

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1090

Short Title: Beach Renourish/Reserve Funds.

(Public)

Sponsors: Representatives Redwine; Cole, Culpepper, Hill, McComas, Nye, Owens, Preston, Rayfield, Smith, Wainwright, Warwick, and Wright.

Referred to: Environment, if favorable, Appropriations.

April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO ESTABLISH THE BEACH RENOURISHMENT FUND, THE
2 TRUSTEES OF THE FUND, AND TO RESERVE FIVE PERCENT OF THE
3 UNRESERVED CREDIT BALANCE IN THE GENERAL FUND AT THE END OF
4 EACH FISCAL YEAR TO THE BEACH RENOURISHMENT FUND.
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6 The General Assembly of North Carolina enacts:

7 Section 1. Article 1 of Chapter 143 of the General Statutes is amended by
8 adding a new section to read:

9 "**§ 143-15.3C. Funds reserved to the Beach Renourishment Fund.**

10 (a) The Beach Renourishment Fund is established in G.S. 113-146.1. The State
11 Controller shall reserve to the Beach Renourishment Fund five percent (5%) of any
12 unreserved credit balance remaining in the General Fund at the end of each fiscal year.
13 As used in this section, the term 'unreserved credit balance' means the credit balance
14 amount, as determined on a cash basis, before funds are reserved by the State Controller
15 to the Savings Reserve Account, the Repairs and Renovations Reserve Account, the
16 Clean Water Management Trust Fund, or the Beach Renourishment Fund pursuant to this
17 section, G.S. 143-15.3, 143-15.3A, and 143-15.3B.

18 (b) The funds in the Beach Renourishment Fund shall be used only in accordance
19 with Article 13B of Chapter 113 of the General Statutes."

1 Section 2. Chapter 113 of the General Statutes is amended by adding a new
2 Article to read:

3 "ARTICLE 13B.
4 "Beach Renourishment Fund.

5 **"§ 113-146. Definitions.**

6 The following definitions apply in this Article:

7 (1) Fund. – The Beach Renourishment Fund created pursuant to this
8 Article.

9 (2) Trustees. – The trustees of the Beach Renourishment Fund.

10 **"§ 113-146.1. Beach Renourishment Fund: established; purpose.**

11 (a) Fund Established. – There is established a Beach Renourishment Fund in the
12 State Treasurer's Office that shall be used to provide grants to beach communities for
13 beach renourishment in accordance with this Article.

14 (b) Fund Earnings, Assets, and Balances. – The State Treasurer shall hold the
15 Fund separate and apart from all other moneys, funds, and accounts. Investment earnings
16 credited to the assets of the Fund shall become part of the Fund. Any balance remaining
17 in the Fund at the end of any fiscal year shall be carried forward in the Fund for the next
18 succeeding fiscal year. Payments from the Fund shall be made on the warrant of the Chair
19 of the Board of Trustees.

20 **"§ 113-146.2. Beach Renourishment Fund: eligibility for grants; matching funds**
21 **requirement.**

22 (a) Eligible Grant Applicants. – Any local government or other political
23 subdivision of the State or a combination of such entities is eligible to apply for a grant
24 from the Fund for the purpose of beach renourishment.

25 (b) Grant Matching Requirement. – The Board of Trustees shall establish
26 matching requirements for grants awarded under this Article. The Board of Trustees may
27 require a match of up to ten percent (10%) of the amount of the grant awarded.

28 **"§ 113-146.3. Beach Renourishment Fund: Board of Trustees established;**
29 **membership qualifications; vacancies; meetings and meeting facilities.**

30 (a) Board of Trustees Established. – There is established the Beach Renourishment
31 Fund Board of Trustees. The Beach Renourishment Fund Board of Trustees shall be
32 independent, but for administrative purposes shall be located under the Department of
33 Environment, Health, and Natural Resources.

34 (b) Membership. – The Beach Renourishment Fund Board of Trustees shall be
35 composed of nine members. Three members shall be appointed by the Governor, three by
36 the General Assembly upon the recommendation of the President Pro Tempore of the
37 Senate in accordance with G.S. 120-121, and three by the General Assembly upon the
38 recommendation of the Speaker of the House of Representatives in accordance with G.S.
39 120-121. The office of Trustee is declared to be an office that may be held concurrently
40 with any other executive or appointive office, under the authority of Article VI, Section
41 9, of the North Carolina Constitution.

42 Persons appointed shall be knowledgeable in one of the following areas:

43 (1) Beach renourishment.

1 (2) Coastal wildlife and fisheries habitats and resources.

2 (3) Environmental management.

3 (c) Initial Appointments. – Each appointing officer shall designate one of the
4 officer's initial appointments to serve two-year terms, one to serve four-year terms, and
5 one to serve six-year terms. Thereafter, all appointments shall be for four years, subject to
6 reappointment. All initial appointments shall be made on or before January 1, 1998. The
7 Governor shall appoint one Trustee to serve as Chair of the Board.

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

13 (e) Frequency of Meetings. – The Trustees shall meet at least twice each year and
14 may hold special meetings at the call of the Chair or a majority of the members.

15 (f) Per Diem and Expenses. – The Trustees shall receive per diem and necessary
16 travel and subsistence expenses in accordance with the provisions of G.S. 138-5. Per
17 diem, subsistence, and travel expenses of the Trustees shall be paid from the Fund.

18 (g) Staff and Meeting Facilities. – The Secretary of the Department of
19 Environment, Health, and Natural Resources shall provide staff and meeting facilities for
20 the Board of Trustees as requested by the Chair.

21 **"§ 113-146.4. Beach Renourishment Fund Board of Trustees: powers and duties.**

22 (a) Allocate Grant Funds. – The Trustees shall allocate moneys from the Fund as
23 grants. A grant may be awarded only for a project or activity that satisfies the criteria and
24 furtheres the purposes of this Article.

25 (b) Develop Grant Criteria. – The Trustees shall develop criteria for awarding
26 grants under this Article. The criteria developed shall include consideration of the
27 following:

28 (1) The significant enhancement and conservation of coastal beaches in the
29 State.

30 (2) The specific areas targeted as being in need of beach renourishment.

31 (3) The geographic distribution of funds as appropriate.

32 (4) The significant recreational or economic value and uses of the area.

33 (c) Develop Additional Guidelines. – The Trustees may develop guidelines in
34 addition to the grant criteria consistent with and as necessary to implement this Article.

35 (d) Rule-Making Authority. – The Trustees may adopt rules to implement this
36 Article. Chapter 150B of the General Statutes applies to the adoption of rules by the
37 Trustees.

38 (e) The Chair of the Trustees shall report to the Environmental Review
39 Commission beginning November 1, 1997, and annually thereafter on implementation of
40 this section. A written copy of the report shall also be sent to the Fiscal Research
41 Division of the General Assembly beginning November 1, 1997, and annually thereafter
42 on implementation of this section."

43 Section 3. This act becomes effective June 30, 1997.