

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 770  
Committee Substitute Favorable 4/20/17  
Third Edition Engrossed 4/26/17

Short Title: Noncommercial USTs/Rule-Making Report.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE FOR A REPORT ON RULES FOR REMEDIATION OF CERTAIN  
3 UNDERGROUND STORAGE TANKS REQUIRED BY THE 2015 APPROPRIATIONS  
4 ACT AND TO AMEND A 2016 BUDGET PROVISION ADDRESSING FUNDS  
5 APPROPRIATED TO THE ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.(a)** The Environmental Management Commission shall adopt  
8 temporary rules implementing Section 14.16B of S.L. 2015-241 no later than October 1, 2017.  
9 Notwithstanding G.S. 150B-21.1(d), the temporary rules shall remain in effect until the  
10 effective date of the permanent rule adopted to replace the temporary rule.

11 **SECTION 1.(b)** The Commission shall report regarding the status of the rule  
12 making required by this act and by Section 14.16B of S.L. 2015-241 to the Fiscal Research  
13 Division and the chairs of the Joint Legislative Oversight Committee on Agriculture and  
14 Natural and Economic Resources no later than December 31, 2017.

15 **SECTION 2.(a)** Section 37.2(e) of S.L. 2016-94 reads as rewritten:

16 **"SECTION 37.2.(e)** Notwithstanding any provision of law to the contrary, funds  
17 appropriated for a water resources development project shall be used to provide no more than  
18 fifty percent (50%) of the nonfederal portion of funds for the project. This subsection applies to  
19 funds appropriated in this act and to funds appropriated prior to the 2015-2017 fiscal biennium  
20 that are unencumbered and proposed for reallocation to provide the nonfederal portion of funds  
21 for water resources development projects. The limitation on fund usage contained in this  
22 subsection applies only to projects in which a local government or local governments  
23 participate. This subsection shall not apply to, and there shall be no local match required for,  
24 any of the following, notwithstanding any other provision of law:

- 25 (1) The Environmental Quality Incentives Program. Furthermore, Section  
26 36.3(e) of S.L. 2013-360, Section 36.2(e) of S.L. 2014-100, and Section  
27 31.3(e) of S.L. 2015-241 shall not apply to funds made available as part of  
28 the Environmental Quality Incentives Program in any fiscal year. Any  
29 remaining balance of funds appropriated prior to the 2015-2017 fiscal  
30 biennium for Environmental Quality Incentives Program projects shall be  
31 paid out as a pass-through grant for the amount requested in the project  
32 application, except that the Secretary may retain ten percent (10%) of the  
33 State share of funding until the Natural Resources Conservation Service of  
34 the United States Department of Agriculture has provided a final practice  
35 approval for the project.



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**SECTION 2.(b)** G.S. 143-215.72 is amended by adding a new subsection to read:

"(c) When the Secretary issues new and revised policies for review of grant applications and disbursement of funds granted under this section, those policies shall not apply to a project already approved for funding unless the project applicant agrees to the policy change. For purposes of this subsection, a project is approved for funding when the Department has entered into a contract or other binding agreement to provide any portion of the State funding for the project."

**SECTION 3.** This act is effective when it becomes law.