

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1687

Short Title: Disaster Relief Trust Fund.

(Public)

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Sponsors: Representatives Thompson, Sexton (Cosponsors); Alexander, Baker, Barbee, Berry, Black, Bonner, Bowie, Brown, Buchanan, Cansler, Capps, Carpenter, Church, Clary, Crawford, Creech, Culp, Culpepper, Daughtry, Davis, Dedmon, Dockham, Esposito, Goodwin, Grady, Gulley, Hall, Hardy, Hiatt, Howard, R. Hunter, Hurley, Insko, Justus, Kiser, McComas, McCombs, McCrary, McMahan, Miner, Mitchell, Moore, Morris, Neely, Nye, Owens, Preston, Ramsey, Rayfield, Redwine, Rogers, Saunders, Sherrill, Shubert, Smith, Starnes, Tolson, Wainwright, Warner, Warwick, G. Wilson, Wood, and Yongue.

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Referred to: Appropriations.

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June 1, 1998

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE DISASTER RELIEF TRUST FUND.

The General Assembly of North Carolina enacts:

Section 1. Chapter 166A of the General Statutes is amended by adding a new Article to read:

"ARTICLE 5.

"Disaster Relief Trust Fund.

**"§ 166A-60. Disaster Relief Trust Fund: established.**

(a) There is established a Disaster Relief Trust Fund in the Department of State Treasurer that shall be used to provide disaster relief and recovery assistance to individuals and local governments adversely affected by natural or man-made disasters through grants awarded pursuant to criteria adopted by the Board of Trustees established pursuant to G.S. 166A-62.

1       (b) The State Treasurer shall hold the Fund separate and apart from all other  
2 moneys, funds, and accounts. Investment earnings credited to the assets of the Fund shall  
3 become part of the Fund. Any balance remaining in the Fund at the end of any fiscal year  
4 shall be carried forward in the Fund for the next succeeding fiscal year. Payments from  
5 the Fund shall be made on the warrant of the Chair of the Board of Trustees.

6 **"§ 166A-61. Disaster Relief Trust Fund: eligibility and criteria for grants;**  
7 **reporting.**

8       (a) The Board of Trustees shall adopt criteria and requirements for allocating  
9 moneys from the Fund as grants and for awarding grants authorized pursuant to this  
10 Article. Grants shall be awarded to persons, corporations, nonprofit corporations, local  
11 governments, or other political subdivisions of the State, as defined in G.S. 166A-4, in  
12 need of assistance for disaster relief and recovery. The Trustees shall develop criteria for  
13 awarding grants under this Article in cases in which the Governor has declared a state of  
14 disaster pursuant to G.S. 166A-6 and the President of the United States has not declared a  
15 major disaster pursuant to 42 U.S.C. § 5121, et seq.

16       In developing the criteria, the Trustees shall:

- 17       (1) Prioritize the allocation of funds to serve the needs of those citizens of  
18 the state who cannot obtain financial assistance under any other state or  
19 federal program or from any other source and who do not have  
20 insurance.
- 21       (2) Establish limitations for the amount of funds to be awarded to  
22 individuals and private entities or corporations.
- 23       (3) Require that grant recipients obtain and maintain insurance against  
24 future loss of the property to be replaced, restored, repaired, or  
25 constructed with the funds awarded.
- 26       (4) Develop a system of damage assessment whereby the Secretary of the  
27 Department of Crime Control and Public Safety determines whether the  
28 damage involved and its effects are of a severity and magnitude as to be  
29 beyond the response capabilities of the affected local government or  
30 political subdivision and makes recommendations to the Board of  
31 Trustees regarding whether an award of moneys from the Trust Fund  
32 should be made.
- 33       (5) Establish the eligibility requirements and conditions for temporary  
34 housing assistance.

35       The Trustees may develop guidelines in addition to the grant criteria consistent with  
36 and as necessary to implement this Article.

37       (b) The Trustees may adopt rules to implement this Article. Chapter 150B of the  
38 General Statutes applies to the adoption of rules by the Trustees.

39       (c) The Chair of the Board of Trustees of the Disaster Relief Trust Fund shall  
40 report to the Joint Legislative Commission on Governmental Operations beginning  
41 November 1, 1998, and annually thereafter on implementation of this section. A written  
42 copy of the report shall also be sent to the Fiscal Research Division of the General  
43 Assembly beginning November 1, 1998, and annually thereafter on implementation of

1 this section. No later than November 1, 1999, and quarterly thereafter, the Chair of the  
2 Trustees shall submit to the Joint Legislative Commission on Governmental Operations  
3 and the Chairs of the Appropriations Committees of the House of Representatives and the  
4 Senate a list of the projects awarded grants from the Fund that quarter. The list shall  
5 include for each project a description of the project, the amount of the grant awarded for  
6 the project, and the total cost of the project. A written copy of the list and other  
7 information regarding the projects shall also be sent to the Fiscal Research Division of  
8 the General Assembly.

9 **"§ 166A-62. Disaster Relief Trust Fund: Board of Trustees established;**  
10 **membership qualifications; vacancies; meetings and meeting facilities.**

11 (a) There is established the Disaster Relief Trust Fund Board of Trustees. The  
12 Disaster Relief Trust Fund Board of Trustees shall be independent, but for administrative  
13 purposes shall be located under the Department of Crime Control and Public Safety.

14 (b) The Disaster Relief Trust Fund Board of Trustees shall be composed of 18  
15 members as follows:

16 (1) The Governor, or the Governor's designee, ex officio;

17 (2) The Secretary of the Department of Crime Control and Public Safety, or  
18 the Secretary's designee, ex officio;

19 (3) The Secretary of the Department of Health and Human Services, or the  
20 Secretary's designee, ex officio;

21 (4) The Secretary of the Department of Environment and Natural  
22 Resources, or the Secretary's designee, ex officio;

23 (5) The Commissioner of Insurance, or the Commissioner's designee, ex  
24 officio;

25 (6) The Secretary of the Department of Transportation, or the Secretary's  
26 designee, ex officio;

27 (7) The Director of the Division of Emergency Management, or the  
28 Director's designee, ex officio;

29 (8) The Commander of the State Highway Patrol, or the Commander's  
30 designee, ex officio;

31 (9) The Adjutant General of the National Guard, or that person's designee,  
32 ex officio;

33 (10) Three members appointed by the Governor, one of whom is a  
34 representative of the business community, one of whom is a  
35 representative of a major public utility, and one of whom is a member of  
36 the public;

37 (11) Three members appointed by the General Assembly upon the  
38 recommendation of the President Pro Tempore of the Senate, at least  
39 one of whom is a county commissioner and one of whom is a city or  
40 town official; and

41 (12) Three members appointed by the General Assembly upon the  
42 recommendation of the Speaker of the House of Representatives, at least

1           one of whom is a county commissioner and one of whom is a city or  
2           town official.

3 The appointed members shall represent the three geographic regions of the State and  
4 reflect the racial and socioeconomic diversity of the State. Members appointed by the  
5 General Assembly shall be appointed in accordance with G.S. 120-121.

6       (c) Initial Appointments. – Each appointing officer shall designate two of the  
7 officer's initial appointments to serve two-year terms, two to serve four-year terms, and  
8 two to serve six-year terms. Thereafter, all appointments shall be for four years, subject  
9 to reappointment. All initial appointments shall be made on or before January 1, 1999.  
10 The Governor shall appoint one Trustee to serve as Chair of the Board.

11       (d) If a vacancy occurs, other than by the expiration of term, of a member subject  
12 to appointment by the General Assembly upon the recommendation of the Speaker of the  
13 House of Representatives or the President Pro Tempore of the Senate, the vacancy shall  
14 be filled in accordance with G.S. 120-122. All other vacancies shall be filled by the  
15 appointing official in the original manner.

16       (e) The Trustees shall meet at least twice each year and may hold special meetings  
17 at the call of the Chair or a majority of the members.

18       (f) The Trustees shall receive per diem and necessary travel and subsistence  
19 expenses in accordance with the provisions of G.S. 138-5. Per diem, subsistence, and  
20 travel expenses of the Trustees shall be paid from the Fund.

21       (g) The Secretary of the Department of Crime Control and Public Safety shall  
22 provide meeting facilities for the Board of Trustees as requested by the Chair. All clerical  
23 staff, services, equipment, and supplies required by the Board of Trustees shall be  
24 provided by the Department of Crime Control and Public Safety."

25       Section 2. G.S. 120-123 is amended by adding a new subdivision to read:

26       "(23) The Disaster Relief Trust Fund Board of Trustees as established by G.S.  
27 166A-60."

28       Section 3. The Chair of the Board of Trustees of the Disaster Relief Trust  
29 Fund shall report to the Joint Legislative Commission on Governmental Operations and  
30 to the Chairs of the House of Representative and Senate Appropriations Committees by  
31 November 1, 1998, on:

32       (1) The criteria and guidelines adopted by the Board pursuant to G.S. 166A-  
33 61, as enacted by this act.

34       (2) The Board's recommendations regarding means of continued funding  
35 for the Disaster Relief Trust Fund.

36       (3) Any legislative proposals to implement the objectives and purposes of  
37 Article 5 of Chapter 166A of the General Statutes, as enacted by this  
38 act.

39 A written copy of the report shall be sent to the Fiscal Research Division of the General  
40 Assembly by November 1, 1998.

41       Section 4. There is appropriated from the General Fund to the Disaster Relief  
42 Trust Fund established pursuant to this act the sum of ten million dollars (\$10,000,000)  
43 for the 1998-99 fiscal year to implement the provisions of this act.

1           Section 5. This act becomes effective July 1, 1998.