

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013**

**SESSION LAW 2014-14
HOUSE BILL 573**

AN ACT TO BROADEN THE PERMITTED USE OF STORMWATER FEES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 15 of Chapter 153A is amended by adding a new statutory section to read:

"§ 153A-274.1. Flood control activities under stormwater management programs.

(a) Findings. – The General Assembly finds that it is in the best interest of the residents of North Carolina to promote and fund the implementation of stormwater management programs to control and manage water quantity and flow in order to reduce the chances of loss of life and damage to property due to flooding. The General Assembly also finds that a county has an integral role in furthering this public purpose by promoting and funding implementation of stormwater management programs within the county's territorial jurisdiction to reduce reliance on emergency response services, to reduce negative financial impacts on the community and the public from flooding, including the cost of public infrastructure repairs, to decrease the number of flood-prone homes and businesses, to increase infiltration of stormwater into the ground, and to reduce pollutants from entering the streams.

(b) Scope. – For purposes of operating a public enterprise under this Article, a county is authorized to do any of the following activities within its stormwater management program:

- (1) Purchase property for the purpose of demolishing flood-prone buildings.
- (2) Implement flood damage reduction techniques that result in improvements to private property in accordance with subsection (c) of this section, to include:
 - a. Elevating structures or their associated components.
 - b. Demolishing flood-prone structures.
 - c. Retrofitting flood-prone structures.

(c) Policy Document. – The county may engage in the activities listed in subdivision (2) of subsection (b) of this section only under the circumstances contained in a policy document approved by the board of county commissioners. The policy document shall, at a minimum, establish, and may elaborate on, the following:

- (1) Private property owner's written consent must be obtained prior to implementation of flood reduction improvements on the owner's property.
- (2) The county has determined that improving the stormwater system is not practically feasible or cost-effective, and the activities in subdivision (2) of subsection (b) provide savings to the stormwater fund.
- (3) The improvements to private property are the minimum necessary to accomplish the stormwater benefit.
- (4) Funding provided by the county, above a certain amount, to the property owner or expended upon improvements to the property shall be reimbursed to the county if the property is sold within five years of the completion of the flood reduction improvement project. The amount of reimbursement due to the county may be calculated as the difference between the established premitigation fair market value and the sale price of the property, not to exceed the total funding provided by the county.
- (5) The minimum financial contribution the private property owner must make to the project.

(d) Advisory Committee. – An existing stormwater advisory committee established by the board of commissioners and having specific charges, duties, and representation as set forth by the board of county commissioners must review and approve projects that implement flood



damage reduction techniques under subdivision (2) of subsection (b) of this section. The committee shall submit an annual report to the board of county commissioners for its review.

(e) Application. – This section applies only to counties with a population of 910,000 or greater according to the most recent annual population estimates certified by the State Budget Officer."

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

In the General Assembly read three times and ratified this the 12th day of June, 2014.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Pat McCrory
Governor

Approved 2:49 p.m. this 19th day of June, 2014