

North Carolina Sierra Club Report on the 2021 Legislative Session



SIERRA CLUB

NORTH CAROLINA

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Introduction & Overview

The N.C. General Assembly operates on a biennial schedule, alternating between long sessions in odd-numbered years and short sessions in even-numbered, election years.

The 2021 session was a long session. Normally (but not always), a state budget is passed in the long session and budget adjustments are made in the short session. The majority of bills are filed in long sessions. Generally, only bills that pass one chamber or “make crossover” are eligible to be taken up in the short session. But there are many exceptions to this rule that legislative leaders can - and often do - employ to pass legislation in short sessions.

The 2021 legislative session was one of the longest in state history, running from January to December. Service in North Carolina's legislature is supposed to be a part-time job. But in recent years, due to long-running sessions and unpredictable schedules, it has become essentially a full-time job with part-time pay. This narrows the universe of people who are able to consider running for legislative office.

The Republican Party continued to hold a majority in both chambers of the General Assembly in 2021. This meant that, while the minority party could sustain gubernatorial vetoes, it was unable to pass legislation without support from the majority. Gov. Roy Cooper exercised his veto power repeatedly to stop bills, as he has done throughout his time in office.

While the COVID pandemic continued to affect business, education and other sectors across the state - with many attending work and school remotely - the legislature conducted business in person.

Motivated by the failure of the state to pass a budget since 2017 due to a partisan stalemate¹ lawmakers focused much of their time on negotiating a budget with Governor Cooper, reaching an agreement in November. The parties primarily disagreed about Medicaid expansion and education funding.

The final budget included some increased education funding. Unfortunately, it did not include Medicaid expansion despite the ongoing COVID pandemic. During a public health crisis, it is more important than ever that every North Carolinian has access to medical

¹ In North Carolina, state agencies continue to operate even without a new budget, using the last-passed budget's guidelines. But no new programs or raises for state employees occur unless they're approved in another bill.

care. While the ultimate goal is healthcare for everyone, expanding Medicaid is an essential and urgent first step that N.C. Sierra Club supports.

Redistricting is required every 10 years after the national census and so this year, the legislature also created new voting maps for state legislative seats and Congressional districts. A variety of plaintiffs immediately challenged this year's maps in court as gerrymandered. While these lawsuits progressed into 2022, courts paused candidate filing that was to begin and end in December and moved the primaries from March to May 2022.

Finally, the legislature passed long overdue criminal justice reform measures that saw broad support in [Senate Bill 300, "Criminal Justice Reform,"](#) although much more reform is needed to address historic and structural racism in the justice system. The N.C. Sierra Club recognizes the need to dismantle systemic racism in North Carolina and within our own organization.

In general, the legislative focus of the N.C. Sierra Club in 2021 was to work with environmental champions and help them stand strong on our issues. We coordinated with our environmental partners, with social justice allies, and with state agencies to improve or stop harmful proposals, while educating and engaging Sierrans, the media, and the public about environmental policy. We promoted climate action, clean energy and clean transportation, and saw some forward movement in these areas, although not as much as we would like.

Even in this atmosphere, environmental advocates achieved some successes:

- The House unanimously approved [House Bill 230, "NC Managing Environmental Waste Act of 2021,"](#) sponsored by Reps. Harry Warren (R - Rowan) and Billy Richardson (D- Cumberland). This bill would begin to address the problem of single-use plastic waste, which is choking our waterways and littering our roads. H230 would provide funding to local governments to reduce plastic waste and establish a pilot program to reduce plastic waste at state food service facilities. It remains eligible for the Senate to consider in 2022.
- The House nearly unanimously approved [House Bill 245, "Efficient Government Buildings & Savings Act."](#) sponsored by Reps. John Szoka (R - Cumberland), Dean Arp (R - Union), Jason Saine (R - Lincoln) and Robert Zenger (R - Forsyth). The bill would raise water and energy efficiency standards for government buildings and is eligible for Senate consideration in 2022.

- Rep. Harry Warren's (R - Rowan) bill, [House Bill 272, "Revise Health Standard for Lead,"](#) established a much needed update to how we address lead in our water by aligning the state standard for remediation with federal guidance.
- The legislature passed [House Bill 130, "East Coast Greenway/State Trails,"](#) sponsored by Reps. Donna White (R - Johnston), Pat McElraft (R -Carteret, Jones) and Larry Strickland (R -Harnett, Johnston), authorizing the N.C. Department of Natural and Cultural Resources to add to the state parks system that portion of the East Coast Greenway that traverses North Carolina. When complete, the East Coast Greenway will connect 15 states and 450 cities and towns, and walkers and bikers will enjoy access from Maine to Florida.
- The House unanimously passed [House Bill 355, "Firefighting Foam Registry/PFAS Ban,"](#) a bill banning the use of toxic firefighting foam in training. Similar language passed the House in a version of the budget, though it was not included in the final budget. H355 is eligible to be taken up by the Senate in 2022.

Though the NC Sierra Club fought hard against it, the legislature unfortunately passed environmentally harmful legislation this year:

- We stood with environmental and community groups against [Senate Bill 605, "The Farm Act,"](#) sponsored by Sens. Brent Jackson (R - Duplin, Johnston, Sampson), Chuck Edwards (R - Buncombe, Henderson, Transylvania) and Norm Sanderson (R - Carteret, Craven, Pamlico). We opposed this legislation because it requires the Department of Environmental Quality (DEQ) to create a general permit for farms with biogas technology. We expect this to further entrench the outdated lagoon-and-sprayfield method of hog waste management, which has negative water and air pollution impacts and is an environmental justice issue for nearby communities. DEQ began public hearings on the general permit in December and is expected to have more in 2022.
- Legislators passed [House Bill 220, "Choice of Energy,"](#) which would block local governments from banning gas lines to neighborhoods or buildings. Communities across the country have used this option as a way to reduce greenhouse gas emissions, prompting the fracked gas industry to push for similar legislation in 18 states. Governor Cooper vetoed this bill in December 2021 and the legislature has not sought to override the veto, though it could be attempted at a later time.
- Legislators passed a mixed bag of an energy bill, [House Bill 951, "Energy Solutions for North Carolina."](#) This law includes a carbon emissions reduction goal in line with Governor Cooper's Executive Order 80 on climate change and the Paris Agreement. However, it does not include protections for low-income energy customers and it authorized multi-year ratemaking for Duke Energy. Multi-year

rate making was long sought by the monopoly utility, Duke Energy, and poses a significant risk of increasing rates for consumers. N.C. Sierra Club opposed this bill because of the lack of support for low-income customers.

House and Senate leadership determine which bills get taken up in committees and which are allowed to come to a vote. Disappointingly, the legislature did not take up many forward-thinking environmental bills. There are too many in this category to list them all, but examples include:

- A bill to form a committee to study the development of a statewide strategic vision for commuter rail and encourage more passenger rail traffic as a share of overall transportation in the state.
- A measure restoring the state's conservation tax credit and to allow it to be used for land protection in frequently flooded areas. This would have enabled more land protection along waterways, in floodplains and around military bases in counties that were subject to disaster declaration in the last five years.
- A bill to ban the manufacture and distribution of products containing per- and polyfluoroalkyl substances (PFAS), often referred to as "forever" chemicals.

The N.C. Sierra Club appreciates the many legislators who stood up against harmful environmental proposals, and the Sierrans who contacted their representatives in support of strong environmental policy.

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Energy
House Bill 951 “Energy Solutions for North Carolina”

Highlight: H951 was drafted in secret by a select group of stakeholders including Duke Energy but no environmental or justice groups. The first public version of the bill would have locked North Carolina into continued reliance on burning fracked gas and subsidized new nuclear energy. It would have limited the authority of the N.C. Utilities Commission and given Duke Energy the multi-year ratemaking it has long sought. This proposal was broadly opposed by environmental, business and justice groups, as well as Democrats.

The final bill removed the gas mandate, along with the unpopular \$50 million nuclear subsidy and limits on the Utilities Commission. However, it gave Duke Energy multi-year ratemaking while offering no help to low-income customers who may see rate increases as a result of the new law. All year, environmental and justice advocates called on legislators to ensure that low-income customers were protected as part of this energy legislation. When that was not a part of the final bill, N.C. Sierra Club and many of our allies opposed it. The energy justice issue received substantial attention and remains a priority for the coalition of groups who worked together against the bill.

Primary Sponsors: Reps. John Szoka (R - Cumberland), Dean Arp (R - Union), Destin Hall (R - Caldwell), John Bell (R- Greene, Johnston, Wayne)

Our position: Opposed. Sierrans sent nearly 800 messages to lawmakers in opposition to H951.

The story: Representatives Szoka and Arp introduced the energy bill in the House in July 2021 after months of news stories that reported a secret stakeholder group was hashing out its details. In committee, Rep. Arp described H951 as fostering the right mix of energy generation to maximize savings for consumers and minimize environmental impact. But the public broadly disagreed, and nearly every stakeholder other than Duke Energy came out against the bill.

In the House committee debate, Reps. Billy Richardson (D - Cumberland) and Zack Hawkins (D - Durham) asked the sponsors why the bill, in the face of climate change, didn't call for a full transition away from climate change and did mandate the building of gas power plants. Some stakeholders told House committees they were worried about rate increases that may result from multi-year ratemaking. N.C. Sierra Club and our allies opposed requiring new gas plants, the lack of protection for low-income customers, the

nuclear subsidy, limits on the Utilities Commission and limits on the use of the financial tool called securitization, which will allow Duke Energy to retire its debt on and expedite the retirement of some coal plants.

When the bill came before the House for a vote, Rep. Arp added an amendment to ban the state from joining the Regional Greenhouse Gas Initiative (RGGI), a carbon emissions trading program for which the Environmental Management Commission had just directed DEQ to begin rulemaking. N.C. Sierra Club supports North Carolina joining RGGI, so we opposed the amendment, which ultimately was dropped from the final bill.

Reps. Pricey Harrison (D - Guilford), Becky Carney (D - Mecklenburg), and Terry Brown (D - Mecklenburg) spoke against H951 in the House. Harrison noted that the stakeholder process leading up to the bill left out low-income customers and said it doesn't make sense to replace coal with gas when we can work toward a fossil fuel-free future. Carney noted that at least 13 sections of the bill would take away discretion from the N.C. Utilities Commission. Rep. Brown argued that many businesses want to locate in clean energy-friendly states, so the bill could hamper North Carolina's efforts to attract such companies. H951 passed the House with a close, partisan vote of 57-49, which meant that a veto by Governor Cooper would likely be upheld.

When Cooper communicated that he didn't support the House version of the bill, the measure was revised in negotiations in the Senate. The revision dropped some of the most controversial provisions, such as mandated fracked gas plants, the \$50 million dollar nuclear subsidy and the ban on joining RGGI - but multi-year ratemaking remained. Language was added to put North Carolina on course to meet Cooper's carbon emissions goal, which not only would help address climate change but would cut energy production costs by closing old, uneconomical coal plants.

The carbon emissions language appeared to win over minority party members, and the legislature passed H951 in October. But the bill still lacked new protections or programs for low-income customers such as a percentage of income payment plan (PIPP), which was supported by environmental and justice groups. Duke Energy may now seek approval from the Utilities Commission for a multi-year rate plan, with the potential for yearly rate hikes of up to 4%.

H951 directs the Utilities Commission to create a plan by the end of 2022 to meet the 70% carbon emissions reduction goal. Much remains to be decided at the Commission level, where Sierra Club's Beyond Coal campaign will engage going forward.

Result: H 951 passed with bipartisan support and was signed into law by Governor Cooper on Oct. 13.

[House Bill 220 “Choice of Energy”](#)

Highlight: N.C. Sierra Club opposed this fracked gas industry bill from its filing in March 2021 because it would limit local governments’ options to address climate change. Similar legislation was proposed in eighteen other states and pushed by the gas industry.

Primary Sponsors: Reps. Dean Arp (R - Union), Charles Miller (R - Brunswick, New Hanover), Jason Saine (R -Lincoln), John Szoka (R - Cumberland)

What the bill would do: H220 would take away the rights of local communities to decide how local buildings are powered. It would prevent counties and cities from being able to transition away from antiquated, gas-powered buildings to modern, electric-powered building codes. These restrictions would make any local commitments to 100% clean energy very difficult to achieve. Over 25 local governments in North Carolina have committed to transitioning to 100% clean energy, but their progress is already limited by lack of utility choice.

In addition, Section 2 of H 220, added by the Senate, raises concerns over lack of transparency because certain information concerning water, sewer, and energy infrastructure would be excluded from the Public Records Act. Although we support safeguarding our critical infrastructure, we also support the public’s right to know how its water is being treated and to have adequate information to provide comment on infrastructure projects. The section's restrictions would essentially block any informed public input.

Our position: Opposed. Nearly 700 Sierrans wrote to their lawmakers asking them to oppose H220. Sierrans also reached out to Governor Cooper, asking him to veto the bill.

The story: When H220 was first taken up in a House committee, Rep. Kelly Alexander (D - Mecklenburg) questioned the need for the measure, given that no local governments in North Carolina are trying to ban gas hookups. Charlotte, in his district, is one of the many local governments in the state with climate goals. Rep. Pricey Harrison (D - Guilford) spoke against H220, noting the need to reduce emissions. Reps. Zack Hawkins (D - Durham), Carla Cunningham (D - Mecklenburg) and Becky Carney (D - Mecklenburg) also asked skeptical questions about the need for the bill.

H220 passed the House on a 78-41 vote. In the Senate, it got worse with the addition of unrelated language to limit public records. When H220 went back to the House for a vote of concurrence, the vote for passage was closer, at 57-46. N.C. Sierra Club and 23 environmental and justice groups asked Governor Cooper to veto the bill.

Result: Governor Cooper heard our call. His veto message stated: "This legislation undermines North Carolina's transition to a clean energy economy that is already bringing in thousands of good paying jobs. It also wrongly strips local authority and hampers public access to information about critical infrastructure that impacts the health and well-being of North Carolinians."

Agriculture [The Farm Act: Senate Bill 605](#)

Highlight: S605 requires DEQ to create a new general permit for swine operations that want to add biogas technology to make fuel from hog waste. This streamlined permitting process risks further entrenching the lagoon and sprayfield waste management systems used by many industrial swine operations. These outdated and polluting systems contaminate waterways and subject neighbors to odor and unhealthy airborne particulates.

Primary Sponsors: Sens. Brent Jackson, Norm Sanderson (R - Carteret, Craven, Pamlico), Chuck Edwards (R - Buncombe, Transylvania, Henderson)

What the bill does: The legislature traditionally passes a Farm Act every session, and it's usually a hodgepodge of agricultural provisions, many of them non-controversial. This year, environmental and community groups' concern focused on the biogas permitting section.

S605 will allow hog farms that install biogas technology to avoid having to seek individual permits from DEQ, because the bill requires the agency to create a general permit for such systems. This change undermines a 2007 ban on construction of hog waste lagoons and sprayfields, which requires new or expanding hog production facilities to meet higher environmental performance standards. These standards are meant to protect our air and water from pollutants associated with waste from industrial swine farms.

The biogas permit provision in S605 ignores the suffering of people who live near factory farms. Factory hog farm neighbors have repeatedly won nuisance cases in court, but the legislature keeps offering more special treatment for the hog industry instead of addressing longstanding odor and pollution problems.

Our position: Opposed. Legislators received nearly 600 messages of opposition from Sierrans, and our supporters sent Governor Cooper a petition asking him to veto the bill.

The story: When the Senate debated the Farm Act, freshman Sen. Julie Mayfield (D - Buncombe) was the most outspoken voice of opposition to the biogas provision. She called the bill “lipstick on a pig” and reminded senators about the five jury awards to plaintiffs in separate lawsuits brought against Smithfield Foods over environmental damage caused by lagoon and sprayfield waste systems. Mayfield pointed out that the multibillion-dollar pork industry can afford upgrades at supplier farms to eliminate damage to the environment and nearby communities. Still, the Senate passed the bill on a 28-21 vote.

When the House Agriculture Committee first took up the Farm Act, Reps. Charles Graham (D - Robeson), Kandie Smith (D - Pitt), John Ager (D - Buncombe), and Brandon Lofton (D - Mecklenburg) raised good questions about the biogas provision. The bill sponsor, Sen. Brent Jackson, and Rep. Jimmy Dixon (R - Duplin, Onslow) championed the provision. Dixon tried to preemptively call for a vote by the committee when the bill was officially only up for discussion but was blocked by objections from several committee members. When the same committee again heard comments on the bill, DEQ remained neutral, which made it harder for N.C. Sierra Club and other environmental and social groups to gain traction with their objections.

When S605 came before the House for a vote Rep. Raymond Smith (D -Sampson, Wayne) proposed an amendment to delete the biogas provision. He argued that the individual permitting works fine the way it is. He noted that hog farms are in low-wealth, African-American communities that have the will to fight, but not the support. The amendment failed. Longtime environmental champion Rep. Pricey Harrison (D - Guilford) noted that farm neighbors whose homes are contaminated by airborne waste would continue to suffer if easier biogas permitting were allowed. The House passed the Farm Act on a 75-32 vote.

Result: The legislature passed the Farm Act on June 29 and Governor Cooper signed the bill into law on July 2, despite a veto request from N.C. Sierra Club and many environmental and community groups. As DEQ creates the biogas general permit process, we will push for strong standards and public involvement opportunities.

Water

Toxic Firefighting Foam and Forever Chemical Bills

Highlight: Several bills were introduced this year to limit PFAS chemicals, but we didn't see as much progress on the issue as we wanted. The House unanimously approved a bill ([House Bill 355, "Firefighting Foam Registry/PFAS Ban"](#)) to ban the use of toxic PFAS-containing firefighting foam for training, but the Senate didn't take it up. It remains eligible for consideration in 2022.

Primary sponsors of a sampling of PFAS bills:

- Rep. Ted Davis (R - New Hanover) sponsored H355, "Firefighting Foam Registry/PFAS Ban."
- Reps. Deb. Butler (D - New Hanover), Pricey Harrison (D - Guilford), Rachel Hunt (D - Mecklenburg), and Julie von Haefen (D - Wake) sponsored H502, "PFAS Contamination Mitigation Measures," to prevent discharges of PFAS. It was not heard by a committee.
- Reps. Butler, Harrison, Billy Richardson (D - Cumberland), and John Autry (D - Mecklenburg) sponsored H444, "PFAS Mitigation Measures Cost Reimbursement," to direct that parties responsible for PFAS in drinking water must pay for the water's treatment. It also did not reach a committee.
- Sens. Kirk deViere (D - Cumberland), Julie Mayfield (D - Buncombe) and Natalie Murdock (D - Durham) sponsored S460, "Establish PFAS Task Force," to identify and analyze PFAS chemicals in the Lower Cape Fear River, identify the source of that contamination, study its health impacts, and establish health standards for PFAS exposure. The bill would also provide for drinking water replacements. It was referred to Senate Rules but was not taken up.
- Reps. Harrison, Ricky Hurtado (D - Alamance), Brandon Lofton (D - Mecklenburg), and Robert Reives (D - Chatham, Durham) sponsored H503 "PFAS Studies" to require studies by various state agencies about the impacts of PFAS on health, wildlife and the environment. It was referred to House Rules but not discussed.
- H501, "PFAS Manufacture/Use/Sale Ban," sponsored by Reps. Harrison, Autry, Butler and Morey (D - Durham) would ban the manufacture and sale of PFAS products in the state. This bill was referred to House Rules but not discussed.

What the bills would do: Communities around North Carolina are facing threats to their drinking water and health due to PFAS contamination, partly from the use of fluorine-based aqueous film-forming foam (AFFF) used in firefighting training. In fact,

water contamination in the Greensboro area was specifically linked to this use. H355 called for banning the use of the foam for firefighting training. The other PFAS bills would, among many things, ban sale and distribution of PFAS-containing products, require polluters to pay for water filtration, and require studies of PFAS contamination.

Our position: Support. Legislators received over 300 requests from Sierrans to support legislation regarding PFAS.

The story: Per- and polyfluoroalkyl substances (PFAS) are pervasive; they can't be broken down in the environment so they are sometimes called "forever chemicals." This year, legislators filed 10 bills to address PFAS pollution, but most were not taken up by committees so are not eligible for consideration in 2022. Many other states are doing much more to limit PFAS in firefighting foam, food packaging, drinking water and other products. The EPA this year released an ambitious PFAS Roadmap that sets up a timeline to more fully address PFAS chemicals, but it has gaps that should be filled by state-level lawmaking.

Legislators whose districts include the Cape Fear River placed the most priority on addressing PFAS, as the river - a drinking water source - has been contaminated for years with a type of PFAS released by the Chemours chemical company. Chemours is subject to a consent order with DEQ that requires the company to greatly reduce PFAS emissions, assess contamination downstream and in wells, and provide replacement drinking water. However, Chemours isn't the only cause of PFAS pollution in North Carolina's air and water, and the state should address all contamination sources.

PFAS contamination is strongly linked to cancer, thyroid problems, reproductive system damage and impairments to children's growth and development. Firefighters may be exposed to PFAS in firefighting foam and on firefighting gear, where the chemical is used to make gear water- and stain-resistant.

In 2019, after water contamination in the Greensboro area was linked to the use of firefighting foam containing PFAS, Rep. Pricey Harrison (D - Guilford) proposed a bill to ban the use of that kind of foam. H355, filed in 2021, was another effort to accomplish the same goal.

Result: The 2021 state budget included increased funding for DEQ and the UNC Policy Collaboratory² to work on and study PFAS. The House approved a good PFAS bill, which remains eligible for Senate consideration. But the legislature has not yet passed a bill that actually limits the use of PFAS. Action is essential, since the chemicals accumulate in human and animal bodies over time, and are very difficult to clean up once released into our air and water.

Democracy

Redistricting: [S740 Congress](#), [S739 Senate](#), [H976 House](#)

Highlight: Besides the budget, another focus this fall at the N.C. General Assembly was on redistricting. The legislature, voting along party lines, passed new district maps for Congress, state Senate and state House.

The story: Many expert analysts say that these new maps could flip control of Congress and artificially keep the current N.C. General Assembly majority in control for another decade even if it wins less than half the statewide vote. The new maps might result in the majority regaining a supermajority, which would allow it to override vetoes without minority party support, resulting in diminished negotiating power for Democratic lawmakers.

Redistricting may not, at first, seem like an environmental issue. But a healthy environment depends on a healthy democracy. This is particularly true for voters of color, who are hurt first and worst by pollution, climate change, and voter suppression measures. Historically, redistricting has been used to exclude communities of color from representation in local, state, and congressional decision-making. N.C. Sierra Club has, over the years, supported bipartisan independent redistricting bills but none has become law.

The result: Redistricting bills are not subject to veto in North Carolina, and therefore may only be challenged in court. Several parties have filed such challenges, and as a result the state's 2022 primary elections have been delayed until May.

Voting Rights Restrictions

[Senate Bill 326 "Election Integrity Act"](#)

² The Policy Collaboratory was established by the North Carolina General Assembly in 2016 to utilize and disseminate the research expertise across the University of North Carolina System for practical use by state and local government.

Highlight: S326 would require boards of elections to throw out any domestic absentee ballots received after 5:00 p.m. on election day, removing the current three-day grace period for ballots postmarked by election day. This bill was opposed by Democrats and voter rights groups.

Primary Sponsors: Sens. Warren Daniel (R - Avery, Burke, Caldwell), Paul Newton (R - Cabarrus, Union), Ralph Hise (R - Madison, McDowell, Mitchell, Polk, Rutherford, Yancey)

What the bill would do: Before the 2020 election, the U.S. Postal Service warned that the deadline for requesting an absentee ballot would not provide enough time for the request to be processed, delivered to the voter, and then returned, even with a special grace period.

Eliminating the grace period for ballots postmarked on election day may harm absentee voters, such as rural voters who have limited access to mail services. S326 would mean that absentee voters would have to send in their ballot days or weeks ahead of election day to ensure that they are counted. Even then, their votes could fall victim to unforeseen problems with postal services.

Our position: Opposed.

Result: Governor Cooper vetoed the bill and a veto override has not been attempted.

Budget

[Senate Bill 105 “2021 Appropriations Act”](#)

Highlight: The state budget is supposed to be about funding, not policies. Nonetheless, we often have to fight environmental rollbacks that lawmakers, suspecting that the unpopular provisions would fail as separate bills, insert in a spending plan in hopes that they'll be overlooked.

This year's budget is a mixed bag for the environment. The 600+ page bill invests substantial funding in conservation, resiliency, and water infrastructure and in new staff at DEQ to work on emerging chemical contaminants like PFAS. But it also contains provisions opposed by the N.C. Sierra Club, such as one that would curtail local

government control over billboards and another that may politicize the Office of Administrative Hearings, which decides many environmental cases.

The story: Importantly, the state budget funds a wide array of conservation and environmental programs, as well as DEQ. Governor Cooper's proposed budget, released in March 2021, included significant funding for DEQ to address toxic "forever chemicals" such as PFAS. In addition, Cooper proposed more than \$100 million for clean energy and over \$300 million for environmental stewardship, parks, and resiliency. The legislature included some funding for some of these proposals in the final budget but not at the levels Cooper proposed.

Positive environmental provisions included:

- A disaster relief and mitigation fund was established in the Department of Public Safety to make grants to state agencies, local governments and nonprofits for flood mitigation efforts and technical assistance.
- A transportation infrastructure resiliency fund was established in the Department of Public Safety for grants to state agencies, local governments and nonprofits for transportation resilience against natural disasters.
- The budget directs DEQ to prepare a flood resiliency blueprint. It funds the Resilient Coastal Communities program and permanent staff positions focused on resilience at the N.C. Office of Recovery and Resiliency.
- The budget establishes a Dam Safety Emergency Fund in DEQ to cover the cost of responding to dam safety emergencies.

Environmentally harmful provisions included:

- Protections for the billboard industry at the expense of local governments. The language used was pulled from a 2019 billboard bill (H645) that Gov. Cooper vetoed. This provision makes changes that may threaten local governments' ability to regulate billboards and pass ordinances banning digital billboards.
- An exemption to dam safety law that allows dams less than 20 feet high or that have an impoundment capacity of less than 15 acre-feet to be exempt from safety requirements if a qualified engineer conducts a dam failure analysis.
- A prohibition on DEQ permitting funds being used for enforcement, public outreach, or management positions. As the agency charged with the protection of the environment, DEQ needs more flexibility to use funding for enforcement, not less.
- Allowance for the Office of Administrative Hearings to exempt five employees

from the Human Resources Act, which would allow them to be dismissed for any reason. This risks politicizing an office that decides many environmental cases.

- Removes water quality certifications for stream debris projects, even though these projects can have significant water quality impacts.

Thankfully, some of the worst budget provisions opposed by the N.C. Sierra Club and our allies were removed, including:

- A provision prohibiting communities from adopting tree protection ordinances that regulate the removal of trees from private property without the express authorization of the General Assembly. This was also known as the “anti-tree bill” (H496).
- A provision to bar all local stormwater ordinances and riparian buffer protections that are not required by federal or state law. This would hamper local flexibility, and makes no sense at a time when communities are trying to protect residents from storms and flooding. It would also have worked against the strong resiliency funding that the budget provided.
- Eliminating the Attorney General’s Environmental Enhancement Grant (EEG) program, which awards grants to projects across the state. The program's funding came from a legal agreement with Smithfield Foods, the largest pork producer in the world. Under that agreement, Smithfield provides \$2 million to the state every year to be distributed among environmental projects across North Carolina. Since 2002, the attorney general has awarded almost \$34 million to more than 150 projects, resulting in the closure of 240 abandoned hog waste lagoons and the restoration or conservation of more than 31,000 acres of land, wetland restoration, stormwater remediation, stream stabilization, and environmental education and research initiatives. The provision would have directed EEG funds to a new program at the Division of Public Instruction.

Position: Neutral.

The result: Governor Cooper signed the budget into law on Nov. 18.

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