

# **Environment, Natural Resources, and Energy**

**See full summary documents for additional detail**

## **North Carolina Collaboratory May Use Cyanobacterial Algal Bloom Treatment Pilot Project Funds for Other Research Projects – House Budget Technical Corrections.**

SL 2025-4 (H74), Sec. 2.4

Section 2.4 of S.L. 2025-4 (House Bill 74) modifies a provision enacted in 2021 that allocated funds to the North Carolina Collaboratory to evaluate the effectiveness and efficacy of an approved in situ treatment of the nutrient impaired surface waters in lakes and reservoirs on cyanobacterial harmful algal blooms. The modification allows the Collaboratory to use any unexpended portion of those funds for other research projects related to the study, analysis, and improvement of surface water quality in the State, including research projects related to nutrient impaired coastal waters.

This section of the act became effective May 14, 2025.

## **Natural Heritage Program Data Confidentiality – Department of Natural and Cultural Resources Agency Bill.**

SL 2025-10 (S477), Sec. 1

Section 1 of S.L. 2025-10 (Senate Bill 477) authorizes the Department of Natural and Cultural Resources to limit public disclosure of information concerning the nature and location of any rare species of plants or animals, or sensitive natural habitats, upon determining that disclosure would create a risk of harm, theft, or destruction to those species or habitats.

This section became effective June 13, 2025.

## **Extended Lease Terms for State Recreation Areas – Department of Natural and Cultural Resources Agency Bill.**

SL 2025-10 (S477), Sec. 3

Section 3 of S.L. 2025-10 (Senate Bill 477) authorizes the Department of Natural and Cultural Resources (DNCR) to enter into leases for a period greater than 30 years, but no more than 50 years, of lands owned by the federal government and managed by DNCR as the Falls Lake, Jordan Lake, and Kerr Lake State Recreation Areas.

This section became effective June 13, 2025.

## **State Nature and Historic Preserve Additions and Deletions – Department of Natural and Cultural Resources Agency Bill.**

SL 2025-10 (S477), Sec. 8

Section 8 of S.L. 2025-10 (Senate Bill 477) adds North Peaks State Trail to the State Nature and Historic Preserve (Preserve). This section also excepts from dedication and removes certain small parcels from the Preserve that are located at Mayo River State Park, Chimney Rock State Park, New River State Park, and Fonta-Flora State Trail.

The removals from the Preserve are all minor deletions, as follows:

- Mayo River State Park: Excepts four small tracts totaling approximately .394 acres needed for a permanent easement for a highway construction project.
- Chimney Rock State Park: Excepts three small tracts totaling approximately 0.43 acres adjacent to US Highway 64 & 74A in Bat Cave that were destroyed by Helene.
- Chimney Rock State Park: Excepts approximately 5.78 acres needed for a permanent communications easement.
- New River State Park: Excepts a small tract totaling approximately 10,014 square feet needed for a permanent drainage easement for a highway construction project.
- Fonta-Flora State Trail: Excepts a small tract totaling approximately 4,417 square feet needed for an access easement.

This section became effective June 13, 2025.

## **Emergency Communications Exemptions/Sanitary Board/Section 401 Certifications.**

SL 2025-50 (H768)

S.L. 2025-50 (House Bill 768) does the following:

- Exempts certain buildings and structures from emergency responder communications coverage requirements found within the North Carolina Fire Code, requires the Building Code Council to adopt rules in accordance with the act, and directs the Building Code Council and local governments to follow the requirements of the act until the effective date of permanent rules.
- Provides that vacancies on a sanitary district board that provides water and sewer service and that lies solely within a county with more than 17 municipalities that lie wholly within that county, shall be filled by the remaining sanitary district board members until the next election for board members with a resident from the same residency district of the vacating sanitary district board member.
- Establishes statutory requirements for the Department of Environmental Quality's (DEQ) handling of applications under Section 401 of the Clean Water Act for projects that are eligible for a Nationwide Permit or Regional General Permit issued by the United States Army Corps of Engineers. DEQ is required to:

- Notify an applicant of the required fee within 5 days of receipt of an application. DEQ's review period begins on the date the fee is paid. The fee is waived if DEQ does not notify an applicant of the fee within 5 days of receipt of the application.
- Within 30 days of the beginning of the review period, DEQ must (i) determine whether the application is complete and notify the applicant accordingly and, (ii) if DEQ determines an application is incomplete, specify all deficiencies in a notice to the applicant. Review of amended applications or supplemental information responses provided by the applicant must occur within 20 business days of receipt. If DEQ fails to issue a notice that the application is incomplete within the requisite initial 30-day period, or the supplemental 20 day review period, the application is deemed complete.
- Either approve or deny an application within (i) 10 business days of the date the application is deemed complete if no public hearing is held or (ii) 15 business days of the close of the record if a public hearing is held and no additional information is required. Failure of DEQ to approve or deny the application within the requisite time results in a waiver of the certification requirement by the State, unless the applicant agrees, in writing, to an extension of time, which must not exceed one year from the State's receipt of the application for certification.
- Issue a certification, with or without conditions or limitations, upon determining that the proposed discharges into navigable waters subject to the federal Clean Water Act will comply with State water quality requirements. DEQ can include as conditions or limitations in a certification any effluent limitations or other limitations necessary to assure the proposed discharges into navigable waters subject to the federal Clean Water Act will comply with State water quality requirements. DEQ must not impose any other conditions or limitations in a certification.
- DEQ can deny a certification application only if it determines that no reasonable conditions or limitations would provide assurance that the proposed discharges into navigable waters subject to the federal Clean Water Act will comply with State water quality requirements.

The section of the act pertaining to buildings and structures exempt from emergency responder communications coverage requirements expires when permanent rules adopted as required by the act become permanent. The section of the act pertaining to the filling of a vacancy in a sanitary district board became effective July 2, 2025. The section of the act pertaining to applications under Section 401 of the Clean Water Act became effective October 1, 2025.

### **County Waste Management Assistance.**

SL 2025-66 (S706)

S.L. 2025-66 (Senate Bill 706) does the following:

- Requires that 30% of the net proceeds of the scrap tire disposal tax be credited to the Scrap Tire Disposal Account (Account) and that excess funds must be credited to the Highway Fund if the amount in the Account exceeds \$300,000 at the end of a fiscal year.
- Reenacts the Account as it existed immediately before its repeal and locates the Account within the Department of Environmental Quality (DEQ). DEQ can use funds in the Account as follows:
  - 75% of the revenue for grants to units of local government to assist them in disposing of scrap tires.
  - 15% of the revenue for grants to encourage the use of processed scrap tire materials. The grants can be made to encourage the use of tire-derived fuel, crumb rubber, carbon black, or other components of tires for use in products such as fuel, tires, mats, auto parts, gaskets, flooring material, or other applications of processed tire materials.
  - Up to \$175,000 for administrative costs and to support a DEQ position to implement the requirements of the scrap tire program.
  - The remaining revenue to fund the clean up of illegal scrap tire collection sites that DEQ has determined are nuisances.
- Removes the deadline for DEQ's report to the Environmental Review Commission (ERC) on the implementation of the North Carolina Scrap Tire Disposal Act.
- Requires DEQ to include in its annual report to the ERC and the Fiscal Research Division the beginning and ending balances of the Account for the reporting period and the amount credited to the Account during the reporting period.
- Provides that local governments that do not comply with requirements to (i) make a good faith effort to achieve the States' 40% municipal solid waste reduction goal and comply with the State's comprehensive solid waste plan, (ii) annually report on solid waste management programs and waste reduction activities within the unit of local government, and (iii) establish and maintain a solid waste reduction program are not eligible for grants from the Account and cannot receive the proceeds of the scrap tire disposal tax or white goods disposal tax. The proceeds of the taxes withheld from units of local government must be credited to the Highway Fund.
- Limits the use of the tax on new tires to the disposal of scrap tires.

The act became effective October 1, 2025, and applies to quarterly crediting of the proceeds of the scrap tire disposal tax occurring on or after that date.

## **Gullah Geechee Heritage Trail – Various State and Local Government Provisions.**

SL 2025-67 (H23), Part II

Part II of S.L. 2025-67 (House Bill 23) authorizes the Gullah Geechee Heritage Trail in Brunswick County. This Part requires the State to support, promote, encourage, and facilitate the establishment of trail segments on State park lands and on other lands. On segments of the Heritage Trail that cross property controlled by agencies or owners other than the State, the laws, rules, and policies of those agencies or owners control the use of the property.

This Part became effective July 7, 2025.

### **Authorize Adding South Fork Passage State Trail to the State Parks System. – Various State and Local Gov't Provisions.**

SL 2025-67 (H23), Part IV

Part IV of S.L. 2025-67 (House Bill 23) authorizes the Department of Natural and Cultural Resources to add the South Fork Passage Trail (Trail) in Catawba, Lincoln, and Gaston Counties to the State Parks System as a State Trail. The Trail, which runs alongside the South Fork River, must begin at the confluence of the Henry Fork and Jacob Fork at Jacob Fork Park and end at the boundary between the State and South Carolina on Lake Wylie.

This section became effective July 7, 2025.

### **Codify Lake Norman Marine Commission. – Various State and Local Government Provisions.**

SL 2025-67 (H23), Part V

Part V of S.L. 2025-67 (House Bill 23) does the following:

- Codifies the session law language that established the Lake Norman Marine Commission and makes various revisions to the laws that govern the Commission.
- Subjects individuals serving on the Lake Norman Marine Commission to the State Ethics Act, which would require them to submit a Statement of Economic Interest to the State Ethics Commission.
- Makes various conforming changes to the statute that governs the membership of the Catawba/Wateree River Basin Advisory Commission.
- Provides that the initial appointments to the governing board of the Lake Norman Marine Commission become effective on the date that is seven calendar days following the adoption by three or more eligible local governments of a joint resolution reconstituting the Lake Norman Marine Commission.
- Provides that all rules, regulations, and decisions made by the predecessor Lake Norman Marine Commission remain in full force and effect until and unless duly modified by the reconstituted Lake Norman Marine Commission.

This Part became effective July 7, 2025.

### **Interbasin Transfer Moratorium/Study.**

SL 2025-74 (H850)

S.L. 2025-74 (House Bill 850) directs the North Carolina Collaboratory at the University of North Carolina to study the current process for approving large surface water transfers between river basins and recommend changes to the General Assembly no later than the convening of the 2027

General Assembly. This act also imposes a moratorium on the issuance of any approvals for surface water transfers more than 15 million gallons per day. This moratorium expires March 1, 2027.

This act became effective July 9, 2025.

### **Regional Water Study/Interbasin Transfer Subbasin/Total Maximum Daily Load Revision.**

SL 2025-77 (H694)

S.L. 2025-77 (House Bill 694) (i) directs the Environmental Finance Center at the UNC School of Government to study water and wastewater regionalization, and to report its findings and recommendations to the House Oversight Committee, the Senate Committee on Regulatory Reform, and the Joint Legislative Commission on Governmental Operations by April 1, 2026; (ii) eliminates subbasin designations for the Haw River and Deep River basins within the Cape Fear River major river basin, and the Contentnea Creek basin within the Neuse River major river basin, allowing for the transfer of surface water between those subbasins within the same major river basin in any amount without first needing to obtain an Interbasin transfer certificate from the Environmental Management Commission; and (iii) revises the 2020 Farm Act Total Maximum Daily Load (TMDL) transport factor calculation applicability so that all wastewater discharge permit applications for local governments in the Neuse River Basin would apply the transport factors as specified in the 1999 Phase I TMDL, regardless of the size of the customer base.

This act became effective July 9th, 2025. The provision related to interbasin transfers applies to water withdrawals or transfers initiated on or after that date.

### **Allow Authorized Onsite Wastewater Evaluator to Prepare a Site Denial Letter for Subsurface Wastewater Systems – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 1

Section 1 of S.L. 2025-94 (House Bill 926) directs the Environmental Management Commission (Commission) to implement its rules concerning on-site wastewater systems to allow either a local county health department official or an Authorized On-Site Wastewater Evaluator to prepare and submit site denial letters for subsurface wastewater systems. This section also directs the Commission to readopt its rules consistent with that implementation.

This section became effective October 6, 2025.

### **Downstream Inundation Maps – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 19

Section 19 of S.L. 2025-94 (House Bill 926) expands existing law which provides that certain dam Emergency Action Plans (EAPs) and downstream inundation maps are classified as sensitive

public security information and exempt from disclosure pursuant to the Public Records Act to include EAPs and downstream inundation maps associated with impoundments or dams owned or operated by: (i) an electric power supplier; and (ii) a unit of local government. EAPs or maps not associated with impoundments or dams regulated by the Federal Energy Regulatory Commission or owned or operated by an electric power supplier or a unit of local government are excluded from the definition of sensitive public security information.

This section became effective October 6, 2025.

### **No Second Bite for Stormwater Permitting Review – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 20

Section 20 of S.L. 2025-94 (House Bill 926) modifies the review process for stormwater permitting to limit the Environmental Management Commission's (Commission) ability to make subsequent requests for information from a permit applicant if that information was not previously identified as missing or required in an earlier information request from the Commission, except in certain circumstances.

This section became effective October 6, 2025.

### **Modify the Falls Reservoir Water Supply Nutrient Strategy Rules to Exempt New Residential Development Disturbing Less than One Acre – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 21

Section 21 of S.L. 2025-94 (House Bill 926) requires the Environmental Management Commission to revise the rule governing stormwater management for new development in the Falls Lake watershed to:

- Except as required pursuant to federal law or permit, prohibit requirements for a stormwater permit, management plan, or post-construction stormwater controls for single family and duplex residential and recreational development that cumulatively disturb less than one acre, which is not part of a larger common plan of development.
- Prohibit applicable local governments from establishing requirements more restrictive than the rule.

This section became effective October 6, 2025.

## **Administrative Procedure Act Exemption for Rules to Modernize Wastewater Permitting – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 23

Section 23 of S.L. 2025-94 (House Bill 926) amends legislation enacted in 2024 that required the Department of Environmental Quality (Department) and the Environmental Management Commission (Commission) to develop rules that establish methodologies and permitting requirements for the discharge of treated domestic wastewaters with low risk following site specific criteria to surface waters of the State, including wetlands, perennial streams, and unnamed tributaries of named and classified streams and intermittent streams or drainage courses where the 7Q10 flow or 30Q2 flow of the receiving water is estimated to be low flow or zero flow, or under certain conditions non-existent, as determined by the United States Geological Survey. The changes include modifications made pursuant to feedback from the United States Environmental Protection Agency (USEPA) in response to draft rules previously submitted for the agency's consideration as follows:

- Modifies the 2024 legislation to provide that within 60 days of the date USEPA notifies the State that a rule must be formally adopted prior to submittal as a program revision for USEPA approval, the Commission must initiate the process for temporary and permanent rules pursuant to Chapter 150B of the General Statutes.
- Clarifies that:
  - The Department may require an applicant to use different modeling than that submitted by an applicant upon issuing findings of fact that demonstrate that a model initially used by an applicant is unsuitable for the particular discharge and receiving water.
  - All requirements of a National Pollution Discharge Elimination System (NPDES) permit must be met, including effluent limits for all parameters required to ensure the permit to be issued does not violate current State water quality standards approved by USEPA.

In addition, the section exempts these rules from certain requirements of the Administrative Procedure Act, including those requiring ratification by the General Assembly, or supermajority approval by a board or commission, that are applicable when a rule's aggregate financial cost exceeds certain thresholds.

This section is effective retroactive to July 8, 2024.



## **Permitting by Regulation for Disposal Systems That Do Not Discharge to Surface Waters – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 24

Section 24 of S.L. 2025-94 (House Bill 926) requires the Environmental Management Commission to amend a rule, 15A NCAC 02T .0113 (Permitting by Regulation), to provide that discharges to the land surface of less than 5,000 gallons per day of water from fractional vapor compression distillation of potable water, are deemed to be permitted without need for the Department of Environmental Quality to issue individual permits or coverage under a general permit for construction or operation of these disposal systems provided the system does not result in direct discharge to surface waters, any violations of surface water or groundwater standards, or ponding or runoff of discharge water. These rules are exempt from certain requirements of the Administrative Procedure Act, including those requiring ratification by the General Assembly, or supermajority approval by a board or commission, that are applicable when a rule's aggregate financial cost exceeds certain thresholds.

This section became effective October 6, 2025.

## **Reduce Frequency of Oversight for Certain Public Water System Supplemental Treatment Facilities – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 25

Section 25 of S.L. 2025-94 (House Bill 926) authorizes the Department of Environmental Quality to reduce the frequency of oversight visits for certain public water system supplemental treatment facilities to not less than once per calendar month, if the supplemental treatment facility complies with all existing requirements for public water system treatment facilities and meets additional requirements related to chemical feed, emergency shutdowns, and remote monitoring. This section also directs the Commission for Public Health to amend its existing rules to be consistent with this authorization. In addition, the section exempts these rules from certain requirements of the Administrative Procedure Act, including those requiring ratification by the General Assembly, or supermajority approval by a board or commission, that are applicable when a rule's aggregate financial cost exceeds certain thresholds.

This section became effective October 6, 2025.

**Authorize Use of Certain Subsurface Dispersal Products for Wastewater Storage and Dispersal in Traffic-Rated Areas Under Private Option Permits – Regulatory Reform Act of 2025.**

SL 2025-94 (H926), Sec. 30

Section 30 of S.L. 2025-94 (House Bill 926) allows the use of wastewater dispersal products under areas subject to vehicular traffic if the product is approved by the manufacturer for that purpose and a permit is issued for the product by a professional engineer under an engineered option permit, or by an Authorized On-Site Wastewater Evaluator.

This section became effective October 6, 2025.