

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

H.B. 136  
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HOUSE PRINCIPAL CLERK

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HOUSE DRH80044-RIz-5 (11/15)

Short Title: Bernard Allen Fund Modifications. (Public)

Sponsors: Representatives Samuelson, McElraft, and McGrady (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY THE BERNARD ALLEN MEMORIAL EMERGENCY DRINKING  
3 WATER FUND TO ALLOW GREATER FLEXIBILITY FOR USE OF MONIES IN THE  
4 FUND, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 87-98 reads as rewritten:

7 "§ 87-98. Bernard Allen Memorial Emergency Drinking Water Fund.

8 (a) The Bernard Allen Memorial Emergency Drinking Water Fund is established under  
9 the control and direction of the Department. The Fund shall be a nonreverting, interest-bearing  
10 fund consisting of monies appropriated by the General Assembly or made available to the Fund  
11 from any other source and investment interest credited to the Fund.

12 (b) The Fund may be used to pay for notification, for:

13 (1) Notification, to the extent practicable, of persons aged 18 and older who  
14 reside in any dwelling unit, and the senior official in charge of any business,  
15 at which drinking water is supplied from a private drinking water well or  
16 improved spring that is located within 1,500 feet of, and at risk from, known  
17 groundwater contamination. The senior official in charge of the business  
18 shall take reasonable measures to notify all employees of the business of the  
19 groundwater contamination, including posting a notice of the contamination  
20 in a form and at a location that is readily accessible to the employees of the  
21 business. ~~The Fund may also be used by the Department to pay the~~

22 (2) The costs of testing of private drinking water wells and improved springs for  
23 suspected contamination up to once every three years upon request by a  
24 person who uses the well and for the well, or more frequent testing if the  
25 concentration of one or more contaminants in a private drinking water well  
26 is increasing over time and there is a significant risk that the concentration of  
27 a contaminant will exceed the drinking water action levels set forth in  
28 subsection (c) of this section within a three-year period.

29 (3) Additional testing to confirm the results of a previous test.

30 (4) The temporary or permanent provision of alternative drinking water supplies  
31 to persons whose drinking water well or improved spring is contaminated.  
32 Under this subsection, section, an alternative drinking water supply includes  
33 the repair, such as use of a filtration system, or replacement of a  
34 contaminated well or the connection to a public water supply.



1           (5)   Monitoring of filtration systems used in connection with temporary or  
2           permanent alternative drinking water supplies provided pursuant to this  
3           section.

4           (c)   The Department shall disburse monies from the Fund based on financial need and  
5           on the risk to public health posed by groundwater contamination and shall give priority to the  
6           provision of services under this section to instances when an alternative source of funds is not  
7           available. The Fund shall not be used to provide alternative water supply to households with  
8           incomes greater than three hundred percent (300%) of the current federal poverty level. The  
9           Fund may be used to provide alternative drinking water supplies if the Department determines  
10          that the concentration of one or more contaminants in the private drinking water well or  
11          improved spring exceeds the federal maximum contaminant level, or the federal drinking water  
12          action level as defined in 40 Code of Federal Regulations § 141.1 through § 141.571 (1 July  
13          2007) and 40 Code of Federal Regulations § 143.3 (1 July 2007). For a contaminant for which  
14          a federal maximum contaminant level or drinking water action level has not been established,  
15          the State groundwater standard established by the Environmental Management Commission for  
16          the concentration of that contaminant shall be used to determine whether the Fund may be used  
17          to provide alternative drinking water supplies. The Fund may also be used to provide  
18          alternative drinking water supplies as provided in this section if the Department determines that  
19          the concentration of one or more contaminants in a private drinking water well is increasing  
20          over time and that there is a significant risk that the concentration of a contaminant will exceed  
21          the federal maximum contaminant level or drinking water action level, or the State groundwater  
22          standard. A determination of the concentration of a contaminant shall be based on a sample of  
23          water collected from the private drinking water well within the past 12 months.

24          (c1)  In disbursing monies from the Fund, the Department shall give preference to  
25          provision of permanent replacement water supplies by connection to public water supplies and  
26          repair or replacement of contaminated wells over the provision of temporary water supplies. In  
27          providing alternative drinking water supplies, the Department shall give preference to  
28          connection to a public water supply system or to construction of a new private drinking water  
29          well over the use of a filtration system if the Department determines that the costs of periodic  
30          required maintenance of the filtration system would be cost-prohibitive for users of the  
31          alternative drinking water supply.

32          (c2)  If the Department provides an alternative drinking water supply by extension of a  
33          waterline, the Department may disburse from the Fund no more than ~~ten~~fifty thousand dollars  
34          (~~\$10,000~~)(\$50,000) per household or other service connection. For projects where more than 10  
35          residences are eligible for alternative water supplies under this section, no~~No~~more than  
36          one-third of the total cost of the project may be paid from the Fund. The Department may  
37          combine monies from the Fund with monies from other sources in order to pay the total cost of  
38          the project.

39          (c3)  The Fund shall be used to provide alternative drinking water supplies only if the  
40          Department determines that the person or persons who are responsible for the contamination of  
41          the private drinking water well is or are not financially viable or cannot be identified or located  
42          and if the Department determines that one of the following applies:

- 43           (1)   The contamination of the private drinking water well is naturally occurring.
- 44           (2)   The owner of the property on which the private drinking water well is  
45           located did not cause or contribute to the contamination or control the source  
46           of the contamination.
- 47           (3)   The source of the contamination is the application or disposal of a hazardous  
48           substance or pesticide that occurred without the consent of the owner of the  
49           property on which the private drinking water well is located.

1 (c4) The Department may use up to one hundred thousand dollars (\$100,000) annually of  
2 the monies in the Fund to pay the personnel and other direct costs associated with the  
3 implementation of this section.

4 (c5) The Fund shall not be used for remediation of groundwater contamination.

5 (c6) Nothing in this section expands, contracts, or modifies the obligation of responsible  
6 parties under Article 9 or 10 of Chapter 130A of the General Statutes, this Article, or Article  
7 21A of this Chapter to assess contamination, identify receptors, or remediate groundwater or  
8 soil contamination.

9 (c7) In disbursing monies from the Fund for replacement water supplies, the Department  
10 shall give priority to circumstances in which a well is contaminated as the result of  
11 nonnaturally occurring groundwater contamination in the area over circumstances in which a  
12 well has naturally occurring contamination.

13 (d) The Department shall establish criteria by which the Department is to evaluate  
14 applications and disburse monies from this Fund and may adopt any rules necessary to  
15 implement this section.

16 (e) The Department, in consultation with the Commission for Public Health and local  
17 health departments, shall report no later than ~~1~~October 1 of each year to the  
18 Environmental Review Commission, the House of Representatives and Senate Appropriations  
19 Subcommittees on Natural and Economic Resources, and the Fiscal Research Division of the  
20 General Assembly on the implementation of this section. The report shall include the purpose  
21 and amount of all expenditures from the Fund during the prior fiscal year, a discussion of the  
22 benefits and deficiencies realized as a result of the section, and may also include  
23 recommendations for any legislative action."

24 **SECTION 2.** This act is effective when it becomes law.