

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 216\*

Short Title: Clean Water Trust Fund/Loans Okay.

(Public)

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Sponsors: Representatives Nichols; and Culp.

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Referred to: Environment, if favorable, Finance.

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February 17, 1997

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE USE OF THE CLEAN WATER MANAGEMENT TRUST FUND FOR LOANS, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 113-145.4 reads as rewritten:

**"§ 113-145.4. Clean Water Management Trust Fund: eligibility for ~~grants; loans or grants; grant matching funds or property requirement. funds; loan limit.~~**

(a) Eligible ~~Grant~~-Applicants. – Any of the following are eligible to apply for a loan or grant from the Fund for the purpose of protecting and enhancing water quality:

(1) A State agency.

(2) A local government or other political subdivision of the State or a combination of such entities.

(3) A nonprofit corporation whose primary purpose is the conservation, preservation, and restoration of our State's environmental and natural resources.

(b) Grant Matching Requirement. – The Board of Trustees shall establish matching requirements for grants awarded under this Article. The Board of Trustees may require a match of up to twenty percent (20%) of the amount of the grant awarded. This requirement may be satisfied by the donation of land to a public or private nonprofit

1 conservation organization as approved by the Board of Trustees. The Board of Trustees  
2 may also waive the requirement to match a grant pursuant to guidelines adopted by the  
3 Board of Trustees.

4 (b1) Loan Limit. – The Board of Trustees shall establish requirements regarding  
5 limits on loans provided under this Article. The Board of Trustees may require that the  
6 maximum principle amount of a loan not exceed eighty percent (80%) of the nonfederal  
7 share of the costs of any eligible project or activity. This requirement may be satisfied by  
8 the donation of land to a public or private nonprofit conservation organization as  
9 approved by the Board of Trustees. The Board of Trustees may also waive the  
10 requirement to limit loans pursuant to guidelines adopted by the Board of Trustees.

11 (c) ~~Grants~~ Loans or Grants Not Available to Satisfy Compensatory Mitigation  
12 Requirements. – No loan and no grant shall be awarded-provided under this article-Article  
13 to satisfy compensatory mitigation requirements under 33 USC § 1344 or G.S.143-  
14 214.11."

15 Section 2. G.S. 113-145.6 reads as rewritten:

16 **"§ 113-145.6. Clean Water Management Trust Fund Board of Trustees: powers and**  
17 **duties.**

18 (a) Allocate Loan and Grant Funds. – The Trustees shall allocate moneys from the  
19 Fund as loans or grants. A loan or grant may be ~~awarded-provided~~ only for a project or  
20 activity that satisfies the criteria and furthers the purposes of this Article.

21 (b) Develop ~~Grant~~ Criteria. – The Trustees shall develop criteria for ~~awarding~~  
22 providing loans and grants under this Article. The criteria developed shall include  
23 consideration of the following:

- 24 (1) The significant enhancement and conservation of water quality in the  
25 State.
- 26 (2) The objectives of the basinwide management plans for the State's river  
27 basins and watersheds.
- 28 (3) The promotion of regional integrated ecological networks insofar as  
29 they affect water quality.
- 30 (4) The specific areas targeted as being environmentally sensitive.
- 31 (5) The geographic distribution of funds as appropriate.
- 32 (6) The preservation of water resources with significant recreational or  
33 economic value and uses.
- 34 (7) The development of a network of riparian buffer-greenways bordering  
35 and connecting the State's waterways that will serve environmental,  
36 educational, and recreational uses.

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

40 (d) Acquisition of Land. – The Trustees may acquire land by purchase,  
41 negotiation, gift, or devise. Any acquisition of land by the Trustees must be reviewed and  
42 approved by the Council of State and the deed for the land subject to approval of the  
43 Attorney General before the acquisition can become effective. In determining whether to

1 acquire land as permitted by this Article, the Trustees shall consider whether the  
2 acquisition furthers the purposes of this Article and may also consider recommendations  
3 from the Council. Nothing in this section shall allow the Trustees to acquire land under  
4 the right of eminent domain.

5 (e) Exchange of Land. – The Trustees may exchange any land they acquire in  
6 carrying out the powers conferred on the Trustees by this Article.

7 (f) Land Management. – The Trustees may designate managers or managing  
8 agencies of the lands acquired under this Article.

9 (g) Tax Credit Certification. – The Trustees shall develop guidelines to determine  
10 whether land donated for a tax credit under G.S. 105-130.34 or G.S. 105-151.12 are  
11 suitable for one of the purposes under this Article and may be certified for a tax credit.

12 (h) Rule-making Authority. – The Trustees may adopt rules to implement this  
13 Article. Chapter 150B of the General Statutes applies to the adoption of rules by the  
14 Trustees.

15 (i) The Chair of the Board of Trustees of the Clean Water Management Trust  
16 Fund shall report to the Environmental Review Commission beginning November 1,  
17 1996, and annually thereafter on implementation of this section. A written copy of the  
18 report shall also be sent to the Fiscal Research Division of the General Assembly  
19 beginning November 1, 1996, and annually thereafter on implementation of this section."

20 Section 3. This act becomes effective July 1, 1997.