

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SENATE BILL 1862
RATIFIED BILL**

AN ACT TO SET THE PER POUND FACTOR USED BY THE ENVIRONMENTAL MANAGEMENT COMMISSION TO CALCULATE NUTRIENT OFFSET PAYMENTS, TO REQUIRE THAT THE NUTRIENT OFFSET PAYMENT FOR NITROGEN BE CALCULATED AS IT WAS PRIOR TO CERTAIN RULE AMENDMENTS, AND TO DIRECT THE ENVIRONMENTAL REVIEW COMMISSION TO STUDY ISSUES RELATED TO THE NUTRIENT OFFSET PAYMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. Notwithstanding the per pound factors for nutrient offset payments established in 15A NCAC 2B.0240, as adopted by the Environmental Management Commission on 12 January 2006, the per pound factors for nutrient offset payments are established as follows:

- (1) Eleven dollars (\$11.00) per pound of nitrogen, calculated in accordance with the method used as of 1 January 2006, for determining pounds of nitrogen per acre.
- (2) Eleven dollars (\$11.00) per tenth of a pound of phosphorous.

SECTION 2. Study. – The Environmental Review Commission, with the assistance of the Division of Water Quality of the Department of Environment and Natural Resources, shall study issues related to the nutrient offset payment program. The Commission shall specifically study the costs associated with providing nutrient controls that are adequate to offset point source and nonpoint source discharges of nitrogen; whether nutrient offset payments should be authorized for additional nutrients, including phosphorus; and whether the nutrient offset program should be expanded to other areas of the State.

SECTION 3. Report. – The Environmental Review Commission shall report its findings, together with any recommended legislation, to the 2007 General Assembly upon its convening.

SECTION 4. The Division of Water Quality of the Department of Environment and Natural Resources must refund any fee paid in excess of the amount established under this act.

SECTION 5. This act becomes effective 1 August 2006, and applies to all nutrient offset payments, including those set out in 15A NCAC 2B.0240, as adopted by the Environmental Management Commission on 12 January 2006. This act expires 1 September 2007.

In the General Assembly read three times and ratified this the 27th day of July, 2006.

Beverly E. Perdue
President of the Senate

James B. Black
Speaker of the House of Representatives

Michael F. Easley
Governor

Approved _____m. this _____ day of _____, 2006