including the adoption of minimum criteria."

Section 4.1. Authorizes the Governor to establish new programs and to expand and modify existing programs for necessary and appropriate relief from Hurricane Floyd effects. This is not intended to be new authority, but simply to confirm that the Governor had such authority under his emergency powers under Chapter 166A of the General Statutes.

Also authorizes the Governor to fund these programs from the Hurricane Floyd Relief Fund. Expenditures and programs may be used only for the following:

(1) Matching funds for federal disaster relief funds
(2) Crisis housing assistance
(3) Economic recovery assistance
(4) Public health and safety, social services, environmental recovery
(5) Local government support (to reimburse for revenue losses caused by natural disasters on or after September 1, 1999, to be in proportion to loss of taxable property)

Section 4.2. Authorizes the Governor to do the following:

(1) Use Hurricane Floyd Relief Fund funds to match federal funds
(2) Provide grants to local governments
(3) Transfer funds to federal agencies and local governments pursuant to cooperative agreements

This section is designed to clarify to the satisfaction of those other agencies that the State has authority to enter into cooperative arrangements for administration and funding of the programs.

Section 4.3. Authorizes the Governor to establish time-limited personnel positions to implement the act. The positions are exempt from the State Personnel Act. This is intended so that the State does not incur long-term personnel act obligations from a program that is, by its nature , temporary,

Section 4.4. Authorizes the Governor to establish various advisory councils to ensure input from representatives of groups and communities affected by Hurricane Floyd. While this section may be duplicative of G.S. 143B-10(d), it is designed

to encourage advisory councils whether organized on the basis of subject area or locality.

Section 4.5 directs that the State shall give recipients of hurricane relief a written notice of the State and federal tax treatment of the relief. Although at this time the federal tax treatment is not clear, the Department of Revenue is pursing a ruling from the IRS and plans to provide the disbursing agencies with the necessary information to be given recipients of relief.

Section 4.6 exempts from North Carolina individual and corporate income tax the Hurricane Floyd relief payments made by the State, effective beginning with the 1999 tax year. The exemption allows the taxpayer to deduct for State income tax purposes any relief amounts that were included in federal taxable income. The exemption applies only to Hurricane relief -- it does not exempt compensation paid for goods and services the taxpayer provides.

Section 5.

(a) Establishes the Legislative Commission to Address Hurricane Floyd Disaster Relief
(b) The Commission shall consist of 15 members -five appointed by the Governor, five appointed by the Speaker of the House of Representatives, and five appointed by the President Pro Tempore of the Senate.
(c) Duties of the Commission are to study the adequacy of the State's response to natural disaster, recovery efforts in responding to Hurricane Floyd, and possible enhancement of those efforts.
(d) Commission may consult with other agencies.
(e) Sets out the organization of the Commission. Provides that members may receive per diem, subsistence, and travel allowances. The Commission may appoint subcommittees of its members and other knowledgeable persons or experts.
(f) Commission shall ensure citizen participation.
(g) Commission may request data, etc. from other agencies.
(h) Commission may apply for grants.
(i) Reporting requirement.

Much of the language of Section 5 is standard boilerplate

Section 6. Provides that the Governor must report to the Joint Legislative Commission on Governmental Operations on a monthly basis during the third quarter of the 1999-2000 fiscal year (January, February, and March 2000), quarterly thereafter, and more often if so requested by the Commission.

Section 7. Provides that natural disaster victims are not subject to the waiting period for unemployment insurance. This provides the same unemployment benefits for all flood victims without regard to the waiting period.

Section 8. Effective date--Section 3.1(c) (Governor's authority to reallocate funds in compliance with the Emergency Management Act) Section 4 (Temporary rulemaking under the Administrative Procedure Act), Section 4.1(Governor's authority to establish new programs, modify and expand existing programs, and fund those programs to implement Hurricane Floyd relief), and Section 7 (Equalization of unemployment insurance waiting period for unemployed flood victims) were effective on September 1, 1999. Tax provisions are effective for taxable years beginning January 1, 1999. The remainder of the act is effective when it becomes law.

-GERRY COHEN 2:40pm 12/13/99

Handout
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D R A F T

Report of the House Appropriations Committee on Hurricane Floyd Recovery

December 13, 1999

DRAFT

Hurricane Floyd Recovery

GENERAL FUND

	FY 99-2000	FY 2000-01

A. Existing Match Requirements

1 **Federal Emergency Management Agency Required Match**
Provides funds to match FEMA disaster assistance programs. $100,402,079 NR

2. **Federal Agency Commitments - Estimated Match**
Provides state match for supplemental disaster assistance pledged by federal executive agencies. $44,600,000 NR

3 **Congressional Omnibus Appropriation - Estimated Match**
Provides state funds to meet match requirements associated with supplemental disaster relief contained in the Ominbus Appropriation Act. $87,400,000 NR

B. Direct Housing and Rental Assistance

4 **State Acquisition and Relocation Fund (SARF)**
Provides funds for supplemental grants to homeowners who participate in the federal buy-out program. The Division of Community Assistance will administer these grants to enable homeowners to relocate to comparable housing outside the 100-year floodplain. $139,330,000 NR

5 **Grants to SBA Housing Loan Applicants**
Provides grants to property owners to supplement housing loans received from the Small Business Administration (SBA). Local social services offices will administer grants in the amounts of $2,500, $5,000, or $10,000 depending upon age, income, and amount of damage. $61,880,000 NR

6 **Replacement and Repair Grants - Low-Income Families**
Provides grants for home repair, rehabilitation, or replacement to low-income homeowners not subject to federal $59,920,000 NR

	FY 99-2000	FY 2000-01
buy-out, not covered by insurance, or not eligible for SBA loans.		
7 Relocation Assistance to Renters Provides funds to renters whose housing units will be purchased under the federal buy-out program. Renters are eligible for a $3,000 relocation assistance grant through the State Acquisition and Relocation Fund (SARF). This program will be administered by the Division of Community Assistance.	$16,280,000	NR
8 Affordable Rental Housing Assistance Provides funds to stimulate the production of affordable rental housing. The Housing Finance Agency will administer this program, and will leverage these funds to provide rental housing for at least 400 families.	$10,000,000	NR
C. Infrastructure		
9 Infrastructure Grants to Local Governments Provides grants to local governments to construct new infrastructure (water, sewer, sidewalks, storm drainage, etc.) required to support the development of new single-family homes in areas outside the 100-year floodplain.	$41,690,000	NR
D. Predevelopment Activities		
10 Housing Inspectors and Rehabilitation Specialists Provides grants to local governments for additional personnel to oversee rebuilding activity.	$2,500,000	NR
11 Land Acquisition and Capacity Building Provides funds for non-profit agencies and public housing authorities to acquire land for affordable housing. Also provides grants to non-profit agencies and public housing authorities to pay for site preparation, engineering studies, and other capacity building activities associated with the rebuilding effort.	$7,500,000	NR

	FY 99-2000	FY 2000-01

E. Counselors and Recovery Office

12 Housing Counselors

Provides funds for 100 time-limited staff to provide counseling and assistance to resolve short and long-term housing needs for approximately 30,000 families. — $8,500,000 — NR

13 Housing Recovery Council and Office

Provides funds for nine time-limited staff to support activities of the Housing Recovery Council. The council will oversee the activities of state agencies involved in rebuilding to assure that resources are effectively utilized. — $2,670,000 — NR

F. Business Disaster Assistance

14 Loans to Small and Mid-Sized Businesses

Provides funding for an interest-free loan with principal payments deferred for a three-year term to businesses that fail to qualify for SBA loans. This loan program is anticipated to provide assistance to 1,500 small business and 25 mid-sized businesses to replace damaged equipment, repair property, or meet cash flow needs. — $42,500,000 — NR

15 Interest Buy-Down

Provides grant funds to businesses receiving SBA Business Disaster Loans to cover interest costs for three years. — $8,500,000 — NR

G. Agriculture and Fishing Disaster Assistance

16 Crop Loss Assistance

Provides a state supplement to farmers eligible for federal crop loss disaster payments. It is expected that this program will be administered by the federal Farm Services Agency. State payments are anticipated to cover 17% of estimated crop loss. — $90,000,000 — NR

17 Agricultural Structure and Equipment Loss

Provides grants to partially compensate farmers for losses of farm equipment and structures. It is expected that this program will be administered by the federal Farm Services Agency. — $40,000,000 — NR

	FY 99-2000	FY 2000-01
18 Emergency Conservation Program Cost-Share Provides funds to pay a portion of cost-share obligations incurred by farmers seeking to repair damage to land, fencing, and conservation measures, including damages to best management practices (BMPs). It is expected that this program will be administered by the federal Farm Services Agency.	$15,000,000	NR
19 Farmer-Owned Marketing Cooperatives Provides funds for supplemental payments to farmer-owned cooperatives for quality losses associated with flood damaged commodities. Also provides supplemental payments to growers' associations for uncollected assessments.	$5,000,000	NR
20 Grants and Loans to Commercial Fishermen Provides grants and loans to commercial fishermen to compensate for equipment losses and reductions in harvests. Harvest reductions will be verified using historical landings data.	$11,400,000	NR
H. General Economic Recovery Assistance		
21 Marketing Funds Provides funds to support an intensive advertising campaign to market North Carolina as a desirable tourist destination and viable business location in the aftermath of Hurricane Floyd.	$1,000,000	NR
I. Public Health and Environment		
22 Drinking Water Protection Provides funds to test and analyze private wells and community water systems for contaminants. Also, supports time-limited 3-member teams of public health professionals trained to assess environmental health risks in flood damaged communities.	$1,000,000	NR
23 Water Quality Monitoring Provides funds for enhanced water quality monitoring in the rivers, estuaries and sounds impacted by Hurricane Floyd. Funds will be used for sediment and tissue analysis, monitoring for groundwater contamination, and contracts with various educational and research organizations to assess the short- and long-term impacts of the flooding.	$2,000,000	NR

	FY 99-2000	FY 2000-01
24 Solid Waste Cleanup Provides funds to begin the assessment, remediation and buy-out of 8 junkyards in the 100-year floodplain of the Neuse River Basin.	$4,500,000	NR
25 Hazardous Waste Cleanup Provides funds to begin the assessment and remediation of 35 high-risk hazardous waste sites and 277 landfills flooded by Hurricane Floyd.	$2,500,000	NR
26 Underground Storage Tanks (UST) Provides funds to begin the assessment and remediation of 139 UST facilities damaged by Hurricane Floyd.	$5,000,000	NR
27 Dam Safety Provides funds to repair or breach 26 high-hazard dams damaged during Hurricane Floyd. DENR will seek cost-recovery from the dam owner for work performed.	$2,500,000	NR
28 Emergency Dredging Provides funds for emergency dredging activities in portions of twelve navigation channels.	$10,200,000	NR
J. Local Government Support		
29 Grants to Local Governments Provides funds to hold units of local government harmless by providing grants to support public education and other governmental operations as deemed appropriate by local elected officials.	$6,300,000	NR
Total Hurricane Floyd Reserve	**$830,072,079**	**NR**

Enhanced

Appropriations Committee, Plus Additional Members

attendance
12-13-99

✓ Present 54 ✓ Present 38

D	✓Adams	R	✓Allred
D	Alexander excused	R	✓Arnold
D	✓Allen	R	✓Baker
D	✓Baddour*	R	✓Barbee
D	✓Barefoot	R	✓Berry
D	✓Blue	R	✓Bowie
D	✓Bonner	R	✓Brubaker
D	✓Boyd-McIntyre	R	✓Cansler
D	✓Cole	R	Carpenter
D	✓Crawford	R	✓Clary
D	Culpepper	R	✓Culp
D	✓Cunningham*	R	✓Daughtry
D	✓Earle*	R	✓Davis
D	✓Easterling	R	✓Dockham
D	✓Edwards	R	✓Ellis
D	✓Dedmon*	R	✓Esposito
D	✓Fox	R	✓Gardner
D	✓Haire	R	✓Gillespie
D	✓Hackney*	R	✓Grady
D	✓Hardaway	R	✓Gulley
D	✓Hensley	R	✓Hiatt
D	✓Hill	R	✓Holmes
D	✓Horn	R	✓Justus
D	✓Hunter	R	✓Kiser
D	✓Hurley	R	McMahan
D	✓Insko	R	✓Mitchell
D	✓Jeffus	R	✓Morgan
D	Kinney excused	R	✓Pope
D	✓Luebke	R	✓Preston
D	✓McAllister	R	✓Russell
D	✓McCrary	R	✓Setzer
D	✓McLawhorn	R	Sexton
D	✓Melton	R	✓Sherrill
D	✓Michaux	R	✓Teague
D	✓Miller	R	✓Thompson
D	Moore	R	✓Walend
D	Nesbitt	R	✓Wilson, C.
D	✓Nye	R	✓Wilson, G.
D	✓Oldham		
D	✓Owens		
D	✓Redwine		
D	✓Rogers		
D	✓Saunders		
D	✓Smith		
D	✓Sutton		
D	✓Thomas		
D	✓Tolson		
D	✓Tucker		
D	✓Wainwright		
D	✓Warner, Rex		
D	✓Warren		
D	✓Warwick		
D	✓Wright		
D	✓Yongue		

Pursuant to Rule 26(h), Representatives Hackney, Baddour, Earle, Dedmon, and Cunningham are ex officio members of all committees.

VISITOR REGISTRATION SHEET

House Approp — 12-13

Name of Committee — Date

VISITORS: Please sign below and return to Committee Clerk.

NAME	FIRM OR STATE AGENCY AND ADDRESS
Michelle Cotton	DMH/DD/SAS
Kathy Sawyer	Commerce
Jay Mayo	Womble Carlyle
Becky Brown	Labor
John Phelps	NCLM
Robert Wilson	Sec of State
Vicky Young	OSA
Mickey & Carolyn Simmons	Farmer
Scott Whitford	farmer
W.B. Upchurch	Farmer
Kevin Leggett	ESC
Tom Whitaker	ESC
Barbara Chesson	ESC
Bill Toomey	NCICU
Nancy Dolan	NCMS
Amy Baum	NCMS
Stacy Flannery	NCHCFA
John Kent	NCFPC
Ed Norton	Jones & Assoc.
Jeff VanDyke	BellSouth

VISITOR REGISTRATION SHEET

House Appropriations — 12-13-99
Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ~~ADDRESS~~
Bill Wilson	NCAE
Bobby Sessions	Columbus County Farm Bureau
Hattie M Sessions	Columbus County Farm Bureau
Eva S. Quidgen	Wilson County Farm Bureau
Beth Melcher	NAMI NC - Coal. Trin 2001
Adele Faschian	Easter Seals NC - " "
Dave Richard	The Arc/NC
Hariet Dial	NCAE
Joanne Schon	NCNA
Lynette Rivenbark	AHA
S Ransone	DSS
Wendy Mills	SEANC
Katherine Joyce	SEANC
Danell Turner	SEANC
Troy Green	SEANC

VISITOR REGISTRATION SHEET

Name of Committee: Home app

Date: 12-13

VISITORS: Please sign below and return to Committee Clerk.

NAME	FIRM OR STATE AGENCY AND ADDRESS
David Knight	NC Sierra Club, NC Wildlife Fed
[illegible]	NC FB
Roslyn Sawtt	NCCCC
Paula A. Wolf	Covenant W/NC's Children
ROBERT R. SUTTER	NC PEANUT GROWERS ASSOC.
JOHN J. COOPER	CAROLINAS COTTON GROWERS COOP.
Peter Daniel	NC FARM BUREAU
JULIAN PHILPOTT	NC FARM BUREAU
Mark Benson	Capital Press

VISITOR REGISTRATION SHEET

House A/P — Name of Committee

12-13 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ~~ADDRESS~~
PAM Kohl	Poe Center for Health Education
Bennie Hollar	DHHS
Melissa Lovell	DOJ
Ashley Westbrook	DOS
TRP Boggs	GOVERNOR'S OFFICE
Wilda Berry	NCDA&CS
Maurice Weaver	NCDA&CS
Buddy Humphrey	OSBM
Wayne Williams	OSBM
Mary Lucas	OSBM
Frank Lewis	OSBM
Julie Carpenter	OSBM
Kevin FitzGerald	NCDHHS-DSS
Jim Nowell	OSBM
J W Rul	"

VISITOR REGISTRATION SHEET

House Approp. — 12-13-99
Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ~~ADDRESS~~
Tom Robinson, Manager	Pitt County
Robert Evans, Mayor	town of Farmville
Linda Gunn	Rural Center
Dave Holec	City of Greenville
Richard Hicks	Town of Farmville
A BRIGHT, Mayor	Town of GRIFTON
Ed Bright	GTP Zone Comm V. Chm. Pitt Co., Grifton
Andrew Chris	(Farm Service A.)
Pender Sharp	5161 Hwy 581 Sims NC 27880
Sue Johnson-Langley	PO Box 575 Selma 27576
Martha Glass	DOA
NELS ROSELAND	STATE BUDGET OFFICE
Steve Woodson	NC Farm Bureau Federation
Bill Rowe	NC Justice Center
Chris Fitzsimon	Common Sense Foundation

House app. 12-13-99

~~Sheila Allen~~

Johnny Gray — OSBM

Ann Lichter — OSBM

Johnnie Mosley — Mayor's Office

Van Braxton — Mayor Pro Tem City of Kinston

ENHANCED HOUSE APPROPRIATIONS COMMITTEE
MINUTES
December 14, 1999

House Appropriations Co-Chair Representative Ruth Easterling called the meeting to order at 10:55 a.m. She read the following rules that were to govern the actions of the committee:

(1) Any motion that would have the effect of increasing total spending beyond he amount recommended by the Governor is not in order.
(2) All amendments must be submitted on the proper form, and copies must be distributed to all committee members in attendance.
(3) Amendments proposing to add material not directly related to the budget will not be considered
(4) The Chairs must review amendments before they are presented to the Committee for consideration.

Co-Chair Representative Easterling then turned the meeting over to Co-Chair Representative Hardaway who welcomed the members, local government officials and others in the room. He stated that the rules were the same as those used in the previous session.

Co-Chair Representative Redwine stated that members who had been added to the committee would be required to vote if a Roll Call vote was requested. Rep. Hardaway reminded members to turn in there reimbursement forms.

Rep. Hardaway then asked Department Secretaries to follow up on unanswered questions from the previous day. Secretary Carlisle stated that recipients will not have to pay North Carolina tax on funds received and that the IRS has been asked to take similar action. Housing grants do not have to be repaid if the owners live in them at least five years. The deadline for FEMA applications has been extended through January 18, 2000.

Billy Ray Hall, of the Rural Center responded to questions about dredging projects. At the request of Rep. Justus for clarification on the rules, it was stated that the Governor has authority to move funds; the Legislature can only control the rainy day funds and unexpended funds. The Governor can move funds within broad guidelines submitted by the Committee. Rep. Redwine stated that if programs are created that are not listed in the Governor's report, that the Government Operations Committee must be made aware of it.

Secretary Holman distributed a handout relevant to dams and stated that existing laws enable the Department to recover costs from large corporations. He stated that the purpose of the rules is to expedite expenditures of the flood recovery money and not to change policy.

AMENDMENT #1 (HURR-ALB-3) This amendment offered by Rep. Easterling and explained by Gerry Cohen, detailed technical changes in the bill. (See copy of Amendment 1 in the appendix.) Rep. Easterling moved that the amendment be adopted. The amendment was adopted.

AMENDMENT #2 (99EX-Amend-ALH3) Rep. Redwine moved to amend the draft report as listed on Amendment #2. (See copy in the appendix.) The amendment changed the dollar amount on page L-1, Item A.1 to $100,405,000 and on page L-3, Item E.13 to $2,575,000, and on page L-5 from "$830,072,079 to $829,980,000. The amendment was adopted.

AMENDMENT #3 (99EX-Amend-ALH2): Rep. Redwine moved to adopt amendment 99EX-AMEND ALH-2 as perfected. Staff had corrected the language. The amendment was adopted. (See copy in Appendix.)

AMENDMENT #4: Rep. Pope moved to adopt perfecting amendment. The motion was adopted.

AMENDMENT #5 (HANDWRITTEN) Rep. Luebke moved to amend the bill on page 4, line 9 by adding a sentence to read: "However, learning from this tragic event, the General Assembly finds that long-term planning for future natural disasters is appropriate." The amendment was adopted.

AMENDMENT #6 (99EX-Amend-ALR2) Rep. Hardaway moved to split his original amendment 99EX-Amend-ALR2) into two parts. Rep. Hardaway moved to amend the bill on page 10, line 1 by deleting "may" and substituting "shall". The amendment was adopted.

AMENDMENT #7 (99EX – Amend-ALR2) Rep. Hardaway moved to amendment the bill on page 10, line 31 by deleting "15" and substituting "21" and further to amend the
Dec. 14, 1999 bill on page 10, lines 33, 34, and 36 by deleting "Five" each time it appears and substituting "Seven". Adopted.

AMENDMENT #8: (HURR-ALB-2) Rep. Pope moved to amend the bill on page 7, lines 1 and 2 and further on page 7, lines 38 to 40.. (See copy of Amendment in the Appendix.) The amendment would have transferred funds in the Hurricane Floyd Reserve Fund that had not been expended or contractually obligated as of 6/30/01 to the Saving Reserve Account on July 1, 2001. The amendment would also have stated "These funds shall remain available to implement the provisions of this act until June 30, 2001." The amendment was not adopted.

ENHANCED APPROPRIATION COMMITTEE MINUTES – 3
December 14, 1999

AMENDMENT #9: (HURR-ALC-RUSSELL) Rep. Russell moved to amend the bill on page 10, line 26 and on page 13, line 17. (See copy of amendment in the appendix.) This amendment which addressed the Tier system was withdrawn. A Fiscal Note for HB DRH was distributed and explained by the staff to show the impact on the second year of the biennium. (See copy in the appendix.) Rep. Russell withdrew her amendment.

AMENDMENT #10 (HURR-ALC-MILLER2) Rep. Miller moved to amend the bill on page 10, line 27 and on page 13, line 17. (See copy in the appendix.) The motion was withdrawn.

AMENDMENT #11 (99EX-AMEND-ALR1) Rep. Sutton moved to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-1, item B.4. (See copy in the appendix.) This amendment would have limited supplemental grants to homeowners so as not to exceed $50,000. The amendment was withdrawn.

AMENDMENT #12 (HURR-ALC-RUSSELL2) Rep. Russell moved to amend the bill on page 10, line 26. (See copy in the appendix). The amendment was adopted. It provides that a Revenue Law Study Committee be appointed to study the potential consequences of lowering the enterprise area tier designations ... under counties that sustained severe or moderate damage.

AMENDMENT #13 This was a verbal amendment. Rep. Sutton moved to amend the bill to specify that supplemental grants to homeowners shall not exceed $50,000 except when necessary to place low and moderate income families into comparable housing as defined by the Federal Relocation Act. The amendment was adopted.

Rep. Hardaway then recognized Rep. Baddour who commended the Enhanced Appropriations Committee for their work, stating they had put priorities where they should be.

Rep. Easterling moved that the amendments that have been adopted be rolled into a bill on Hurricane Floyd recovery to be introduced by the Chairs and Rep. Baddour in the special session tomorrow, Dec. 15, 1999.

The meeting was adjourned at 1:30 p.m.

ENHANCED APPROPRIATION COMMITTEE MINUTES – 4
December 14, 1999

Rep. Ruth Easterling, Co-Chair	Marie Horn, Committee Clerk
Rep. Thomas C. Hardaway, Co-Chair	Rita Harris, Committee Clerk
Rep. David Redwine, Co-Chair	Nancy Brantley, Committee Clerk

rh

Appropriations Committee, Plus Additional Members

12/14th

Attendance

D	✓ Adams	R	✓ Allred
D	Alexander X	R	✓ Arnold
D	✓ Allen	R	✓ Baker
D	✓ Baddour*	R	✓ Barbee
D	✓ Barefoot	R	✓ Berry
D	✓ Blue	R	✓ Bowie
D	✓ Bonner	R	✓ Brubaker
D	✓ Boyd-McIntyre	R	✓ Cansler
D	✓ Cole	R	~~Carpenter~~
D	✓ Crawford	R	✓ Clary
D	✓ Culpepper	R	✓ Culp
D	Cunningham*	R	✓ Daughtry
D	✓ Earle*	R	✓ Davis
D	✓ Easterling	R	✓ Dockham
D	✓ Edwards	R	✓ Ellis
D	✓ Dedmon*	R	✓ Esposito
D	✓ Fox	R	✓ Gardner
D	✓ Haire	R	✓ Gillespie
D	✓ Hackney*	R	✓ Grady
D	✓ Hardaway	R	✓ Gulley
D	✓ Hensley	R	✓ Hiatt
D	✓ Hill	R	✓ Holmes
D	✓ Horn	R	✓ Justus
D	✓ Hunter	R	✓ Kiser
D	✓ Hurley	R	McMahan X
D	✓ Insko	R	✓ Mitchell
D	✓ Jeffus	R	Morgan X
D	~~Kinney~~	R	✓ Pope
D	✓ Luebke	R	✓ Preston
D	✓ McAllister	R	✓ Russell
D	✓ McCrary	R	✓ Setzer
D	✓ McLawhorn	R	Sexton X
D	✓ Melton	R	✓ Sherrill
D	Michaux	R	✓ Teague
D	✓ Miller	R	✓ Thompson
D	Moore	R	✓ Walend
D	Neshitt X	R	✓ Wilson, C.
D	✓ Nye	R	✓ Wilson, G.
D	✓ Oldham		
D	✓ Owens		
D	✓ Redwine		
D	✓ Rogers		
D	✓ Saunders		
D	✓ Smith		
D	✓ Sutton		
D	✓ Thomas		
D	✓ Tolson		
D	✓ Tucker		
D	✓ Wainwright		
D	✓ Warner		
D	✓ Warren		
D	✓ Warwick		
D	Wright		
D	✓ Yongue		

Pursuant to Rule 26(h), Representatives Hackney, Baddour, Earle, Dedmon, and Cunningham are ex officio members of all committees.

Date Tues. 12/14/99 ROLL CALL VOTE Attendance Amendment No. _____

Total: Yes _____ No _____ Bill No. _____

1999-00 HOUSE OF REPRESENTATIVES
ENHANCED APPROPRIATIONS COMMITTEE

YES	NO	NAME	YES	NO	NAME
✓		Adams	✓		Allred
		Alexander	✓		Arnold
✓		Allen	✓		Baker
✓		Barefoot	✓		Barbee
✓		Blue	✓		Berry
✓		Bonner	✓		Bowie
✓		Boyd-McIntyre			Brubaker
✓		Cole	✓		Cansler
✓		Crawford			Carpenter
			✓		Clary
✓		Culpepper	✓		Culp
			✓		Daughtry
			✓		Davis
✓		Earle	✓		Dockham
✓		Edwards	✓		Ellis
			✓		Esposito
✓		Fox	✓		Gardner
			✓		Gillespie
			✓		Grady
			✓		Gulley
✓		Haire			

ENHANCED APPROPRIATIONS COMMITTEE Page two

✓		Hensley	✓		Hiatt
✓		Hill	✓		Holmes
✓		Horn			
✓		Hunter			
✓		Hurley			
✓		Insko			
✓		Jeffus	✓		Justus
		~~Kinney~~	✓		Kiser
✓		Luebke			
✓		McAllister			
✓		McCrary			
✓		McLawhorn			McMahan
✓		Melton			
		Michaux			
✓		Miller	✓		Mitchell
		Moore			Morgan
		Nesbitt			
✓		Nye	✓		Pope
✓		Oldham	✓		Preston
✓		Rogers	✓		Russell
✓		Saunders	✓		Setzer
✓		Smith			Sexton
✓		Sutton	✓		Sherrill
✓		Thomas	✓		Teague
✓		Tolson	✓		Thompson

✓		Tucker			
✓		Wainwright	✓		Walend
✓		Warner	✓		Wilson, C.
✓		Warren	✓		Wilson, G.
✓		Warwick			
		Wright			
✓		Yongue			

✓		Easterling, Chair
✓		Hardaway, Chair
✓		Redwine, Chair
✓		Owens, Vice Chair
✓		Hackney, Spkr Pro Tem
✓		Baddour, Maj. Leader
✓		Dedmon, Maj Whip
		Cunningham, Mem at Large

Appropriations Rules – 1999 Special Session

1. Any motion that would have the effect of increasing total spending beyond the amount recommended by the Governor is not in order.

2. All amendments must be submitted on the proper form, and copies must be distributed to all committee members in attendance.

3. Amendments proposing to add material not directly related to the budget will not be considered.

4. The Chair must review amendments before they are presented to the Committee for consideration.

North Carolina General Assembly
Legislative Services Office

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(919) 733-2578

To: Representative Ruth M. Easterling, Representative Thomas C. Hardaway, and Representative David Redwine, Co-Chairs House Appropriations Committee

From: Elisa Wolper, Fiscal Research Division

Date: December 12, 1999

Subject: Current Services Model Through 2004-2005

Attached is an analysis of the General Fund Current Services Model maintained by the Fiscal Research Division and a comparison with the Office of State Budget and Management's Expenditure Forecast for 2000-2005 as updated on December 8, 1999. This analysis reflects the consensus revenue forecasts from July 1999 and the Current Services Model used during the 1999 Session. The Model has been updated to reflect revised forecasts of growth in State Employee Health Insurance costs and to illustrate potential expansion items for 2000-2005. While the Current Service Model is limited to recurring items, this analysis also shows separately the impact of the continued cost of ABC bonuses for teachers and the remaining payment related to the Intangibles Tax refunds.

The Model does not include any direct impact on State Agencies from Hurricane Floyd or the recovery package.

While there are some differences between the availability amounts in the Office of State Budget and Management's simulation and the General Fund Model, these differences can be explained by the different assumptions highlighted on the enclosed chart and by some technical differences in the methodologies.

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

EXPLANATION OF THE GENERAL FUND FINANCIAL MODEL---CURRENT SERVICES

The General Fund Financial Model is a computer based tool to simulate long term trends in the recurring General Fund 'Current Services Budget' . Maintained by the Fiscal Research Division, it models the impact of trends and proposed spending or tax changes up to 9 years away , including:

- ✓ demographic trends such as population growth
- ✓ caseload changes in school enrollments, prison inmates, Medicaid participation, institutional populations
- ✓ economic factors such as inflation, wage growth, or labor force growth
- ✓ long term costs of existing programs such as teacher pay increases, Smart Start, phased in tax changes or bond issues
- ✓ alternative proposals for tax or spending changes or differing assumptions about future trends

The model is based on the concept that the cost of "current services" will expand to reflect increased caseloads and costs. Using the current fiscal year as a base, the model applies growth factors based on plausible relationships between a department's requirements and factors such as caseload.

- ✓ State employee pay is assumed to keep up with the private sector manufacturing real wage and inflation
- ✓ Other inflation factors (eg medical) are applied by category of spending
- ✓ State Employment and Expenditures in select Departments is assumed to grow slightly with population.

While the model may "simulate" expenditures exceeding revenues, North Carolina operates under a Balanced Budget. The Model is not intended to suggest that the General Fund will not be balanced in future years, but is designed to highlight where actions may be necessary to avoid long term budget problems or deterioration in current services. The model does not include the nonrecurring component of the operating budget nor does it include capital spending or costs of depreciation.

HIGHLIGHTS OF THE DECEMBER 12, 1999 CURRENT SERVICES MODEL

- Recurring General Fund Revenues are consensus estimates by Fiscal Research and the Office of State Budget and Management. They reflect all tax changes approved in 1999 and earlier sessions.
- The Current Services Budget accounts for growth in public school enrollment (ADM), community college and university enrollment, Medicaid Growth at 8%, and inflationary adjustments. The Fiscal Research Division scenario includes some modest growth in State employment and expenditures to reflect changes in population and other growth factors.
- The two scenarios have different assumptions about Smart Start expansion (line 3),, the rate of State Employee Pay Increases (line 4), the cost of scheduled increases in Teacher Pay (line 5) and the growth rate of Medicaid costs in 2001-2 (line 8).
- The Office of State Budget scenario includes $150 Million in unspecified recurring cuts in 2000-2001.
- Both scenarios have updated estimates on the increasing cost of State Employee Health Insurance.
- While the Current Services Model is limited to recurring items, the Fiscal Research scenario notes the cost of two non-recurring items; the continued cost of ABC bonuses for public school teachers and the remaining payment on the Intangibles Tax Settlement.

Fiscal Research Division and Office of State Budget Long Term Expenditure Simulations
(DOLLARS IN MILLIONS)

	Items	Fiscal Research Division					Office of State Budget and Management				
		2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
1.	**RECURRING GENERAL FUND REVENUE**	$13,938.5	$14,862.3	$15,970.2	$17,162.6	$18,447.6	$13,938.5	$14,862.3	$15,970.2	$17,162.6	$18,447.6
	(July 1999 Consensus Estimate by FRD and OSBM)										
2.	**CURRENT SERVICES BUDGET BEFORE ITEMS BELOW**	$13,438.2	$13,889.2	$14,043.1	$14,093.6	$14,371.0	$13,430.7	$13,781.3	$14,148.6	$14,551.2	$14,986.4
	FRD based on 1998-99 base year adjusted for 1999 Appropriations Act OSBM based on Authorized Budget for 1999-2001										
3.	**SMART START EXPANSION**	$0.0	$88.0	$93.2	$98.7	$104.5	$67.0	$99.4	$113.7	$129.3	$144.3
4.	**STATE EMPLOYEE PAY INCREASE**	$158.6	$321.8	$489.7	$662.4	$839.8	$144.2	$290.4	$441.2	$596.5	$740.7
	FRD: 3.3 % in 2000-1, 2.9% 2001-3 and 2.8% 2003-5; OSBM 3% per year in all year										
5.	**TEACHER PAY INCREASE**	$278.0	$389.2	$503.7	$621.7	$743.2	$295.5	$419.9	$549.4	$684.3	$882.9
	Differing Cost Estimates in 1st year; 3% after 2001 in both simulations										
6.	**ADDITIONAL CUTS RECOMMENDED BY THE GOVERNOR FOR FY2000-01**	$0.0	$0.0	$0.0	$0.0	$0.0	($150.0)	($150.0)	($150.0)	($150.0)	($150.0)
7.	**STATE EMPLOYEE HEALTH INSURANCE** October 1999 revised figures	$147.0	$337.0 rate increase	$401.0	$587.0	$649.0	$147.0	$337.0	$401.0	$587.0	$649.0
8.	**EFFECT OF HIGHER ASSUMED MEDICAID GROWTH** FRD assumes 9.7% in 2001-2 then 8%; OSBM 8%/year	$0.0	$25.0	$25.7	$26.0	$26.4	$0.0	$0.0	$0.0	$0.0	$0.0
9.	**TOTAL RECURRING EXPENDITURES**	$14,021.8	$15,050.2	$15,556.5	$16,089.3	$16,734.0	$13,934.4	$14,778.0	$15,503.9	$16,398.3	$17,253.3
10.	**NET AVAILABILITY (Revenue-Total Expenditures)**	($83.3)	($187.9)	$413.7	$1,073.3	$1,713.6	$4.1	$84.3	$466.3	$764.3	$1,194.3
11.	**NON-RECURRING ITEMS INCLUDED IN SIMULATIONS**										
	ABC Bonuses (Funded with nonrecurring dollars in FY1999-2000)	$125.0	$125.0	$125.0	$125.0	$125.0					
12.	**Remaining Payment Intangibles Suit (Funded from the Savings Reserve in FY1999-2000)**	$240.0	$0.0	$0.0	$0.0	$0.0					
13.	**REVISED AVAILABILITY**	($448.3)	($312.9)	$288.7	$948.3	$1,588.6	$4.1	$84.3	$466.3	$764.3	$1,194.3

Fiscal Research Division
December 12, 1999

Dams that Sustained Damage During Hurricane Floyd and Subsequent Rainfall Events and Currently Pose a Threat to Public Safety

06 Dec 1999

	Name of Dam	County	Hazard Classification	Degree of Damage	Hazard Description vpd = vehicles per day	Ownership Description
1	Holtrachem Dike	Columbus	H	Severe	Mercury containment dike; Wilmington water supply intake downstream	Corporation
2	Gates Pond Dam	Johnston	H	Minor	House, US 301 downstream; narrow floodplain	Individual
3	Williams Millpond Dam	Wayne	H	Minor	NC 55 across crest of dam	Multi-Owner
4	Chowan College Dam	Hertford	H	Severe	Union Street, dwellings downstream	Institution
5	Lake Glenwood Dam	Pitt	H	Minor	Apartments below dam; also SR 1727 (2500 vpd in 1989)	Association
6	Lake Tabor Dam	Columbus	H	Moderate	State Road downstream	Association
7	Grays Millpond Dam	Green	H	Severe	US 258 downstream (3900 vpd in 1990)	Individual
8	Brook Valley Country Club Dam	Pitt	H	Severe	Oxford Road downstream of dam	Association
9	Wake Crossroads Dam	Wake	H	Severe	Forestville Road downstream of dam	Individual
10	McLamb Lake Dam	Harnett	H	Moderate	SR 2031 downstream	Individual
11	Brock Millpond Dam	Jones	H	Minor	State Road downstream	Individual
12	Young Lake Dam	Harnett	H	Severe	SR 1500 downstream	Individual
13	Panther Lake Dam	Wake	H	Minor	State Road, trailer downstream	Individual
14	Corwell's Millpond Dam	Northampton	H	Severe	State Road, house downstream	Individual
15	Sleepy Creek Upper Dam	Wayne	H	Severe	SR 1915 downstream	Association
16	Johnson Pond Dam	Sampson	H	Severe	SR 1214 downstream	Individual
17	Laurel Lake Dam	Sampson	H	Moderate	SR 1322 immediately downstream	Individual
18	Stafford Pond Dam	Sampson	H	Severe	State Road downstream	Individual
19	Surles Pond Dam	Sampson	H	Minor	SR 1214 immediately downstream (600 vpd in 1995)	Individual
20	Ruth Bryan Dam	Wayne	H	Moderate	State Road downstream	Individual
21	Occidental Chemical Dike	New Hanover	H	Minor	Environmental	Corporation
22	Cross Lake Dam	Bladen	H	Moderate	State Road downstream	Individual
23	Sampson Acres Lake Dam	Sampson	H	Moderate	State Road downstream	Individual
24	Robin Lake Estates Dam A	Wayne	H	Minor	SR 1927 immediately downstream	Association
25	J. C. Howard Dam	Lenoir	H	Minor	SR 1121 downstream (approx. 500 vpd in 1995)	Individual
26	H. F. Lee Ash Pond Dike	Wayne	H	Moderate	Environmental	Corporation

NOTE: Ranked According to Approximate Downstream Damage Potential

VISITOR REGISTRATION SHEET

Name of Committee: House Appr. — Date: 12-14

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
Roy Green	SEANC
Dave Howard	"
Wendy Mills	SEANC
Katherine Joyce	SEANC
Becky Troutman	Labor
Daphne Lynn	DMA- DHHS
NELS ROSELAND	OSBM
Chris Fitzsimon	Common Sense Foundation
Tom Whitaker	ESC
David Clegg	ESC
Jim Blackburn	County Commissioners Asso
Michael Rubinow	NC Consumers Council - President
Ruby Hark	NCCC
William M. Griffin	Autism Services, Inc., Bd. of Directors
PERRI MORGAN	NFIB

VISITOR REGISTRATION SHEET

House Agr — 12-14

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
Marsha Glenn	DOT
L Rogers	DENR
Joe Durham	Edgecombe Co
Oppie Jordan	Cardinus Managing Partnership (Edgecombe Co/Nash Co)
Wayne Deal	Nash County 120 W. Washington St. Nashville, N.C. 27856
Jarvis Cramer	ncatl
Jim Edgerton	DHHS
Danny Bost	DENR
Molly Diggins	NC Sierra Club
AB Swindell	BFI Waste
Jean Carroll	DOA/NCCFW
Kathie Austin	OSPL
Melissa Lovell	DOJ
David Brown	OSBM
Nellie Hotchkiss	NC Electric Co-ops

VISITOR REGISTRATION SHEET

House Approp — 12-14

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
Ruth Sappie	NCDOT
Willie Riddick	DOR
Patricia A. Yancey	APPRNC/State Council for Social Legis./FDR
Maurice Kin	OSBM
Byron K. Harris	OSBM
Sue Adams	OSBM
Milton Alford	OSBM
Frank Lewis	OSBM
Bruce Humphrey	OSBM
Jim Newell	OSBM
Janet Patton	OSBM
Elizabeth Brownlee	OSBM
Mary Greene	OSBM
Wayne Williams	OSBM
Johnny Gray	OSBM

VISITOR REGISTRATION SHEET

House Appr — 12-14

Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
J W Reef	OSBM
Jane L Smith	DENR
Snella Attiori	OSBM

VISITOR REGISTRATION SHEET

Appropriations — 12-14-99
Name of Committee — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
Bennie Hollers	DHHS
LINDA SUGGS	NCASA
Bill Wilson	NCAE
Peter Daniel	NC Farm Bureau
JOHN COOPER	CAROLINAS COTTON GROWERS COOP
Robert Z Wilson	Sec. of State
Linda Gunn	Rural Center
Marsha Glass	DOA
Joanne Schaen	NCNA
Roslyn Sweatt	NCCCC
Craig Souza	NCHCAA
Stacy Flannery	NCHCFA
Susan Markham	EGHS
Deb Ally	AA
Kathy Sawyer	Commerce
C. Porter	Bone & Associates

VISITOR REGISTRATION SHEET

House P.P. 12-14

~~Leg. Gov't Op.~~ 8/2/16

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME	FIRM OR AGENCY AND ADDRESS
Mazen Dion	NCMS
Amy LaBarr	NCMS
Andy Romanet	NCLM.
Gene Causby	NCMA
David Knight	NC Sci. Cl. Ls, NC Wildlife Fed
Mat Mead	Conservation of NC
Tim Maxwell	NCICU
Laura DeVivo	DENR
Steve Woodson	NC Farm Bureau
Pam Seamans	NC Social Services Consortium/ Covenant w/ NC's Children
Thomas V. Bennett	NCCFTF
Bill Rowe	NC Justice Center
	NBSK
Adam Searing	NCHAC
Barney Fife	Mayberry

Easterling
Passed voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
HURRICANE RELIEF

AMENDMENT NO. 1
(to be filled in by
Principal Clerk)

HURR-ALB-3

Date 12/14 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative

moves to amend the bill on page 3, line 34, by deleting "resources and resources" and substituting "programs and resources"

further moves to amend the bill on page 3, lines 37 through 41 by making these part of subdivision (11), and on page 3 lines 42 and 43 by renumbering those subdivisions accordingly

further moves to amend the bill on page 4, lines 15 and 16 by deleting "the" and substituting "to preserve the"

further moves to amend the bill on page 4, line 44, by deleting "will and substituting "may"

further moves to amend the bill on page 7, lines 41 and 42, by deleting "as certified by the Director of the Budget when", and substituting "after the Director of the Budget certifies that"

further moves to amend the bill on page 8, line 24, by deleting "temporary rules" and substituting "temporary rules necessary"

further moves to amend the bill on page 8, line 42, by deleting "Relief" and substituting "Reserve"

Redwine
adopted voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

AMENDMENT NO. 2
(to be filled in by
Principal Clerk)

99EX-Amend-ALH3

Date 12/14 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Redwine

moves to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-1, Item A.1., by changing the dollar amount on that line from "100,402,079" to "100,405,000".; and

on page L-3, Item E.13, by changing the dollar amount on that line from $2,670,000 to $2,575,000; and

on page L-5, by changing the dollar amount that follows "Total Hurricane Floyd Reserve" from "$830,072,079 to "$829,980,000".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if **Senate** Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

Redwine passed V.V

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

AMENDMENT NO. 3
(to be filled in by Principal Clerk)

99EX-Amend-ALH2

Page 1 of __

Date 12/14 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative [signature]

moves to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-5, item J.29., by deleting the narrative under that item and substituting the following:
"Provides grants to units of local governments adversely affected by Hurricane Floyd to support public education and other governmental operations as deemed appropriate by local elected officials."

SIGNED [signature]
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT passed VV

(Please type or use ballpoint pen)

#4

EDITION No. _____

H. B. No. _____ DATE _____

S. B. No. _____ Amendment No. _____

(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE A413

Rep.)
) Pope
Sen.)

1 moves to amend the bill on page _____, line _____

2 ( ) WHICH CHANGES THE TITLE

3 by deleting "elected officials"

4

5 and substituting "governing boards"

6

7

8

9

10

11

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16

17

18

19

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

#5
passed V.V.

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. DRH6238-LEO01H (12-10) DATE 12-14-99

S. B. No. _____ Amendment No. _____
(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

(Rep.) Luebke
Sen.)

1 moves to amend the bill on page 4, line 9
2 ( ) WHICH CHANGES THE TITLE
3 by adding the followong sentence to read: "However,
4 learning from this tragic event, the General
5 Assembly funds that long-term planning for
6 future natural disasters as appropriate."
7
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19

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

Hardaway
6 & 7 Both adopted
voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

AMENDMENT NO. 6 & 7
(to be filled in by
Principal Clerk)
Page 1 of __

99EX-Amend-ALR2

Rep. Ellis requested to delete

Date 12/14 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Hardaway

amdt 6 moves to amend the bill on page 10, line 1,
by deleting "may" and substituting "shall";

and further moves to amend the bill on page 10, line 31,
by deleting "15" and substituting "21";

amdt 7

and further moves to amend the bill on page 10, lines 33, 34, and 36
by deleting "Five" each time it appears and substituting "Seven".

SIGNED Thomas Hardaway
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

Failed Vote

Pope

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
HURRICANE RELIEF

AMENDMENT NO. 8
(to be filled in by
Principal Clerk)

HURR-ALB-2

Page 1 of __

Date 12/14 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Pope

moves to amend the bill on page 7, lines 1 and 2, by rewriting those lines to read: "Funds in the Hurricane Floyd Reserve Fund that are not expended or contractually obligated as of June 30, 2001 are transferred to the Savings Reserve Account on July 1, 2001."

further moves to amend the bill on page 7, lines 38 to 40 by deleting "These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds", and substituting "These funds shall remain available to implement the provisions of this act until June 30, 2001".

SIGNED Rep. Pope
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill DRH

AMENDMENT NO. 9
(to be filled in by Principal Clerk)

HURR-ALC-RUSSELL

Date 12/4, 199

Comm. Sub. []
Amends Title []
DRH6238

Rep. Russell

moves to amend the bill on page 10, line 26, by adding the following on the line:
"**DISASTER COUNTIES TIER RANKINGS**
Section 4.7. (a) G.S. 105-129.3 is amended by adding a new subsection to read:
"(f) Exception for Hurricane Floyd Counties. -- Notwithstanding the provisions of this section, for the two-year period beginning January 1, 2000, every hurricane/flood disaster county has for all purposes an enterprise tier designation two levels below the designation it would otherwise have under subsection (a) of this section. For the purposes of this subsection, a hurricane/flood disaster county is a county that has sustained severe or moderate damage from a hurricane or a hurricane-related disaster, according to the Federal Emergency Management Agency impact map, revised on September 25, 1999. Those counties are: Bertie, Beaufort, Bladen, Brunswick, Carteret, Columbus, Craven, Dare, Duplin, Edgecombe, Greene, Halifax, Hertford, Jones, Lenoir, Martin, Nash, New Hanover, Northampton, Onslow, Pasquotank, Pender, Pitt, Washington, Wayne, and Wilson Counties.
Section 4.7.(b) This section becomes effective January 1, 2000, and expires January 1, 2002.";

and on page 13, line 17, by deleting "and except that" and substituting "Section 4.7 of this act becomes effective January 1, 2000, and";

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

TIER	COUNTY	POPULATION GROWTH 1990-1997		PER CAPITA INCOME 3 YR AVG. 1994-1996		UNEMP.-36 MTH AVG JULY '95-JUNE '98		DISTRESSED COUNTY SUM	POPULATION	POVERTY RATE
		% CHANGE	RANK	INCOME	RANK	RATE	RANK	1997-1998	1999	1990
XXX	NORTH CAROLINA	12.00%	XXX	$21,081	XXX	3.97%	XXX	XXX	7,584,270	13.0
1	TYRRELL COUNTY	-4.77%	99	$15,068	93	8.91%	93	285	3,590	25.0
1	GRAHAM COUNTY	4.29%	78	$14,109	97	11.22%	99	274	7,577	24.9
1	HALIFAX COUNTY	0.59%	91	$15,687	88	9.07%	95	274	55,091	25.6
1	EDGECOMBE COUNTY	-2.29%	95	$16,654	77	10.27%	98	270	54,696	20.9
1	RICHMOND COUNTY	2.56%	86	$15,812	86	9.39%	96	268	45,894	16.8
1	SWAIN COUNTY	6.44%	64	$13,672	99	16.41%	100	263	12,324	27.6
1	MARTIN COUNTY	2.19%	87	$16,349	79	8.92%	94	260	25,551	22.3
1	WARREN COUNTY	5.07%	73	$13,956	98	7.91%	89	260	18,290	23.2
1	BERTIE COUNTY	-0.68%	93	$15,448	90	6.07%	76	259	20,068	25.9
1	NORTHAMPTON COUNTY	0.01%	92	$16,167	81	7.35%	86	259	20,833	23.6
1	WASHINGTON COUNTY	-5.00%	100	$16,873	72	7.43%	87	259	12,948	20.4
1	HYDE COUNTY	-2.42%	96	$16,977	71	8.08%	90	257	5,268	24.0
1	HERTFORD COUNTY	-2.70%	97	$15,418	91	5.15%	61	249	21,594	25.0
1	BEAUFORT COUNTY	2.65%	85	$17,374	62	7.91%	88	235	43,596	19.5
1	ASHE COUNTY	6.25%	66	$17,108	67	9.43%	97	230	24,041	18.4
1	SCOTLAND COUNTY	3.68%	81	$17,261	65	7.07%	84	230	35,330	18.6
1	YANCEY COUNTY	6.03%	67	$14,994	94	5.54%	66	227	16,588	18.7
1	PERQUIMANS COUNTY	4.34%	77	$15,540	89	4.57%	51	217	11,129	21.5
1	ALLEGHANY COUNTY	0.88%	90	$18,376	45	6.44%	80	215	9,714	20.1
1	VANCE COUNTY	5.37%	70	$17,493	59	7.30%	85	214	41,771	19.6
1	CHEROKEE COUNTY	11.14%	35	$14,439	96	6.68%	82	213	23,000	20.4
1	CLAY COUNTY	12.73%	29	$15,797	87	6.27%	77	193	8,340	17.9
1	CAMDEN COUNTY	6.84%	60	$16,792	74	3.48%	28	162	6,365	16.1
1	JONES COUNTY	-4.53%	98	$19,801	24	4.15%	38	160	8,709	20.2

THE SHADED COUNTIES ARE AFFECTED BY THE PROPOSED AMENDMENT. THIS ANALYSIS BASED ON DATA AVAILABLE AS OF 12/98. RANKINGS SUBJECT TO CHANGE IN FUTURE YEARS.

TIER	COUNTY	POPULATION GROWTH 1990-1997		PER CAPITA INCOME 3 YR AVG. 1994-1996		UNEMP.-36 MTH AVG JULY '95-JUNE '98		DISTRESSED COUNTY SUM	POPULATION	POVERTY RATE
		% CHANGE	RANK	INCOME	RANK	RATE	RANK	1997-1998	1999	1990
1	ONSLOW COUNTY	-1.66%	94	$14,757	95	3.73%	34	223	149,341	12.1
1	COLUMBUS COUNTY	4.76%	75	$17,513	58	6.64%	81	214	52,510	24.0
1	BLADEN COUNTY	5.76%	68	$17,740	54	5.99%	73	195	30,752	21.9
1	PASQUOTANK COUNTY	10.27%	42	$17,333	64	4.83%	56	162	35,569	19.7
1	WILSON COUNTY	-4.03%	79	$20,026	22	8.19%	91	192	69,499	19.7
1	LENOIR COUNTY	3.09%	83	$18,858	37	5.80%	69	189	59,133	20.0
1	WAYNE COUNTY	18.14%	54	$17,042	69	4.52%	50	173	115,250	15.2
1	BRUNSWICK COUNTY	27.88%	3	$16,813	73	6.43%	79	155	69,453	15.4
1	DUPLIN COUNTY	10.21%	43	$20,644	19	5.08%	59	121	45,126	19.1
1	GREENE COUNTY	14.74%	22	$17,369	63	3.67%	32	117	18,348	19.1
2	MITCHELL COUNTY	2.05%	88	$16,637	78	6.35%	78	244	14,764	16.0
2	ROBESON COUNTY	7.16%	58	$15,295	92	8.47%	92	242	114,644	24.1
2	ANSON COUNTY	1.62%	89	$17,590	57	7.06%	83	229	23,922	17.6
2	MONTGOMERY COUNTY	4.80%	74	$16,688	76	5.95%	72	222	24,820	14.4
2	RUTHERFORD COUNTY	4.35%	76	$17,608	56	6.00%	74	206	59,888	12.3
2	PAMLICO COUNTY	5.32%	71	$16,749	75	4.48%	48	194	12,126	18.9
2	MADISON COUNTY	8.12%	55	$16,002	83	4.06%	36	174	18,773	20.4
2	HOKE COUNTY	26.36%	5	$12,323	100	5.37%	64	169	30,510	21.1
2	CRAVEN COUNTY	8.40%	52	$19,198	33	4.60%	52	137	90,373	13.6
2	PENDER COUNTY	28.95%	2	$17,462	60	5.17%	62	124	39,560	17.2
2	CARTERET COUNTY	12.38%	30	$18,729	38	4.78%	54	122	60,719	11.6
2	NASH COUNTY	13.60%	27	$19,954	23	5.87%	70	120	89,865	13.6
2	PITT COUNTY	11.94%	32	$19,776	25	4.82%	55	112	125,017	22.1
2	DARE COUNTY	20.40%	9	$19,570	29	5.91%	71	109	29,032	8.3

THE SHADED COUNTIES ARE AFFECTED BY THE PROPOSED AMENDMENT. THIS ANALYSIS BASED ON DATA AVAILABLE AS OF 12/98. RANKINGS SUBJECT TO CHANGE IN FUTURE YEARS.

1999 TIER	COUNTY	POPULATION GROWTH 1990-1997		PER CAPITA INCOME 3 YR AVG. 1994-1996		UNEMP.-36 MTH AVG JULY '95-JUNE '98		DISTRESSED COUNTY SUM	POPULATION	POVERTY RATE
		% CHANGE	RANK	INCOME	RANK	RATE	RANK	1997-1998	1999	1990
3	JACKSON COUNTY	8.56%	51	$16,288	80	5.55%	67	198	29,621	16.7
3	ROCKINGHAM COUNTY	3.59%	82	$18,539	41	4.92%	57	180	89,998	12.2
3	CHOWAN COUNTY	5.28%	72	$17,685	55	4.50%	49	176	14,392	17.7
3	CLEVELAND COUNTY	7.01%	59	$18,527	42	6.02%	75	176	92,138	11.0
3	CASWELL COUNTY	6.57%	61	$15,812	85	3.51%	29	175	22,591	16.2
3	STANLY COUNTY	6.50%	62	$18,140	50	5.37%	63	175	56,180	11.0
3	MCDOWELL COUNTY	10.49%	40	$17,389	61	5.50%	65	166	41,008	11.4
3	AVERY COUNTY	3.99%	80	$19,433	30	4.72%	53	163	15,674	14.6
3	GATES COUNTY	6.49%	63	$15,813	84	2.94%	13	160	10,058	15.7
3	PERSON COUNTY	9.08%	49	$18,353	47	5.13%	60	156	33,708	13.0
3	CUMBERLAND COUNTY	7.48%	57	$18,046	51	4.46%	47	155	297,542	14.4
3	HAYWOOD COUNTY	9.22%	47	$18,257	49	5.08%	58	154	52,407	12.7
3	GASTON COUNTY	2.85%	84	$20,547	20	4.30%	46	150	181,713	10.6
3	WILKES COUNTY	6.25%	65	$18,614	40	4.26%	45	150	64,116	13.3
3	WATAUGA COUNTY	10.57%	39	$17,097	68	2.57%	9	116	41,582	21.5
3	CURRITUCK COUNTY	20.56%	8	$18,356	46	3.02%	18	72	17,326	10.1
3	POLK COUNTY	13.72%	26	$24,612	7	2.33%	3	36	16,920	9.6
3	NEW HANOVER COUNTY	21.88%	7	$21,785	13	4.24%	42	62	153,326	14.0
4	BURKE COUNTY	9.78%	44	$18,301	48	4.21%	40	132	85,020	10.1
4	SURRY COUNTY	8.31%	53	$19,246	32	4.24%	43	128	68,297	11.4
4	GRANVILLE COUNTY	11.64%	33	$17,200	66	3.41%	27	126	44,253	13.5
4	HARNETT COUNTY	19.94%	10	$16,113	82	3.73%	33	125	85,272	17.5
4	SAMPSON COUNTY	11.32%	34	$20,118	21	5.60%	68	123	54,260	20.7
4	FRANKLIN COUNTY	19.43%	11	$16,993	70	3.60%	31	112	45,346	14.5
4	MACON COUNTY	17.71%	15	$17,846	53	4.25%	44	112	28,905	16.5
4	LINCOLN COUNTY	15.06%	21	$18,929	36	4.16%	39	96	60,193	9.6
4	ROWAN COUNTY	11.00%	36	$19,065	35	3.24%	24	95	126,455	9.4
4	ALEXANDER COUNTY	12.82%	28	$18,492	43	3.12%	20	91	32,040	9.8

THE SHADED COUNTIES ARE AFFECTED BY THE PROPOSED AMENDMENT. THIS ANALYSIS BASED ON DATA AVAILABLE AS OF 12/98. RANKINGS SUBJECT TO CHANGE IN FUTURE YEARS.

TIER	COUNTY	POPULATION GROWTH 1990-1997		PER CAPITA INCOME 3 YR AVG. 1994-1996		UNEMP.-36 MTH AVG JULY '95-JUNE '98		DISTRESSED COUNTY SUM	POPULATION	POVERTY RATE
		% CHANGE	RANK	INCOME	RANK	RATE	RANK	1997-1998	1999	1990
4	TRANSYLVANIA COUNTY	9.10%	48	$19,630	27	2.78%	12	87	28,500	13.5
4	CATAWBA COUNTY	9.40%	45	$22,689	11	3.59%	30	86	132,869	7.1
4	YADKIN COUNTY	15.46%	19	$18,448	44	3.17%	23	86	36,468	12.0
4	DAVIDSON COUNTY	10.87%	37	$19,269	31	2.96%	15	83	144,259	9.8
4	ALAMANCE COUNTY	10.73%	38	$21,074	17	3.35%	26	81	123,500	8.9
5	STOKES COUNTY	15.12%	20	$18,011	52	2.48%	5	77	44,431	9.8
5	BUNCOMBE COUNTY	9.35%	46	$21,723	14	3.00%	16	76	194,516	11.4
5	FORSYTH COUNTY	8.01%	56	$26,387	3	2.95%	14	73	294,026	10.5
5	LEE COUNTY	16.92%	17	$21,670	15	4.23%	41	73	50,396	14.7
5	RANDOLPH COUNTY	14.08%	25	$19,697	26	3.06%	19	70	126,665	8.3
5	DURHAM COUNTY	8.72%	50	$23,605	9	2.53%	7	66	202,426	11.9
5	GUILFORD COUNTY	10.29%	41	$25,412	4	3.14%	21	66	393,496	10.1
5	DAVIE COUNTY	11.97%	31	$23,791	8	3.32%	25	64	32,352	8.4
5	IREDELL COUNTY	17.22%	16	$20,870	18	3.15%	22	56	113,751	9.4
5	MOORE COUNTY	17.80%	13	$24,707	6	4.14%	37	56	72,257	11.1
5	HENDERSON COUNTY	14.16%	24	$22,764	10	2.58%	10	44	81,856	10.5
5	UNION COUNTY	26.02%	6	$19,105	34	2.43%	4	44	113,113	18.4
5	CABARRUS COUNTY	17.76%	14	$22,182	12	3.01%	17	43	121,801	8.1
5	CHATHAM COUNTY	16.44%	18	$21,493	16	2.48%	6	40	46,996	9.7
5	JOHNSTON COUNTY	26.91%	4	$19,608	28	2.55%	8	40	109,865	14.3
5	ORANGE COUNTY	14.28%	23	$25,177	5	1.55%	1	29	110,581	13.9
5	MECKLENBURG COUNTY	19.04%	12	$28,715	1	2.76%	11	24	638,570	9.6
5	WAKE COUNTY	30.62%	1	$27,006	2	1.90%	2	5	593,937	8.4

THE SHADED COUNTIES ARE AFFECTED BY THE PROPOSED AMENDMENT. THIS ANALYSIS BASED ON DATA AVAILABLE AS OF 12/98. RANKINGS SUBJECT TO CHANGE IN FUTURE YEARS.

NOTES

1. Population growth was determined using years 1990 and 1997 as reported by State Data Center.
2. Per Capita Income is a three year average from 1994-1996 using U.S. Department of Commerce data.
3. The Unemployment Rate is the average rate from July 1995 to June 1998, not seasonally adjusted, provied by the Employment Security Commission.

HOUSE DRAFT AMENDMENT: Disaster Counties Tier Rankings

BILL ANALYSIS

Committee:	House Appropriations	Offered by:	Rep. Russell
Date:	December 13, 1999	Analysis by:	Martha H. Harris
Version:	HURR-ALC-RUSSELL		Staff Attorney

SUMMARY: Provides that the enterprise tier designations of the 26 counties that experienced severe and moderate damage will be reduced by two levels, for the two-year period beginning January 1, 2000

The proposed amendment would reduce by two tiers the enterprise area tier ranking of hurricane/flood disaster counties for a two-year period effective January 1, 2000. Under the Bill Lee Act, all counties are divided into five enterprise tiers, ranked by economic distress as measured by a formula that combines unemployment, per capita income, and population growth. Enterprise tier one areas are the counties considered most in need of economic development based on high unemployment, low per capita income, and low population growth. Those counties in lower-numbered tiers receive more favorable income tax and sales tax incentives than those in higher tiers. In addition, tier one and two counties are eligible for more favorable treatment under the Utility Account; tier one, two, and three counties are eligible for funding under the Industrial Development Fund; and tier one counties are eligible for more favorable treatment under community development block grant programs.

The amendment applies to 26 counties designated by the Federal Emergency Management Agency as suffering severe or moderate impact from the 1999 storms. The table below lists each of these counties, its 1999 tier or projected 2000 tier based on 1999 legislation, and the tier designation it would receive under the amendment. It should be noted that because 9 of the 26 disaster counties are already in tier one, the amendment would have the effect of eliminating or reducing their competitive advantage with respect to the other 15 disaster counties. The amendment would also eliminate or reduce the competitive advantage of tier one and two counties that are not disaster counties.

Disaster County	Est. 1999 or 2000 Tier	New Tier Under Amedment
Bertie	1	1
Beaufort	1	1
Bladen	2	1
Brunswick	3	1

Disaster County	Est. 1999 or 2000 Tier	New Tier Under Amedment
Carteret	4	2
Columbus	2	1
Craven	4	2
Dare	4	2
Duplin	3	1
Edgecombe	1	1
Greene	3	1
Halifax	1	1
Hertford	1	1
Jones	1	1
Lenoir	3	1
Martin	1	1
Nash	4	2
New Hanover	5	3
Northampton	1	1
Onslow	2	1
Pasquotank	2	2
Pender	4	2
Pitt	4	2
Washington	1	1
Wayne	3	1
Wilson	3	1

FISCAL ANALYSIS MEMORANDUM

DATE: December 14, 1999

TO: Rep. Carolyn Russell

FROM: Dave Crotts
Fiscal Research Division

RE: Proposed Amendment HURR-ALC-Russell to House Bill DRH

FISCAL IMPACT

Yes (x) **No ( )** **No Estimate Available ( )**

	FY 1999-00	FY 2000-01	FY 2001-02	FY 2002-03	FY 2003-04
REVENUES:					
STATE GENERAL FUND		-.3	-2.2	-5.3	-5.0
LOCAL GOVERNMENT		-.2	-.3	-.2	

PRINCIPAL DEPARTMENTS: The Bill Lee Act is administered by the Department of Commerce and the Department of Revenue. The enactment of the amendment will not lead to an increase in budget requirements for either department.

EFFECTIVE DATE: The change begins with the 2000 tax year and sunsets after the 2001 tax year. Thus, the amendment is effective for 2 tax yeas.

AMENDMENT SUMMARY: Under the Bill Lee Act, enacted in 1996 and modified in each subsequent session, some business tax incentives depend on the "enterprise area tier ranking of the county. The ranking is based on population growth, per capita income, and the unemployment rate. The most-distressed counties are designated Tier 1 and the "wealthiest" counties receive the Tier 5 designation.

The amendment would reduce by 2 tiers the ranking of hurricane/flood disaster counties.

DATA, ASSUMPTIONS AND METHODOLOGY: The amendment effectively applies to 17 of the 26 counties designated by FEMA as suffering severe or moderate impact from the 1999

storms. In addition, 3 of these counties would move up only one tier because they are presently designated as Tier 2.

Jobs Credit Impact: One major impact of the amendment would be to increase the credit per job created, especially for counties that move to Tier 1. In this tier the credit amounts to $12,500 per job, versus $4,000 for Tier 2 and $3,000 for Tier 3. The credits must be taken over a 4-year period and may not begin until the year after the job is created. The potential impact is limited by utilization rates and the fact that the credit may not exceed 50% of tax liability, with a carryforward. For this analysis the original utilization rates of 15% for Year 1 and 30% for Year 2 were used. The rationale is that the first post-legislative review of the initial 1996 session Bill Lee Act estimates indicates that the actual cost of the credits is reasonably close to the estimated cost. The analysis was based on job creation experience for 1993-96, based on plant announcement data tabulated by the N.C. Department of Commerce. Because some planned investments do not materialize, there is a conservative bias to the estimates.

Investment Tax Credit Impact: The second major impact of the amendment would be the reduction in the minimum investment threshold for eligibility for the 7% investment tax credit that applies to the acquisition of machinery and equipment. The credit must be taken over 7 years and may not begin until the year after the investment is made. The effect of the amendment is to make more investments eligible for the credit. In addition, the credit applies to the amount of the investment above the investment that exceeds the threshold. Thus, for some purchases the amendment would also increase the size of the investment base for calculation of the credit.

The starting point for the investment tax credit calculation was the "plant announcements" tabulation of the Department of Commerce. for the 1998 calendar year. Since the credit is limited to 50% of tax liability, the methodology used in developing the original Bill Lee Act credits in 1996 was used for the current proposals. The initial post-legislative review of the 1996 estimates indicated that the actual credit cost was reasonably close to the original estimates.

Sales Tax Refund Impact: Under the amendment 13 counties would now move to Tiers 1 or 2. This would make Bill Lee Act companies purchasing machinery and equipment that is capitalized for federal tax purposes in these counties eligible for an annual refund. of state and local sales taxes paid. The application for refund must be made within 6 months after the end of the State's fiscal year.

Withdrawn

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill DRH

AMENDMENT NO. 10
(to be filled in by Principal Clerk)

HURR-ALC-MILLER2

Date 12/4, 199

Comm. Sub. [ ]
Amends Title [ ]
DRH6238

Substitute for #9 Russell

Rep. Miller

moves to amend the bill on page 10, line 27, by adding the following before the line:

"**DISASTER COUNTIES HOUSING CREDIT**

Section 4.7. (a) G.S. 105-129.16B(c) reads as rewritten:

'(c) Definitions. -- The definitions in section 42 of the Code apply in this section. In addition, as used in this section the term 'qualified North Carolina low-income building' means a qualified low-income building that was allocated a federal credit under section 42(h)(1) of the Code, was not allowed a federal credit under section 42(h)(4) of the Code, and meets any of the following conditions:

(1) It is located in an area that, at the time the federal credit is allocated to the building, is a tier one or two enterprise area, as defined in G.S. 105-129.3.

(1a) It is located in a county that, at the time the federal credit is allocated to the building, has been designated as having sustained severe or moderate damage from a hurricane or a hurricane-related disaster, according to the Federal Emergency Management Agency impact map, revised on September 25, 1999. Those counties are: Bertie, Beaufort, Bladen, Brunswick, Carteret, Columbus, Craven, Dare, Duplin, Edgecombe, Greene, Halifax, Hertford, Jones, Lenoir, Martin, Nash, New Hanover, Northampton, Onslow, Pasquotank, Pender, Pitt, Washington, Wayne, and Wilson Counties.

(2) It is located in an area that, at the time the federal credit is allocated to the building, is a tier three or four enterprise area, and forty percent (40%) of its residential units are both rent-restricted and occupied by individuals whose income is fifty percent (50%) or less of area median gross income as defined in the Code.

(3) It is located in an area that, at the time the federal credit is allocated to the building, is a tier five enterprise area, and forty percent (40%) of its

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill DRH

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

residential units are both rent-restricted and occupied by individuals whose income is thirty-five percent (35%) or less of area median gross income as defined in the Code.'

Section 4.7.(b) This section becomes effective January 1, 2000, and expires January 1, 2002.";

and on page 13, line 17, by deleting "and except that" and substituting "Section 4.7 of this act becomes effective January 1, 2000, and".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

Withdrawn

Rep. Ron Sutton

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

AMENDMENT NO. 11
(to be filled in by
Principal Clerk)

99EX-Amend-ALR1

Date 12 - 14 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Sutton

moves to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-1, item B.4.,
by adding the following at the end of the narrative of that item:
"Supplemental grants to homeowners shall not exceed $50,000."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if **Senate** Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

adopted voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill DRH

AMENDMENT NO. 12
(to be filled in by Principal Clerk)

HURR-ALC-~~MILLER1~~ Russell2

Date 12/14, 199

Comm. Sub. [ ]
Amends Title [ ]
DRH6238

Rep. ~~Miller~~ Russell

moves to amend the bill on page 10, line 26,
by adding the following on the line:
"**DISASTER COUNTIES TIER RANKINGS** Revenue Laws Study
Section 4.7.(a) The ~~Legislative Commission to Address Hurricane Floyd Disaster Relief~~ Committee created in Part V of this act, shall study the potential consequences of lowering the enterprise area tier designations under G.S. 105-129.3 of counties that sustained severe or moderate damage from a hurricane or a hurricane-related disaster in 1999, according to the Federal Emergency Management Agency. The Commi~~ssion~~ Hee shall consider the estimated fiscal impact of such a proposal, its effect on the competitiveness of other counties, whether the current law formula for tier designation is responsive to hurricane-related changes in individual counties, and other relevant issues.
Section 4.7.(b) The Commi~~ssion~~ Hee shall report its findings and recommendations on this issue to the 2000 Regular Session of the 1999 General Assembly."

SIGNED C Russell
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
DRH6238-LE001H

11

AMENDMENT NO._____
(to be filled in by
Principal Clerk)

99EX-Amend-ALR1

Date_____,1999

Comm. Sub. []
Amends Title []

Representative Sutton

moves to amend the Draft Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 13, 1999 on page L-1, item B.4., by adding the following at the end of the narrative of that item: "Supplemental grants to homeowners shall not exceed $50,000,".

except where necessary to place low and moderate income families in to comparable housing as defined under the federal ~~Uniform~~ Uniform Relocation Act

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

DRAFT 12/13/99 2:40 pm

GENERAL ASSEMBLY OF NORTH CAROLINA

EXTRA SESSION 1999 w/Technical Corrections

H D

HOUSE DRH6238-LE001H(12.10) 9:40 am 12/14/99

Short Title: Hurricane Floyd Recovery Act of 1999. (Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999.

The General Assembly of North Carolina enacts:

PART I. TITLE OF ACT

Section 1. This act shall be known as "The Hurricane Floyd Recovery Act of 1999."

PART II. LEGISLATIVE FINDINGS

DAMAGE CAUSED BY HURRICANE FLOYD

Section 2.(a) The General Assembly finds that Hurricane Floyd was the worst natural disaster in the State's history. Extensive and prolonged flooding caused by the storm has been devastating to infrastructure and to the civil, social, economic, and environmental well-being of Eastern North Carolina. The entire economic base of Eastern North Carolina was undermined, including the ability of individuals to earn an income to support themselves and their families. A loss of this magnitude affects all of North Carolina. Extraordinary assistance to the affected areas is required if this region and, indeed, the entire State is to recover from the short- and long-term effects of the devastation.

Section 2.(b) The General Assembly finds that as a result of Hurricane Floyd:

(1) The President of the United States declared 66 of the State's 100 counties to be a disaster area. Twenty-seven counties and 73 municipalities were severely impacted by the disaster.

(2) Fifty-one people lost their lives.

(3) People lost their loved ones, their homes, their communities, their houses of worship, their life savings, their jobs, their family mementos, their pets, and their ways of life.

(4) Entire towns were flooded to the rooftops as the water levels of rivers and streams throughout Eastern North Carolina crested at flood-stage heights far beyond those ever seen before in this State.

(5) Over 56,000 homes were damaged. Of these, over 7,000 homes were completely destroyed and another 17,000 are uninhabitable. This damage represents an extraordinary economic loss since less than thirteen percent (13%) of homes in the affected counties were covered by flood insurance. Many homeowners and inhabitants did not have flood insurance because they did not know there was a danger of flooding. (Most homes covered by flood insurance were financed mobile homes for which the loan included flood insurance.)

With the destruction of homes, the economic engine that propels communities was lost. On average, seventy-five percent (75%) of an American family's wealth is embodied in the home. That home equity is what the family relies on to finance businesses, job training for breadwinners, the children's education, and other enhancements to the family's overall well-being.

Additional State assistance to homeowners is therefore essential to assure that there is safe and adequate housing for the citizens of the affected region and to assure the economic viability of affected communities.

(6) Over 12,000 businesses reported physical damage or disaster-related economic losses. Those businesses without the equity to either absorb their losses or qualify for Small Business Administration loans will not reopen and jobs will be permanently lost.

(7) Millions of farm animals were lost, including 2,100,000 poultry, 1,180 cattle, 250 horses, and over 28,000 hogs.

(8) The ability of North Carolina farmers to operate successfully in the coming year was severely compromised. Most farmers were heavily in debt before Hurricane Floyd caused nearly one billion dollars ($1,000,000,000) of damage to agriculture in the State. Most farmers cannot take on the additional debt necessary to repair farm structures, purchase new equipment, rehabilitate damaged fields, and replace lost livestock. Many farmers may be facing bankruptcy without assistance. Many farmers may be

unable to continue farming without assistance. It is therefore necessary to provide State assistance to farmers to preserve the agricultural sector of the economy in Eastern North Carolina and the economic stability of the region.

(9) Commercial fishing losses are estimated at nineteen million dollars ($19,000,000) and the 8,000 commercial fishermen in the State are in danger of losing not only their livelihood, but a way of life their families have known for generations. Without State assistance to commercial fishers, this sector of the economy and the cultural heritage it represents may disappear from North Carolina. It is therefore necessary to provide State assistance to preserve this sector of the economy and this cultural heritage in Eastern North Carolina.

(10) Tourists, industrial location consultants, and business decision makers were left with the impression that all of Eastern North Carolina was and will continue to be totally devastated. Tourists are therefore hesitant to consider visiting Eastern North Carolina, and industries are hesitant to consider locating or expanding in Eastern North Carolina. Without State programs to change the public perception of North Carolina, these negative and inaccurate impressions will threaten the long-term economic stability of the region and of the entire State.

(11) Floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products, and dead farm animals, leaving untold environmental impacts and public health challenges. Flooding heavily damaged State, county, and local infrastructure. Water and sewer treatment plants were shut down and severely damaged due to the flooding, the road system in Eastern North Carolina was shut down and severely damaged due to the flooding, and numerous dams failed or are still in danger of failing. Threats to the public health and safety and severe and continued environmental degradation will continue without additional State programs and assistance to rectify the damage. Therefore, it is necessary to provide additional ~~resources~~ programs and resources to respond to the environmental havoc inflicted upon the citizens and communities of Eastern North Carolina by Hurricane Floyd.

merge (12) and (13) into (11)

~~(12)~~ Over 7,000 public and private wells have been tested for contamination and many must be retested before the water is safe to drink.

~~(13)~~ The rivers, sounds, and offshore waters with low oxygen must be monitored to ensure that our fish and shellfish are safe to eat.

(12) ~~(14)~~ Caskets floated out of the saturated ground.

(13) ~~(15)~~ There was erosion in the tax base in counties with persistently high poverty rates. These same counties must now bear the expense of

replacing and repairing damaged infrastructure and meeting the additional educational and social services needs of their residents.

Section 2.(c) The General Assembly further finds that the devastation caused by Hurricane Floyd was of unprecedented proportions. Devastation of this magnitude was not planned for and could not have been planned for. Public and private decision making was predicated on the 100-year floodplain; actual flooding was throughout, and even outside of, the 500-year floodplain. No policies, no decision making, and no planning could adequately mitigate damage from or prepare an adequate response to such an extraordinary event.

Section 2.(d) The General Assembly further finds that the devastation caused by Hurricane Floyd in Eastern North Carolina continues to affect all aspects of the economy, the environment, public health and safety, infrastructure, public and private institutions, and the general welfare of the region and, indirectly, of the entire State. Immediate short-term responses and long-term responses are necessary to preserve a way of life in Eastern North Carolina, the economic condition of the entire State, and the reputation North Carolina has, nationally and internationally, as a great place to live and a great place to do business. to preserve to preserve

CRITICAL NEEDS NOT MET BY EXISTING STATE AND FEDERAL PROGRAMS AND FUNDS

Section 2.1.(a) The General Assembly finds that State and federal disaster relief initiatives are not intended to make individuals whole after a loss; they are intended to assist the affected area in recovering from the devastation caused by Hurricane Floyd. A massive recovery program that includes assistance to individuals is essential to the recovery of the affected area due to the severity of the damage, the magnitude of the geographical area it covered, and the duration of the emergency conditions in the area. The cumulative effect of devastating losses of lives, homes, schools, life savings, personal effects, jobs, businesses, and other social and civic institutions, and of concerns, both real and imagined, about public health issues and the environment, has substantially impaired the region's ability to recover.

Traditional support systems for victims of losses such as families, friends, religious organizations, relief organizations, other private entities, and existing public programs are simply inadequate given the magnitude of the problem. Their property was also damaged by the disaster and their resources were further depleted by the overwhelming and unrelenting need for emergency assistance after the storm.

Without significant additional State assistance to the area devastated by Hurricane Floyd, further deterioration of the economy, the environment, public health and safety, and quality of life in the region is likely to occur. Without additional State assistance:

(1) Tens of thousands of people in uninsured, damaged homes will either not qualify for federal housing assistance or not have the resources to take advantage of federal housing assistance.

(2) Local governments already overwhelmed with storm-related expenses ~~will~~ may not have the resources to repair damaged

infrastructure and provide the new infrastructure necessary for families relocating out of the flood zone.

(3) Thousands of jobs will be permanently lost because an estimated 1,500 small businesses and 25 mid-sized businesses cannot qualify for Small Business Administration loans.

(4) Farmers, most of whom were deeply in debt before being devastated by Hurricane Floyd, will recoup less than forty-three percent (43%) of their crop losses. Unless farmers receive assistance, the number of forced sales and bankruptcies will rise across all of Eastern North Carolina. Many farmers will never farm again.

(5) Commercial fishers will recoup none of their losses.

(6) Resources for drinking water protection, water quality monitoring to ensure the safety of fish and shellfish, solid waste cleanup, hazardous waste cleanup, remediation of high-risk underground storage tanks, and repair of high-hazard dams will be drastically limited.

(7) The tourism industry will continue to suffer throughout the State due to negative publicity about the storm.

Section 2.1.(b) It is the intent of the General Assembly that the benefits of the projects and programs authorized by this act are for the common good and collective recovery of the people of this State following a devastating natural disaster directly affecting a large portion of the State and indirectly affecting the entire State. The entire State faces a major loss if Eastern North Carolina is not offered the assistance provided by this act. The purpose of this act is to provide an ultimate net public benefit to the State through a successful Hurricane Floyd recovery initiative in Eastern North Carolina.

COUNCIL OF STATE FINDINGS

Section 2.2. On December 9, 1999, the Council of State made the following findings in whereas clauses to a resolution:

(1) Eastern North Carolina has a history of communities supported by an economic base of agriculture, small business, tourism, and professional services.

(2) This economy provides the means for people of the region to earn the money needed for housing, transportation, and other basic necessities of life.

(3) The vitality of Eastern North Carolina communities is dependent upon the prosperity of these economies in order to sustain the tax bases for the political subdivisions which provide services to the citizens of the region.

(4) On September 16, 1999, Hurricane Floyd struck Eastern North Carolina with severe rains, resulting in flooding of a catastrophic

nature, displacing thousands of residents of Eastern North Carolina, and paralyzing these communities and their economies.

(5) On September 15, 1999, a State of Emergency was declared under G.S. 166A for 26 counties in Eastern North Carolina, with a subsequent declaration of a state of emergency from the President, allowing North Carolina to receive federal disaster assistance in excess of one billion dollars ($1,000,000,000).

(6) Subsequent federal actions have allowed North Carolina to receive additional federal disaster assistance, again in excess of one billion dollars ($1,000,000,000).

(7) There remain urgent unmet needs in the affected communities to help the population of Eastern North Carolina, to revitalize the economic base within the communities within this region, and to assist the communities in stabilizing the services needed by the residents.

(8) In order for economic stability to be recaptured in these North Carolina communities, such aid must take the form of grants and loans to the individuals and small businesses, which are the essence of these communities and, without such assistance, the region might not recover as a vital section of the State.

(9) We find that the contingency and emergency funds are insufficient to meet the needs of the State to address housing, economic, public health, environment, and local government needs caused by the disaster in Eastern North Carolina communities.

COUNTIES COVERED BY THIS ACT

Section 2.3. Sections 2 through 4.2 of this act apply in the North Carolina counties that were declared a major disaster as a result of Hurricane Floyd by the President of the United States under the Stafford Act (P.L. 93-288).

PART III. THE HURRICANE FLOYD RESERVE FUND

ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND

Section 3. The Governor has established in the Office of State Budget and Management the Hurricane Floyd Reserve Fund. The purpose of this fund is to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd, consistent with the provisions of this act, in the following areas:

(1) Required match for federal funds for disaster relief.

(2) Housing assistance.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy.

(4) Public health, public safety, social services, and environmental recovery issues.

(5) Support to local governments.

These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds.

APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND

Section 3.1.(a) The appropriations and allocations made in this section are for maximum amounts necessary to implement this act. Savings shall be effected where the total amounts appropriated are not required to implement the act.

Section 3.1.(a1) The General Fund availability used in developing this act is as follows:

		1999-2000 ($ Millions)
Budget Reform Statement		
(01)	Ending Unreserved Credit Balance, June 30, 1999	
	a. Budgeted (S.L. 1999-237)	260.4
	b. Actual	296.7
	c. Excess	36.3
(02)	Net Revenue Gain by Finance Bills in Excess of Authorized Expenditures as Enacted by the 1999 Regular Session of the General Assembly	4.6
(03)	Estimated Unappropriated Balance, June 30, 2000	40.9

Section 3.1.(b) There is appropriated from the General Fund the sum of forty million dollars ($40,000,000) for the 1999-2000 fiscal year to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, primarily to support crisis housing assistance.

Section 3.1.(c) Of the funds the General Assembly appropriated for the 1999-2000 fiscal year and previous fiscal years: (i) for the operation and maintenance of State departments, institutions, and agencies, and for other purposes, (ii) for repairs, renovations, and other capital projects, and (iii) other nonrecurring appropriations, the Governor, with the concurrence of the Council of State, may reallocate funds during a state of disaster to the Hurricane Floyd Reserve Fund, as provided in G.S. 166A-6(c)(5).

Section 3.1.(d) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of two hundred eighty-five million nine hundred sixty-five thousand eight hundred twenty-four dollars ($285,965,824) for the 1999-2000 fiscal year primarily to support crisis housing assistance. These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds; however, these funds shall remain in the Savings Reserve Account and shall be transferred to the Hurricane Floyd Reserve Fund and expended only ~~as certified by~~ the Director of the Budget ~~when~~ funds from other sources are not adequate to implement the provisions of this act.

as Jft

certifies that

Section 3.1.(e) Funds appropriated or reallocated pursuant to this section shall be used only to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd consistent with the provisions of this act.

Section 3.1.(f) The allocation of funds in the [House] [Senate] Committee Report dated December ____, 1999, are intended as guidance for the Governor. However, notwithstanding Section 4.1 of this act but in accordance with Chapter 166A of the General Statutes, if the Governor determines that allocations should be made to programs other than those set forth in the Committee Report, the Governor shall report to the Joint Legislative Commission on Governmental Operations before implementing any changes in the allocations.

PART IV. IMPLEMENTATION OF ACT

TEMPORARY RULES AUTHORIZED; AUTHORIZATION APPLIES TO THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971

Section 4. The General Assembly finds that the magnitude of the devastation caused by Hurricane Floyd and the urgency of the need for immediate State recovery assistance require expeditious actions by State agencies. Delay could: (i) cause serious and unforeseen threats to the public health, safety, or welfare; (ii) result in the loss of federal revenues for the recovery effort; or (iii) increase the likelihood of fraud and abuse in recovery programs. Therefore, notwithstanding the limitations of G.S. 150B-21.1, every agency, as defined in G.S. 150B-2, may adopt temporary rules to implement the provisions of this act. The authority to adopt temporary rules under this section shall continue in effect until all rules necessary to implement the provisions of this act have become effective as either temporary rules or permanent rules. A temporary rule adopted pursuant to this section shall specify the date on which the rule will expire and shall continue in effect until that date. Any agency that adopts a temporary rule pursuant to this section shall report the text of the rule and the agency's written statement of its findings of the need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the adoption of the temporary rule. This section applies to the adoption of temporary rules by the Department of Administration under G.S. 113A-11(a) and to the adoption of temporary rules that establish minimum criteria by any State agency, as defined in G.S. 113A-9, under G.S. 113A-11(b).

AUTHORIZATION TO ESTABLISH NEW PROGRAMS, EXPAND EXISTING PROGRAMS, AND MODIFY EXISTING PROGRAMS TO IMPLEMENT THIS ACT

Section 4.1. The Governor may: (i) establish new programs, expand existing programs, and modify existing programs to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd and (ii) expend funds from the Hurricane Floyd ~~Relief~~ Reserve Fund to implement these programs. These expenditures and programs shall be used only for:

(1) Required matching funds for federal funds for disaster relief.

(2) Crisis housing assistance, which may include, but shall not be limited to, direct housing assistance to homeowners and renters, grants to local government for water, sewer, and other infrastructure needs for housing in new areas, predevelopment activities, housing counselors, and housing recovery efforts.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy, which may include, but shall not be limited to, small business disaster assistance to small and mid-sized businesses, grants to farmers, and grants and loans to commercial fishers.

(4) Public health, public safety, social services, and environmental recovery issues which may include, but shall not be limited to, drinking water protection, water quality monitoring, solid waste and hazardous waste cleanup, assessment and remediation of high-risk underground storage tank sites, dam safety, and emergency and maintenance dredging.

(5) Support to local governments, by grants to local governments to offset revenue losses resulting from storm damage from natural disasters covered by federal disaster declarations as to any storm between September 1, 1999, and the date of enactment of this act. The amount of the grants shall be based on loss of taxable property in the jurisdiction.

AUTHORIZATION TO TRANSFER FUNDS TO FEDERAL AGENCIES AND TO LOCAL GOVERNMENTS

Section 4.2. The Governor may:

(1) Use funds from the Hurricane Floyd Reserve Fund to match federal funds in accordance with Section 4.1(1) of this act.

(2) Provide grants to local governments in accordance with Section 4.1(5) of this act.

(3) Transfer funds to federal agencies and local governments pursuant to cooperative agreements under which they administer programs or provide services on behalf of the State.

AUTHORIZATION TO ESTABLISH TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT

Section 4.3. The Governor may establish part-time and full-time personnel positions to implement this act. All such positions shall be time-limited and shall be exempt from the State Personnel Act.

AUTHORIZATION TO ESTABLISH ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS

Section 4.4. The Governor may establish advisory councils to advise relevant State agencies on Hurricane Floyd recovery efforts and to ensure input from representatives of affected communities and groups.

TAX EXEMPTION

Section 4.5. Each agency disbursing funds or property under Section 4.1 of this act from the Hurricane Floyd Reserve Fund for hurricane relief or assistance, other than payments for goods or services provided by the recipient, shall include with the disbursement a written statement of the State and federal income tax treatment of the funds or property disbursed.

Section 4.6.(a) G.S. 105-134.6(b) is amended by adding the following new subdivision to read:

"(16) The amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(b) G.S. 105-130.5(b) is amended by adding the following new subdivision to read:

"(19) To the extent included in federal taxable income, the amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6 (c) This section is effective for taxable years beginning on or after January 1, 1999.

PART V. CREATION OF DISASTER RESPONSE AND RECOVERY COMMISSION

Section 5.(a) Commission Established. -- There is established the Legislative Commission to Address Hurricane Floyd Disaster Relief ("Commission").

Section 5.(b) Membership. -- The Commission shall consist of 15 members as follows:

(1) Five members appointed by the Governor.

(2) Five members appointed by the Speaker of the House of Representatives.

(3) Five members appointed by the President Pro Tempore of the Senate.

Appointments to the Commission shall be made not later than January 15, 2000. A vacancy in the Commission or as chair of the Commission resulting from the resignation of a member or otherwise shall be filled in the same manner in which the original appointment was made.

Section 5.(c) Duties of Commission. -- The Commission shall study:

(1) The adequacy of the State's short-term and long-term response to natural disasters under current law and necessary modifications in

the State's response to future natural disasters. In the course of this study, the Commission may consider:

a. The circumstances under which an extraordinary State response to extraordinarily severe and widespread devastation is appropriate and the components of such an extraordinary State response.

b. The need for dedicated sources of funding for disaster recovery.

c. The need to modify State policies and amend State laws to mitigate damages in future disasters and to remove administrative obstacles to the recovery effort.

(2) Short- and long-term recovery efforts for Eastern North Carolina in response to Hurricane Floyd and strategies for supplementing, improving, and enhancing those recovery efforts.

Section 5.(d) Consultation. -- The Commission may consult with appropriate State departments, agencies, and board representatives on issues related to its duties.

Section 5.(e) Organization. -- Members of the Commission and its subcommittees shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate one member to serve as cochair of the Commission. The cochairs shall call the initial meeting of the Commission on or before February 1, 2000. The Commission shall subsequently meet upon such notice and in such manner as its members determine. A majority of the members of the Commission shall constitute a quorum.

The Commission may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission of the General Assembly, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. Upon the direction of the Legislative Services Commission, the Legislative Assistants Directors of the Senate and of the House of Representatives shall assign clerical staff to the Commission. The expenses for clerical employees shall be borne by the Commission.

The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it.

Section 5.(f) Citizen Participation. -- The Commission shall establish a process of citizen participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission. It shall hold meetings throughout the State.

Section 5.(g) Cooperation by Government Agencies. -- The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision thereof for facilities, data, or other assistance.

Section 5.(h) Funding. -- The Commission may apply for, receive, and accept grants of non-State funds or other contributions as appropriate to assist in the performance of its duties.

Section 5.(i) Report. -- The Commission shall submit interim reports to the 2000 Regular Session of the 1999 General Assembly and the 2001 General Assembly and shall submit a final report of its findings and recommendations on May 1, 2002, to the General Assembly, the Governor, and the citizens of the State. The Commission shall terminate upon filing its final report.

PART VI. REPORTING REQUIREMENTS

Section 6. The Governor shall report to the Joint Legislative Commission on Governmental Operations on the implementation of this act on a monthly basis during the third quarter of the 1999-2000 fiscal year and on a quarterly basis thereafter. The Governor shall report more frequently at the request of the Commission.

PART VII. EQUALIZATION OF UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS

Section 7. G.S. 96-13(c) reads as rewritten:

"(c) ~~From January 29, 1975, through February 15, 1977, no week of unemployment for waiting-period credit shall be required of any claimant.~~ Beginning February 16, 1977, an unemployed individual shall be eligible to receive benefits with respect to any week only if the Commission finds that he has been totally, partially, or part-totally unemployed for a waiting period of one week with respect to each benefit year. No week shall be counted as a week of unemployment for waiting-period credit under this provision unless the claimant except for the provisions of this subdivision was otherwise eligible for benefits. As to claims filed on or after September 5, 1999, the waiting period for a benefit year shall not be required of any claimant if all of the following conditions are met:

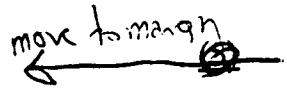
(1) The benefits are to be paid for unemployment due directly to a major natural disaster.

(2) The President of the United States has declared the disaster pursuant to the Disaster Relief Act of 1970, 42 U.S.C.A. 4401, et seq.

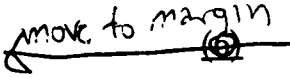
(3) The benefits are to be paid to claimants who would have been eligible for disaster unemployment assistance under this act if they had not been eligible to receive unemployment insurance benefits with respect to that unemployment.

(4) The claimant files for a waiver of the waiting period week within 30 days after the date of notification or mailing of the notice of the right to have the waiting period week waived. The Employment Security Commission, for good cause shown, may at any time in its

discretion, with or without motion or notice, order the period enlarged if the request for an enlargement of time is made before the expiration of the period originally prescribed or as extended by a previous order. After expiration of the specified period, the Employment Security Commission may permit the act to be done where the failure to act was a result of excusable neglect.



The benefits paid as a result of the waiver of the waiting period week shall not be charged to the account or accounts of the base period employer or employers in accordance with G.S. 96-9(c)(2)d.



The Employment Security Commission shall implement regulations prescribing the procedure for the waiver of the waiting period week in accordance with G.S. 96-4(b)."

PART VIII. EFFECTIVE DATE

Section 8. This act is effective when it becomes law, except that Sections 3.1(c), 4, 4.1, 4.2, and 7 become effective September 1, 1999, and except that Section 4.6 of this act is effective for taxable years beginning on or after January 1, 1999.

ENHANCED HOUSE APPROPRIATIONS COMMITTEE
MINUTES
December 15, 1999

The meeting was called to order by House Appropriations Committee Co-Chair Representative David Redwine at 10:35 a.m. He welcomed everyone and stated that the committee would review and take action on House Bill 2. Copies of the bill were distributed and it was explained that the document is the same one that was worked on by the committee previously, with only technical changes. Rick Carlisle (Secretary, Department of Commerce), Billy Ray Hall (Director, Rural Center), Bill Holman (Secretary, Department of Environment and Natural Resources), Marvin Dorman (Director, Office of State Budget and Management) and additional state agency staff members were present. The floor was opened for questions.

Referring to the total of $829 million, Rep. Michaux asked if the only funds we have counted on ($325 million) that came from the rainy day fund and unexpended fund. Rep. Redwine stated that was correct, that the Governor could redirect funds as he chooses but the Legislature can tell him what to do. The Legislature could choose to use stronger words to tell the Governor to redirect funds. Regarding the title of the bill, Billy Ray Hall stated that the Farm Service Agency Administration proposes and we asked them to administer and manage for us this agreement with the federal government at the same time to speed up the process.

Rep. Phil Baddour was recognized to explain the bill. He recognized Secretary Carlisle, Rural Center Director Billy Ray Hall, and Secretary Holman to answer questions from the members. Commerce Secretary Carlisle answered questions about housing and rental assistance and stated the bill gives support for homeowners and small business owners. Mr. Hall answered questions about Business Disaster, Agriculture, and General Economic Recovery assistance. Mr. Holman reviewed funding for Public Health & Environment and Local Government Support.

The following amendments were submitted.

AMENDMENT 1: (H2ES-ALL-001) Rep. Hardaway moved to amend the bill on page 13, line 19 by deleting the words "under this act". The amendment was adopted by voice vote.

AMENDMENT 2 Rep. Michaux moved to amend the bill on page 10, line 9 by deleting "administer programs" and substituting "administer agriculture programs". The amendment was displaced for corrections.

AMENDMENT 3: (HB2-ASK-002) Rep. Crawford moved to amend the bill on page 13, line 37 by inserting the following new part: "Part VIIA. Emergency Transit of Manufactured Housing. Section 7A.1. Notwithstanding G. S. 20-116-, G. S. 20-119, or any other provision of law, the Department of Transportation shall issue single trip permits for the movement of manufactured housing of up to 16 feet in width into federally-declared disaster areas for the purpose of providing housing to disaster victims. The Department of Transportation shall develop and enforce appropriate restrictions on the time and manner of manufactured housing movements authorized by this section to ensure the safety of the traveling public. The Department of Transportation shall adopt temporary rules to implement this section within 30 days of the effective date of this date." The amendment was displaced.

Amendment 4 Rep. Michaux moved to amend the bill on page 10, line 3 by deleting "to federal agencies and" further amend the bill on page 10, line 6 by adding: "(4) Transfer funds to federal agencies pursuant to cooperative agreements under which they administer agriculture programs or provide ...on behalf of the State." The amendment was adopted by voice vote.

Amendment 5 (H2ES-ALR-1) Rep. Michaux moved to amend the bill on page 11, lines 8-9, by inserting between those lines the following: "INVOLVEMENT OF HISTORICALLY UNDERUTILIZED BUSINESSES, Sec. 4.8. On April 20, 1999, the Governor issued Executive Order No. 150, entitled 'Support for Historically Underutilized Businesses'. It is the intent of the General Assembly that, during this time of rebuilding and Hurricane Floyd relief efforts, each State agency should strive to increase the total amount of goods and services acquired by it from historically under-utilized business vendors, whether directly as principal contractors or indirectly as subcontractors or otherwise." The amendment was adopted with a technical change on line 10 adding the word "under" before the word utilized.

Amendment 6 (H2ES-ALE-04) Rep. Hensley moved to amend the bill on page 1, line 16 by adding after the line the following "PROVIDING FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES" and on page 13, line 37 by adding after the line the following: "PART VIIA. FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES." (The remainder of the wording of the amendment can be found in the Appendix, Amendment 6.) The amendment was adopted by a roll call vote.

Amendment 7 (H2ES-ALE-04A). (Perfecting Amendment to #6) Rep. Insko moved to amend the bill by deleting Section 7A.© of that amendment and substituting the following: "Section 7A.©. This section becomes effective

August 15, 1999 and expires August 15, 2000." The amendment was adopted by voice vote.

During committee discussion the chair recognized Ann Berlin, Legislative Director for Public Instruction who discussed issues related to flexibility. Perfecting to Hensley amendment– change 27 counties to 66 counties (L. 31, P. 1). Phil Price, of the Fiscal Research Division addressed the issues of constitutionality, of requiring 180 days.

The meeting recessed for lunch at 1:15 and was called back to order at 2:00 p.m. by Co-Chair Rep. David Redwine.

Amendment 8: (H2ES-ALR-2) Rep. Michaux moved to amend the bill on page 7, line 40, by deleting "primarily" and substituting "only"; on page 7, line 41 by rewriting the line to read "housing assistance to homeowners, renters, and new homeowners, and for any other matters pertaining to relocation; and further moved to amend the bill, on page 8, line 8 by deleting the "primarily" and inserting "only"; and further moved to amend the bill and on page 8, line 9 by inserting immediately before the period the phrase: '"to homeowners, renters, and new homeowners, and for any matters pertaining to relocation". The amendment was adopted by voice vote.

Amendment 9: H2ES-ALN-003A Rep. Mitchell moved to amend the Report of the House Appropriations Committee on Hurricane Floyd Recovery on Page L5, item #24, by deleting the item; and further moved to amend the report of the House Appropriations Committee on Hurricane Floyd Recovery on page L5, by adjusting the Total Hurricane Floyd reserve accordingly; and further moved to amend the bill on page 8, lines 7 and 8, by deleting "two hundred eighty-five million nine hundred sixty-five thousand eight hundred twenty-four dollars ($285,965,824)" and substituting "two hundred eighty-one million, four hundred sixty-five thousand, eight hundred twenty-four dollars ($281,465,824)". Secretary Holman discussed junk yards and need to provide the funding quickly. The amendment was adopted by Roll Call vote with 53 yes and 38 no.

Amendment 10: (H2ES-ALB-5A) Rep. Nesbitt moved to amend the bill on page 2, line 44 and page 3, line 1. (See copy of amendment in the appendix.) This amendment was related to rental housing, encouraging the Governor to use funds for this but another part of the bill provides that the Governor present this to the Government Operations Committee. The amendment was adopted by voice vote.

Amendment 11 (H2ES-ALH-4) Rep. Hardaway offered an amendment directing the Governor to re-allocate funds not used in other categories to the Housing Authority. This amendment was withdrawn.

Amendment 12 (H2ES-ALH-1 Rep. Wright moved to amend the bill on page 11, lines 41-42. The amendment was adopted.

Amendment 13 (H2EX-ALK-5) Rep. Crawford moved to amend the bill on page 13, line 37. This amendment would have effected the movement of manufactured housing over 16 feet. The amendment was defeated by voice vote.

Amendment 14 (H2ES-ALH-3) Rep. Easterling moved to amend the budget report entitled Report of the House Appropriations Committee on hurricane Floyd Recovery dated December 14, 1999, on page L-5, Item I.28, by deleting "emergency dredging" each time it appears and substituting "emergency and maintenance dredging". The amendment was adopted by voice vote.

Amendment 15 (H2ES-ARO-001) Rep. Connie Wilson made a motion for a clarifying amendment to amend the bill on page 8, lines 37-44, and on page 9, line 1, by rewriting the lines. (See copy in the Appendix.) The motion was adopted by voice vote.

Amendment 16 (H2ES-ALB-1A) Rep. Easterling moved to amend the bill on page 8, line 26. (See copy in the appendix.) The motion was withdrawn. The amendment would have transferred $6,678,000 that would have been used for Chamber and Office Building renovations into the budget of the Department of Health & Human Services.

Amendment 17 (H2ES-ALH-4B) Rep. Hardaway moved to amend the bill on page 8, line 26. The motion was adopted by voice vote.

Amendment 18 (H2ES-ART/SB-002.02 Rep. Gardner moved to amend the bill on page 11, line 9. The motion was adopted by voice vote.

Amendment 19 (Handwritten) Rep. Berry moved to amend the committee report on Page L5 by inserting a new item K to read: "K. Supplemental Mental Health Assistance. 30 Provides supplemental funds for mental health services to the counties that were declared a major disaster as a result of Hurricane Floyd ($4,500,000) and to adjust the appropriate totals accordingly and further moved

to amend the bill on page 8, lines 7 and 8 by deleting $281,465,224" (and as written out) and substituting $285,965,824 (and as written out). The motion was withdrawn.

Amendment 20: (Perfecting Amendment) Rep. Cansler moved to strike "supplemental" from the Berry amendment. The Chairman ruled the motion out of order.

House Appropriations Co-Chair Representative Hardaway moved to give the original bill an unfavorable report and a favorable report to a committee substitute.

The meeting was adjourned at 5:20 p.m.

Rep. Ruth Easterling, Co-Chair — Marie Horn, Committee Clerk

Rep. Thomas C. Hardaway, Co-Chair — Rita Harris, Committee Clerk

Rep. David Redwine, Co-Chair — Nancy Brantley, Committee Clerk

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Appropriations Committee, Plus Additional Members Attendance 12-15-99

D	Adams	R	Allred
D	Alexander	R	Arnold
D	Allen	R	Baker
D	Baddour*	R	Barbee
D	Barefoot	R	Berry
D	Blue	R	Bowie
D	Bonner	R	Brubaker
D	Boyd-McIntyre	R	Cansler
D	Cole	R	Carpenter
D	Crawford	R	Clary
D	Culpepper	R	Culp
D	Cunningham*	R	Daughtry
D	Earle*	R	Davis
D	Easterling	R	Dockham
D	Edwards	R	Ellis
D	Dedmon*	R	Esposito
D	Fox	R	Gardner
D	Haire	R	Gillespie
D	Hackney*	R	Grady
D	Hardaway	R	Gulley
D	Hensley	R	Hiatt
D	Hill	R	Holmes
D	Horn	R	Justus
D	Hunter	R	Kiser
D	Hurley	R	McMahan
D	Insko	R	Mitchell
D	Jeffus	R	Morgan
D	Kinney	R	Pope
D	Luebke	R	Preston
D	McAllister	R	Russell
D	McCrary	R	Setzer
D	McLawhorn	R	Sexton
D	Melton	R	Sherrill
D	Michaux	R	Teague
D	Miller	R	Thompson
D	Moore	R	Walend
D	Nesbitt	R	Wilson, C.
D	Nye	R	Wilson, G.
D	Oldham		
D	Owens		
D	Redwine		
D	Rogers		
D	Saunders		
D	Smith		
D	Sutton		
D	Thomas		
D	Tolson		
D	Tucker		
D	Wainwright		
D	Warner		
D	Warren		
D	Warwick		
D	Wright		
D	Yongue		

Pursuant to Rule 26(h), Representatives Hackney, Baddour, Earle, Dedmon, and Cunningham are ex officio members of all committees.

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Howard

Gray

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR
RALEIGH 27603-8001

JAMES B. HUNT JR.
GOVERNOR

November 12, 1999

Dear Friend:

You have been a critical part of our efforts to secure federal money to help Hurricane Floyd victims recover in eastern North Carolina, and I am grateful for your leadership and commitment.

We are in great need of your help today as some of the funding -- including support for housing and agricultural needs -- may be in jeopardy.

In the next three to four days, Congress will be finalizing their budget and will make decisions regarding assistance for our people. These funds are desperately needed to jumpstart the economy of eastern North Carolina and help families and communities come back from this disaster.

President Clinton and his administration have supported $429 million to buyout 11,000 homes.

But it appears that Congress may only fund part of the President's request.

Your help is urgently needed to make sure leaders in Congress understand the tremendous impact this storm has had on our people, and how critical their support is to the recovery.

I need you to contact Senate Majority Leader Trent Lott and Senate Minority Leader Tom Daschle today to make sure they understand how critical these funds are for our people and our future. Ask them to support the full $429 million housing request, and urge them to provide full funding to help meet our agricultural needs.

Sen. Trent Lott:	Phone:	202-224-6253
	Fax:	202-224-2262
Sen. Tom Daschle:	Phone:	202-224-2321
	Fax:	202-224-7895

We're committed to doing whatever it takes in North Carolina to help our people recover from this storm, to rebuild the economy and to protect their future. Senators Jesse Helms and John Edwards, and members of the North Carolina congressional delegation have fought hard for our citizens. With your continued support, we can do it.

My Warmest Personal Regards.

Sincerely,

James B. Hunt Jr.

It is vital that these contacts be made immediately — at least within 24 hours. 5/14

1999 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES

The following report(s) from standing committee(s) is/are presented:
By Representative(s) **EASTERLING, HARDAWAY AND REDWINE** for the Committee on **APPRORIATIONS**.

☐ Committee Substitute for
H.B. 2 A BILL TO BE ENTITLED AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999, MAKING FINDINGS AS TO DAMAGE CAUSED BY HURRICANE FLOYD CONCERNING ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND, MAKING APPROPRIATIONS TO THE HURRICANE FLOYD RELIEF FUND, AUTHORIZING TEMPORARY RULES FOR IMPLEMENTATION OF THIS ACT, AUTHORIZING ESTABLISHMENT OF NEW PROGRAMS, EXPANSION OF EXISTING PROGRAMS, AND MODIFICATION OF EXISTING PROGRAMS TO IMPLEMENT THIS ACT, AUTHORIZING TRANSFER OF FUNDS TO FEDERAL AGENCIES AND LOCAL GOVERNMENTS, AUTHORIZING TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT, AUTHORIZING ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS, PROVIDING FOR TAX EXEMPTION OF BENEFITS CONCERNING A STUDY OF DISASTER COUNTIES TIER RANKINGS, CREATING A DISASTER RESPONSE AND RECOVERY COMMISSION, PROVIDING REPORTING REQUIREMENTS, AND EQUALIZING THE UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS.

☐ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.

☒ With a favorable report as to committee substitute bill, which changes the title, unfavorable as to original bill.

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

	Adams	Allred
		Arnold
	Allen	Baker
	Baddour*	Barbee
	Barefoot	Berry
	Blue	Bowie
	Bonner	Brubaker
	Boyd-McIntyre	Cansler
	Cole	Clary
	Crawford	Culp
	Cunningham*	Daughtry
	Earle*	Davis
	Easterling	Dockham
	Edwards	Ellis
	Dedmon*	Esposito
	Fox	Gardner
	Haire	Gillespie
	Hackney*	Grady
	Hardaway	Gulley
	Hensley	Hiatt
	Hill	Holmes
	Horn	Justus
	Hunter	Kiser
	Hurley	
	Insko	Mitchell
	Jeffus	Morgan
	Luebke	Preston
	McAllister	Russell
	McCrary	Setzer
	McLawhorn	
	Melton	Sherrill
	Michaux	Teague
	Miller	Thompson
	Nye	Walend
	Oldham	Wilson, C.
	Owens	Wilson, G.
	Redwine	
	Rogers	
	Saunders	
	Smith	
	Sutton	
	Thomas	
	Tolson	
	Tucker	
	Wainwright	
	Warner	
	Warren	
	Warwick	
	Wright	
	Yongue	

GENERAL ASSEMBLY OF NORTH CAROLINA

EXTRA SESSION 1999

H D

HOUSE DRH6240-LE001H(12.10)

Short Title: Hurricane Floyd Recovery Act of 1999. (Public)

Sponsors: Representatives Easterling, Hardaway, Redwine, Baddour (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999, MAKING FINDINGS AS TO DAMAGE CAUSED BY HURRICANE FLOYD CONCERNING ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND, MAKING APPROPRIATIONS TO THE HURRICANE FLOYD RELIEF FUND, AUTHORIZING TEMPORARY RULES FOR IMPLEMENTATION OF THIS ACT, AUTHORIZING ESTABLISHMENT OF NEW PROGRAMS, EXPANSION OF EXISTING PROGRAMS, AND MODIFICATION OF EXISTING PROGRAMS TO IMPLEMENT THIS ACT, AUTHORIZING TRANSFER OF FUNDS TO FEDERAL AGENCIES AND LOCAL GOVERNMENTS, AUTHORIZING TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT, AUTHORIZING ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS, PROVIDING FOR TAX EXEMPTION OF BENEFITS CONCERNING A STUDY OF DISASTER COUNTIES TIER RANKINGS, CREATING A DISASTER RESPONSE AND RECOVERY COMMISSION, PROVIDING REPORTING REQUIREMENTS, AND EQUALIZING THE UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS.

The General Assembly of North Carolina enacts:

PART I. TITLE OF ACT

Section 1. This act shall be known as "The Hurricane Floyd Recovery Act of 1999."

PART II. LEGISLATIVE FINDINGS

DAMAGE CAUSED BY HURRICANE FLOYD

Section 2.(a) The General Assembly finds that Hurricane Floyd was the worst natural disaster in the State's history. Extensive and prolonged flooding caused by the storm has been devastating to infrastructure and to the civil, social, economic, and environmental well-being of Eastern North Carolina. The entire economic base of Eastern North Carolina was undermined, including the ability of individuals to earn an income to support themselves and their families. A loss of this magnitude affects all of North Carolina. Extraordinary assistance to the affected areas is required if this region and, indeed, the entire State is to recover from the short- and long-term effects of the devastation.

Section 2.(b) The General Assembly finds that as a result of Hurricane Floyd:

(1) The President of the United States declared 66 of the State's 100 counties to be a disaster area. Twenty-seven counties and 73 municipalities were severely impacted by the disaster.

(2) Fifty-one people lost their lives.

(3) People lost their loved ones, their homes, their communities, their houses of worship, their life savings, their jobs, their family mementos, their pets, and their ways of life.

(4) Entire towns were flooded to the rooftops as the water levels of rivers and streams throughout Eastern North Carolina crested at flood-stage heights far beyond those ever seen before in this State.

(5) Over 56,000 homes were damaged. Of these, over 7,000 homes were completely destroyed and another 17,000 are uninhabitable. This damage represents an extraordinary economic loss since less than thirteen percent (13%) of homes in the affected counties were covered by flood insurance. Many homeowners and inhabitants did not have flood insurance because they did not know there was a danger of flooding. (Most homes covered by flood insurance were financed mobile homes for which the loan included flood insurance.)

With the destruction of homes, the economic engine that propels communities was lost. On average, seventy-five percent (75%) of an American family's wealth is embodied in the home. That home equity is what the family relies on to finance businesses, job training for breadwinners, the children's education, and other enhancements to the family's overall well-being.

Additional State assistance to homeowners is therefore essential to assure that there is safe and adequate housing for the citizens of the affected region and to assure the economic viability of affected communities.

(6) Over 12,000 businesses reported physical damage or disaster-related economic losses. Those businesses without the equity to either absorb their losses or qualify for Small Business Administration loans will not reopen and jobs will be permanently lost.

(7) Millions of farm animals were lost, including 2,100,000 poultry, 1,180 cattle, 250 horses, and over 28,000 hogs.

(8) The ability of North Carolina farmers to operate successfully in the coming year was severely compromised. Most farmers were heavily in debt before Hurricane Floyd caused nearly one billion dollars ($1,000,000,000) of damage to agriculture in the State. Most farmers cannot take on the additional debt necessary to repair farm structures, purchase new equipment, rehabilitate damaged fields, and replace lost livestock. Many farmers may be facing bankruptcy without assistance. Many farmers may be unable to continue farming without assistance. It is therefore necessary to provide State assistance to farmers to preserve the agricultural sector of the economy in Eastern North Carolina and the economic stability of the region.

(9) Commercial fishing losses are estimated at nineteen million dollars ($19,000,000) and the 8,000 commercial fishers in the State are in danger of losing not only their livelihood, but a way of life their families have known for generations. Without State assistance to commercial fishers, this sector of the economy and the cultural heritage it represents may disappear from North Carolina. It is therefore necessary to provide State assistance to preserve this sector of the economy and this cultural heritage in Eastern North Carolina.

(10) Tourists, industrial location consultants, and business decision makers were left with the impression that all of Eastern North Carolina was and will continue to be totally devastated. Tourists are therefore hesitant to consider visiting Eastern North Carolina, and industries are hesitant to consider locating or expanding in Eastern North Carolina. Without State programs to change the public perception of North Carolina, these negative and inaccurate impressions will threaten the long-term economic stability of the region and of the entire State.

(11) Floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products, and dead farm animals, leaving untold environmental impacts and public health challenges. Flooding heavily damaged State, county, and local infrastructure. Water and sewer treatment plants were shut down and severely damaged due to the flooding, the road system in Eastern North Carolina was shut down and severely damaged due to the flooding,

and numerous dams failed or are still in danger of failing. Threats to the public health and safety and severe and continued environmental degradation will continue without additional State programs and assistance to rectify the damage. Over 7,000 public and private wells have been tested for contamination and many must be retested before the water is safe to drink. The rivers, sounds, and offshore waters with low oxygen must be monitored to ensure that our fish and shellfish are safe to eat. Therefore, it is necessary to provide additional programs and resources to respond to the environmental havoc inflicted upon the citizens and communities of Eastern North Carolina by Hurricane Floyd.

(12) Caskets floated out of the saturated ground.

(13) There was erosion in the tax base in counties with persistently high poverty rates. These same counties must now bear the expense of replacing and repairing damaged infrastructure and meeting the additional educational and social services needs of their residents.

Section 2.(c) The General Assembly further finds that the devastation caused by Hurricane Floyd was of unprecedented proportions. Devastation of this magnitude was not planned for and could not have been planned for. Public and private decision making was predicated on the 100-year floodplain; actual flooding was throughout, and even outside of, the 500-year floodplain. No policies, no decision making, and no planning could adequately mitigate damage from or prepare an adequate response to such an extraordinary event. However, learning from this tragic event, the General Assembly finds that long-term planning for future natural disasters is appropriate.

Section 2.(d) The General Assembly further finds that the devastation caused by Hurricane Floyd in Eastern North Carolina continues to affect all aspects of the economy, the environment, public health and safety, infrastructure, public and private institutions, and the general welfare of the region and, indirectly, of the entire State. Immediate short-term responses and long-term responses are necessary to preserve a way of life in Eastern North Carolina, to preserve the economic condition of the entire State, and to preserve the reputation North Carolina has, nationally and internationally, as a great place to live and a great place to do business.

CRITICAL NEEDS NOT MET BY EXISTING STATE AND FEDERAL PROGRAMS AND FUNDS

Section 2.1.(a) The General Assembly finds that State and federal disaster relief initiatives are not intended to make individuals whole after a loss; they are intended to assist the affected area in recovering from the devastation caused by Hurricane Floyd. A massive recovery program that includes assistance to individuals is essential to the recovery of the affected area due to the severity of the damage, the magnitude of the geographical area it covered, and the duration of the emergency conditions in the area. The cumulative effect of devastating losses of lives, homes, schools, life savings, personal effects, jobs, businesses, and other social and civic

institutions, and of concerns, both real and imagined, about public health issues and the environment, has substantially impaired the region's ability to recover.

Traditional support systems for victims of losses such as families, friends, religious organizations, relief organizations, other private entities, and existing public programs are simply inadequate given the magnitude of the problem. Their property was also damaged by the disaster and their resources were further depleted by the overwhelming and unrelenting need for emergency assistance after the storm.

Without significant additional State assistance to the area devastated by Hurricane Floyd, further deterioration of the economy, the environment, public health and safety, and quality of life in the region is likely to occur. Without additional State assistance:

(1) Tens of thousands of people in uninsured, damaged homes will either not qualify for federal housing assistance or not have the resources to take advantage of federal housing assistance.

(2) Local governments already overwhelmed with storm-related expenses may not have the resources to repair damaged infrastructure and provide the new infrastructure necessary for families relocating out of the flood zone.

(3) Thousands of jobs will be permanently lost because an estimated 1,500 small businesses and 25 mid-sized businesses cannot qualify for Small Business Administration loans.

(4) Farmers, most of whom were deeply in debt before being devastated by Hurricane Floyd, will recoup less than forty-three percent (43%) of their crop losses. Unless farmers receive assistance, the number of forced sales and bankruptcies will rise across all of Eastern North Carolina. Many farmers will never farm again.

(5) Commercial fishers will recoup none of their losses.

(6) Resources for drinking water protection, water quality monitoring to ensure the safety of fish and shellfish, solid waste cleanup, hazardous waste cleanup, remediation of high-risk underground storage tanks, and repair of high-hazard dams will be drastically limited.

(7) The tourism industry will continue to suffer throughout the State due to negative publicity about the storm.

Section 2.1.(b) It is the intent of the General Assembly that the benefits of the projects and programs authorized by this act are for the common good and collective recovery of the people of this State following a devastating natural disaster directly affecting a large portion of the State and indirectly affecting the entire State. The entire State faces a major loss if Eastern North Carolina is not offered the assistance provided by this act. The purpose of this act is to provide an ultimate net public benefit to the State through a successful Hurricane Floyd recovery initiative in Eastern North Carolina.

COUNCIL OF STATE FINDINGS

Section 2.2. On December 9, 1999, the Council of State made the following findings in whereas clauses to a resolution:

(1) Eastern North Carolina has a history of communities supported by an economic base of agriculture, small business, tourism, and professional services.

(2) This economy provides the means for people of the region to earn the money needed for housing, transportation, and other basic necessities of life.

(3) The vitality of Eastern North Carolina communities is dependent upon the prosperity of these economies in order to sustain the tax bases for the political subdivisions which provide services to the citizens of the region.

(4) On September 16, 1999, Hurricane Floyd struck Eastern North Carolina with severe rains, resulting in flooding of a catastrophic nature, displacing thousands of residents of Eastern North Carolina, and paralyzing these communities and their economies.

(5) On September 15, 1999, a State of Emergency was declared under G.S. 166A for 26 counties in Eastern North Carolina, with a subsequent declaration of á state of emergency from the President of the United States, allowing North Carolina to receive federal disaster assistance in excess of one billion dollars ($1,000,000,000).

(6) Subsequent federal actions have allowed North Carolina to receive additional federal disaster assistance, again in excess of one billion dollars ($1,000,000,000).

(7) There remain urgent unmet needs in the affected communities to help the population of Eastern North Carolina, to revitalize the economic base within the communities within this region, and to assist the communities in stabilizing the services needed by the residents.

(8) In order for economic stability to be recaptured in these North Carolina communities, such aid must take the form of grants and loans to the individuals and small businesses, which are the essence of these communities and, without such assistance, the region might not recover as a vital section of the State.

(9) We find that the contingency and emergency funds are insufficient to meet the needs of the State to address housing, economic, public health, environment, and local government needs caused by the disaster in Eastern North Carolina communities.

COUNTIES COVERED BY THIS ACT

Section 2.3. Sections 2 through 4.2 of this act apply in the North Carolina counties that were declared a major disaster as a result of Hurricane Floyd by the President of the United States under the Stafford Act (P.L. 93-288).

PART III. THE HURRICANE FLOYD RESERVE FUND

ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND

Section 3. The Governor has established in the Office of State Budget and Management the Hurricane Floyd Reserve Fund. The purpose of this fund is to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd, consistent with the provisions of this act, in the following areas:

(1) Required match for federal funds for disaster relief.
(2) Housing assistance.
(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy.
(4) Public health, public safety, social services, and environmental recovery issues.
(5) Support to local governments.

These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds.

APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND

Section 3.1.(a) The appropriations and allocations made in this section are for maximum amounts necessary to implement this act. Savings shall be effected where the total amounts appropriated are not required to implement the act.

Section 3.1.(a1) The General Fund availability used in developing this act is as follows:

	1999-2000 ($ Millions)
Budget Reform Statement	
(01) Ending Unreserved Credit Balance, June 30, 1999	
a. Budgeted (S.L. 1999-237)	260.4
b. Actual	296.7
c. Excess	36.3
(02) Net Revenue Gain by Finance Bills in Excess of Authorized Expenditures as Enacted by the 1999 Regular Session of the General Assembly	4.6
(03) Estimated Unappropriated Balance, June 30, 2000	40.9

Section 3.1.(b) There is appropriated from the General Fund the sum of forty million dollars ($40,000,000) for the 1999-2000 fiscal year to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, primarily to support crisis housing assistance.

Section 3.1.(c) Of the funds the General Assembly appropriated for the 1999-2000 fiscal year and previous fiscal years: (i) for the operation and maintenance of State departments, institutions, and agencies, and for other purposes, (ii) for

repairs, renovations, and other capital projects, and (iii) other nonrecurring appropriations, the Governor, with the concurrence of the Council of State, may reallocate funds during a state of disaster to the Hurricane Floyd Reserve Fund, as provided in G.S. 166A-6(c)(5).

Section 3.1.(d) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of two hundred eighty-five million nine hundred sixty-five thousand eight hundred twenty-four dollars ($285,965,824) for the 1999-2000 fiscal year primarily to support crisis housing assistance. These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds; however, these funds shall remain in the Savings Reserve Account and shall be transferred to the Hurricane Floyd Reserve Fund and expended only after the Director of the Budget certifies that funds from other sources are not adequate to implement the provisions of this act.

Section 3.1.(e) Funds appropriated or reallocated pursuant to this section shall be used only to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd consistent with the provisions of this act.

Section 3.1.(f) The allocation of funds in the Report of the House Appropriations Committee on Hurricane Floyd Recovery, dated December 15, 1999, are intended as guidance for the Governor. However, notwithstanding Section 4.1 of this act but in accordance with Chapter 166A of the General Statutes, if the Governor determines that allocations should be made to programs other than those set forth in the Committee Report, the Governor shall report to the Joint Legislative Commission on Governmental Operations before implementing any changes in the allocations.

PART IV. IMPLEMENTATION OF ACT

TEMPORARY RULES AUTHORIZED; AUTHORIZATION APPLIES TO THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971

Section 4. The General Assembly finds that the magnitude of the devastation caused by Hurricane Floyd and the urgency of the need for immediate State recovery assistance require expeditious actions by State agencies. Delay could: (i) cause serious and unforeseen threats to the public health, safety, or welfare; (ii) result in the loss of federal revenues for the recovery effort; or (iii) increase the likelihood of fraud and abuse in recovery programs. Therefore, notwithstanding the limitations of G.S. 150B-21.1, every agency, as defined in G.S. 150B-2, may adopt temporary rules necessary to implement the provisions of this act. The authority to adopt temporary rules under this section shall continue in effect until all rules necessary to implement the provisions of this act have become effective as either temporary rules or permanent rules. A temporary rule adopted pursuant to this section shall specify the date on which the rule will expire and shall continue in effect until that date. Any agency that adopts a temporary rule pursuant to this

section shall report the text of the rule and the agency's written statement of its findings of the need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the adoption of the temporary rule. This section applies to the adoption of temporary rules by the Department of Administration under G.S. 113A-11(a) and to the adoption of temporary rules that establish minimum criteria by any State agency, as defined in G.S. 113A-9, under G.S. 113A-11(b).

AUTHORIZATION TO ESTABLISH NEW PROGRAMS, EXPAND EXISTING PROGRAMS, AND MODIFY EXISTING PROGRAMS TO IMPLEMENT THIS ACT

Section 4.1. The Governor may: (i) establish new programs, expand existing programs, and modify existing programs to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd and (ii) expend funds from the Hurricane Floyd Reserve Fund to implement these programs. These expenditures and programs shall be used only for:

(1) Required matching funds for federal funds for disaster relief.

(2) Crisis housing assistance, which may include, but shall not be limited to, direct housing assistance to homeowners and renters, grants to local government for water, sewer, and other infrastructure needs for housing in new areas, predevelopment activities, housing counselors, and housing recovery efforts.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy, which may include, but shall not be limited to, small business disaster assistance to small and mid-sized businesses, grants to farmers, and grants and loans to commercial fishers.

(4) Public health, public safety, social services, and environmental recovery issues which may include, but shall not be limited to, drinking water protection, water quality monitoring, solid waste and hazardous waste cleanup, assessment and remediation of high-risk underground storage tank sites, dam safety, and emergency and maintenance dredging.

(5) Support to local governments, by grants to local governments to offset revenue losses resulting from storm damage from natural disasters covered by federal disaster declarations as to any storm between September 1, 1999, and the date of enactment of this act. The amount of the grants shall be based on loss of taxable property in the jurisdiction.

AUTHORIZATION TO TRANSFER FUNDS TO FEDERAL AGENCIES AND TO LOCAL GOVERNMENTS

Section 4.2. The Governor may:

(1) Use funds from the Hurricane Floyd Reserve Fund to match federal funds in accordance with Section 4.1(1) of this act.

(2) Provide grants to local governments in accordance with Section 4.1(5) of this act.

(3) Transfer funds to federal agencies and local governments pursuant to cooperative agreements under which they administer programs or provide services on behalf of the State.

(4) Transfer funds.

AUTHORIZATION TO ESTABLISH TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT

Section 4.3. The Governor may establish part-time and full-time personnel positions to implement this act. All such positions shall be time-limited and shall be exempt from the State Personnel Act.

AUTHORIZATION TO ESTABLISH ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS

Section 4.4. The Governor shall establish advisory councils to advise relevant State agencies on Hurricane Floyd recovery efforts and to ensure input from representatives of affected communities and groups.

TAX EXEMPTION

Section 4.5. Each agency disbursing funds or property under Section 4.1 of this act from the Hurricane Floyd Reserve Fund for hurricane relief or assistance, other than payments for goods or services provided by the recipient, shall include with the disbursement a written statement of the State and federal income tax treatment of the funds or property disbursed.

Section 4.6.(a) G.S. 105-134.6(b) is amended by adding the following new subdivision to read:

"(16) The amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(b) G.S. 105-130.5(b) is amended by adding the following new subdivision to read:

"(19) To the extent included in federal taxable income, the amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(c) This section is effective for taxable years beginning on or after January 1, 1999.

DISASTER COUNTIES TIER RANKINGS

Section 4.7.(a) The Revenue Laws Study Committee shall study the potential consequences of lowering the enterprise area tier designations under G.S. 105-129.3 of counties that sustained severe or moderate damage from a hurricane or a

hurricane-related disaster in 1999, according to the Federal Emergency Management Agency. The Committee shall consider the estimated fiscal impact of such a proposal, its effect on the competitiveness of other counties, whether the current law formula for tier designation is responsive to hurricane-related changes in individual counties, and other relevant issues.

Section 4.7.(b) The Committee shall report its findings and recommendations on this issue to the 2000 Regular Session of the 1999 General Assembly.

PART V. CREATION OF DISASTER RESPONSE AND RECOVERY COMMISSION

Section 5.(a) Commission Established. -- There is established the Legislative Commission to Address Hurricane Floyd Disaster Relief ("Commission").

Section 5.(b) Membership. -- The Commission shall consist of 21 members as follows:

(1) Seven members appointed by the Governor.

(2) Seven members appointed by the Speaker of the House of Representatives.

(3) Seven members appointed by the President Pro Tempore of the Senate.

Appointments to the Commission shall be made not later than January 15, 2000. A vacancy in the Commission or as chair of the Commission resulting from the resignation of a member or otherwise shall be filled in the same manner in which the original appointment was made.

Section 5.(c) Duties of Commission. -- The Commission shall study:

(1) The adequacy of the State's short-term and long-term response to natural disasters under current law and necessary modifications in the State's response to future natural disasters. In the course of this study, the Commission may consider:

a. The circumstances under which an extraordinary State response to extraordinarily severe and widespread devastation is appropriate and the components of such an extraordinary State response.

b. The need for dedicated sources of funding for disaster recovery.

c. The need to modify State policies and amend State laws to mitigate damages in future disasters and to remove administrative obstacles to the recovery effort.

(2) Short- and long-term recovery efforts for Eastern North Carolina in response to Hurricane Floyd and strategies for supplementing, improving, and enhancing those recovery efforts.

Section 5.(d) Consultation. -- The Commission may consult with appropriate State departments, agencies, and board representatives on issues related to its duties.

Section 5.(e) Organization. -- Members of the Commission and its subcommittees shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate one member to serve as cochair of the Commission. The cochairs shall call the initial meeting of the Commission on or before February 1, 2000. The Commission shall subsequently meet upon such notice and in such manner as its members determine. A majority of the members of the Commission shall constitute a quorum.

The Commission may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission of the General Assembly, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. Upon the direction of the Legislative Services Commission, the Legislative Assistants Directors of the Senate and of the House of Representatives shall assign clerical staff to the Commission. The expenses for clerical employees shall be borne by the Commission.

The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it.

Section 5.(f) Citizen Participation. -- The Commission shall establish a process of citizen participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission. It shall hold meetings throughout the State.

Section 5.(g) Cooperation by Government Agencies. -- The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision thereof for facilities, data, or other assistance.

Section 5.(h) Funding. -- The Commission may apply for, receive, and accept grants of non-State funds or other contributions as appropriate to assist in the performance of its duties.

Section 5.(i) Report. -- The Commission shall submit interim reports to the 2000 Regular Session of the 1999 General Assembly and the 2001 General Assembly and shall submit a final report of its findings and recommendations on May 1, 2002, to the General Assembly, the Governor, and the citizens of the State. The Commission shall terminate upon filing its final report.

PART VI. REPORTING REQUIREMENTS

Section 6. The Governor shall report to the Joint Legislative Commission on Governmental Operations on the implementation of this act on a monthly basis during the third quarter of the 1999-2000 fiscal year and on a quarterly basis thereafter. The Governor shall report more frequently at the request of the Commission.

PART VII. EQUALIZATION OF UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS

Section 7. G.S. 96-13(c) reads as rewritten:

"(c) ~~From January 29, 1975, through February 15, 1977, no week of unemployment for waiting-period credit shall be required of any claimant.~~ Beginning February 16, 1977, an unemployed individual shall be eligible to receive benefits with respect to any week only if the Commission finds that he has been totally, partially, or part-totally unemployed for a waiting period of one week with respect to each benefit year. No week shall be counted as a week of unemployment for waiting-period credit under this provision unless the claimant except for the provisions of this subdivision was otherwise eligible for benefits. As to claims filed on or after September 5, 1999, the waiting period for a benefit year shall not be required of any claimant if all of the following conditions are met:

(1) The benefits are to be paid for unemployment due directly to a major natural disaster.

(2) The President of the United States has declared the disaster pursuant to the Disaster Relief Act of 1970, 42 U.S.C.A. 4401, et seq.

(3) The benefits are to be paid to claimants ~~who would have been~~ eligible for disaster unemployment assistance under this act ~~if they had not been eligible to receive unemployment insurance benefits~~ with respect to that unemployment.

(4) The claimant files for a waiver of the waiting period week within 30 days after the date of notification or mailing of the notice of the right to have the waiting period week waived. The Employment Security Commission, for good cause shown, may at any time in its discretion, with or without motion or notice, order the period enlarged if the request for an enlargement of time is made before the expiration of the period originally prescribed or as extended by a previous order. After expiration of the specified period, the Employment Security Commission may permit the act to be done where the failure to act was a result of excusable neglect.

The benefits paid as a result of the waiver of the waiting period week shall not be charged to the account or accounts of the base period employer or employers in accordance with G.S. 96-9(c)(2)d. The Employment Security Commission shall implement regulations prescribing the procedure for the waiver of the waiting period week in accordance with G.S. 96-4(b)."

PART VIII. EFFECTIVE DATE

Section 8. This act is effective when it becomes law, except that Sections 3.1(c), 4, 4.1, 4.2, and 7 become effective September 1, 1999, and except that Section 4.6 of this act is effective for taxable years beginning on or after January 1, 1999.

Report of the House Appropriations Committee on Hurricane Floyd Recovery

December 14, 1999

Hurricane Floyd Recovery

	GENERAL FUND	
	FY 99-2000	FY 2000-01

A. Existing Match Requirements

1 Federal Emergency Management Agency Required Match

Provides funds to match FEMA disaster assistance programs. $100,405,000 NR

2 Federal Agency Commitments - Estimated Match

Provides state match for supplemental disaster assistance pledged by federal executive agencies. $44,600,000 NR

3 Congressional Omnibus Appropriation - Estimated Match

Provides state funds to meet match requirements associated with supplemental disaster relief contained in the Ominbus Appropriation Act. $87,400,000 NR

B. Direct Housing and Rental Assistance

4 State Acquisition and Relocation Fund (SARF)

Provides funds for supplemental grants to homeowners who participate in the federal buy-out program. The Division of Community Assistance will administer these grants to enable homeowners to relocate to comparable housing outside the 100-year floodplain. Supplemental grants to homeowners should not exceed $50,000, except where necessary to place low and moderate income families into comparable housing as defined under the federal Uniform Relocation Act. $139,330,000 NR

5 Grants to SBA Housing Loan Applicants

Provides grants to property owners to supplement housing loans received from the Small Business Administration (SBA). Local social services offices will administer grants in the amounts of $2,500, $5,000, or $10,000 depending upon age, income, and amount of damage. $61,880,000 NR

	FY 99-2000	FY 2000-01
6 Replacement and Repair Grants - Low-Income Families Provides grants for home repair, rehabilitation, or replacement to low-income homeowners not subject to federal buy-out, not covered by insurance, or not eligible for SBA loans.	$59,920,000	NR
7 Relocation Assistance to Renters Provides funds to renters whose housing units will be purchased under the federal buy-out program. Renters are eligible for a $3,000 relocation assistance grant through the State Acquisition and Relocation Fund (SARF). This program will be administered by the Division of Community Assistance.	$16,280,000	NR
8 Affordable Rental Housing Assistance Provides funds to stimulate the production of affordable rental housing. The Housing Finance Agency will administer this program, and will leverage these funds to provide rental housing for at least 400 families.	$10,000,000	NR
C. Infrastructure		
9 Infrastructure Grants to Local Governments Provides grants to local governments to construct new infrastructure (water, sewer, sidewalks, storm drainage, etc.) required to support the development of new single-family homes in areas outside the 100-year floodplain.	$41,690,000	NR
D. Predevelopment Activities		
10 Housing Inspectors and Rehabilitation Specialists Provides grants to local governments for additional personnel to oversee rebuilding activity.	$2,500,000	NR
11 Land Acquisition and Capacity Building Provides funds for non-profit agencies and public housing authorities to acquire land for affordable housing. Also provides grants to non-profit agencies and public housing authorities to pay for site preparation, engineering studies, and other capacity building activities associated with the rebuilding effort.	$7,500,000	NR

	FY 99-2000	FY 2000-01

E. Counselors and Recovery Office

12 Housing Counselors

Provides funds for 100 time-limited staff to provide counseling and assistance to resolve short and long-term housing needs for approximately 30,000 families.

$8,500,000 NR

13 Housing Recovery Council and Office

Provides funds for nine time-limited staff to support activities of the Housing Recovery Council. The council will oversee the activities of state agencies involved in rebuilding to assure that resources are effectively utilized.

$2,575,000 NR

F. Business Disaster Assistance

14 Loans to Small and Mid-Sized Businesses

Provides funding for an interest-free loan with principal payments deferred for a three-year term to businesses that fail to qualify for SBA loans. This loan program is anticipated to provide assistance to 1,500 small business and 25 mid-sized businesses to replace damaged equipment, repair property, or meet cash flow needs.

$42,500,000 NR

15 Interest Buy-Down

Provides grant funds to businesses receiving SBA Business Disaster Loans to cover interest costs for three years.

$8,500,000 NR

G. Agriculture and Fishing Disaster Assistance

16 Crop Loss Assistance

Provides a state supplement to farmers eligible for federal crop loss disaster payments. It is expected that this program will be administered by the federal Farm Services Agency. State payments are anticipated to cover 17% of estimated crop loss.

$90,000,000 NR

17 Agricultural Structure and Equipment Loss

Provides grants to partially compensate farmers for losses of farm equipment and structures. It is expected that this program will be administered by the federal Farm Services Agency.

$40,000,000 NR

	FY 99-2000		FY 2000-01
18 Emergency Conservation Program Cost-Share Provides funds to pay a portion of cost-share obligations incurred by farmers seeking to repair damage to land, fencing, and conservation measures, including damages to best management practices (BMPs). It is expected that this program will be administered by the federal Farm Services Agency.	$15,000,000	NR	
19 Farmer-Owned Marketing Cooperatives Provides funds for supplemental payments to farmer-owned cooperatives for quality losses associated with flood damaged commodities. Also provides supplemental payments to growers' associations for uncollected assessments.	$5,000,000	NR	
20 Grants and Loans to Commercial Fishermen Provides grants and loans to commercial fishermen to compensate for equipment losses and reductions in harvests. Harvest reductions will be verified using historical landings data.	$11,400,000	NR	
H. General Economic Recovery Assistance			
21 Marketing Funds Provides funds to support an intensive advertising campaign to market North Carolina as a desirable tourist destination and viable business location in the aftermath of Hurricane Floyd.	$1,000,000	NR	
I. Public Health and Environment			
22 Drinking Water Protection Provides funds to test and analyze private wells and community water systems for contaminants. Also, supports time-limited 3-member teams of public health professionals trained to assess environmental health risks in flood damaged communities.	$1,000,000	NR	
23 Water Quality Monitoring Provides funds for enhanced water quality monitoring in the rivers, estuaries and sounds impacted by Hurricane Floyd. Funds will be used for sediment and tissue analysis, monitoring for groundwater contamination, and contracts with various educational and research organizations to assess the short- and long-term impacts of the flooding.	$2,000,000	NR	

	FY 99-2000		FY 2000-01
24 Solid Waste Cleanup Provides funds to begin the assessment, remediation and buy-out of 8 junkyards in the 100-year floodplain of the Neuse River Basin.	$4,500,000	NR	
25 Hazardous Waste Cleanup Provides funds to begin the assessment and remediation of 35 high-risk hazardous waste sites and 277 landfills flooded by Hurricane Floyd.	$2,500,000	NR	
26 Underground Storage Tanks (UST) Provides funds to begin the assessment and remediation of 139 UST facilities damaged by Hurricane Floyd.	$5,000,000	NR	
27 Dam Safety Provides funds to repair or breach 26 high-hazard dams damaged during Hurricane Floyd. DENR will seek cost-recovery from the dam owner for work performed.	$2,500,000	NR	
28 Emergency Dredging Provides funds for emergency dredging activities in portions of twelve navigation channels.	$10,200,000	NR	
J. Local Government Support			
29 Grants to Local Governments Provides grants to units of local governments adversely affected by Hurricane Floyd to support public education and other governmental operations as deemed appropriate by governing boards.	$6,300,000	NR	
Total Hurricane Floyd Reserve	**$829,980,000**	**NR**	

adopted VV

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 1
(to be filled in by
Principal Clerk)

H2ES-ALL-001

Page 1 of __

Date 12/15 ,1997

Comm. Sub. []
Amends Title []

1 moves to amend the bill on page 13, line 19,
2 by deleting the words "under this act".

SIGNED Thomas Sundaway
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

displaced

EDITION No. 1

H. B. No. 2

S. B. No. _____

COMMITTEE SUBSTITUTE _____

DATE 12/15

Amendment No. 2
(to be filled in by Principal Clerk)

Rep.) Michaux
)
Sen.)

1 moves to amend the bill on page 10, line 9

2 ( ) WHICH CHANGES THE TITLE

3 by deleting "administer programs"

4

5 and substituting "administer

6

7 agriculture programs")

8

9

10

11

12

13

14

15

16

17

18

19

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

Displaced

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 3
(to be filled in by
Principal Clerk)

HB2-ASK-002

Date 12/15 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Rep. Crawford
moves to amend the bill on page 13, line 37, by inserting the following new part:

"**PART VIIA. EMERGENCY TRANSIT OF MANUFACTURED HOUSING**

"Section 7A.1. Notwithstanding G.S. 20-116, G.S. 20-119, or any other provision of law, the Department of Transportation shall issue single trip permits for the movement of manufactured housing of up to 16 feet in width into federally-declared disaster areas for the purpose of providing housing to disaster victims. The Department of Transportation shall develop and enforce appropriate restrictions on the time and manner of manufactured housing movements authorized by this section to ensure the safety of the traveling public. The Department of Transportation shall adopt temporary rules to implement this section within 30 days of the effective date of this date."

SIGNED J. W. Crawford, Jr.
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

passed voice vote adopted voice vote

EDITION No. _____

H. B. No. _____ DATE 12/5

S. B. No. _____ Amendment No. 4
(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Michaux
)
Sen.)

moves to amend the bill on page 10, line 3

( ) WHICH CHANGES THE TITLE

by deleting "to federal agencies and"

further amend the bill on page 10, line 6, by adding:

~~"~~

"(4) Transfer funds to federal agencies pursuant to cooperative agreements under which they administer agriculture programs or provide services on behalf of the State."

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 5
(to be filled in by
Principal Clerk)

H2ES-ALR-1 Page 1 of __

Date _____,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Michaux

moves to amend the bill on page 11, lines 8-9, by inserting between those lines the following:
"**INVOLVEMENT OF HISTORICALLY UNDERUTILIZED BUSINESSES**
Section 4.8. On April 20, 1999, the Governor issued Executive Order No. 150, entitled 'Support for Historically Underutilized Businesses'. It is the intent of the General Assembly that, during this time of rebuilding and Hurricane Floyd relief efforts, each State agency should strive to increase the total amount of goods and services acquired by it from historically under-utilized business vendors, whether directly as principal contractors or indirectly as subcontractors or otherwise."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

adopted roll call 62-46 25 no's

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
H2ES-ALE-04

AMENDMENT NO. 6
(to be filled in by Principal Clerk)

H2ES-ALE-04 Page 1 of __

Changes title

Date 12/15 ,1999

Comm. Sub. [_____]
Amends Title [YES]
_____ Edition

Representative Hensley
moves to amend the bill on page 1, line 16, by adding after the line the following:
"PROVIDING FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES," and

on page 13, line 37, by adding after the line the following:
"**PART VIIA. FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES**

Section 7A.(a) G.S. 115C-84.2(a)(1) reads as rewritten:

"(a) School Calendar. -- Each local board of education shall adopt a school calendar consisting of 220 days all of which shall fall within the fiscal year. A school calendar shall include the following:

(1) A minimum of either 180 days ~~and~~ or 1,000 hours of instruction covering at least nine calendar months. The local board shall designate when the 180 instructional days shall occur. The number of instructional hours in an instructional day may vary according to local board policy and does not have to be uniform among the schools in the administrative unit. Local boards may approve school improvement plans that include days with varying amounts of instructional time. If school is closed early due to inclement weather, the day and the scheduled amount of instructional hours may count towards the required minimum to the extent allowed by State Board policy. The school calendar shall include a plan for making up days and instructional hours missed when schools are not opened due to inclement weather."

Section 7A.(b) This section applies only to local school administrative units located in whole or in part in the ~~23~~ 66 counties ~~that were severely impacted by Hurricane Floyd~~ and that were declared by the President of the United States to be a disaster area for Hurricane Floyd.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
H2ES-ALE-04

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

H2ES-ALE-04 Page 2 of __

Section 7A.(c) This section becomes effective August 15, 1999."

Section 7A.(d) This section may be codified by the Revisor of Statutes as G.S. 115C-84.2(d)(19).

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

ROLL CALL VOTE

Date 12-15-99 Amendment No. #6 Hensley

Total: Yes _____ No _____ Bill No. HB 2

Passed 62 yes 2Y NO

1999-00 HOUSE OF REPRESENTATIVES
ENHANCED APPROPRIATIONS COMMITTEE

YES (21)	NO (14)	NAME	YES	NO	R NAME
✓		Adams			Allred
✓		Alexander		✓	Arnold
		Allen		✓	Baker
✓		Barefoot		✓	Barbee
✓		Blue		✓	Berry
	✓	Bonner			Bowie
		Boyd-McIntyre			Brubaker
✓		Cole		✓	Cansler
	✓	Crawford			Carpenter
			✓		Clary
✓		Culpepper	✓		Culp
					Daughtry
				✓	Davis
✓		Earle	✓		Dockham
	✓	Edwards		✓	Ellis
✓		FITCH			Esposito
	✓	Fox	✓		Gardner
				✓	Gillespie
			✓		GRAY
			✓		Grady
				✓	Gulley
	✓	Haire			

ENHANCED APPROPRIATIONS COMMITTEE Page two

✓		Hensley		✓	Hiatt
		Hill		✓	Holmes
✓		Horn	✓		HOWARD, JULIA
		Hunter			
✓		Hurley			
✓		Insko			
✓		Jeffus	✓		Justus
		Kinney	✓		Kiser
✓		Luebke			
✓		McAllister	✓		MCCOMAS
✓		McCrary			
✓		McLawhorn		✓	McMahan
✓		Melton			
✓		Michaux			
	✓	Miller	✓		Mitchell
✓		Moore		✓	Morgan
✓		Nesbitt			
✓		Nye		✓	Pope
	✓	Oldham	✓		Preston
	✓	Rogers	✓		Russell
✓		Saunders	✓		Setzer
✓		Smith	✓		Sexton
	✓	Sutton	✓		Sherrill
✓		Thomas	✓		Teague
✓		Tolson	✓		Thompson

✓		Tucker
✓		Wainwright
✓		Warner
✓		Warren
✓		Warwick
		Wright
	✓	Yongue
	✓	Easterling, Chair
✓		Hardaway, Chair
✓		Redwine, Chair
✓		Owens, Vice Chair
✓		Hackney, Spkr Pro Tem
✓		Baddour, Maj. Leader
✓		Dedmon, Maj Whip
✓		Cunningham, Mem at Large
✓		Walend
		Wilson, C.
	✓	Wilson, G.
(21)	(14)	

adopted by voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
H2ES-ALE-04A

AMENDMENT NO. 7
(to be filled in by Principal Clerk)

Date Dec 15, 1999

Comm. Sub. [_____]
Amends Title []
_____ Edition

Representative Insko

moves to amend the bill on amendment # ____, by deleting Section 7A.(c) of that amendment and substituting the following:

"Section 7A.(c) This section becomes effective August 15, 1999 and expires August 15, 2000."

SIGNED Vilma Insko
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

ROLL CALL VOTE

Date 12/16/99 Amendment No. 6 & 7

Total: Yes 62 No 25 Bill No. 2

1999-00 HOUSE OF REPRESENTATIVES
ENHANCED APPROPRIATIONS COMMITTEE

Newsley perfected by Justice

YES	NO	NAME
✓		Adams
✓		Alexander
✓		Allen
✓		Barefoot
✓		Blue
	✓	Bonner
	✓	Boyd-McIntyre
✓		Cole
✓		Crawford
✓		Culpepper
✓		Earle
	✓	Edwards
✓		Fitch
	✓	Fox
	✓	Haire

YES	NO	NAME
✓		Allred
	✓	Arnold
	✓	Baker
	✓	Barbee
	✓	Berry
		Bowie
		Brubaker
	✓	Cansler
		Carpenter
✓		Clary
✓		Culp
		Daughtry
	✓	Davis
✓		Dockham
	✓	Ellis
		Esposito
✓		Gardner
	✓	Gillespie
✓		Grady
✓		Gray
	X	Gulley

ENHANCED APPROPRIATIONS COMMITTEE Page two

amdt Hensley

✓		Hensley	✓ Hiatt
✓		Hill	✓ Holmes
✓		Horn	✓ Howard
		Hunter	
✓		Hurley	
✓		Insko	
✓		Jeffus	✓ Justus
		Kinney	✓ Kiser
✓		Luebke	
✓		McAllister	✓ McComas
✓		McCrary	
✓		McLawhorn	✓ McMahan
✓		Melton	
✓		Michaux	
	✓	Miller	✓ Mitchell
✓		Moore	✓ Morgan
✓		Nesbitt	
✓		Nye	✓ Pope
	✓	Oldham	✓ Preston
	✓	Rogers	✓ Russell
✓		Saunders	✓ Setzer
✓		Smith	✓ Sexton
	✓	Sutton	✓ Sherrill
✓		Thomas	✓ Teague
✓		Tolson	✓ Thompson

ENHANCED APPROPRIATIONS COMMITTEE Page three

Hensley Amdt #7

✓		Tucker		
✓		Wainwright	✓	Walend
✓		Warner		Wilson, C.
✓		Warren		Wilson, G. ✓
✓		Warwick		
		Wright		
	✓	Yongue		
	✓	Easterling, Chair		
✓		Hardaway, Chair		
✓		Redwine, Chair		
✓		Owens, Vice Chair		
✓		Hackney, Spkr Pro Tem		
✓		Baddour, Maj. Leader		
✓		Dedmon, Maj Whip		
✓		Cunningham, Mem at Large		

25 NOS

41

62 YES

adopted by voice vote 2:10pm

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 8
(to be filled in by Principal Clerk)

H2ES-ALR-2

Date 12/15 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Michaux

moves to amend the bill on page 7, line 40,
by deleting "primarily" and substituting "only";

and further moves to amend the bill on page 7, line 41
by rewriting the line to read:
"housing assistance to homeowners, renters, and new homeowners, and for any other matters pertaining to relocation.";

and further moves to amend the bill on page 8, line 8,
by deleting the "primarily" and inserting "only";

and further moves to amend the bill on page 8, line 9,
by inserting immediately before the period the phrase:
"to homeowners, renters, and new homeowners, and for any other matters pertaining to relocation".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

adopted roll call
53 yeas
38 nos

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2, Extra Session

AMENDMENT NO. 9
(to be filled in by Principal Clerk)

H2ES-ALN-003A

Date 12/15 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Mitchell

moves to amend the Report of the House Appropriations Committee on Hurricane Floyd Recovery on page L5, item #24, by deleting the item; and

further moves to amend the Report of the House Appropriations Committee on Hurricane Floyd Recovery on page L5, by adjusting the Total Hurricane Floyd Reserve accordingly; and

further moves to amend the bill on page 8, lines 7 and 8, by deleting "two hundred eighty-five million nine hundred sixty-five thousand eight hundred twenty-four dollars ($285,965,824)" and substituting "two hundred eighty-one million, four hundred sixty-five thousand, eight hundred twenty-four dollars ($281,465,824)".

SIGNED W. F. Mitchell
Amendment Sponsor

SIGNED _____
Committee Chair if **Senate** Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

53 / 38

ROLL CALL VOTE

Date 12/15/0 Amendment No. 9

Total: Yes 53 No 38 ~~Bill No~~ Auth - Mitchell

1999-00 HOUSE OF REPRESENTATIVES
ENHANCED APPROPRIATIONS COMMITTEE

YES	NO	NAME
✓		Adams
	✓	Alexander
	✓	Allen
✓		Barefoot
✓		Blue
✓		Bonner
	✓	Boyd-McIntyre
✓		Cole
✓		Crawford
	✓	Culpepper
	✓	Earle
	✓	Edwards
✓		Fitch
✓		Fox
	✓	Haire
✓		Allred
✓		Arnold
✓		Baker
		Barbee
✓		Berry
✓		Bowie
✓		Brubaker
✓		Cansler
✓		Carpenter
✓		Clary
✓		Culp
✓		Daughtry
✓		Davis
		Dockham
✓		Ellis
✓		Esposito
✓		Gardner
✓		Gillespie
		Grady ?
✓		Gray
✓		Gulley

jurisdiction

ENHANCED APPROPRIATIONS COMMITTEE Page two

#9 Mitchell

✓		Hensley	✓		Hiatt
✓		Hill	✓		Holmes
	✓	Horn	✓		Howard
✓		Hunter			
	✓	Hurley			
	✓	Insko			
	✓	Jeffus	✓		Justus
		Kinney	✓		Kiser
	✓	Luebke			
✓		McAllister			
	✓	McCrary	✓		McComas
	✓	McLawhorn	✓		McMahan
	✓	Melton			
✓		Michaux			
	✓	Miller	✓		Mitchell
	✓	Moore	✓		Morgan
✓		Nesbitt			
	✓	Nye	✓		Pope
	✓	Oldham	✓		Preston
	✓	Rogers		✓	Russell
	✓	Saunders	✓		Setzer
	✓	Smith	✓		Sexton
✓		Sutton	✓		Sherrill
	✓	Thomas	✓		Teague
	✓	Tolson	✓		Thompson

#9 Mitchell

ENHANCED APPROPRIATIONS COMMITTEE Page three

___	✓	Tucker		
___	✓	Wainwright	✓	Walend
___	✓	Warner	✓	Wilson, C.
___	✓	Warren	✓	Wilson, G.
___	✓	Warwick		
___	✓	Wright		
✓	___	Yongue		

___	✓	Easterling, Chair
___	✓	Hardaway, Chair
___	✓	Redwine, Chair
✓	___	Owens, Vice Chair

___	✓	Hackney, Spkr Pro Tem
___	✓	Baddour, Maj. Leader
✓	___	Dedmon, Maj Whip
___	✓	Cunningham, Mem at Large

53 yeah

38 no

adopted V.V.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 10
(to be filled in by
Principal Clerk)

H2ES-ALB-5A

Date 12/15 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Nesbitt

moves to amend the bill page 2, line 44 and page 3, line 1, by adding the following language between the lines:

"(5a) Affected areas of the State lost rental properties that provided needed housing for those who cannot afford to purchase their own homes. Because of the depressed economy in areas most damaged, sufficient rental housing at affordable prices may not be built to replace the property damaged or destroyed, leaving persons who were forced from their homes unable to obtain adequate rental housing.";

and further moves to amend the bill on page 7, line 10, by adding the following language at the end of that line: "The General Assembly finds that affected areas may not have adequate rental property to provide housing to those who have been forced from their rental homes. It is the intent of the General Assembly that housing assistance include providing renters with assistance to purchase affordable housing. The General Assembly therefore encourages the Governor to use funds approved by the Council of State for transfer to the Hurricane Floyd Reserve Fund on December 9, 1999, or appropriated to the Fund in this act, to implement a program that provides assistance to renters in affected

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 10
(to be filled in by
Principal Clerk)

H2ES-ALB-5A

areas to purchase affordable housing by providing State resources, including grants and low-interest loans, for that purpose."

SIGNED Martin Nesbitt
Amendment Sponsor

SIGNED _____
Committee Chair if **Senate** Committee Amendment

ADOPTED V FAILED _____ TABLED _____

VOICE VOTE

Withdrawn 3pm

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 11
(to be filled in by Principal Clerk)

H2ES-ALH-4

Date 12/15 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Hardaway

moves to amend the bill on page 8, line 26,
by adding on that line the following:

"Section 3.1.(g) If funds allocated within an area (other than Direct Housing Assistance) are not needed, the General Assembly directs that the reallocation of those funds to the Housing Finance Agency to provide affordable rental housing assistance be made a top priority."

and on page 11, lines 8-9
by inserting between those lines the following:

"**LEGISLATIVE REVIEW OF FEDERAL FUNDING AND REMAINING UNMET NEEDS**
Section 4.8. It is the intent of the General Assembly to review in 2000 and 2001 the funds appropriated by Congress and to consider actions needed to address any remaining unmet needs, especially in the area of rental housing production."

SIGNED Thomas Hardaway
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

withdrawn

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 12
(to be filled in by Principal Clerk)

H2ES-ALH-1

Date _____, 1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Wright

moves to amend the bill on page 11, lines 41-42, by inserting between those lines the following:

"(3) The causes of the flooding and the extent to which each cause contributed to catastrophic flood damage. In particular, the Commission shall evaluate the effectiveness of dams, dikes, and other flood control structures and determine the extent to which releases of water from dams, dikes, other flood control structures, and locks may have affected the degree of flooding."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ U. Vote FAILED _____ TABLED _____

Defeated voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 13
(to be filled in by Principal Clerk)

H2EX-ALK-5

Date _____,1999

Comm. Sub. [ ]
Amends Title [ ]

Rep. Crawford
moves to amend the bill on page 13, line 37, by inserting the following new part:

"PART VIIA. EMERGENCY TRANSIT OF MANUFACTURED HOUSING

"Section 7A.1(a). Notwithstanding G.S. 20-116, G.S. 20-119, or any rules adopted to implement the provisions of those sections, the Department of Transportation shall issue single trip permits for the movement of manufactured housing of up to 16 feet in width into or within federally-declared disaster areas as defined in Section 2.3 of this act, for the purpose of providing housing to victims of Hurricanes Dennis, Floyd, or Irene. The Department of Transportation shall develop and enforce appropriate restrictions on the time, route, and manner of manufactured housing movements authorized by this section to ensure the safety of the traveling public.

Section 7A.1(b). Section 7A.1(a) of this act shall expire July 1, 2001."

SIGNED J. W. Crawford Jr.
Amendment Sponsor

SIGNED _____
Committee Chair if **Senate** Committee Amendment

ADOPTED _____ FAILED ✓ V.V. TABLED _____

Adopted Voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 14
(to be filled in by Principal Clerk)

H2ES-ALH-3

Date _____, 1999

Comm. Sub. [ ]
Amends Title [ ]

Representative Easterling

moves to amend the budget report entitled Report of the House Appropriations Committee on Hurricane Floyd Recovery dated December 14, 1999, on page L-5, Item I.28.,
by deleting "emergency dredging" each time it appears and substituting "emergency and maintenance dredging".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ ✓✓ FAILED _____ TABLED _____

adopted
voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2 Extra Session

AMENDMENT NO. 15
(to be filled in by Principal Clerk)

H2ES-ARO-001

Date 12/15 ,1999

Comm. Sub. [ ]
Amends Title [ ]

Representative C.Wilson

moves to amend the bill on page 8, lines 37-44, and page 9, line 1, by rewriting the lines to read:

"likelihood of fraud and abuse in recovery programs. Therefore, in addition to the bases for adoption of a temporary rule set forth in G.S. 150B-21.1(a), every agency, as defined in G.S. 150B-2, may use this section as a basis to adopt temporary rules necessary to implement the provisions of this act. The authority to adopt temporary rules under this section shall continue in effect until all rules necessary to implement the provisions of this act have become effective as either temporary rules or permanent rules. Notwithstanding the provisions of G.S. 150B-21.1(d), a temporary rule adopted to implement the provisions of this act shall specify the date on which the rule will expire and shall continue in effect until that date. Any agency that adopts a temporary rule to implement the provisions of this act shall report the text of the rule and the agency's written statement of its"

SIGNED Connie Wilson
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED V V.V. FAILED _____ TABLED _____

Withdrawn

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2 Extra Session

AMENDMENT NO. 16
(to be filled in by Principal Clerk)

H2ES-ALB-1A

Page 1 of __

Date 12/15 ,1999

Comm. Sub. []
Amends Title []

Representative Easterling
moves to amend the bill on page 8, line 26, by inserting the following after line 26:

"Section 3.1.(g) The Director of the Budget shall transfer to the Department of Health and Human Services from the reserve in the budget of the General Assembly the sum of six million six hundred seventy-eight thousand dollars ($6,678,000). These funds shall come from funds that would have been used for chamber and Legislative Office Building renovations, and instead shall be used as provided by the Director of the Budget to restore cuts under G.S. 166A-6(c)(5) as provided in subsection (c) of this section that otherwise would have been made in the budget of the Department of Health and Human Services for direct services currently provided to clients, including but not limited to MH/DD/SAS."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

Withdrawn



adopted voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 17
(to be filled in by Principal Clerk)

H2ES-ALH-4B

Date _____,1999

Comm. Sub. []
Amends Title []

Representative Hardaway

moves to amend the bill on page 8, line 26, by adding on that line the following:

"Section 3.1.(g) If up to ten million dollars ($10,000,000) of funds allocated (other than Direct Housing Assistance) are not needed, the General Assembly directs that it is a top priority to reallocate those funds to provide affordable rental housing assistance."

and on page 11, lines 8-9 by inserting between those lines the following:

"**LEGISLATIVE REVIEW OF FEDERAL FUNDING AND REMAINING UNMET NEEDS**

Section 4.8. It is the intent of the General Assembly to review in 2000 and 2001 the funds appropriated by Congress and to consider actions needed to address any remaining unmet needs, especially in the area of rental housing production."

SIGNED Thomas Hardaway
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED V V.V. FAILED _____ TABLED _____

adopted voice vote

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
1999 EXTRA SESSION
House Bill 2

AMENDMENT NO. 18
(to be filled in by
Principal Clerk)

H2ES-ART/SB-002.02

Date 12/15 ,1999

Comm. Sub. [NO]
Amends Title [NO]
First Edition DRH6240

Rep Gardner

moves to amend the bill on page 11, line 9, by inserting on that line:

"**LIMITATION ON USE OF STATE FUNDS**

Section 4.8.(a) No State funds used to implement this act, including any funds in the Hurricane Floyd Reserve Fund, may be expended for the construction of any new residence within the 100-year floodplain unless the construction is in an area regulated by a unit of local government pursuant to a floodplain management ordinance and the construction complies with the ordinance. As used in this section '100-year floodplain' means any area subject to inundation by a 100-year flood, as indicated on the most recent Flood Insurance Rate Map prepared by the Federal Emergency Management Agency under the National Flood Insurance Program.

Section 4.8.(b) The Environmental Review Commission shall study the costs and benefits of updating the Flood Insurance Rate Map for any area of the State for which the map is more than five years old and of updating all maps on an ongoing basis so that the maps of all areas of the State are no more than five years old. The Environmental Review Commission shall report its findings and recommendations to the 2000 Regular Session of the 1999 General Assembly."

SIGNED Charlotte Gardner
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. _____ DATE 1/25

S. B. No. _____ Amendment No. 19 (to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Berry W/D
)
Sen.)

Committee Report 25

moves to amend the ~~bill~~ on page _____, line _____

( ) WHICH CHANGES THE TITLE

by inserting a new item K to read

"K. Supplemental Mental Health Assistance

~~30~~ 30. ~~[illegible]~~ Provides supplemental funds for mental health services to the ~~[illegible]~~ counties ~~affected~~ that were declared a major disaster as a result of Hurricane Floyd. $4,500,000."

~~[illegible]~~.

and adjust the appropriate total accordingly.

and further moves to amend the bill on page 8, lines 7 & 8 by deleting "$281,465,824" (and as written out) and substituting "$285,965,824" (and as written out).

SIGNED Cherie Berry

ADOPTED _____ FAILED _____ TABLED _____

Withdrawn

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

VISITOR REGISTRATION SHEET

APPROPRIATIONS 12 - 15 , 1999

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Sharon Hirsch	NC Social Services Consortium
Christina Medlin	NC Equity
Chris Fitzsimon	Common Sense Foundation
Linda Suggs	NCASA
Katherine Miller	NCASA
Fowler	Bone & Assoc.
Katherine Joyce	SEANC
Wendy Mills	SEANC
Brandon Thomas	SEANC
Darrell Arnold	SEANC
Kellie McCormac	Clayton High School (with Business Class)
Stephanie Lee	Clayton High School (with Business Class)
Paula Schubert	SEANC
Flint Benson	SEANC
Troy Green	SEANC
Jo B. McCants	AOC
Matt Osborne	AOC
Mark Kilton	Christian Coalition
Tom V. Bennett	NCCFTF
Annette Ethridge	Governor's Office
Sheila McInerney	NC DOJ
Robert Wilson	Sec. of State
Hal Weiler	NCAGC
	NCAP
	UNC
	NCFPC
Kim Hibbard	NCLM
Angie McMillan	The Nature Conservancy

VISITOR REGISTRATION SHEET

APPROPRIATIONS Name of Committee — Dec. , 1999 Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Melissa Lovell	DOJ
Steve Woodson	NC Farm Bureau
Charlie Dell	NC Trucking Assn.
Barbara Solan	The Independent, Durham NC
Sue Langdon	NC Inland Ports Commission
John Cobbe	Carolinas Cotton Growers Coop
Bernie Hollis	DHHS
David Sutton	Pender County Commissioner
J. D. Rivenbark	N. C. " "
Carolyn Justice	Pender County Commissioner
Martin Beach	Pender County Manager
CLEVELAND SIMPSON	PENDER COUNTY COMMISSIONER
Charles Turner	NCATL
Carlton Sowers	TARGARD - PRINCE RESIDENCE
Delia Perkins	Mayor Town of Princeville
Katie Carstens	SCO
Jean Carroll	DOA - NCLFW
Brian Buzby	NC Conservation Network
JACK MEEK	MAYOR OF DUKE
GERRY MCCANTS	BLACK PAGES USA 1519 N. 23rd St. Ste 202 Wilm, NC 28405
Rick Davis	Rocky Mount Chamber of Commerce
Evelyn Hawthorne	UNC-CH
[illegible]	[illegible]
[illegible]	NHA / NC - CZMA

VISITOR REGISTRATION SHEET

APPROPRIATIONS — Name of Committee

Dec, , 1999 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Allyn C Duffey	DHHS
Elizabeth Grobenda	OSBM
N Wayne Williams	OSBM
Toby Greene	OSBM
Linda Hayes	OSBM
Mark Benson	Capitol Group
Marvin Ley	OSBM
Weldon Dennis	NCDACS
Peter Daniel	NC Farm Bureau
Marshall W Grant	C.C.G.

EXPLANATION
House Draft DRH6240
A BILL TO BE ENTITLED AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999.

Section 1. Title of the bill.

Sections 2- 2.1. Sets out the legislative findings of fact, rationale for enacting the bill, and public purpose doctrine considerations. These findings were largely taken from presentations made by the State of North Carolina to the Congress of the United States in its request for disaster relief, as updated and corrected. The purpose of Part II of the bill is to set out legislative findings that will explain to the taxpayers and citizens in the affected area, to taxpayers and citizens in the remainder of the State, to State and local agencies administering the bill, and, if necessary, to the courts, (i) the reasons the legislation is necessary and appropriate response to the unprecedented disaster, and (ii) the reasons expenditures of public funds to implement are for the common good and collective recovery of the State following a devastating disaster. (That is, to use the legal terms, that the expenditures are for a constitutionally permitted public purpose and they are not for constitutionally impermissible exclusive emoluments.)

Part II, Section 2, of the bill sets out legislative findings regarding:
(1) The severity of destruction caused by Hurricane Floyd and the;
(2) The vastness of the geographical area it covered;
(3) The unprecedented nature of such a disaster, which made it impossible for the affected area to plan for, mitigate, or respond adequately to such a disaster;
(4) The cumulative affect of such a disaster to the economic base, the availability of jobs and housing, communities, infrastructure, the environment, public health and safety, the family, religious institutions, and all other public and private institutions in the affected area; and
(5) The likelihood that the situation will continue to deteriorate without extraordinary action.

Part II, Section 2.1, of the bill sets out critical needs not met by existing State and federal programs and funds and the devastating results anticipated for the affected region and for the remainder of the State if these needs are not met.

Section 2.2. Sets out the findings made by the Council of State in its resolution regarding Hurricane Floyd. These findings are taken verbatim from the resolutions.

Section 2.3. Provides that programmatic aspects of the act apply only to the counties declared a federal disaster area as a result of Hurricane Floyd. Provisions such as the tax exemptions and the permanent change made in Section 7 of the bill concerning eligibility for unemployment compensation in the first week after a major natural disaster apply statewide.

Section 3. Acknowledges that the Governor created the Hurricane Floyd Reserve Fund in the Office of State Budget and Management. Provides that the purpose of the Fund is to provide appropriate relief from the effects of Hurricane Floyd in the areas listed below. The funds are to remain available until the General Assembly directs their reversion.

(1) Match for federal funds for disaster relief
(2) Housing assistance
(3) Economic recovery assistance, including agriculture and fishing
(4) Public health, public safety, social services, and environmental recovery
(5) Local government support

Section 3.1.

(a) Appropriations boilerplate language. Provides that appropriations and allocations are for the maximum amount needed and directs that savings be effected where the total amounts appropriated are not required.

(a1) Sets out the Budget Reform Statement showing the source of funds.

(b) Appropriates $40 million from the General Fund to the Hurricane Floyd Reserve Floyd primarily for crisis housing assistance.

(c) Authorizes the Governor, with the concurrence of the Council of State, to reallocate funds appropriated for the 1999-2000 fiscal year and previous fiscal year in compliance with G.S. 166A-6(c)(5). Funds that may be reallocated are those appropriated for (i) operation and maintenance of State departments, institutions, and agencies and for other purposes; (ii) repairs, renovations, and other capital projects; and (iii) any other nonrecurring appropriations. This is not, in fact, intended to be new authority, but simply to confirm that the Governor had such authority under his emergency powers under Chapter 166A of the General Statutes. In fact, this action has already been taken by the Governor under Chapter 166A.

(d) Appropriates $286,000,000 from the Savings and Reserve Account to the Hurricane Floyd Reserve Fund for the 1999-2000 fiscal year primarily to be used for crisis housing assistance. Those funds are to remain available until the legislature directs that they be reverted. However, the funds are to remain in the Savings and Reserve Account and shall be transferred and spent only as certified by the Director of the Budget when other funds are inadequate.

(e) Provides that funds appropriated or reallocated under this section shall be used only for necessary and appropriate relief from the effects of Hurricane Floyd in compliance with this act.

(f) Provides that the allocations set out in the budget report are for the Governor's guidance. Provides that the Governor may vary from the allocations in the budget report in accordance with Chapter 166A of the General Statutes, but requires the Governor to report to the Joint Legislative Commission on Governmental Operations before implementing those budget report changes. Details on the report will be filled in by Wednesday once the legislative process is further sketched out.

Section 4. Authorizes agencies to adopt temporary rules to implement this act. The authority to adopt temporary rules continues until the rules needed to implement the act are effective as either temporary or permanent rules. A temporary rule adopted under this section must specify the date on which it will expire and continues in effect until that date. Any agency that adopts a temporary rule under this section must report the text of and need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the rule's adoption. This section specifically authorizes the Department of Administration and other State agencies to adopt temporary rules to implement the North Carolina Environmental Policy Act, including the adoption of minimum criteria."

Section 4.1. Authorizes the Governor to establish new programs and to expand and modify existing programs for necessary and appropriate relief from Hurricane Floyd effects. This is not intended to be new authority, but simply to confirm that the Governor had such authority under his emergency powers under Chapter 166A of the General Statutes.

Also authorizes the Governor to fund these programs from the Hurricane Floyd Relief Fund. Expenditures and programs may be used only for the following:

(1) Matching funds for federal disaster relief funds
(2) Crisis housing assistance
(3) Economic recovery assistance
(4) Public health and safety, social services, environmental recovery
(5) Local government support (to reimburse for revenue losses caused by natural disasters on or after September 1, 1999; to be in proportion to loss of taxable property)

Section 4.2. Authorizes the Governor to do the following:

(1) Use Hurricane Floyd Relief Fund funds to match federal funds
(2) Provide grants to local governments
(3) Transfer funds to federal agencies and local governments pursuant to cooperative agreements

This section is designed to clarify to the satisfaction of those other agencies that the State has authority to enter into cooperative arrangements for administration and funding of the programs.

Section 4.3. Authorizes the Governor to establish time-limited personnel positions to implement the act. The positions are exempt from the State Personnel Act. This is intended so that the State does not incur long-term personnel act obligations from a program that is, by its nature , temporary,

Section 4.4. Directs the Governor to establish various advisory councils to ensure input from representatives of groups and communities affected by Hurricane Floyd.

This is designed to encourage advisory councils whether organized on the basis of subject area or locality.

Section 4.5 directs that the State shall give recipients of hurricane relief a written notice of the State and federal tax treatment of the relief. Although at this time the federal tax treatment is not clear, the Department of Revenue is pursing a ruling from the IRS and plans to provide the disbursing agencies with the necessary information to be given recipients of relief.

Section 4.6 exempts from North Carolina individual and corporate income tax the Hurricane Floyd relief payments made by the State, effective beginning with the 1999 tax year. The exemption allows the taxpayer to deduct for State income tax purposes any relief amounts that were included in federal taxable income. The exemption applies only to Hurricane relief -- it does not exempt compensation paid for goods and services the taxpayer provides.

Section 4.7 provides for a study of lowering the enterprise tier designations under the Bill Lee Act in counties that sustained severe or moderate damage from a hurricane or hurricane-related disaster in 1999. The study will be made by the Revenue Laws Study Committee and reported to the 2000 Short Session.

Section 5.

(a) Establishes the Legislative Commission to Address Hurricane Floyd Disaster Relief
(b) The Commission shall consist of 21 members -seven appointed by the Governor, seven appointed by the Speaker of the House of Representatives, and seven appointed by the President Pro Tempore of the Senate.
(c) Duties of the Commission are to study the adequacy of the State's response to natural disaster, recovery efforts in responding to Hurricane Floyd, and possible enhancement of those efforts.
(d) Commission may consult with other agencies.
(e) Sets out the organization of the Commission. Provides that members may receive per diem, subsistence, and travel allowances. The Commission may appoint subcommittees of its members and other knowledgeable persons or experts.
(f) Commission shall ensure citizen participation.
(g) Commission may request data, etc. from other agencies.
(h) Commission may apply for grants.
(i) Reporting requirement.

Much of the language of Section 5 is standard boilerplate

Section 6. Provides that the Governor must report to the Joint Legislative Commission on Governmental Operations on a monthly basis during the third quarter of the 1999-2000 fiscal year (January, February, and March 2000), quarterly thereafter, and more often if so requested by the Commission.

Section 7. Provides that natural disaster victims are not subject to the waiting period for unemployment insurance. This provides the same unemployment benefits for all flood victims without regard to the waiting period.

Section 8. Effective date--Section 3.1(c) (Governor's authority to reallocate funds in compliance with the Emergency Management Act) Section 4 (Temporary rulemaking under the Administrative Procedure Act), Section 4.1(Governor's authority to establish new programs, modify and expand existing programs, and fund those programs to implement Hurricane Floyd relief), and Section 7 (Equalization of unemployment insurance waiting period for unemployed flood victims) were effective on September 1, 1999. Tax provisions are effective for taxable years beginning January 1, 1999. The remainder of the act is effective when it becomes law.

-prepared by Gerry Cohen 12/14/99

	Adams	Allred
		Arnold
	Allen	Baker
	Baddour*	Barbee
	Barefoot	Berry
	Blue	Bowie
	Bonner	Brubaker
	Boyd-McIntyre	Cansler
	Cole	Clary
	Crawford	Culp
	Cunningham*	Daughtry
	Earle*	Davis
	Easterling	Dockham
	Edwards	Ellis
	Dedmon*	Esposito
	Fox	Gardner
	Haire	Gillespie
	Hackney*	Grady
	Hardaway	Gulley
	Hensley	Hiatt
	Hill	Holmes
	Horn	Justus
	Hunter	Kiser
	Hurley	
	Insko	Mitchell
	Jeffus	Morgan
	Luebke	Preston
	McAllister	Russell
	McCrary	Setzer
	McLawhorn	
	Melton	Sherrill
	Michaux	Teague
	Miller	Thompson
	Nye	Walend
	Oldham	Wilson, C.
	Owens	Wilson, G.
	Redwine	
	Rogers	
	Saunders	
	Smith	
	Sutton	
	Thomas	
	Tolson	
	Tucker	
	Wainwright	
	Warner	
	Warren	
	Warwick	
	Wright	
	Yongue	

The Members listed above have submitted reimbursement forms to the Appropriations Chairs for attending the Enhanced Appropriations Committee meeting December 13, 1999.

Rep. Ruth Easterling

Rep. Thomas C. Hardaway

Rep. David Redwine

1999

SENATE COMMITTEE OF THE WHOLE

HURRICANE FLOYD RECOVERY

SPECIAL SESSION

December 16

MINUTES

NORTH CAROLINA SENATE
COMMITTEE OF THE WHOLE

SPECIAL SESSION
DECEMBER 16, 1999

PRESIDENT PRO TEMPORE, MARC BASNIGHT,
CHAIRMAN

SUSAN M. MOORE, COMMITTEE CLERK

MINUTES
SENATE COMMITTEE OF THE WHOLE
DECEMBER 16, 1999

The North Carolina Senate met as a Committee of the Whole on Thursday, December 16, 1999 in the Senate Chamber at 10:00 a.m. There was a majority of members present.

President Pro Tempore Marc Basnight, Chairman of the Committee of the Whole, called the meeting to order and recognized Senator Roy Cooper to explain House Bill 2 – AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999, MAKING FINDINGS AS TO DAMAGE CAUSED BY HURRICANE FLOYD CONCERNING ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND, MAKING APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND, AUTHORIZING TEMPORARY RULES FOR IMPLEMENTATION OF THIS ACT, AUTHORIZING ESTABLISHMENT OF NEW PROGRAMS, EXPANSION OF EXISTING PROGRAMS, AND MODIFICATION OF EXISTING PROGRAMS TO IMPLEMENT THIS ACT, AUTHORIZING TRANSFER OF FUNDS TO FEDERAL AGENCIES AND LOCAL GOVERNMENTS, AUTHORIZING TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT, AUTHORIZING ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS, PROVIDING FOR TAX EXEMPTION OF BENEFITS, CONCERNING A STUDY OF DISASTER COUNTIES TIER RANKINGS, CREATING A DISASTER RESPONSE AND RECOVERY COMMISSION, PROVIDING REPORTING REQUIREMENTS, PROVIDING FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES, AND EQUALIZING THE UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS.

Senator Cooper made brief comments concerning the flooding that had devastated eastern North Carolina and the need to pass legislation to provide assistance to these people.

Gerry Cohen, Director of Bill Drafting for the N. C. General Assembly, was recognized to give an overview of the sections contained in House Bill 2.

Section 2 – Findings of facts pertaining to the disaster
Section 2.1 – Critical needs not met by existing state and federal programs and funds
Section 2.2 – Council of State findings
Section 2.3 – Counties covered by this Act
Section 3 – Fund set up by the Governor
Section 3.1 – Appropriations to the Hurricane Floyd Reserve Fund
Section 4 - Temporary rules to implement this Act
Section 4.1 – Governor's authority to establish new programs

Section 4.2 – Match federal funding and provide grants
Section 4.3 - Establish time-limited positions to implement this Act
Section 4.4 – Directs Governor to establish Advisory Councils
Section 4.5 – Provides tax exemption from funds
Section 4.7 – County tier ranking
Section 4.8 – Involvement of historically underutilized businesses
Section 4.9 – Review additional funding appropriated by Congress
Section 4.10 - Limitation on use of state funds
Section 5 – Creation of Disaster Response and Recovery Commission
Section 6 – Reporting requirements
Section 7 – Equalization of unemployment insurance waiting period
Section 7A – Flexibility of school calendars
Section 8 – Limitations and effective date

Marvin Dorman, State Budget Officer, was recognized to respond to questions regarding the mental health funds.

Senator Tony Rand moved to amend House Bill 2 on Page 9, Line 21. (Amendment #1 attached.) The motion carried and the amendment was adopted by a majority voice vote.

Senator Virginia Foxx moved to amend House Bill 2 on Page 13, Line 5. (Amendment #2 attached.)

Rick Carlisle, Secretary of Commerce, was recognized to respond to questions concerning the amendment.

The amendment was temporarily displaced at the request of Senator Foxx.

Senator Wib Gulley moved to amend House Bill 2 on Page 9, Line 32. (Amendment #3 attached.) The motion carried and the amendment was adopted by a majority voice vote.

Senator Roy Cooper moved to amend House Bill 2 on Page 9, Lines 25-32. (Amendment #4 attached.) The motion carried and the amendment was adopted by a majority voice vote.

Senator Roy Cooper moved to amend House Bill 2 on Page 9, Line 42 through Page 10, Line 2. (Amendment #5 attached.)

George Givens, N. C. General Assembly Research Division, was recognized to answer questions pertaining to the amendment.

The motion carried and the amendment was adopted by a majority voice vote.

Senator Wib Gulley sent forth a substitute amendment to the amendment offered by Senator Foxx. After discussion by the Committee, Amendment #2 and Amendment #6 were withdrawn. (Amendment #6 attached.)

Senator Robert Shaw moved to amend House Bill 2 on Page 8, Line 40. The motion failed by a majority voice vote. (Amendment #7 attached.)

Senator Virginia Foxx moved to amend House Bill 2 on Page 13, Line 5. The motion carried and the amendment was adopted by a majority voice vote. (Amendment #8 attached.)

Senator Roy Cooper moved to engross the amendments into a Committee Substitute and to give House Bill 2 an unfavorable report as to the bill, but a favorable report as to the Committee Substitute bill. The motion carried by a majority voice vote.

There being no further business, the meeting was adjourned by Senator Basnight.

Marc Basnight sm
Sen. Marc Basnight, Chairman
(Signed with permission of Sen. Basnight by Susan Moore.)

Susan M. Moore
Susan M. Moore, Committee Clerk

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

Committee of the Whole COMMITTEE REPORT
Sen. Marc Basnight, Chairman

Thursday, December 16, 1999

Sen. Basnight,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1,
BUT FAVORABLE AS TO SENATE COMMITTEE SUBSTITUTE BILL

H.B.(CS #1)2 Hurricane Floyd Recovery Act of 1999

Draft Number:	H2-PCS7281-LB
Sequential Referral:	None
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED:1

Committee Clerk Comment: Will take to Sen. Basnight

GENERAL ASSEMBLY OF NORTH CAROLINA

EXTRA SESSION 1999

H 4

HOUSE BILL 2
Committee Substitute Favorable 12/15/99
Third Edition Engrossed 12/15/99
Corrected Copy 12/15/99

Short Title: Hurricane Floyd Recovery Act of 1999. (Public)

Sponsors:

Referred to:

December 15, 1999

A BILL TO BE ENTITLED

AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999, MAKING FINDINGS AS TO DAMAGE CAUSED BY HURRICANE FLOYD CONCERNING ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND, MAKING APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND, AUTHORIZING TEMPORARY RULES FOR IMPLEMENTATION OF THIS ACT, AUTHORIZING ESTABLISHMENT OF NEW PROGRAMS, EXPANSION OF EXISTING PROGRAMS, AND MODIFICATION OF EXISTING PROGRAMS TO IMPLEMENT THIS ACT, AUTHORIZING TRANSFER OF FUNDS TO FEDERAL AGENCIES AND LOCAL GOVERNMENTS, AUTHORIZING TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT, AUTHORIZING ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS, PROVIDING FOR TAX EXEMPTION OF BENEFITS, CONCERNING A STUDY OF DISASTER COUNTIES TIER RANKINGS, CREATING A DISASTER RESPONSE AND RECOVERY COMMISSION, PROVIDING REPORTING REQUIREMENTS, PROVIDING FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES, AND EQUALIZING THE UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS.

The General Assembly of North Carolina enacts:

PART I. TITLE OF ACT

Section 1. This act shall be known as "The Hurricane Floyd Recovery Act of 1999."

PART II. LEGISLATIVE FINDINGS

DAMAGE CAUSED BY HURRICANE FLOYD

Section 2.(a) The General Assembly finds that Hurricane Floyd was the worst natural disaster in the State's history. Extensive and prolonged flooding caused by the storm has been devastating to infrastructure and to the civil, social, economic, and environmental well-being of Eastern North Carolina. The entire economic base of Eastern North Carolina was undermined, including the ability of individuals to earn an income to support themselves and their families. A loss of this magnitude affects all of North Carolina. Extraordinary assistance to the affected areas is required if this region and, indeed, the entire State is to recover from the short- and long-term effects of the devastation.

Section 2.(b) The General Assembly finds that as a result of Hurricane Floyd:

(1) The President of the United States declared 66 of the State's 100 counties to be a disaster area. Twenty-seven counties and 73 municipalities were severely impacted by the disaster.

(2) Fifty-one people lost their lives.

(3) People lost their loved ones, their homes, their communities, their houses of worship, their life savings, their jobs, their family mementos, their pets, and their ways of life.

(4) Entire towns were flooded to the rooftops as the water levels of rivers and streams throughout Eastern North Carolina crested at flood-stage heights far beyond those ever seen before in this State.

(5) Over 56,000 homes were damaged. Of these, over 7,000 homes were completely destroyed and another 17,000 are uninhabitable. This damage represents an extraordinary economic loss since less than thirteen percent (13%) of homes in the affected counties were covered by flood insurance. Many homeowners and inhabitants did not have flood insurance because they did not know there was a danger of flooding. (Most homes covered by flood insurance were financed mobile homes for which the loan included flood insurance.)

With the destruction of homes, the economic engine that propels communities was lost. On average, seventy-five percent (75%) of an American family's wealth is embodied in the home. That home equity is what the family relies on to finance businesses, job

training for breadwinners, the children's education, and other enhancements to the family's overall well-being.

Additional State assistance to homeowners is therefore essential to assure that there is safe and adequate housing for the citizens of the affected region and to assure the economic viability of affected communities.

(5a) Affected areas of the State lost rental properties that provided needed housing for those who cannot afford to purchase their own homes. Because of the depressed economy in areas most damaged, sufficient rental housing at affordable prices may not be built to replace the property damaged or destroyed, leaving persons who were forced from their homes unable to obtain adequate rental housing.

(6) Over 12,000 businesses reported physical damage or disaster-related economic losses. Those businesses without the equity to either absorb their losses or qualify for Small Business Administration loans will not reopen and jobs will be permanently lost.

(7) Millions of farm animals were lost, including 2,100,000 poultry, 1,180 cattle, 250 horses, and over 28,000 hogs.

(8) The ability of North Carolina farmers to operate successfully in the coming year was severely compromised. Most farmers were heavily in debt before Hurricane Floyd caused nearly one billion dollars ($1,000,000,000) of damage to agriculture in the State. Most farmers cannot take on the additional debt necessary to repair farm structures, purchase new equipment, rehabilitate damaged fields, and replace lost livestock. Many farmers may be facing bankruptcy without assistance. Many farmers may be unable to continue farming without assistance. It is therefore necessary to provide State assistance to farmers to preserve the agricultural sector of the economy in Eastern North Carolina and the economic stability of the region.

(9) Commercial fishing losses are estimated at nineteen million dollars ($19,000,000) and the 8,000 commercial fishers in the State are in danger of losing not only their livelihood, but a way of life their families have known for generations. Without State assistance to commercial fishers, this sector of the economy and the cultural heritage it represents may disappear from North Carolina. It is therefore necessary to provide State assistance to preserve this sector of the economy and this cultural heritage in Eastern North Carolina.

(10) Tourists, industrial location consultants, and business decision makers were left with the impression that all of Eastern North Carolina was and will continue to be totally devastated. Tourists

are therefore hesitant to consider visiting Eastern North Carolina, and industries are hesitant to consider locating or expanding in Eastern North Carolina. Without State programs to change the public perception of North Carolina, these negative and inaccurate impressions will threaten the long-term economic stability of the region and of the entire State.

(11) Floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products, and dead farm animals, leaving untold environmental impacts and public health challenges. Flooding heavily damaged State, county, and local infrastructure. Water and sewer treatment plants were shut down and severely damaged due to the flooding, the road system in Eastern North Carolina was shut down and severely damaged due to the flooding, and numerous dams failed or are still in danger of failing. Threats to the public health and safety and severe and continued environmental degradation will continue without additional State programs and assistance to rectify the damage. Over 7,000 public and private wells have been tested for contamination and many must be retested before the water is safe to drink. The rivers, sounds, and offshore waters with low oxygen must be monitored to ensure that our fish and shellfish are safe to eat. Therefore, it is necessary to provide additional programs and resources to respond to the environmental havoc inflicted upon the citizens and communities of Eastern North Carolina by Hurricane Floyd.

(12) Caskets floated out of the saturated ground.

(13) There was erosion in the tax base in counties with persistently high poverty rates. These same counties must now bear the expense of replacing and repairing damaged infrastructure and meeting the additional educational and social services needs of their residents.

Section 2.(c) The General Assembly further finds that the devastation caused by Hurricane Floyd was of unprecedented proportions. Devastation of this magnitude was not planned for and could not have been planned for. Public and private decision making was predicated on the 100-year floodplain; actual flooding was throughout, and even outside of, the 500-year floodplain. No policies, no decision making, and no planning could adequately mitigate damage from or prepare an adequate response to such an extraordinary event. However, learning from this tragic event, the General Assembly finds that long-term planning for future natural disasters is appropriate.

Section 2.(d) The General Assembly further finds that the devastation caused by Hurricane Floyd in Eastern North Carolina continues to affect all aspects of the economy, the environment, public health and safety, infrastructure, public and private institutions, and the general welfare of the region and, indirectly, of the entire State. Immediate short-term responses and long-term responses are necessary to preserve a way of life in Eastern North Carolina, to preserve the economic condition

of the entire State, and to preserve the reputation North Carolina has, nationally and internationally, as a great place to live and a great place to do business.

CRITICAL NEEDS NOT MET BY EXISTING STATE AND FEDERAL PROGRAMS AND FUNDS

Section 2.1.(a) The General Assembly finds that State and federal disaster relief initiatives are not intended to make individuals whole after a loss; they are intended to assist the affected area in recovering from the devastation caused by Hurricane Floyd. A massive recovery program that includes assistance to individuals is essential to the recovery of the affected area due to the severity of the damage, the magnitude of the geographical area it covered, and the duration of the emergency conditions in the area. The cumulative effect of devastating losses of lives, homes, schools, life savings, personal effects, jobs, businesses, and other social and civic institutions, and of concerns, both real and imagined, about public health issues and the environment, has substantially impaired the region's ability to recover.

Traditional support systems for victims of losses such as families, friends, religious organizations, relief organizations, other private entities, and existing public programs are simply inadequate given the magnitude of the problem. Their property was also damaged by the disaster and their resources were further depleted by the overwhelming and unrelenting need for emergency assistance after the storm.

Without significant additional State assistance to the area devastated by Hurricane Floyd, further deterioration of the economy, the environment, public health and safety, and quality of life in the region is likely to occur. Without additional State assistance:

(1) Tens of thousands of people in uninsured, damaged homes will either not qualify for federal housing assistance or not have the resources to take advantage of federal housing assistance.

(2) Local governments already overwhelmed with storm-related expenses may not have the resources to repair damaged infrastructure and provide the new infrastructure necessary for families relocating out of the flood zone.

(3) Thousands of jobs will be permanently lost because an estimated 1,500 small businesses and 25 mid-sized businesses cannot qualify for Small Business Administration loans.

(4) Farmers, most of whom were deeply in debt before being devastated by Hurricane Floyd, will recoup less than forty-three percent (43%) of their crop losses. Unless farmers receive assistance, the number of forced sales and bankruptcies will rise across all of Eastern North Carolina. Many farmers will never farm again.

(5) Commercial fishers will recoup none of their losses.

(6) Resources for drinking water protection, water quality monitoring to ensure the safety of fish and shellfish, solid waste cleanup, hazardous waste cleanup, remediation of high-risk underground

storage tanks, and repair of high-hazard dams will be drastically limited.

(7) The tourism industry will continue to suffer throughout the State due to negative publicity about the storm.

Section 2.1.(b) It is the intent of the General Assembly that the benefits of the projects and programs authorized by this act are for the common good and collective recovery of the people of this State following a devastating natural disaster directly affecting a large portion of the State and indirectly affecting the entire State. The entire State faces a major loss if Eastern North Carolina is not offered the assistance provided by this act. The purpose of this act is to provide an ultimate net public benefit to the State through a successful Hurricane Floyd recovery initiative in Eastern North Carolina.

COUNCIL OF STATE FINDINGS

Section 2.2. On December 9, 1999, the Council of State made the following findings in whereas clauses to a resolution:

(1) Eastern North Carolina has a history of communities supported by an economic base of agriculture, small business, tourism, and professional services.

(2) This economy provides the means for people of the region to earn the money needed for housing, transportation, and other basic necessities of life.

(3) The vitality of Eastern North Carolina communities is dependent upon the prosperity of these economies in order to sustain the tax bases for the political subdivisions which provide services to the citizens of the region.

(4) On September 16, 1999, Hurricane Floyd struck Eastern North Carolina with severe rains, resulting in flooding of a catastrophic nature, displacing thousands of residents of Eastern North Carolina, and paralyzing these communities and their economies.

(5) On September 15, 1999, a State of Emergency was declared under G.S. 166A for 26 counties in Eastern North Carolina, with a subsequent declaration of a state of emergency from the President of the United States, allowing North Carolina to receive federal disaster assistance in excess of one billion dollars ($1,000,000,000).

(6) Subsequent federal actions have allowed North Carolina to receive additional federal disaster assistance, again in excess of one billion dollars ($1,000,000,000).

(7) There remain urgent unmet needs in the affected communities to help the population of Eastern North Carolina, to revitalize the economic base within the communities within this region, and to assist the communities in stabilizing the services needed by the residents.

(8) In order for economic stability to be recaptured in these North Carolina communities, such aid must take the form of grants and loans to the individuals and small businesses, which are the essence of these communities and, without such assistance, the region might not recover as a vital section of the State.

(9) We find that the contingency and emergency funds are insufficient to meet the needs of the State to address housing, economic, public health, environment, and local government needs caused by the disaster in Eastern North Carolina communities.

COUNTIES COVERED BY THIS ACT

Section 2.3. Sections 2 through 4.2 of this act apply in the North Carolina counties that were declared a major disaster as a result of Hurricane Floyd by the President of the United States under the Stafford Act (P.L. 93-288).

PART III. THE HURRICANE FLOYD RESERVE FUND

ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND

Section 3. The Governor has established in the Office of State Budget and Management the Hurricane Floyd Reserve Fund. The purpose of this fund is to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd, consistent with the provisions of this act, in the following areas:

(1) Required match for federal funds for disaster relief.

(2) Housing assistance. The General Assembly finds that affected areas may not have adequate rental property to provide housing to those who have been forced from their rental homes. It is the intent of the General Assembly that housing assistance include providing renters with assistance to purchase affordable housing. The General Assembly therefore encourages the Governor to use funds approved by the Council of State for transfer to the Hurricane Floyd Reserve Fund on December 9, 1999, or appropriated to the Fund in this act, to implement a program that provides assistance to renters in affected areas to purchase affordable housing by providing State resources, including grants and low-interest loans, for that purpose.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy.

(4) Public health, public safety, social services, and environmental recovery issues.

(5) Support to local governments.

These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds. Regardless of the source of the funds, they shall revert to the Savings Reserve Account at that time.

APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND

Section 3.1.(a) The appropriations and allocations made in this section are for maximum amounts necessary to implement this act. Savings shall be effected where the total amounts appropriated are not required to implement the act.

Section 3.1.(a1) The General Fund availability used in developing this act is as follows:

		1999-2000 ($ Millions)
Budget Reform Statement		
(01)	Ending Unreserved Credit Balance, June 30, 1999	
	a. Budgeted (S.L. 1999-237)	260.4
	b. Actual	296.7
	c. Excess	36.3
(02)	Net Revenue Gain by Finance Bills in Excess of Authorized Expenditures as Enacted by the 1999 Regular Session of the General Assembly	4.6
(03)	Estimated Unappropriated Balance, June 30, 2000	40.9

Section 3.1.(b) There is appropriated from the General Fund the sum of forty million dollars ($40,000,000) for the 1999-2000 fiscal year to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, only to support crisis housing assistance to homeowners, renters, and new homeowners, and for any other matters pertaining to relocation.

Section 3.1.(c) Of the funds the General Assembly appropriated for the 1999-2000 fiscal year and previous fiscal years: (i) for the operation and maintenance of State departments, institutions, and agencies, and for other purposes, (ii) for repairs, renovations, and other capital projects, and (iii) other nonrecurring appropriations, the Governor, with the concurrence of the Council of State, may reallocate funds during a state of disaster to the Hurricane Floyd Reserve Fund, as provided in G.S. 166A-6(c)(5). In authorizing the reallocation of appropriated funds under this section, it is the intent of the General Assembly that, to the extent possible, funds be reallocated in a manner that minimizes reductions in vital services that would otherwise have been provided with these funds. To this end, the General Assembly urges the Governor, the heads of administrative departments of the State, and the Council of State to work to exhaust all other reasonable options prior to utilizing funds for disaster recovery efforts that have otherwise been appropriated to provide direct help to individuals in need of health or long-term care services.

Section 3.1.(d) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of two hundred eighty-one million four hundred sixty-five thousand, eight hundred twenty-four dollars ($281,465,824) for the 1999-2000 fiscal year only to support crisis housing assistance to homeowners, renters, and new homeowners, and

for any other matters pertaining to relocation. These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds; however, these funds shall remain in the Savings Reserve Account and shall be transferred to the Hurricane Floyd Reserve Fund and expended only after the Director of the Budget certifies that funds from other sources are not adequate to implement the provisions of this act.

Section 3.1.(e) Funds appropriated or reallocated pursuant to this section shall be used only to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd consistent with the provisions of this act.

Section 3.1.(f) The allocation of funds in the Report of the House Appropriations Committee on Hurricane Floyd Recovery, dated December 15, 1999, are intended as guidance for the Governor. However, notwithstanding Section 4.1 of this act but in accordance with Chapter 166A of the General Statutes, if the Governor determines that allocations should be made to programs other than those set forth in the Committee Report, the Governor shall report to the Joint Legislative Commission on Governmental Operations before implementing any changes in the allocations.

Section 3.1.(g) If up to ten million dollars ($10,000,000) of funds allocated (other than Direct Housing Assistance) are not needed, the General Assembly directs that it is a top priority to reallocate those funds to provide affordable rental housing assistance.

Section 3.1.(h) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of four million five hundred thousand dollars ($4,500,000) for the 1999-2000 fiscal year to be held in reserve. The purpose of those reserve funds is to offset any proposed reduction that would cause undue hardship. The Governor may use the funds appropriated under this section if the Governor determines that a proposed reduction shall cause undue hardship in providing essential State services and that it is appropriate and necessary to use the funds to offset the proposed reduction. However, the Governor shall report to the Joint Legislative Commission on Governmental Operations before using any funds appropriated under this section.

PART IV. IMPLEMENTATION OF ACT

TEMPORARY RULES AUTHORIZED; AUTHORIZATION APPLIES TO THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971

Section 4. The General Assembly finds that the magnitude of the devastation caused by Hurricane Floyd and the urgency of the need for immediate State recovery assistance require expeditious actions by State agencies. Delay could: (i) cause serious and unforeseen threats to the public health, safety, or welfare; (ii) result in the loss of federal revenues for the recovery effort; or (iii) increase the likelihood of fraud and abuse in recovery programs. Therefore, in addition to the bases for adoption of a temporary rule set forth in G.S. 150B-21.1(a), every agency, as defined in G.S. 150B-2, may use this section as a basis to adopt temporary rules

necessary to implement the provisions of this act. The authority to adopt temporary rules under this section shall continue in effect until all rules necessary to implement the provisions of this act have become effective as either temporary rules or permanent rules. Notwithstanding the provisions of G.S. 150B-21.1(d), a temporary rule adopted to implement the provisions of this act shall specify the date on which the rule will expire and shall continue in effect until that date. Any agency that adopts a temporary rule to implement the provisions of this act shall report the text of the rule and the agency's written statement of its findings of the need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the adoption of the temporary rule. This section applies to the adoption of temporary rules by the Department of Administration under G.S. 113A-11(a) and to the adoption of temporary rules that establish minimum criteria by any State agency, as defined in G.S. 113A-9, under G.S. 113A-11(b).

AUTHORIZATION TO ESTABLISH NEW PROGRAMS, EXPAND EXISTING PROGRAMS, AND MODIFY EXISTING PROGRAMS TO IMPLEMENT THIS ACT

Section 4.1. The Governor may: (i) establish new programs, expand existing programs, and modify existing programs to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd and (ii) expend funds from the Hurricane Floyd Reserve Fund to implement these programs. These expenditures and programs shall be used only for:

(1) Required matching funds for federal funds for disaster relief.

(2) Crisis housing assistance, which may include, but shall not be limited to, direct housing assistance to homeowners and renters, grants to local government for water, sewer, and other infrastructure needs for housing in new areas, predevelopment activities, housing counselors, and housing recovery efforts.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy, which may include, but shall not be limited to, small business disaster assistance to small and mid-sized businesses, grants to farmers, and grants and loans to commercial fishers.

(4) Public health, public safety, social services, and environmental recovery issues which may include, but shall not be limited to, drinking water protection, water quality monitoring, solid waste and hazardous waste cleanup, assessment and remediation of high-risk underground storage tank sites, dam safety, and emergency and maintenance dredging.

(5) Support to local governments, by grants to local governments to offset revenue losses resulting from storm damage from natural disasters covered by federal disaster declarations as to any storm between September 1, 1999, and the date of enactment of this act. The amount of the grants shall be based on loss of taxable property in the jurisdiction.

AUTHORIZATION TO TRANSFER FUNDS TO FEDERAL AGENCIES AND TO LOCAL GOVERNMENTS

Section 4.2. The Governor may:

(1) Use funds from the Hurricane Floyd Reserve Fund to match federal funds in accordance with Section 4.1(1) of this act.

(2) Provide grants to local governments in accordance with Section 4.1(5) of this act.

(3) Transfer funds to local governments pursuant to cooperative agreements under which they administer programs or provide services on behalf of the State.

(4) Transfer funds to federal agencies pursuant to cooperative agreements under which they administer agriculture programs or provide services on behalf of the State.

AUTHORIZATION TO ESTABLISH TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT

Section 4.3. The Governor may establish part-time and full-time personnel positions to implement this act. All such positions shall be time-limited and shall be exempt from the State Personnel Act.

AUTHORIZATION TO ESTABLISH ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS

Section 4.4. The Governor shall establish advisory councils to advise relevant State agencies on Hurricane Floyd recovery efforts and to ensure input from representatives of affected communities and groups.

TAX EXEMPTION

Section 4.5. Each agency disbursing funds or property under Section 4.1 of this act from the Hurricane Floyd Reserve Fund for hurricane relief or assistance, other than payments for goods or services provided by the recipient, shall include with the disbursement a written statement of the State and federal income tax treatment of the funds or property disbursed.

Section 4.6.(a) G.S. 105-134.6(b) is amended by adding the following new subdivision to read:

"(16) The amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(b) G.S. 105-130.5(b) is amended by adding the following new subdivision to read:

"(19) To the extent included in federal taxable income, the amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for

hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(c) This section is effective for taxable years beginning on or after January 1, 1999.

DISASTER COUNTIES TIER RANKINGS

Section 4.7.(a) The Revenue Laws Study Committee shall study the potential consequences of lowering the enterprise area tier designations under G.S. 105-129.3 of counties that sustained severe or moderate damage from a hurricane or a hurricane-related disaster in 1999, according to the Federal Emergency Management Agency. The Committee shall consider the estimated fiscal impact of such a proposal, its effect on the competitiveness of other counties, whether the current law formula for tier designation is responsive to hurricane-related changes in individual counties, and other relevant issues.

Section 4.7.(b) The Committee shall report its findings and recommendations on this issue to the 2000 Regular Session of the 1999 General Assembly.

INVOLVEMENT OF HISTORICALLY UNDERUTILIZED BUSINESSES

Section 4.8. On April 20, 1999, the Governor issued Executive Order No. 150, entitled "Support for Historically Underutilized Businesses". It is the intent of the General Assembly that, during this time of rebuilding and Hurricane Floyd relief efforts, each State agency should strive to increase the total amount of goods and services acquired by it from historically underutilized business vendors, whether directly as principal contractors or indirectly as subcontractors or otherwise.

LEGISLATIVE REVIEW OF FEDERAL FUNDING AND REMAINING UNMET NEEDS

Section 4.9. It is the intent of the General Assembly to review in 2000 and 2001 the funds appropriated by Congress and to consider actions needed to address any remaining unmet needs, especially in the area of rental housing production.

LIMITATION ON USE OF STATE FUNDS

Section 4.10.(a) No State funds used to implement this act, including any funds in the Hurricane Floyd Reserve Fund, may be expended for the construction of any new residence within the 100-year floodplain unless the construction is in an area regulated by a unit of local government pursuant to a floodplain management ordinance, and the construction complies with the ordinance. As used in this section, "100-year floodplain" means any area subject to inundation by a 100-year flood, as indicated on the most recent Flood Insurance Rate Map prepared by the Federal Emergency Management Agency under the National Flood Insurance Program.

Section 4.10.(b) The Environmental Review Commission shall study the costs and benefits of updating the Flood Insurance Rate Map for any area of the State

for which the map is more than five years old and of updating all maps on an ongoing basis so that the maps of all areas of the State are no more than five years old. The Environmental Review Commission shall report its findings and recommendations to the 2000 Regular Session of the 1999 General Assembly.

PART V. CREATION OF DISASTER RESPONSE AND RECOVERY COMMISSION

Section 5.(a) Commission Established. -- There is established the Legislative Commission to Address Hurricane Floyd Disaster Relief ("Commission").

Section 5.(b) Membership. -- The Commission shall consist of 21 members as follows:

(1) Seven members appointed by the Governor.

(2) Seven members appointed by the Speaker of the House of Representatives.

(3) Seven members appointed by the President Pro Tempore of the Senate.

Appointments to the Commission shall be made not later than January 15, 2000. A vacancy in the Commission or as chair of the Commission resulting from the resignation of a member or otherwise shall be filled in the same manner in which the original appointment was made.

Section 5.(c) Duties of Commission. -- The Commission shall study:

(1) The adequacy of the State's short-term and long-term response to natural disasters under current law and necessary modifications in the State's response to future natural disasters. In the course of this study, the Commission may consider:

a. The circumstances under which an extraordinary State response to extraordinarily severe and widespread devastation is appropriate and the components of such an extraordinary State response.

b. The need for dedicated sources of funding for disaster recovery.

c. The need to modify State policies and amend State laws to mitigate damages in future disasters and to remove administrative obstacles to the recovery effort.

(2) Short- and long-term recovery efforts for Eastern North Carolina in response to Hurricane Floyd and strategies for supplementing, improving, and enhancing those recovery efforts.

(3) The causes of the flooding and the extent to which each cause contributed to catastrophic flood damage. In particular, the Commission shall evaluate the effectiveness of dams, dikes, and other flood control structures and determine the extent to which releases of water from dams, dikes, other flood control structures, and locks may have affected the degree of flooding.

Section 5.(d) Consultation. -- The Commission may consult with appropriate State departments, agencies, and board representatives on issues related to its duties.

Section 5.(e) Organization. -- Members of the Commission and its subcommittees shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate one member to serve as cochair of the Commission. The cochairs shall call the initial meeting of the Commission on or before February 1, 2000. The Commission shall subsequently meet upon such notice and in such manner as its members determine. A majority of the members of the Commission shall constitute a quorum.

The Commission may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission of the General Assembly, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. Upon the direction of the Legislative Services Commission, the Legislative Assistants Directors of the Senate and of the House of Representatives shall assign clerical staff to the Commission. The expenses for clerical employees shall be borne by the Commission.

The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it.

Section 5.(f) Citizen Participation. -- The Commission shall establish a process of citizen participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission. It shall hold meetings throughout the State.

Section 5.(g) Cooperation by Government Agencies. -- The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision thereof for facilities, data, or other assistance.

Section 5.(h) Funding. -- The Commission may apply for, receive, and accept grants of non-State funds or other contributions as appropriate to assist in the performance of its duties.

Section 5.(i) Report. -- The Commission shall submit interim reports to the 2000 Regular Session of the 1999 General Assembly and the 2001 General Assembly and shall submit a final report of its findings and recommendations on May 1, 2002, to the General Assembly, the Governor, and the citizens of the State. The Commission shall terminate upon filing its final report.

PART VI. REPORTING REQUIREMENTS

Section 6. The Governor shall report to the Joint Legislative Commission on Governmental Operations on the implementation of this act on a monthly basis during the third quarter of the 1999-2000 fiscal year and on a quarterly basis thereafter. The Governor shall report more frequently at the request of the Commission.

The Governor shall report by May 1, 2000, the estimated number of citizens who have experienced a reduction in or elimination of health or long-term care services as a result of funds being reallocated in accordance with Section 3.1 of this act. The Governor shall submit the report to: the Joint Legislative Health Care Oversight Commission, the North Carolina Study Commission on Aging, the Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services, and the chairs of the Senate Appropriations Committee on Health and Human Services and the House Appropriations Subcommittee on Health and Human Services.

PART VII. EQUALIZATION OF UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS

Section 7. G.S. 96-13(c) reads as rewritten:

"(c) ~~From January 29, 1975, through February 15, 1977, no week of unemployment for waiting-period credit shall be required of any claimant.~~ Beginning February 16, 1977, an unemployed individual shall be eligible to receive benefits with respect to any week only if the Commission finds that he has been totally, partially, or part-totally unemployed for a waiting period of one week with respect to each benefit year. No week shall be counted as a week of unemployment for waiting-period credit under this provision unless the claimant except for the provisions of this subdivision was otherwise eligible for benefits. As to claims filed on or after September 5, 1999, the waiting period for a benefit year shall not be required of any claimant if all of the following conditions are met:

(1) The benefits are to be paid for unemployment due directly to a major natural disaster.

(2) The President of the United States has declared the disaster pursuant to the Disaster Relief Act of 1970, 42 U.S.C.A. 4401, et seq.

(3) The benefits are to be paid to claimants who would have been eligible for disaster unemployment assistance if they had not been eligible to receive unemployment insurance benefits with respect to that unemployment.

(4) The claimant files for a waiver of the waiting period week within 30 days after the date of notification or mailing of the notice of the right to have the waiting period week waived. The Employment Security Commission, for good cause shown, may at any time in its discretion, with or without motion or notice, order the period enlarged if the request for an enlargement of time is made before the expiration of the period originally prescribed or as extended by a previous order. After expiration of the specified period, the Employment Security Commission may permit the act to be done where the failure to act was a result of excusable neglect.

The benefits paid as a result of the waiver of the waiting period week shall not be charged to the account or accounts of the base period employer or employers in accordance with G.S. 96-9(c)(2)d. The Employment Security Commission shall implement regulations prescribing the procedure for the waiver of the waiting period week in accordance with G.S. 96-4(b)."

PART VIIA. FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES

Section 7A.(a) G.S. 115C-84.2(a)(1) reads as rewritten:

"(a) School Calendar. -- Each local board of education shall adopt a school calendar consisting of 220 days all of which shall fall within the fiscal year. A school calendar shall include the following:

(1) A minimum of either 180 days ~~and~~ or 1,000 hours of instruction covering at least nine calendar months. The local board shall designate when the 180 instructional days shall occur. The number of instructional hours in an instructional day may vary according to local board policy and does not have to be uniform among the schools in the administrative unit. Local boards may approve school improvement plans that include days with varying amounts of instructional time. If school is closed early due to inclement weather, the day and the scheduled amount of instructional hours may count towards the required minimum to the extent allowed by State Board policy. The school calendar shall include a plan for making up days and instructional hours missed when schools are not opened due to inclement weather."

Section 7A.(b) This section applies only to local school administrative units located in whole or in part in the 66 counties that were declared by the President of the United States to be a disaster area for Hurricane Floyd.

Section 7A.(c) This section becomes effective August 15, 1999, and expires August 15, 2000.

Section 7A.(d) This section may be codified by the Revisor of Statutes as G.S. 115C-84.2(a)(1a).

PART VIII. LIMITATIONS AND EFFECTIVE DATE

Section 8. Funds loaned to small and mid-sized businesses, described in item F. 14 of the Report of the House Appropriations Committees on Hurricane Floyd Recovery cited in Section 3.1(f) of this act, shall be used only for eligible purposes under the Small Business Administration disaster assistance loan program. Payments for economic losses shall be limited to documented business expenses necessary for the continued operation of the business.

Section 9. This act is effective when it becomes law, except that Sections 3.1(c), 4, 4.1, 4.2, and 7 become effective September 1, 1999, and except that Section 4.6 of this act is effective for taxable years beginning on or after January 1, 1999.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2 Extra Session

AMENDMENT NO. 1
(to be filled in by Principal Clerk)

H2ES-ALB-1H

Date 12/16 ,1999

Comm. Sub. [YES]
Amends Title []
Fourth Edition

Senator Rand
moves to amend the bill on page 9, line 21,
by inserting the following between lines 21 and 22:

"Section 3.1.(g1) The Director of the Budget shall transfer to the Hurricane Floyd Reserve Fund from the reserve in the budget of the General Assembly the sum of six million six hundred seventy-eight thousand dollars ($6,678,000). These funds shall come from funds that would have been used for chamber and Legislative Office Building renovations.

The following item shall be construed as an item in the report cited in subsection (f) of this section:

K. Human Resources Services

30. Human Resources Services FY 1999-2000 $6,678,000 NR

Provides funds to serve needs not met by existing state or anticipated federal funds for critical human services needs for Hurricane Floyd victims, and to mitigate the impact of potential budget reductions within the Department of Health and Human Services on direct services to clients statewide including, but not limited to, mental health, substance abuse services, and developmental disabilities programs.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2 Extra Session

AMENDMENT NO. 1
(to be filled in by
Principal Clerk)

H2ES-ALB-1H

To account for the changes made by this subsection, the total amount of the Hurricane Floyd Reserve as found in the committee report cited in subsection (f) of this section is increased by adding the $6,678,000 to the bottom line of the Reserve."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

Withdrawn

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 2
(to be filled in by
Principal Clerk)

H2ES-ALB-7

Page 1 of 1

Date 12/16 ,1999

Comm. Sub. [ ]
Amends Title [YES]

Senator Foxx

on page 13, line 5 by adding the following language on that line:
"Section 4.10.(c) The Department of Commerce shall require persons in the 100-year floodplain who receive housing assistance pursuant to this act to maintain flood insurance as a precondition to receipt of ~~further~~ State housing assistance for losses resulting from flooding."

future VJ

VJ

to home owners VJ

to home owners VJ

SIGNED Virginia Foxx
Amendment Sponsor

SIGNED _____
Committee Chair if **Senate** Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2 Extra Session

AMENDMENT NO. 3
(to be filled in by Principal Clerk)

H2ES-ALB-3A

Date 12/16/, 1999

Comm. Sub. [YES]
Amends Title []
Fourth Edition

Senator Gulley
moves to amend the bill on page 9, line 32 by adding the following:
"Section 3.1.(i) The Governor shall, to the extent practicable, ensure that assistance to victims provided from the Hurricane Floyd Reserve Fund is prioritized towards those areas and individuals least able to afford the losses as a result of Hurricane Floyd."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2 EXTRA SESSION

AMENDMENT NO. 4
(to be filled in by Principal Clerk)

H2ES-ALT-2

Date 12/16 ,1999

Comm. Sub. []
Amends Title []
Fourth Edition

Senator Cooper

moves to amend the bill page 9, lines 25 through 31, by rewriting those lines to read:
"fiscal year to be held in reserve to be used for solid waste cleanup.
The following item shall be construed as an item in the report cited in subsection (f) of this section:
I. Public Health and Environment
24. Solid Waste Cleanup FY 1999-2000 $4,500,000 NR
Provides funds for management of solid waste generated by natural disasters and to begin the assessment and remediation of high-risk junkyards and other high-risk ~~hazardous and~~ solid waste sites in the 100-year floodplains of areas affected by Hurricane Floyd."

RAC

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee ~~Chair~~ if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
1999 EXTRA SESSION
House Bill 2

AMENDMENT NO. 5
(to be filled in by
Principal Clerk)

H2ESV4-ART/SB-004.01

Date 12/16 ,1999

Comm. Sub. [YES]
Amends Title [NO]
Fourth Edition

Sen. Cooper

moves to amend the bill on page 9, line 42, through page 10, line 2, by rewriting those lines to read:

"likelihood of fraud and abuse in recovery programs. Therefore, every agency, as defined in G.S. 150B-2, may adopt temporary rules necessary to implement the provisions of this act. Except as provided in this section, temporary rules to implement the provisions of this act shall be adopted as provided in G.S. 150B-21.1. Notwithstanding the provisions of G.S. 150B-21.1(a)(2) and 26 NCAC 2C.0102(11), the authority to adopt temporary rules to implement the provisions of this act shall continue in effect until all rules necessary to implement"

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 2

AMENDMENT NO. 7
(to be filled in by Principal Clerk)

H2ES-ALC-BSHAW

Page 1 of 1

Date 12/16, 1999

Comm. Sub. [ ]
Amends Title [ ]

Sen. Shaw of Guilford

moves to amend the bill on page 8, line 40, by rewriting Section 3.1(d) of the bill to read:
"Section 3.1.(d) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of two hundred eighty-five million nine hundred sixty-five thousand eight hundred twenty-four dollars ($285,965,824) for the 1999-2000 fiscal year primarily to support crisis housing assistance. These funds shall remain available to implement the provisions of this act until June 30, 2000, and shall revert to the Savings Reserve Account July 1, 2000, and are no longer available to implement this act on and after July 1, 2000. Until July 1, 2000, these funds shall remain in the Savings Reserve Account and shall be transferred to the Hurricane Floyd Reserve Fund and expended only after the Director of the Budget certifies that funds from other sources are not adequate to implement the provisions of this act."

SIGNED Bob Shaw
Amendment Sponsor

SIGNED
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED ✓ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 2 DATE 12-16-99

S. B. No. _____ Amendment No. 8

(to be filled in by Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Foxx
Sen.)

moves to amend the bill on page 13, line 5

( ) WHICH CHANGES THE TITLE

by adding the following language on that line:

"Section 4.10(c) Homeowners in the 100-year floodplain who receive homeowner's housing assistance pursuant to this act shall have in effect federal flood insurance, if available, as a precondition to receipt of State homeowner's housing assistance for losses resulting from future flooding. As used in this section '100-year floodplain' means that area defined in Section 4.10(a) in this Act."

SIGNED Virginia Foxx

Max Basnight, Chairman

ADOPTED ✓ FAILED _____ TABLED _____

GA-33-A

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)

GENERAL ASSEMBLY OF NORTH CAROLINA

EXTRA SESSION 1999

H D

HOUSE BILL 2
Committee Substitute Favorable 12/15/99
Third Edition Engrossed 12/15/99
Corrected Copy 12/15/99
Proposed Senate Committee Substitute H2-PCS7281-LB

Short Title: Hurricane Floyd Recovery Act of 1999. (Public)

Sponsors:

Referred to:

December 15, 1999

A BILL TO BE ENTITLED

AN ACT TO ENACT THE HURRICANE FLOYD RECOVERY ACT OF 1999, MAKING FINDINGS AS TO DAMAGE CAUSED BY HURRICANE FLOYD CONCERNING ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND, MAKING APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND, AUTHORIZING TEMPORARY RULES FOR IMPLEMENTATION OF THIS ACT, AUTHORIZING ESTABLISHMENT OF NEW PROGRAMS, EXPANSION OF EXISTING PROGRAMS, AND MODIFICATION OF EXISTING PROGRAMS TO IMPLEMENT THIS ACT, AUTHORIZING TRANSFER OF FUNDS TO FEDERAL AGENCIES AND LOCAL GOVERNMENTS, AUTHORIZING TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT, AUTHORIZING ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS, PROVIDING FOR TAX EXEMPTION OF BENEFITS, CONCERNING A STUDY OF DISASTER COUNTIES TIER RANKINGS, CREATING A DISASTER RESPONSE AND RECOVERY COMMISSION, PROVIDING REPORTING REQUIREMENTS, PROVIDING FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES, AND EQUALIZING THE UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS.

The General Assembly of North Carolina enacts:

PART I. TITLE OF ACT

Section 1. This act shall be known as "The Hurricane Floyd Recovery Act of 1999."

PART II. LEGISLATIVE FINDINGS

DAMAGE CAUSED BY HURRICANE FLOYD

Section 2.(a) The General Assembly finds that Hurricane Floyd was the worst natural disaster in the State's history. Extensive and prolonged flooding caused by the storm has been devastating to infrastructure and to the civil, social, economic, and environmental well-being of Eastern North Carolina. The entire economic base of Eastern North Carolina was undermined, including the ability of individuals to earn an income to support themselves and their families. A loss of this magnitude affects all of North Carolina. Extraordinary assistance to the affected areas is required if this region and, indeed, the entire State is to recover from the short- and long-term effects of the devastation.

Section 2.(b) The General Assembly finds that as a result of Hurricane Floyd:

(1) The President of the United States declared 66 of the State's 100 counties to be a disaster area. Twenty-seven counties and 73 municipalities were severely impacted by the disaster.

(2) Fifty-one people lost their lives.

(3) People lost their loved ones, their homes, their communities, their houses of worship, their life savings, their jobs, their family mementos, their pets, and their ways of life.

(4) Entire towns were flooded to the rooftops as the water levels of rivers and streams throughout Eastern North Carolina crested at flood-stage heights far beyond those ever seen before in this State.

(5) Over 56,000 homes were damaged. Of these, over 7,000 homes were completely destroyed and another 17,000 are uninhabitable. This damage represents an extraordinary economic loss since less than thirteen percent (13%) of homes in the affected counties were covered by flood insurance. Many homeowners and inhabitants did not have flood insurance because they did not know there was a danger of flooding. (Most homes covered by flood insurance were financed mobile homes for which the loan included flood insurance.)

With the destruction of homes, the economic engine that propels communities was lost. On average, seventy-five percent (75%) of an American family's wealth is embodied in the home. That home equity is what the family relies on to finance businesses, job

training for breadwinners, the children's education, and other enhancements to the family's overall well-being.

Additional State assistance to homeowners is therefore essential to assure that there is safe and adequate housing for the citizens of the affected region and to assure the economic viability of affected communities.

(5a) Affected areas of the State lost rental properties that provided needed housing for those who cannot afford to purchase their own homes. Because of the depressed economy in areas most damaged, sufficient rental housing at affordable prices may not be built to replace the property damaged or destroyed, leaving persons who were forced from their homes unable to obtain adequate rental housing.

(6) Over 12,000 businesses reported physical damage or disaster-related economic losses. Those businesses without the equity to either absorb their losses or qualify for Small Business Administration loans will not reopen and jobs will be permanently lost.

(7) Millions of farm animals were lost, including 2,100,000 poultry, 1,180 cattle, 250 horses, and over 28,000 hogs.

(8) The ability of North Carolina farmers to operate successfully in the coming year was severely compromised. Most farmers were heavily in debt before Hurricane Floyd caused nearly one billion dollars ($1,000,000,000) of damage to agriculture in the State. Most farmers cannot take on the additional debt necessary to repair farm structures, purchase new equipment, rehabilitate damaged fields, and replace lost livestock. Many farmers may be facing bankruptcy without assistance. Many farmers may be unable to continue farming without assistance. It is therefore necessary to provide State assistance to farmers to preserve the agricultural sector of the economy in Eastern North Carolina and the economic stability of the region.

(9) Commercial fishing losses are estimated at nineteen million dollars ($19,000,000) and the 8,000 commercial fishers in the State are in danger of losing not only their livelihood, but a way of life their families have known for generations. Without State assistance to commercial fishers, this sector of the economy and the cultural heritage it represents may disappear from North Carolina. It is therefore necessary to provide State assistance to preserve this sector of the economy and this cultural heritage in Eastern North Carolina.

(10) Tourists, industrial location consultants, and business decision makers were left with the impression that all of Eastern North Carolina was and will continue to be totally devastated. Tourists

are therefore hesitant to consider visiting Eastern North Carolina, and industries are hesitant to consider locating or expanding in Eastern North Carolina. Without State programs to change the public perception of North Carolina, these negative and inaccurate impressions will threaten the long-term economic stability of the region and of the entire State.

(11) Floodwater was tainted with raw sewage, pesticides, agricultural waste products, petroleum products, and dead farm animals, leaving untold environmental impacts and public health challenges. Flooding heavily damaged State, county, and local infrastructure. Water and sewer treatment plants were shut down and severely damaged due to the flooding, the road system in Eastern North Carolina was shut down and severely damaged due to the flooding, and numerous dams failed or are still in danger of failing. Threats to the public health and safety and severe and continued environmental degradation will continue without additional State programs and assistance to rectify the damage. Over 7,000 public and private wells have been tested for contamination and many must be retested before the water is safe to drink. The rivers, sounds, and offshore waters with low oxygen must be monitored to ensure that our fish and shellfish are safe to eat. Therefore, it is necessary to provide additional programs and resources to respond to the environmental havoc inflicted upon the citizens and communities of Eastern North Carolina by Hurricane Floyd.

(12) Caskets floated out of the saturated ground.

(13) There was erosion in the tax base in counties with persistently high poverty rates. These same counties must now bear the expense of replacing and repairing damaged infrastructure and meeting the additional educational and social services needs of their residents.

Section 2.(c) The General Assembly further finds that the devastation caused by Hurricane Floyd was of unprecedented proportions. Devastation of this magnitude was not planned for and could not have been planned for. Public and private decision making was predicated on the 100-year floodplain; actual flooding was throughout, and even outside of, the 500-year floodplain. No policies, no decision making, and no planning could adequately mitigate damage from or prepare an adequate response to such an extraordinary event. However, learning from this tragic event, the General Assembly finds that long-term planning for future natural disasters is appropriate.

Section 2.(d) The General Assembly further finds that the devastation caused by Hurricane Floyd in Eastern North Carolina continues to affect all aspects of the economy, the environment, public health and safety, infrastructure, public and private institutions, and the general welfare of the region and, indirectly, of the entire State. Immediate short-term responses and long-term responses are necessary to preserve a way of life in Eastern North Carolina, to preserve the economic condition

of the entire State, and to preserve the reputation North Carolina has, nationally and internationally, as a great place to live and a great place to do business.

CRITICAL NEEDS NOT MET BY EXISTING STATE AND FEDERAL PROGRAMS AND FUNDS

Section 2.1.(a) The General Assembly finds that State and federal disaster relief initiatives are not intended to make individuals whole after a loss; they are intended to assist the affected area in recovering from the devastation caused by Hurricane Floyd. A massive recovery program that includes assistance to individuals is essential to the recovery of the affected area due to the severity of the damage, the magnitude of the geographical area it covered, and the duration of the emergency conditions in the area. The cumulative effect of devastating losses of lives, homes, schools, life savings, personal effects, jobs, businesses, and other social and civic institutions, and of concerns, both real and imagined, about public health issues and the environment, has substantially impaired the region's ability to recover.

Traditional support systems for victims of losses such as families, friends, religious organizations, relief organizations, other private entities, and existing public programs are simply inadequate given the magnitude of the problem. Their property was also damaged by the disaster and their resources were further depleted by the overwhelming and unrelenting need for emergency assistance after the storm.

Without significant additional State assistance to the area devastated by Hurricane Floyd, further deterioration of the economy, the environment, public health and safety, and quality of life in the region is likely to occur. Without additional State assistance:

(1) Tens of thousands of people in uninsured, damaged homes will either not qualify for federal housing assistance or not have the resources to take advantage of federal housing assistance.

(2) Local governments already overwhelmed with storm-related expenses may not have the resources to repair damaged infrastructure and provide the new infrastructure necessary for families relocating out of the flood zone.

(3) Thousands of jobs will be permanently lost because an estimated 1,500 small businesses and 25 mid-sized businesses cannot qualify for Small Business Administration loans.

(4) Farmers, most of whom were deeply in debt before being devastated by Hurricane Floyd, will recoup less than forty-three percent (43%) of their crop losses. Unless farmers receive assistance, the number of forced sales and bankruptcies will rise across all of Eastern North Carolina. Many farmers will never farm again.

(5) Commercial fishers will recoup none of their losses.

(6) Resources for drinking water protection, water quality monitoring to ensure the safety of fish and shellfish, solid waste cleanup, hazardous waste cleanup, remediation of high-risk underground

storage tanks, and repair of high-hazard dams will be drastically limited.

(7) The tourism industry will continue to suffer throughout the State due to negative publicity about the storm.

Section 2.1.(b) It is the intent of the General Assembly that the benefits of the projects and programs authorized by this act are for the common good and collective recovery of the people of this State following a devastating natural disaster directly affecting a large portion of the State and indirectly affecting the entire State. The entire State faces a major loss if Eastern North Carolina is not offered the assistance provided by this act. The purpose of this act is to provide an ultimate net public benefit to the State through a successful Hurricane Floyd recovery initiative in Eastern North Carolina.

COUNCIL OF STATE FINDINGS

Section 2.2. On December 9, 1999, the Council of State made the following findings in whereas clauses to a resolution:

(1) Eastern North Carolina has a history of communities supported by an economic base of agriculture, small business, tourism, and professional services.

(2) This economy provides the means for people of the region to earn the money needed for housing, transportation, and other basic necessities of life.

(3) The vitality of Eastern North Carolina communities is dependent upon the prosperity of these economies in order to sustain the tax bases for the political subdivisions which provide services to the citizens of the region.

(4) On September 16, 1999, Hurricane Floyd struck Eastern North Carolina with severe rains, resulting in flooding of a catastrophic nature, displacing thousands of residents of Eastern North Carolina, and paralyzing these communities and their economies.

(5) On September 15, 1999, a State of Emergency was declared under G.S. 166A for 26 counties in Eastern North Carolina, with a subsequent declaration of a state of emergency from the President of the United States, allowing North Carolina to receive federal disaster assistance in excess of one billion dollars ($1,000,000,000).

(6) Subsequent federal actions have allowed North Carolina to receive additional federal disaster assistance, again in excess of one billion dollars ($1,000,000,000).

(7) There remain urgent unmet needs in the affected communities to help the population of Eastern North Carolina, to revitalize the economic base within the communities within this region, and to assist the communities in stabilizing the services needed by the residents.

(8) In order for economic stability to be recaptured in these North Carolina communities, such aid must take the form of grants and loans to the individuals and small businesses, which are the essence of these communities and, without such assistance, the region might not recover as a vital section of the State.

(9) We find that the contingency and emergency funds are insufficient to meet the needs of the State to address housing, economic, public health, environment, and local government needs caused by the disaster in Eastern North Carolina communities.

COUNTIES COVERED BY THIS ACT

Section 2.3. Sections 2 through 4.2 of this act apply in the North Carolina counties that were declared a major disaster as a result of Hurricane Floyd by the President of the United States under the Stafford Act (P.L. 93-288).

PART III. THE HURRICANE FLOYD RESERVE FUND

ESTABLISHMENT OF THE HURRICANE FLOYD RESERVE FUND

Section 3. The Governor has established in the Office of State Budget and Management the Hurricane Floyd Reserve Fund. The purpose of this fund is to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd, consistent with the provisions of this act, in the following areas:

(1) Required match for federal funds for disaster relief.

(2) Housing assistance. The General Assembly finds that affected areas may not have adequate rental property to provide housing to those who have been forced from their rental homes. It is the intent of the General Assembly that housing assistance include providing renters with assistance to purchase affordable housing. The General Assembly therefore encourages the Governor to use funds approved by the Council of State for transfer to the Hurricane Floyd Reserve Fund on December 9, 1999, or appropriated to the Fund in this act, to implement a program that provides assistance to renters in affected areas to purchase affordable housing by providing State resources, including grants and low-interest loans, for that purpose.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy.

(4) Public health, public safety, social services, and environmental recovery issues.

(5) Support to local governments.

These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds. Regardless of the source of the funds, they shall revert to the Savings Reserve Account at that time.

APPROPRIATIONS TO THE HURRICANE FLOYD RESERVE FUND

Section 3.1.(a) The appropriations and allocations made in this section are for maximum amounts necessary to implement this act. Savings shall be effected where the total amounts appropriated are not required to implement the act.

Section 3.1.(a1) The General Fund availability used in developing this act is as follows:

		1999-2000 ($ Millions)
Budget Reform Statement		
(01)	Ending Unreserved Credit Balance, June 30, 1999	
	a. Budgeted (S.L. 1999-237)	260.4
	b. Actual	296.7
	c. Excess	36.3
(02)	Net Revenue Gain by Finance Bills in Excess of Authorized Expenditures as Enacted by the 1999 Regular Session of the General Assembly	4.6
(03)	Estimated Unappropriated Balance, June 30, 2000	40.9

Section 3.1.(b) There is appropriated from the General Fund the sum of forty million dollars ($40,000,000) for the 1999-2000 fiscal year to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, only to support crisis housing assistance to homeowners, renters, and new homeowners, and for any other matters pertaining to relocation.

Section 3.1.(c) Of the funds the General Assembly appropriated for the 1999-2000 fiscal year and previous fiscal years: (i) for the operation and maintenance of State departments, institutions, and agencies, and for other purposes, (ii) for repairs, renovations, and other capital projects, and (iii) other nonrecurring appropriations, the Governor, with the concurrence of the Council of State, may reallocate funds during a state of disaster to the Hurricane Floyd Reserve Fund, as provided in G.S. 166A-6(c)(5). In authorizing the reallocation of appropriated funds under this section, it is the intent of the General Assembly that, to the extent possible, funds be reallocated in a manner that minimizes reductions in vital services that would otherwise have been provided with these funds. To this end, the General Assembly urges the Governor, the heads of administrative departments of the State, and the Council of State to work to exhaust all other reasonable options prior to utilizing funds for disaster recovery efforts that have otherwise been appropriated to provide direct help to individuals in need of health or long-term care services.

Section 3.1.(d) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of two hundred eighty-one million four hundred sixty-five thousand, eight hundred twenty-four dollars ($281,465,824) for the 1999-2000 fiscal year only to support crisis housing assistance to homeowners, renters, and new homeowners, and

for any other matters pertaining to relocation. These funds shall remain available to implement the provisions of this act until the General Assembly directs the reversion of the unexpended funds; however, these funds shall remain in the Savings Reserve Account and shall be transferred to the Hurricane Floyd Reserve Fund and expended only after the Director of the Budget certifies that funds from other sources are not adequate to implement the provisions of this act.

Section 3.1.(e) Funds appropriated or reallocated pursuant to this section shall be used only to provide necessary and appropriate relief and assistance from the effects of Hurricane Floyd consistent with the provisions of this act.

Section 3.1.(f) The allocation of funds in the Report of the House Appropriations Committee on Hurricane Floyd Recovery, dated December 15, 1999, are intended as guidance for the Governor. However, notwithstanding Section 4.1 of this act but in accordance with Chapter 166A of the General Statutes, if the Governor determines that allocations should be made to programs other than those set forth in the Committee Report, the Governor shall report to the Joint Legislative Commission on Governmental Operations before implementing any changes in the allocations.

Section 3.1.(g) If up to ten million dollars ($10,000,000) of funds allocated (other than Direct Housing Assistance) are not needed, the General Assembly directs that it is a top priority to reallocate those funds to provide affordable rental housing assistance.

Section 3.1.(g1) The Director of the Budget shall transfer to the Hurricane Floyd Reserve Fund from the reserve in the budget of the General Assembly the sum of six million six hundred seventy-eight thousand dollars ($6,678,000). These funds shall come from funds that would have been used for chamber and Legislative Office Building renovations.

The following item shall be construed as an item in the report cited in subsection (f) of this section:

K. Human Resources Services

30. Human Resources Services FY 1999-2000 $6,678,000 NR

Provides funds to serve needs not met by existing state or anticipated federal funds for critical human services needs for Hurricane Floyd victims, and to mitigate the impact of potential budget reductions within the Department of Health and Human Services on direct services to clients statewide including, but not limited to, mental health, substance abuse services, and developmental disabilities programs.

To account for the changes made by this subsection, the total amount of the Hurricane Floyd Reserve as found in the committee report cited in subsection (f) of this section is increased by adding the $6,678,000 to the bottom line of the Reserve.

Section 3.1.(h) There is appropriated from the Savings Reserve Account to the Office of State Budget and Management, Hurricane Floyd Reserve Fund, the sum of four million five hundred thousand dollars ($4,500,000) for the 1999-2000 fiscal year to be held in reserve to be used for solid waste cleanup.

The following item shall be construed as an item in the report cited in subsection (f) of this section:

I. Public Health and Environment

24. Solid Waste Cleanup FY 1999-2000 $4,500,000 NR

Provides funds for management of solid waste generated by natural disasters and to begin the assessment and remediation of high-risk junkyards and other high-risk solid waste sites in the 100-year floodplains of areas affected by Hurricane Floyd.

Section 3.1.(i) The Governor shall, to the extent practicable, ensure that assistance to victims provided from the Hurricane Floyd Reserve Fund is prioritized towards those areas and individuals least able to afford the losses as a result of Hurricane Floyd.

PART IV. IMPLEMENTATION OF ACT

TEMPORARY RULES AUTHORIZED; AUTHORIZATION APPLIES TO THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971

Section 4. The General Assembly finds that the magnitude of the devastation caused by Hurricane Floyd and the urgency of the need for immediate State recovery assistance require expeditious actions by State agencies. Delay could: (i) cause serious and unforeseen threats to the public health, safety, or welfare; (ii) result in the loss of federal revenues for the recovery effort; or (iii) increase the likelihood of fraud and abuse in recovery programs. Therefore, every agency, as defined in G.S. 150B-2, may adopt temporary rules necessary to implement the provisions of this act. Except as provided in this section, temporary rules to implement the provisions of this act shall be adopted as provided in G.S. 150B-21.1. Notwithstanding the provisions of G.S. 150B-21.1(a)(2) and 26 NCAC 2C.0102(11), the authority to adopt temporary rules to implement the provisions of this act shall continue in effect until all rules necessary to implement the provisions of this act have become effective as either temporary rules or permanent rules. Notwithstanding the provisions of G.S. 150B-21.1(d), a temporary rule adopted to implement the provisions of this act shall specify the date on which the rule will expire and shall continue in effect until that date. Any agency that adopts a temporary rule to implement the provisions of this act shall report the text of the rule and the agency's written statement of its findings of the need for the rule to the Joint Legislative Administrative Procedure Oversight Committee within 30 days of the adoption of the temporary rule. This section applies to the adoption of temporary rules by the Department of Administration under G.S. 113A-11(a) and to the adoption of temporary rules that establish minimum criteria by any State agency, as defined in G.S. 113A-9, under G.S. 113A-11(b).

AUTHORIZATION TO ESTABLISH NEW PROGRAMS, EXPAND EXISTING PROGRAMS, AND MODIFY EXISTING PROGRAMS TO IMPLEMENT THIS ACT

Section 4.1. The Governor may: (i) establish new programs, expand existing programs, and modify existing programs to provide necessary and

appropriate relief and assistance from the effects of Hurricane Floyd and (ii) expend funds from the Hurricane Floyd Reserve Fund to implement these programs. These expenditures and programs shall be used only for:

(1) Required matching funds for federal funds for disaster relief.

(2) Crisis housing assistance, which may include, but shall not be limited to, direct housing assistance to homeowners and renters, grants to local government for water, sewer, and other infrastructure needs for housing in new areas, predevelopment activities, housing counselors, and housing recovery efforts.

(3) Economic recovery assistance, including, but not limited to, assistance to the agriculture and fishing sectors of the economy, which may include, but shall not be limited to, small business disaster assistance to small and mid-sized businesses, grants to farmers, and grants and loans to commercial fishers.

(4) Public health, public safety, social services, and environmental recovery issues which may include, but shall not be limited to, drinking water protection, water quality monitoring, solid waste and hazardous waste cleanup, assessment and remediation of high-risk underground storage tank sites, dam safety, and emergency and maintenance dredging.

(5) Support to local governments, by grants to local governments to offset revenue losses resulting from storm damage from natural disasters covered by federal disaster declarations as to any storm between September 1, 1999, and the date of enactment of this act. The amount of the grants shall be based on loss of taxable property in the jurisdiction.

AUTHORIZATION TO TRANSFER FUNDS TO FEDERAL AGENCIES AND TO LOCAL GOVERNMENTS

Section 4.2. The Governor may:

(1) Use funds from the Hurricane Floyd Reserve Fund to match federal funds in accordance with Section 4.1(1) of this act.

(2) Provide grants to local governments in accordance with Section 4.1(5) of this act.

(3) Transfer funds to local governments pursuant to cooperative agreements under which they administer programs or provide services on behalf of the State.

(4) Transfer funds to federal agencies pursuant to cooperative agreements under which they administer agriculture programs or provide services on behalf of the State.

AUTHORIZATION TO ESTABLISH TIME-LIMITED POSITIONS TO IMPLEMENT THIS ACT

Section 4.3. The Governor may establish part-time and full-time personnel positions to implement this act. All such positions shall be time-limited and shall be exempt from the State Personnel Act.

AUTHORIZATION TO ESTABLISH ADVISORY COUNCILS TO ADVISE STATE AGENCIES ON RECOVERY EFFORTS

Section 4.4. The Governor shall establish advisory councils to advise relevant State agencies on Hurricane Floyd recovery efforts and to ensure input from representatives of affected communities and groups.

TAX EXEMPTION

Section 4.5. Each agency disbursing funds or property under Section 4.1 of this act from the Hurricane Floyd Reserve Fund for hurricane relief or assistance, other than payments for goods or services provided by the recipient, shall include with the disbursement a written statement of the State and federal income tax treatment of the funds or property disbursed.

Section 4.6.(a) G.S. 105-134.6(b) is amended by adding the following new subdivision to read:

"(16) The amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(b) G.S. 105-130.5(b) is amended by adding the following new subdivision to read:

"(19) To the extent included in federal taxable income, the amount paid to the taxpayer during the taxable year from the Hurricane Floyd Reserve Fund in the Office of State Budget and Management for hurricane relief or assistance, but not including payments for goods or services provided by the taxpayer."

Section 4.6.(c) This section is effective for taxable years beginning on or after January 1, 1999.

DISASTER COUNTIES TIER RANKINGS

Section 4.7.(a) The Revenue Laws Study Committee shall study the potential consequences of lowering the enterprise area tier designations under G.S. 105-129.3 of counties that sustained severe or moderate damage from a hurricane or a hurricane-related disaster in 1999, according to the Federal Emergency Management Agency. The Committee shall consider the estimated fiscal impact of such a proposal, its effect on the competitiveness of other counties, whether the current law formula for tier designation is responsive to hurricane-related changes in individual counties, and other relevant issues.

Section 4.7.(b) The Committee shall report its findings and recommendations on this issue to the 2000 Regular Session of the 1999 General Assembly.

INVOLVEMENT OF HISTORICALLY UNDERUTILIZED BUSINESSES

Section 4.8. On April 20, 1999, the Governor issued Executive Order No. 150, entitled "Support for Historically Underutilized Businesses". It is the intent of the General Assembly that, during this time of rebuilding and Hurricane Floyd relief efforts, each State agency should strive to increase the total amount of goods and services acquired by it from historically underutilized business vendors, whether directly as principal contractors or indirectly as subcontractors or otherwise.

LEGISLATIVE REVIEW OF FEDERAL FUNDING AND REMAINING UNMET NEEDS

Section 4.9. It is the intent of the General Assembly to review in 2000 and 2001 the funds appropriated by Congress and to consider actions needed to address any remaining unmet needs, especially in the area of rental housing production.

LIMITATION ON USE OF STATE FUNDS

Section 4.10.(a) No State funds used to implement this act, including any funds in the Hurricane Floyd Reserve Fund, may be expended for the construction of any new residence within the 100-year floodplain unless the construction is in an area regulated by a unit of local government pursuant to a floodplain management ordinance, and the construction complies with the ordinance. As used in this section, "100-year floodplain" means any area subject to inundation by a 100-year flood, as indicated on the most recent Flood Insurance Rate Map prepared by the Federal Emergency Management Agency under the National Flood Insurance Program.

Section 4.10.(b) The Environmental Review Commission shall study the costs and benefits of updating the Flood Insurance Rate Map for any area of the State for which the map is more than five years old and of updating all maps on an ongoing basis so that the maps of all areas of the State are no more than five years old. The Environmental Review Commission shall report its findings and recommendations to the 2000 Regular Session of the 1999 General Assembly.

Section 4.10.(c) Homeowners in the 100-year floodplain who receive homeowner's housing assistance pursuant to this act shall have in effect federal flood insurance, if available, as a precondition to receipt of State homeowner's housing assistance for losses resulting from future flooding. As used in this section "100-year floodplain" means that area defined in Section 4.10(a) in this act.

PART V. CREATION OF DISASTER RESPONSE AND RECOVERY COMMISSION

Section 5.(a) Commission Established. -- There is established the Legislative Commission to Address Hurricane Floyd Disaster Relief ("Commission").

Section 5.(b) Membership. -- The Commission shall consist of 21 members as follows:

(1) Seven members appointed by the Governor.

(2) Seven members appointed by the Speaker of the House of Representatives.

(3) Seven members appointed by the President Pro Tempore of the Senate.

Appointments to the Commission shall be made not later than January 15, 2000. A vacancy in the Commission or as chair of the Commission resulting from the resignation of a member or otherwise shall be filed in the same manner in which the original appointment was made.

Section 5.(c) Duties of Commission. -- The Commission shall study:

(1) The adequacy of the State's short-term and long-term response to natural disasters under current law and necessary modifications in the State's response to future natural disasters. In the course of this study, the Commission may consider:

a. The circumstances under which an extraordinary State response to extraordinarily severe and widespread devastation is appropriate and the components of such an extraordinary State response.

b. The need for dedicated sources of funding for disaster recovery.

c. The need to modify State policies and amend State laws to mitigate damages in future disasters and to remove administrative obstacles to the recovery effort.

(2) Short- and long-term recovery efforts for Eastern North Carolina in response to Hurricane Floyd and strategies for supplementing, improving, and enhancing those recovery efforts.

(3) The causes of the flooding and the extent to which each cause contributed to catastrophic flood damage. In particular, the Commission shall evaluate the effectiveness of dams, dikes, and other flood control structures and determine the extent to which releases of water from dams, dikes, other flood control structures, and locks may have affected the degree of flooding.

Section 5.(d) Consultation. -- The Commission may consult with appropriate State departments, agencies, and board representatives on issues related to its duties.

Section 5.(e) Organization. -- Members of the Commission and its subcommittees shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate one member to serve as cochair of the Commission. The cochairs shall call the initial meeting of the Commission on or before February 1, 2000. The Commission shall subsequently meet upon such notice and in such manner as its members determine. A majority of the members of the Commission shall constitute a quorum.

The Commission may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission of the General Assembly, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. Upon the direction of the Legislative Services Commission, the Legislative Assistants Directors of the Senate and of the House of Representatives shall assign clerical staff to the Commission. The expenses for clerical employees shall be borne by the Commission.

The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it.

Section 5.(f) Citizen Participation. -- The Commission shall establish a process of citizen participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission. It shall hold meetings throughout the State.

Section 5.(g) Cooperation by Government Agencies. -- The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision thereof for facilities, data, or other assistance.

Section 5.(h) Funding. -- The Commission may apply for, receive, and accept grants of non-State funds or other contributions as appropriate to assist in the performance of its duties.

Section 5.(i) Report. -- The Commission shall submit interim reports to the 2000 Regular Session of the 1999 General Assembly and the 2001 General Assembly and shall submit a final report of its findings and recommendations on May 1, 2002, to the General Assembly, the Governor, and the citizens of the State. The Commission shall terminate upon filing its final report.

PART VI. REPORTING REQUIREMENTS

Section 6. The Governor shall report to the Joint Legislative Commission on Governmental Operations on the implementation of this act on a monthly basis during the third quarter of the 1999-2000 fiscal year and on a quarterly basis thereafter. The Governor shall report more frequently at the request of the Commission.

The Governor shall report by May 1, 2000, the estimated number of citizens who have experienced a reduction in or elimination of health or long-term care services as a result of funds being reallocated in accordance with Section 3.1 of this act. The Governor shall submit the report to: the Joint Legislative Health Care Oversight Commission, the North Carolina Study Commission on Aging, the Legislative Study Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services, and the chairs of the Senate Appropriations Committee on Health and Human Services and the House Appropriations Subcommittee on Health and Human Services.

PART VII. EQUALIZATION OF UNEMPLOYMENT INSURANCE WAITING PERIOD FOR ALL UNEMPLOYED FLOOD VICTIMS

Section 7. G.S. 96-13(c) reads as rewritten:

"(c) ~~From January 29, 1975, through February 15, 1977, no week of unemployment for waiting-period credit shall be required of any claimant.~~ Beginning February 16, 1977, an unemployed individual shall be eligible to receive benefits with respect to any week only if the Commission finds that he has been totally, partially, or part-totally unemployed for a waiting period of one week with respect to each benefit year. No week shall be counted as a week of unemployment for waiting-period credit under this provision unless the claimant except for the provisions of this subdivision was otherwise eligible for benefits. As to claims filed on or after September 5, 1999, the waiting period for a benefit year shall not be required of any claimant if all of the following conditions are met:

(1) The benefits are to be paid for unemployment due directly to a major natural disaster.

(2) The President of the United States has declared the disaster pursuant to the Disaster Relief Act of 1970, 42 U.S.C.A. 4401, et seq.

(3) The benefits are to be paid to claimants who would have been eligible for disaster unemployment assistance if they had not been eligible to receive unemployment insurance benefits with respect to that unemployment.

(4) The claimant files for a waiver of the waiting period week within 30 days after the date of notification or mailing of the notice of the right to have the waiting period week waived. The Employment Security Commission, for good cause shown, may at any time in its discretion, with or without motion or notice, order the period enlarged if the request for an enlargement of time is made before the expiration of the period originally prescribed or as extended by a previous order. After expiration of the specified period, the Employment Security Commission may permit the act to be done where the failure to act was a result of excusable neglect.

The benefits paid as a result of the waiver of the waiting period week shall not be charged to the account or accounts of the base period employer or employers in accordance with G.S. 96-9(c)(2)d. The Employment Security Commission shall implement regulations prescribing the procedure for the waiver of the waiting period week in accordance with G.S. 96-4(b)."

PART VIIA. FLEXIBILITY IN THE SCHOOL CALENDAR TO ACCOMMODATE EXTRAORDINARY CIRCUMSTANCES

Section 7A.(a) G.S. 115C-84.2(a)(1) reads as rewritten:

"(a) School Calendar. -- Each local board of education shall adopt a school calendar consisting of 220 days all of which shall fall within the fiscal year. A school calendar shall include the following:

(1) A minimum of either 180 days ~~and~~ or 1,000 hours of instruction covering at least nine calendar months. The local board shall designate when the 180 instructional days shall occur. The number of instructional hours in an instructional day may vary according to local board policy and does not have to be uniform among the schools in the administrative unit. Local boards may approve school improvement plans that include days with varying amounts of instructional time. If school is closed early due to inclement weather, the day and the scheduled amount of instructional hours may count towards the required minimum to the extent allowed by State Board policy. The school calendar shall include a plan for making up days and instructional hours missed when schools are not opened due to inclement weather."

Section 7A.(b) This section applies only to local school administrative units located in whole or in part in the 66 counties that were declared by the President of the United States to be a disaster area for Hurricane Floyd.

Section 7A.(c) This section becomes effective August 15, 1999, and expires August 15, 2000.

Section 7A.(d) This section may be codified by the Revisor of Statutes as G.S. 115C-84.2(a)(1a).

PART VIII. LIMITATIONS AND EFFECTIVE DATE

Section 8. Funds loaned to small and mid-sized businesses, described in item F. 14 of the Report of the House Appropriations Committees on Hurricane Floyd Recovery cited in Section 3.1(f) of this act, shall be used only for eligible purposes under the Small Business Administration disaster assistance loan program. Payments for economic losses shall be limited to documented business expenses necessary for the continued operation of the business.

Section 9. This act is effective when it becomes law, except that Sections 3.1(c), 4, 4.1, 4.2, and 7 become effective September 1, 1999, and except that Section 4.6 of this act is effective for taxable years beginning on or after January 1, 1999.

REPORT OF THE
SENATE COMMITTEE OF THE WHOLE
ON
HURRICANE FLOYD RECOVERY

December 16, 1999

Hurricane Floyd Recovery

	GENERAL FUND	
	FY 99-2000	FY 2000-01

A. Existing Match Requirements

1 Federal Emergency Management Agency Required Match

Provides funds to match FEMA disaster assistance programs. $100,405,000 NR

2 Federal Agency Commitments - Estimated Match

Provides state match for supplemental disaster assistance pledged by federal executive agencies. $44,600,000 NR

3 Congressional Omnibus Appropriation - Estimated Match

Provides state funds to meet match requirements associated with supplemental disaster relief contained in the Ominbus Appropriation Act. $87,400,000 NR

B. Direct Housing and Rental Assistance

4 State Acquisition and Relocation Fund (SARF)

Provides funds for supplemental grants to homeowners who participate in the federal buy-out program. The Division of Community Assistance will administer these grants to enable homeowners to relocate to comparable housing outside the 100-year floodplain. Supplemental grants to homeowners should not exceed $50,000, except where necessary to place low and moderate income families into comparable housing as defined under the federal Uniform Relocation Act. $139,330,000 NR

5 Grants to SBA Housing Loan Applicants

Provides grants to property owners to supplement housing loans received from the Small Business Administration (SBA). Local social services offices will administer grants in the amounts of $2,500, $5,000, or $10,000 depending upon age, income, and amount of damage. $61,880,000 NR

	FY 99-2000	FY 2000-01
6 Replacement and Repair Grants - Low-Income Families Provides grants for home repair, rehabilitation, or replacement to low-income homeowners not subject to federal buy-out, not covered by insurance, or not eligible for SBA loans.	$59,920,000	NR
7 Relocation Assistance to Renters Provides funds to renters whose housing units will be purchased under the federal buy-out program. Renters are eligible for a $3,000 relocation assistance grant through the State Acquisition and Relocation Fund (SARF). This program will be administered by the Division of Community Assistance.	$16,280,000	NR
8 Affordable Rental Housing Assistance Provides funds to stimulate the production of affordable rental housing. The Housing Finance Agency will administer this program, and will leverage these funds to provide rental housing for at least 400 families.	$10,000,000	NR
C. Infrastructure		
9 Infrastructure Grants to Local Governments Provides grants to local governments to construct new infrastructure (water, sewer, sidewalks, storm drainage, etc.) required to support the development of new single-family homes in areas outside the 100-year floodplain.	$41,690,000	NR
D. Predevelopment Activities		
10 Housing Inspectors and Rehabilitation Specialists Provides grants to local governments for additional personnel to oversee rebuilding activity.	$2,500,000	NR
11 Land Acquisition and Capacity Building Provides funds for non-profit agencies and public housing authorities to acquire land for affordable housing. Also provides grants to non-profit agencies and public housing authorities to pay for site preparation, engineering studies, and other capacity building activities associated with the rebuilding effort.	$7,500,000	NR

	FY 99-2000	FY 2000-01

E. Counselors and Recovery Office

12 Housing Counselors

Provides funds for 100 time-limited staff to provide counseling and assistance to resolve short and long-term housing needs for approximately 30,000 families.

$8,500,000 NR

13 Housing Recovery Council and Office

Provides funds for nine time-limited staff to support activities of the Housing Recovery Council. The council will oversee the activities of state agencies involved in rebuilding to assure that resources are effectively utilized.

$2,575,000 NR

F. Business Disaster Assistance

14 Loans to Small and Mid-Sized Businesses

Provides funding for an interest-free loan with principal payments deferred for a three-year term to businesses that fail to qualify for SBA loans. This loan program is anticipated to provide assistance to 1,500 small business and 25 mid-sized businesses to replace damaged equipment, repair property, or meet cash flow needs.

$42,500,000 NR

15 Interest Buy-Down

Provides grant funds to businesses receiving SBA Business Disaster Loans to cover interest costs for three years.

$8,500,000 NR

G. Agriculture and Fishing Disaster Assistance

16 Agricultural Structure and Equipment Loss

Provides grants to partially compensate farmers for losses of farm equipment and structures. It is expected that this program will be administered by the federal Farm Services Agency.

$40,000,000 NR

17 Crop Loss Assistance

Provides a state supplement to farmers eligible for federal crop loss disaster payments. It is expected that this program will be administered by the federal Farm Services Agency. State payments are anticipated to cover 17% of estimated crop loss.

$90,000,000 NR

	FY 99-2000	FY 2000-01
18 Emergency Conservation Program Cost-Share Provides funds to pay a portion of cost-share obligations incurred by farmers seeking to repair damage to land, fencing, and conservation measures, including damages to best management practices (BMPs). It is expected that this program will be administered by the federal Farm Services Agency.	$15,000,000	NR
19 Farmer-Owned Marketing Cooperatives Provides funds for supplemental payments to farmer-owned cooperatives for quality losses associated with flood damaged commodities. Also provides supplemental payments to growers' associations for uncollected assessments.	$5,000,000	NR
20 Grants and Loans to Commercial Fishermen Provides grants and loans to commercial fishermen to compensate for equipment losses and reductions in harvests. Harvest reductions will be verified using historical landings data.	$11,400,000	NR
H. General Economic Recovery Assistance		
21 Marketing Funds Provides funds to support an intensive advertising campaign to market North Carolina as a desirable tourist destination and viable business location in the aftermath of Hurricane Floyd.	$1,000,000	NR
I. Public Health and Environment		
22 Drinking Water Protection Provides funds to test and analyze private wells and community water systems for contaminants. Also, supports time-limited 3-member teams of public health professionals trained to assess environmental health risks in flood damaged communities.	$1,000,000	NR
23 Water Quality Monitoring Provides funds for enhanced water quality monitoring in the rivers, estuaries and sounds impacted by Hurricane Floyd. Funds will be used for sediment and tissue analysis, monitoring for groundwater contamination, and contracts with various educational and research organizations to assess the short- and long-term impacts of the flooding.	$2,000,000	NR

	FY 99-2000	FY 2000-01
24 Solid Waste Cleanup Provides funds for management of solid waste generated by natural disasters, and to begin the assessment and remediation of high-risk junkyards and other high-risk solid waste sites in the 100-year floodplains of areas affected by Hurricane Floyd.	$4,500,000	NR
25 Hazardous Waste Cleanup Provides funds to begin the assessment and remediation of 35 high-risk hazardous waste sites and 277 landfills flooded by Hurricane Floyd.	$2,500,000	NR
26 Underground Storage Tanks (UST) Provides funds to begin the assessment and remediation of 139 UST facilities damaged by Hurricane Floyd.	$5,000,000	NR
27 Dam Safety Provides funds to repair or breach 26 high-hazard dams damaged during Hurricane Floyd. DENR will seek cost-recovery from the dam owner for work performed.	$2,500,000	NR
28 Emergency and Maintenance Dredging Provides funds for emergency and maintenance dredging activities in portions of twelve navigation channels.	$10,200,000	NR
J. Local Government Support		
29 Grants to Local Governments Provides grants to units of local governments adversely affected by Hurricane Floyd to support public education and other governmental operations as deemed appropriate by governing boards.	$6,300,000	NR

	FY 99-2000	FY 2000-01
K. Human Resources Services		
30 **Human Resources Services** Provides funds to serve needs not met by existing state or anticipated federal funds for critical human services needs for Hurricane Floyd victims, and to mitigate the impact of potential budget reductions within the Department of Health and Human Services on direct services to clients statewide including, but not limited to mental health, substance abuse services, and developmental disabilities programs.	$6,678,000 NR	
Total Hurricane Floyd Reserve	**$836,658,000 NR**	