

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 47
Committee Substitute Favorable 2/11/25
Third Edition Engrossed 2/25/25

Short Title: Disaster Recovery Act of 2025 - Part I.

(Public)

Sponsors:

Referred to:

February 5, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE ADDITIONAL APPROPRIATIONS AND EXTEND REGULATORY
3 FLEXIBILITY FOR COMMUNITIES AND CITIZENS IMPACTED BY HURRICANE
4 HELENE.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. TITLE AND SCOPE OF ACT**

8 **SECTION 1.1.** Title. – This act shall be known as "The Disaster Recovery Act of
9 2025 – Part I."

10 **SECTION 1.2.** Maximum Amounts; Effectuate Savings. – The appropriations and
11 allocations made in this act are for maximum amounts necessary to implement this act. Savings
12 shall be effected where the total amounts appropriated or allocated are not required to implement
13 this act.

14 **SECTION 1.3.** Scope. – Unless otherwise provided, Part II of this act applies to the
15 North Carolina counties in the affected area, as defined in Section 1.4 of this act.

16 **SECTION 1.4.** Definitions. – Unless otherwise provided, the following definitions
17 apply in this act:

- 18 (1) Affected area. – The counties designated before, on, or after the effective date
19 of this act under a major disaster declaration by the President of the United
20 States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene.
- 21 (2) CDBG-DR. – Community Development Block Grant – Disaster Recovery.
- 22 (3) FEMA. – The Federal Emergency Management Agency.
- 23 (4) Helene Fund. – The Hurricane Helene Disaster Recovery Fund established in
24 Section 4.1 of S.L. 2024-51.
- 25 (5) NCEM. – The Division of Emergency Management of the Department of
26 Public Safety.
- 27 (6) OSBM. – The Office of State Budget and Management.
- 28 (7) SERDRF. – The State Emergency Response and Disaster Relief Fund
29 established in G.S. 166A-19.42.

30
31 **PART II. DISASTER RECOVERY APPROPRIATION, TRANSFER, AND PROGRAMS**

32 **SECTION 2.1.** Transfer. – The State Controller shall transfer the sum of two hundred
33 seventy-five million dollars (\$275,000,000) from the SERDRF to the Helene Fund.

34 **SECTION 2.2.** Appropriation. – There is appropriated from the Helene Fund the
35 sum of five hundred million dollars (\$500,000,000) in nonrecurring funds, as follows:



- 1 (1) Notwithstanding G.S. 143B-1040(c), one hundred twenty-five million dollars
2 (\$125,000,000) to the Department of Commerce, Division of Community
3 Revitalization, for the Home Reconstruction and Repair Program (Program).
4 The Program shall be CDBG-DR compliant and consistent with the United
5 States Department of Housing and Urban Development's Universal Notice in
6 90 FR 1754 to ensure maximum reimbursement from federal funds when
7 those funds become available.
- 8 (2) Seventy-five million dollars (\$75,000,000) to the Department of Agriculture
9 and Consumer Services, Division of Soil & Water Conservation, for the
10 following purposes:
11 a. Natural restoration projects that enable farmers in the affected area to
12 resume production and protect communities against additional flood
13 damage. Eligible projects include stream debris removal, streambank
14 stabilization, stream restoration, cropland restoration, farm road
15 repair, and reconstruction of best management practices.
16 b. Cost-share, engineering, and technical assistance for eligible projects.
17 The Department may use these funds across programs to maximize impact
18 and federal funding.
- 19 (2a) Seventy-five million dollars (\$75,000,000) to the Department of Agriculture
20 and Consumer Services for the Hurricane Helene Agricultural Crop Loss
21 Program in accordance with Section 2.4 of this act.
- 22 (3) One hundred million dollars (\$100,000,000) to NCEM for the Private Road
23 and Bridge Repair and Replacement Program in accordance with Section 2.3
24 of this act.
- 25 (4) Fifty-five million dollars (\$55,000,000) for the Small Business Infrastructure
26 Grant Program in accordance with Section 2.5 of this act.
- 27 (5) Twenty million dollars (\$20,000,000) to OSBM to distribute to State agencies
28 and units of local government for debris removal unmet needs. The Governor's
29 Recovery Office for Western North Carolina (GROW-NC) and NCEM shall
30 assist OSBM in coordinating the debris removal with relevant State agencies
31 and local stakeholders. OSBM shall prioritize using these funds to address
32 identified gaps in debris cleanup not met by other federal and State programs.
- 33 (6) Ten million dollars (\$10,000,000) to NCEM to provide grants to any member
34 organization of Volunteer Organizations Active in Disaster (VOADs)
35 assisting with disaster response and recovery efforts in the affected area.
- 36 (7) Ten million dollars (\$10,000,000) to the Office of the State Fire Marshal to
37 provide funds for repairs of damage to fire stations and to buildings or vehicles
38 used by rescue squads or emergency medical service providers. The Office of
39 the State Fire Marshal shall disburse any remaining funds in equal amounts to
40 all fire departments in the affected area to purchase equipment or make capital
41 improvements to assist with readiness for future emergency response. The
42 Office of the State Fire Marshal may use up to two hundred fifty thousand
43 dollars (\$250,000) of the funds appropriated in this subdivision for
44 administrative costs related to disbursing these grants.
- 45 (8) Ten million dollars (\$10,000,000) to the Department of Health and Human
46 Services, Division of Social Services, to supplement rental assistance
47 payments provided in accordance with Section 4B.7 of S.L. 2024-53.
- 48 (9) Five million dollars (\$5,000,000) to the Department of Commerce for the
49 nonprofit corporation with which the Department contracts pursuant to
50 G.S. 143B-431.01(b) for targeted media campaigns to encourage both in-State
51 and out-of-state tourists to return to areas impacted by Hurricane Helene in

1 2025 and for grants to local tourism offices in the affected area for the
2 activities of those offices and for development of a coordinated market
3 strategy.

- 4 (10) Fifteen million dollars (\$15,000,000) to Golden L.E.A.F. (Long-Term
5 Economic Advancement Foundation), Inc. (Golden LEAF), a nonprofit
6 corporation, to be allocated to nonprofit organizations located in the affected
7 area. A nonprofit organization receiving a grant from Golden LEAF pursuant
8 to this section shall use those funds to provide grants for small business
9 revitalization or other disaster recovery efforts. In selecting recipients, Golden
10 LEAF shall prioritize nonprofit organizations with demonstrated expertise in
11 small business revitalization. Any subgrant made by a nonprofit organization
12 pursuant to this subdivision shall not exceed fifty thousand dollars (\$50,000).

13 **SECTION 2.3.(a)** Private Road and Bridge Repair and Replacement Program. – The
14 Private Road and Bridge Repair and Replacement Program (Program) is established within
15 NCEM for the repair and replacement of private roads and bridges damaged or destroyed by
16 Hurricane Helene. NCEM shall consult with the Department of Transportation in administering
17 the Program and shall develop criteria and an application process to select private roads and
18 bridges eligible for repair or replacement consistent with this subsection. NCEM shall prioritize
19 applications for the repair and replacement of private roads or bridges that provide the sole option
20 for ingress and egress for (i) emergency services to a residential property that is occupied by the
21 owner for more than six months of the calendar year, (ii) multiple residential homes, or (iii)
22 recreation or commercial facilities. These funds may be used for program costs incurred for the
23 engineering, design, and construction of private roads and bridges, funding to nonprofit
24 organizations supporting bridge repairs, and may also be used to provide technical support and
25 assistance for individuals and local governments to comply with no-rise certification
26 requirements required by FEMA under the National Flood Insurance Program.

27 **SECTION 2.3.(b)** Federal Funding. – If federal assistance or alternative funds are
28 available for the same purposes in subsection (a) of this section, NCEM shall not duplicate efforts
29 or benefits and take all reasonable steps to obtain that federal assistance or alternative funds prior
30 to obligating funds for the Program with State funds.

31 **SECTION 2.3.(c)** Reporting Requirement. – NCEM shall annually report to the Joint
32 Legislative Emergency Management Oversight Committee and the Fiscal Research Division
33 beginning on June 30, 2025, and ending on June 30, 2029, on the Program. The report shall
34 include, at a minimum, all of the following:

- 35 (1) The criteria used for awarding funds.
36 (2) The locations of any roads or bridges replaced.
37 (3) The average grant amount requested and disbursed.
38 (4) The number of projects requested, declined, and funded.
39 (5) The identification of unmet needs remaining at the end of each fiscal year for
40 private road or bridge repair or replacement.

41 **HURRICANE HELENE AGRICULTURAL CROP LOSS PROGRAM**

42 **SECTION 2.4.(a)** Hurricane Helene Agricultural Crop Loss Program. – The
43 Hurricane Helene Agricultural Crop Loss Program (Program) is established within the
44 Department of Agriculture and Consumer Services (Department). The Program shall be used to
45 provide financial assistance to farmers affected by Hurricane Helene. The Department may use
46 up to one percent (1%) of funds allocated for the Program for administrative purposes. To be
47 eligible for financial assistance for losses of agricultural commodities, a person must satisfy all
48 of the following criteria:
49

1 (1) The person experienced a verifiable loss of agricultural commodities or farm
2 infrastructure as a result of Hurricane Helene, and the person's farm is located
3 in an affected area.

4 (2) The agricultural commodity was planted but not harvested on or before
5 September 24, 2024, or, for aquaculture commodities, the commodities were
6 being raised on or before September 24, 2024.

7 **SECTION 2.4.(b)** Verification of Loss. – A person seeking financial assistance for
8 losses of agricultural commodities under the Program shall submit to the Department a Form 578
9 on file with the USDA Farm Service Agency or a form provided by the Department for reporting
10 acreage or plantings of crops or reporting infrastructure damage or loss that is not typically
11 reported on Form 578, along with any other documentation deemed appropriate by the
12 Department, no later than 30 days after this section becomes effective. For nursery crops,
13 fruit-bearing trees and bushes, and specialty crops where the survival level is not immediately
14 known, the Department may extend this deadline by an additional 30 days, upon written request
15 by the person received no later than 30 days after this section becomes effective and upon
16 approval by the Department. A person receiving assistance under this Program must provide a
17 signed affidavit, under penalty of perjury, certifying that each fact of the loss presented by the
18 person is accurate.

19 **SECTION 2.4.(c)** Eligibility. – To be eligible for financial assistance for losses of
20 livestock or poultry, a person must first qualify for and receive payment through the USDA
21 Livestock Indemnity Program and be a participant in a livestock or poultry indemnity program
22 administered by the USDA Farm Service Agency.

23 **SECTION 2.4.(d)** Documentation. – A person seeking financial assistance for losses
24 of livestock or poultry shall submit documentation of loss and indemnity received from the
25 USDA Livestock Indemnity Program, along with any other documentation deemed appropriate
26 by the Department, to the Department no later than 30 days after this section becomes effective.
27 The Department may extend this deadline by an additional 30 days, upon written request by the
28 person received no later than 30 days after this section becomes effective and upon approval by
29 the Department. A person receiving assistance under this Program must provide a signed
30 affidavit, under penalty of perjury, certifying that each fact of the loss presented by the person is
31 accurate.

32 **SECTION 2.4.(e)** Criteria. – The Department shall administer the financial
33 assistance program authorized by this section in accordance with the following criteria:

34 (1) In determining the payment calculation for agricultural commodities, the
35 Department shall use a formula based on acreage, county loss estimates,
36 USDA National Agricultural Statistics Service averages, and any other
37 measure the Department deems appropriate. Funds shall be distributed based
38 on county averages for yields and State averages for price. Calculations shall
39 be based on county or State averages in price, whichever the Department
40 determines is appropriate.

41 (2) The payment calculation for livestock and poultry shall be based on twelve
42 and one-half percent (12.5%) of the total loss reported to the USDA Livestock
43 Indemnity Program.

44 (3) The Department shall gather all claim information, except from those
45 applicants granted a deadline extension, no later than 30 days after this section
46 becomes law. The Department shall, as closely as possible, estimate the
47 amount of the funds needed to be held in reserve for payments related to losses
48 of livestock, poultry, nursery, bush, tree, and specialty crops for which losses
49 will not be fully known or calculated. The Department shall set aside funds as
50 it deems appropriate based on the estimated percentage of these losses.

1 (4) Payments made under this Program shall be made to the person who filed the
2 Form 578 or Department form for claims related to agricultural commodity
3 losses or the person who received payment from the USDA Livestock
4 Indemnity Program for claims related to livestock or poultry losses.

5 (5) The Department shall develop a formula to determine the payment calculation
6 for farm infrastructure damage or loss using measures the Department deems
7 appropriate. The Department shall consider any other available insurance
8 claims that may be available to the applicant when developing the formula
9 under this subdivision.

10 **SECTION 2.4.(f) Audit.** – The Department may audit the financial and other records
11 of each recipient of funds in order to ensure that the funds are used in accordance with the
12 requirements of this Program. The Department may require any documentation or proof it
13 considers necessary to efficiently administer this Program, including the ownership structure of
14 each entity and the social security numbers of each owner. In order to verify losses, the
15 Department may require the submission of dated, signed, and continuous records. These records
16 may include, but are not limited to, commercial receipts, settlement sheets, warehouse ledger
17 sheets, pick records, load summaries, contemporaneous measurements, truck scale tickets,
18 contemporaneous diaries, appraisals, ledgers of income, income statements of deposit slips, cash
19 register tape, invoices for custom harvesting, u-pick records, and insurance documents.

20 **SECTION 2.4.(g) Expenditure of Awarded Funds.** – Awarded funds shall be used
21 for agricultural production expenses and recovery of losses due to the impacts of Hurricane
22 Helene. The Department shall develop guidelines and procedures to ensure that funds are
23 expended for the purposes allowed by this section and may require any documentation it
24 determines necessary to verify the appropriate use of financial assistance awards, including
25 receipts. All distributed funds are subject to federal and State income tax.

26 **SECTION 2.4.(h) Refund of Award.** – If a person receives financial assistance under
27 this program for which the person is ineligible, or if the amount of the financial assistance
28 received is based on inaccurate information, the person forfeits the assistance awarded under this
29 section and is liable for the amounts received. Assistance forfeited under this section shall bear
30 interest at the rate determined in accordance with G.S. 105-241.21 as of the date of receipt until
31 repaid. Financial assistance forfeited but not paid shall be collected by a civil action in the name
32 of the State, and the recipient shall pay the cost of the action. The Attorney General, at the request
33 of the Commissioner of Agriculture, shall institute the action in the proper court for the collection
34 of the award forfeited, including interest thereon.

35 **SECTION 2.4.(i) Definitions.** – For purposes of this section, the following
36 definitions apply:

37 (1) **Agricultural commodity.** – Any crop, flowering plant, freshwater aquaculture
38 species, fruit, grain, native grass, ornamental plant, sod, tree, or vegetable. An
39 agricultural commodity does not include stored grain.

40 (2) **Farm infrastructure.** – Fencing, greenhouses, barns, equipment, and farm
41 roads or other structures or site improvements used for farming purposes.

42 (3) **Livestock.** – Cattle, sheep, swine, goats, farmed cervids, and bison. Livestock
43 shall include horses, mules, or other equines only if they are used for
44 production of agricultural commodities.

45 (4) **Person.** – Any individual, trust, estate, partnership, receiver, association,
46 company, limited liability company, corporation, or other entity or group.

47 (5) **Poultry.** – Chickens, quail, or turkeys.

48 **SECTION 2.4.(j) Program Reporting Requirement.** – The Department shall submit
49 a report to the Fiscal Research Division no later than the first day of the month six months after
50 this section becomes effective, and every six months thereafter until all funds are expended or
51 the Program expires, containing, at a minimum, all of the following data:

- 1 (1) The number of applicants by agricultural commodity, farm infrastructure,
2 livestock, or poultry, and the county in which the person incurred the verified
3 loss.
- 4 (2) The number and amount of grants awarded by agricultural commodity, farm
5 infrastructure, livestock, or poultry.
- 6 (3) The geographic distribution of the grants awarded.
- 7 (4) The total amount of funding available to the Program, the total amount
8 encumbered, and the total amount disbursed to date.
- 9 (5) Any refunds made to the Program pursuant to subsection (h) of this section.

10 **SECTION 2.4.(k)** Expiration and Reversion. – The Program shall expire 30 months
11 after this section becomes effective. Any funds allocated to the Program not expended or
12 encumbered by that date shall revert to the Helene Fund.

13 **SECTION 2.4.(l)** Subsections (f) through (i) of this section apply to all funds
14 received and recipients of funds under the Program as described in this section.

15 16 **SMALL BUSINESS INFRASTRUCTURE GRANT PROGRAM**

17 **SECTION 2.5.(a)** Program; Purpose. – There is established the Small Business
18 Infrastructure Grant Program to be administered by the Department of Commerce. The purpose
19 of the program is to assist small businesses by providing grants to local governments to expedite
20 infrastructure repairs impacting the operation and patronage of small businesses in the affected
21 area.

22 **SECTION 2.5.(b)** Definitions. – The following definitions apply in this section:

- 23 (1) Department. – The Department of Commerce.
- 24 (2) Eligible local government. – A city or county, as those terms are defined in
25 G.S. 160A-1 and G.S. 153A-1, located in the affected area.
- 26 (3) Program. – The Small Business Infrastructure Grant Program.
- 27 (4) Qualifying infrastructure needs. – Water, sewer, gas, telecommunications,
28 high-speed broadband, electrical utility, and sidewalk and curb infrastructure
29 serving one or more small businesses located in an eligible local government
30 and damaged by Hurricane Helene that, until repaired, inhibits access to or
31 operations of one or more of those small businesses. The term does not include
32 infrastructure the small business owns or is responsible for maintaining.
- 33 (5) Small business. – A business with a physical presence in the affected area that
34 employs 150 or fewer employees.

35 **SECTION 2.5.(c)** Applications; Verification. – An eligible local government with
36 qualifying infrastructure needs, or a small business located therein, may apply for a grant under
37 the program. An applicant must (i) identify with specificity the qualifying infrastructure needs,
38 (ii) provide a cost estimate to repair the needs, (iii) provide a short summary of the detrimental
39 impact on the named small businesses and how those businesses will benefit from the grant, (iv)
40 apply to the Department on a form prescribed by the Department, and (v) include any supporting
41 documentation required by the Department. The Department may accept applications until the
42 funds available under the program have been fully awarded. The Department shall consult with
43 applicants to substantiate applications prior to awarding grants under the program and prioritize
44 grants so as to maximize the beneficial and efficient use of program funding. Grants shall be
45 awarded to the eligible local government in which the qualifying infrastructure needs are located,
46 and the eligible local government shall be responsible for using the grant amount for repairing
47 the needs identified in the application.

48 **SECTION 2.5.(d)** Grant Amount. – The total grant amount per project identified in
49 an application is equal to the lesser of (i) the estimated cost of the identified qualifying
50 infrastructure needs or (ii) one million dollars (\$1,000,000).

1 **SECTION 2.5.(e)** Eligible Uses. – Grants awarded under this program shall be used
2 by local governments for repairing qualifying infrastructure needs that the Department, in
3 consultation with applicant local governments and small businesses, determines adversely affect
4 access to or operations of identified small businesses.

5 **SECTION 2.5.(f)** Grant Program Limit. – The total of all funds granted under this
6 program may not exceed the amount allocated to the program under this section. Grants shall be
7 awarded on a first-come, first-served basis.

8 **SECTION 2.5.(g)** Administrative Expenses. – The Department may retain up to
9 three percent (3%) of the funds appropriated for the grant program established by this section for
10 administrative expenses.

11 **SECTION 2.5.(h)** Reporting. – Beginning December 15, 2025, and continuing every
12 six months thereafter, the Department shall submit a report on the program to the Joint Legislative
13 Economic Development and Global Engagement Oversight Committee and the Fiscal Research
14 Division. The duty to report pursuant to this section shall cease after the submission of the report
15 following when the Department has awarded the final grant under the program. Each report shall
16 contain, at a minimum, all of the following:

- 17 (1) The total grant amount awarded to date.
- 18 (2) The average grant amount per project.
- 19 (3) The types and number of qualifying infrastructure needs that have received
20 grant funding.
- 21 (4) The types and number of small businesses that have benefitted from the
22 program.

23 24 **PART III. EXTENSION OF STATE OF EMERGENCY**

25 **SECTION 3.1.** In accordance with G.S. 166A-19.20(c)(2), the statewide declaration
26 of emergency issued by the Governor in Executive Order No. 315, concurred to by the Council
27 of State, and extended by Section 3.1 of S.L. 2024-51, is further extended until June 1, 2025.
28 This provision has no effect on Executive Order No. 322, issued by the Governor on October 16,
29 2024.

30 31 **PART IV. REVERSION, LIMITATION, AND REPORTING OF FUNDS**

32 **SECTION 4.1.(a)** Reversion. – Except as otherwise provided, funds appropriated
33 under Part II of this act shall revert to the Savings Reserve if not expended or encumbered by
34 June 30, 2030.

35 **SECTION 4.1.(b)** Receipt of Allocations. – A recipient of State funds under this act
36 shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses
37 or needs for which the State funds are provided, including funds from insurance policies in effect
38 and available federal aid. State funds paid under this act are declared to be excess over funds
39 received by a recipient from the settlement of a claim for loss or damage covered under the
40 recipient's applicable insurance policy in effect or federal aid. Where a recipient is an institution
41 of higher education or a non-State entity, the requirement regarding alternative funds, and the
42 calculation of alternative funds received, under this subsection includes seeking private donations
43 to help cover the losses or needs for which State funds are provided. An agency awarding State
44 funds for disaster relief shall include a notice to the recipient of the requirements of this
45 subsection.

46 **SECTION 4.1.(c)** Remittance of Funds. – If a recipient obtains alternative funds
47 pursuant to subsection (b) of this section, the recipient shall remit the funds to the State agency
48 from which the State funds were received. A recipient is not required to remit any amount in
49 excess of the State funds provided to the recipient under this act. The State agency shall transfer
50 these funds to the Savings Reserve.

1 **SECTION 4.1.(d)** Contract Requirements. – Any contract or other instrument
2 entered into by a recipient for receipt of funds under this act shall include the requirements set
3 forth in subsections (b) and (c) of this section.

4 **SECTION 4.1.(e)** Limitation on Powers of Governor. – The Governor may not use
5 the funds described in this act to make budget adjustments under G.S. 143C-6-4 or to make
6 reallocations under G.S. 166A-19.40(c). Nothing in this act shall be construed to prohibit the
7 Governor from exercising the Governor's authority under these statutes with respect to funds
8 other than those described in this act.

9 **SECTION 4.1.(f)** Directive. – The Governor shall ensure that funds allocated in this
10 act are expended in a manner that does not adversely affect any person's or entity's eligibility for
11 federal funds that are made available, or that are anticipated to be made available, as a result of
12 natural disasters. The Governor shall also, to the extent practicable, avoid using State funds to
13 cover costs that will be, or likely will be, covered by federal funds.

14 **SECTION 4.1.(g)** Allocation Reporting Requirements. – Beginning April 1, 2025,
15 for the previous month, OSBM shall report to the chairs of the House of Representatives and
16 Senate Appropriations Committees, the chairs of the House of Representatives Oversight
17 Committee, the chairs of the House of Representatives Select Committee on Helene Relief, the
18 chairs of the House of Representatives Select Committee on Government Efficiency, the Joint
19 Legislative Commission on Governmental Operations, Subcommittee on Hurricane Response
20 and Recovery and to the Fiscal Research Division of the General Assembly on the
21 implementation of this act on a monthly basis until the end of the month in which all funds are
22 expended and shall also provide any additional reports or information requested by the Fiscal
23 Research Division. In reporting on the use of State disaster recovery and assistance funds
24 expended pursuant to this act and federal funds received by State agencies for disaster relief and
25 recovery efforts, OSBM shall include, regardless of which State agency, federal agency, or
26 non-State entity that administers the funds, all of the following for each program:

- 27 (1) The purpose of the program.
- 28 (2) The responsible department or agency.
- 29 (3) Current, year-to-date, and total cumulative funds appropriated, received from
30 non-State sources, expended, encumbered, and obligated by program and by
31 source of funds.
- 32 (4) A summary of activities.
- 33 (5) The total program spending by county, where practicable.
- 34 (6) Funds returned to the Savings Reserve pursuant to subsection (c) of this
35 section, as applicable.

36 Non-State entities that administer or receive any funds appropriated in this act shall
37 assist and fully cooperate with OSBM in meeting OSBM's obligations under this section.

38 **SECTION 4.1.(h)** Relationship to Previous Reporting Requirements. – Subsection
39 (g) of this section supersedes Section 7.1(h) of S.L. 2024-51, as amended by Section 5.6 of S.L.
40 2024-53, and Section 3.1(g) of S.L. 2024-53 (collectively, the prior reporting requirements). In
41 cases of any conflict between the prior reporting requirements and subsection (g) of this section,
42 the language in subsection (g) of this section shall prevail.

43 44 **PART V. DISASTER RECOVERY REGULATORY AND PROCUREMENT** 45 **FLEXIBILITY**

46 47 **EXTENSION OF EXPIRATION DATES FOR CERTAIN REGULATORY** 48 **FLEXIBILITY PROVISIONS**

49 **SECTION 5.1.** The following provisions of S.L. 2024-51 (Helene I), S.L. 2024-53
50 (Helene II), and S.L. 2024-57 (Helene III) providing regulatory flexibility and (i) expiring,
51 ending, or otherwise limited in applicability, on any day of March 2025 or (ii) for which no

1 expiration date is specified are, notwithstanding any provisions of those acts to the contrary,
 2 extended to the date of expiration of the statewide declaration of emergency issued by the
 3 Governor in Executive Order No. 315, concurred to by the Council of State, and extended
 4 pursuant to S.L. 2024-51, this act, or any other enactment of a general law:

- 5 (1) Helene I:
 - 6 a. Section 10.1 ("Funding Flexibility for Drinking Water and Wastewater
 7 Infrastructure Projects").
 - 8 b. Section 10.3 ("Storm Debris Open Burning Regulatory Relief").
 - 9 c. Section 16.1 ("Extend Grace Period for Corporations, Nonprofits, and
 10 LLCs in FEMA-Designated Counties to Correct Grounds for
 11 Administrative Dissolution").
- 12 (2) Helene II:
 - 13 a. Section 4E.1 ("Authorize State Agencies to Exercise Regulatory
 14 Flexibility for Employment-Related Certifications").
 - 15 b. Section 4E.3 ("Flexibility for Building Permit Issuance/Inspections in
 16 Disaster Area").
- 17 (3) Helene III:
 - 18 a. Section 1D.6 ("Temporary Pump and Haul Wastewater Permits").
 - 19 b. Section 1D.7 ("Authorize Waiver of Submission and Approval of
 20 Sedimentation Pollution Control Plan Prior to Initiation of
 21 Land-Disturbing Activities in Certain Circumstances").
 - 22 c. Section 1D.8 ("Tree Ordinance Restriction in Disaster Declared
 23 Counties").
 - 24 d. Section 1E.1 ("Extend Certain Concealed Handgun Permits").
 - 25 e. Section 1F.4 ("Authorize the Office of the State Fire Marshal to
 26 Promulgate Rules for Temporary Manufactured and Modular
 27 Dwellings").

28
 29 **FUNERAL ESTABLISHMENT EXEMPTION WAIVER**

30 **SECTION 5.2.(a)** G.S. 90-210.27A(a1) reads as rewritten:

31 "(a1) If the preparation room of a funeral establishment is damaged or destroyed by fire,
 32 weather, weather event, or other natural disaster, the Board may suspend the requirements of 180
 33 days, two years, provided that the funeral establishment remains in compliance with the
 34 requirements of G.S. 90-210.25(d1) and G.S. 90-210.25(a2)(2) and (d), and all other applicable
 35 State laws, rules, regulations, and requirements of the Division of Health Services and regulations
 36 of the municipality town, municipality, or county where the funeral establishment is located. To
 37 receive a suspension an extension of more than 90 days, two years from the date of loss, the
 38 applicant must show good cause for additional time. funeral establishment may petition a court
 39 of competent jurisdiction who, upon finding that granting the requested extension would not
 40 negatively affect the public health, safety, and welfare, may grant an additional extension not to
 41 exceed three years from the date of loss or one year from the date of the court's order, whichever
 42 is greater."

43 **SECTION 5.2.(b)** The North Carolina Board of Funeral Service may adopt rules to
 44 implement the provisions of this section.

45 **SECTION 5.2.(c)** This section is effective when it becomes law.

46
 47 **FACILITATE PERMANENT INSTALLATION OF BROADBAND**
 48 **INFRASTRUCTURE**

49 **SECTION 5.3.** To facilitate the permanent installation of broadband infrastructure
 50 damaged by Hurricane Helene, all of the following shall apply:

- 1 (1) If a roadway constructor is repairing, rebuilding, or reconstructing roads or
2 related roadway infrastructure located within an affected county that is one
3 quarter of a mile or longer in total length, then the roadway constructor shall
4 collaborate and cooperate with any broadband provider that is repairing or
5 rebuilding the broadband infrastructure that is or was located in or along the
6 original road right-of-way. The roadway constructor shall coordinate with the
7 broadband provider to install its cable and equipment at the appropriate time
8 during the road or related roadway construction process in order to facilitate
9 the permanent broadband solution and avoid the necessity of improvements
10 being made immediately upon the conclusion of the road or related roadway
11 construction process that may extend disruptions to the flow of traffic.
- 12 (2) If a roadway constructor has allowed the installation of a temporary backbone
13 broadband service or repair within a roadway right-of-way as an immediate
14 means of restoring the backbone broadband service after damage by Hurricane
15 Helene, then, upon presentation of data by the broadband provider of the
16 backbone broadband service that the permanent installation of that temporary
17 backbone broadband service or repair is the most cost-effective and efficient
18 means of achieving the permanent solution for the original damaged backbone
19 broadband service, then the roadway constructor shall fully cooperate with the
20 broadband provider to enable the broadband provider to convert the temporary
21 solution to the permanent solution.
- 22 (3) The Department of Transportation and local governments shall allow the
23 underground installation of broadband infrastructure within rights-of-way as
24 needed for repair of broadband infrastructure damaged by Hurricane Helene
25 in affected counties.

26 27 **ALLOW USE OF INMATES TO CLEAN UP DEBRIS ON PUBLIC ROADS AND** 28 **ROADSIDES**

29 **SECTION 5.4.** The Department of Adult Correction shall coordinate with the
30 Department of Transportation to allow for the use of inmates to clean up debris resulting from
31 Hurricane Helene on public roads and roadsides in the affected areas. Except for the requirement
32 that the number and location of prisoners be agreed to far enough in advance of each budget, the
33 coordination required under this section shall be in accordance with G.S. 148-26(b).

34 35 **PROPERTY DISTRIBUTED AND ACQUIRED BY LOCAL GOVERNMENTS AND** 36 **VOADS TO AID IN DISASTER RECOVERY**

37 **SECTION 5.5.(a)** Article 3 of Chapter 143 of the General Statutes is amended by
38 adding a new section to read:

39 **"§ 143-49.2. Purchases by Volunteer Organizations Active in Disasters.**

40 In consideration of public service, any member organization of Volunteer Organizations
41 Active in Disasters (hereinafter "VOAD member") in the State of North Carolina may purchase
42 heavy construction equipment and motor vehicles under State contract through the Department
43 of Administration if the equipment and motor vehicles are purchased for the purpose of aiding in
44 disaster recovery in this State. The Department of Administration shall make its services
45 available to these organizations in the purchase of the equipment and motor vehicles under the
46 same laws, rules, and regulations applicable to nonprofit organizations as provided in
47 G.S. 143-49(6). Any proceeds or benefit received by a VOAD member from the disposition or
48 sale of equipment or motor vehicles purchased under this section shall be used for a public
49 purpose only."

50 **SECTION 5.5.(b)** Article 3A of Chapter 143 of the General Statutes is amended by
51 adding a new Part to read:

"Part 4. Miscellaneous.

"§ 143-64.8. Distribution of surplus property for disaster recovery.

(a) Notwithstanding any provision of Part 1 or Part 2 of this Article, the Department of Administration as the State Surplus Property Agency and State agency for federal surplus property shall regularly publish on its website a list of all heavy construction equipment and motor vehicles in its possession and control for review and consideration by units of local government and member organizations of Volunteer Organizations Active in Disasters (hereinafter "VOAD member") as to the useability of the equipment and motor vehicles for disaster recovery efforts in the State of North Carolina. The Department shall loan the property to units of local government and VOAD members on a first-come basis for a period of five years without assessing or collecting any service charge or fee; provided, however, any distribution of property obtained from the United States of America shall comply with federal guidelines for the distribution of federal surplus property and the provisions of G.S. 143-64.2(f). Property loaned to a unit of local government or VOAD member under this section shall not be transferred to another entity by the unit or VOAD member. After the expiration of the five-year time period, the property loaned under this section shall become the property of the unit of local government or VOAD member, as appropriate, and they may sell or otherwise dispose of the property. Any proceeds or benefit received by a VOAD member from the disposition or sale of the property shall be used for a public purpose only. The use of proceeds or benefits received from the sale of the property by a unit of local government is for a public purpose.

(b) The Department of Administration shall maintain a record of each piece of construction equipment and each motor vehicle distributed under subsection (a) of this section, the unit of local government or VOAD member to which the equipment and/or motor vehicle was distributed, and the approximate value of the equipment and/or motor vehicle at the time of distribution. Not later than February 1 of each fiscal year, the Department shall submit a report detailing the distributions to the House Appropriations Committee on General Government, the Senate Appropriations Committee on General Government and Information Technology, and the Fiscal Research Division.

MODIFY LOCAL GOVERNMENT CASHFLOW LOAN PROGRAM

SECTION 5.6. Section 4E.5 of S.L. 2024-53, as amended by Section 1F.1 of 2024-57, reads as rewritten:

"SECTION 4E.5.(a) Of the funds appropriated to the Department of State Treasurer (Department) from the Helene Fund, the sum of one hundred million dollars (\$100,000,000) shall be used by the Department to provide cashflow loans to local governments in the affected area. The following shall apply to the loans made under this section:

- (1) The Department is authorized to administer the loan program and to develop an application process for the loans.
- (1a) Notwithstanding any other provision of law, in applying for a cashflow loan under this section, local governments are not required to get approval from the Local Government Commission.
- (2) Loans shall be used for disaster response activities only.
- (3) Loan recipients will not be assessed any interest on the loans.
- (4) Repayment of each loan made under this section begins no earlier than one year after that loan's initiation.
- (5) ~~Loans~~ Except as provided in subdivision (6) of this section, loans must be repaid within five years of initiation or by June 30, 2030, whichever is earlier.
- (6) The Department may forgive the remaining balance of any loan made under this section if the local government (i) applies to the Department for forgiveness on a form and in a manner prescribed by the Department, (ii) provides documentation to the Department that, in the discretion of the

1 Department, substantiates that the local government used the loan proceeds
2 for disaster response activities in accordance with this section, and (iii) has
3 applied for all relevant disaster relief funding sources, including funds from
4 insurance policies in effect and available federal aid, for which the local
5 government is eligible.

6 **"SECTION 4E.5.(b)** The Department of State Treasurer may use funds appropriated for
7 cashflow loans for administrative expenses, provided that total administrative expenses shall not
8 exceed two percent (2%) of loan initiations.

9 **"SECTION 4E.5.(c)** The Department of State Treasurer shall be exempt from the
10 rulemaking requirements in administering this section."
11

12 **STATE AID TO PUBLIC LIBRARIES FUND HOLD HARMLESS**

13 **SECTION 5.7.(a)** In administering the Aid to Public Libraries Fund in the affected
14 area, the Department of Natural and Cultural Resources shall not reduce a grant to a local library
15 system based on reductions in local funding for the system imposed by the governing body of a
16 unit of local government when the reduction is imposed as part of a general budget reduction
17 reflecting negative impacts on local economic or fiscal conditions caused by Hurricane Helene.

18 **SECTION 5.7.(b)** This section expires on July 1 of the fiscal year that follows the
19 date of expiration of the statewide declaration of emergency issued by the Governor in Executive
20 Order 315, concurred to by the Council of State, and extended pursuant to S.L. 2024-51 or any
21 other enactment of a general law.
22

23 **RECONSTRUCTION OF NONCONFORMING RESIDENTIAL STRUCTURES**

24 **SECTION 5.8.(a)** Notwithstanding any local government development regulation to
25 the contrary, and to the extent allowed by federal law, reconstruction or repair of a
26 nonconforming residential structure in the affected area shall be allowed when all of the
27 following criteria are met:

- 28 (1) The structure shall not be enlarged beyond its original footprint.
- 29 (2) The structure shall serve the same or similar residential use.
- 30 (3) There are no alternatives for replacing the structure to provide the same or
31 similar benefits to the structure owner in compliance with current law.
- 32 (4) The structure will be reconstructed so as to comply with a local government's
33 current development regulations to the maximum extent possible.
- 34 (5) If located in an area regulated by a unit of local government pursuant to a
35 floodplain or flood damage prevention regulation, the structure will be
36 compliant with the regulation.
- 37 (6) Reconstruction shall comply with any federal law requiring local government
38 implementation and enforcement.

39 **SECTION 5.8.(b)** For purposes of this section, "development regulation" means a
40 unified development ordinance, zoning regulation, subdivision regulation, historic preservation
41 or landmark regulation, or any other regulation adopted pursuant to Chapter 160D of the General
42 Statutes, or a local act or charter that regulates land use or development. The term shall not
43 include: (i) a floodplain or flood damage prevention regulation, (ii) local regulations adopted
44 pursuant to G.S. 143-138(e) or adopted pursuant to the North Carolina State Building Code, (iii)
45 erosion and sedimentation or stormwater control regulations adopted to comply with
46 requirements of federal law, or (iv) any other regulations adopted to comply with requirements
47 of federal law.

48 **SECTION 5.8.(c)** This section is effective when it becomes law and expires June
49 30, 2030.
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51 **PART VI. MISCELLANEOUS PROVISIONS**

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EFFECT OF HEADINGS

SECTION 6.1. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act, except for effective dates referring to a part or section.

SEVERABILITY CLAUSE

SECTION 6.2. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

EFFECTIVE DATE

SECTION 6.3. Except as otherwise provided, this act is effective when it becomes law.