GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

SESSION LAW 2004-195 SENATE BILL 823

AN ACT TO AMEND VARIOUS LAWS RELATED TO THE ENVIRONMENT, ENVIRONMENTAL HEALTH, AND NATURAL RESOURCES TO: (1) MAKE CLARIFYING, CONFORMING, AND TECHNICAL AMENDMENTS; (2) MODIFY ENVIRONMENTAL REPORTING REQUIREMENTS; (3) ABOLISH OBSOLETE AND INACTIVE COUNCILS; (4) EXTEND BY ONE YEAR THE TIME FOR THE DEVELOPMENT OF PERMANENT RULES RELATED TO WATER CONSERVATION PURSUANT TO SECTION 3 OF S.L. 2002-167; (5) PROVIDE FOR STAGGERED TERMS FOR THE MEMBERS OF THE AGRICULTURAL FINANCE AUTHORITY, TO MAKE APPOINTMENTS TO THE AUTHORITY, AND SPECIFY THE MAXIMUM NUMBER OF SUCCESSIVE TERMS THAT MEMBERS OF THE AUTHORITY MAY SERVE; AND (6) PROHIBIT THE SALE OR DISPENSING OF RAW MILK, AND TO PROVIDE FOR FILLING VACANCIES IN LEGISLATIVE APPOINTMENTS IN CERTAIN CIRCUMSTANCES.

The General Assembly of North Carolina enacts:

PART I. TECHNICAL CORRECTIONS

SECTION 1.1. G.S. 113-301.1 reads as rewritten:

"§ 113-301.1. Wildlife Resources Commission obligated to make efforts to notify members of the public who may be affected by operative provisions of statutes and regulations.rules.

(a) The Wildlife Resources Commission must prepare and distribute to license agents informational materials relating to hunting, fishing, trapping, and boating laws and regulations—rules administered by the Wildlife Resources Commission. The materials furnished an agent should be appropriate to the types of licenses he the agent customarily handles, and in a quantity reasonably anticipated to be sufficient to meet the needs of licensees obtaining licenses from the agent.

(b) In issuing new licenses and permits from the Raleigh office by mail, the Wildlife Resources Commission must generally inform the licensee or permittee of governing provisions of law and regulations rules applicable to the type of license or permit secured. In issuing renewal licenses and permits by mail, the Wildlife Resources Commission must inform the licensee or permittee of any substantial changes in the law or regulations which rules that may affect the activities of the licensee or permittee.

(c) After adopting regulations which rules that impose new restrictions upon the activities of members of the public who do not normally hold licenses or permits to engage in the activity in question, the Wildlife Resources Commission must take appropriate steps to publicize the new restrictions. These steps may include press releases to the media, informing local authorities, and other forms of communication that give promise of reaching the segment of the public affected.

(d) After adopting new restrictions on hunting, fishing, trapping, or boating at a time other than when usual annual changes in the regulations rules affecting those activities are adopted, the Wildlife Resources Commission must take appropriate steps to publicize the new restrictions in a manner designed to reach persons who may be affected.

(e) Repealed by Session Laws 1987, c. 827, s. 9."

SECTION 1.2. G.S. 113A-115.1(b) reads as rewritten:

"(b) No person shall construct a permanent erosion control structure in an ocean shoreline. The Commission shall not permit the construction of a temporary erosion control structure that consists of anything other than sandbags in an ocean shoreline. This section shall not apply to (i) any permanent erosion control structure that is approved pursuant to an exception set out in a rule adopted by the Commission prior to 1 July 2003 or (ii) any permanent erosion control structure that was originally constructed prior to 1 July 1974 and that has since been in continuous use to protect an inlet that is maintained for navigation. This section shall not be construed to limit the authority of the Commission to adopt rules to designate or protect areas of environmental concern, to govern the use of sandbags, or to govern the use of erosion coastal-control structures in estuarine shorelines."

SECTION 1.3. G.S. 121-34 reads as rewritten:

"§ 121-34. Short title.

The title of this Article shall be known as the "Historic Conservation and Historic Preservation and Conservation Agreements Act.'"

SECTION 1.4. G.S. 121-42 reads as rewritten:

"§ 121-42. Citation of Article.

This Article shall be known and may be cited as "Uniform Conservation the 'Conservation and Historic Preservation Agreement Agreements Act.'"

SECTION 1.5. G.S. 143-215.1 reads as rewritten:

"§ 143-215.1. Control of sources of water pollution; permits required.

- (c2) Any person who is required to obtain an individual wastewater permit under this section for a facility discharging to the surface waters of the State that have been classified as nutrient sensitive waters (NSW) under rules adopted by the Commission where phosphorousphosphorus is designated by the Commission as a nutrient of concern shall not discharge more than an average annual mass load of total phosphorousphosphorus than would result from a discharge of the permitted flow, determined at the time the Commission makes a finding that those waters are experiencing or are subject to excessive growth of microscopic or macroscopic vegetation, having a total phosphorousphosphorus concentration of two milligrams of phosphorousphosphorus per liter (2.0 mg/l). The total phosphorousphosphorus concentration of 2.0 mg/l for nutrient sensitive waters required by this subsection applies only to:
 - (1) Facilities that were placed into operation prior to 1 July 1997 or for which an authorization to construct was issued prior to 1 July 1997 and that have a design capacity to discharge 500,000 gallons per day or more.
 - (2) Facilities for which an authorization to construct is issued on or after 1 July 1997.
- (c3) A person to whom subsection (c1) or (c2) of this section applies may meet the limits established under those subsections either individually or on the basis of a cooperative agreement with other persons who hold individual wastewater permits if the cooperative agreement is approved by the Commission. A person to whom subsection (c1) or (c2) of this section applies whose agreement to accept wastewater from another wastewater treatment facility that discharges into the same water body and that results in the elimination of the discharge from that wastewater treatment facility shall be allowed to increase the average annual mass load of total nitrogen and total phosphorous that person discharges by the average annual mass load of total nitrogen and total phosphorousphosphorus of the wastewater treatment facility that is eliminated. If the wastewater treatment facility that is eliminated has a permitted flow of less than 500,000 gallons per day, the average annual mass load of total nitrogen or phosphorousphosphorus shall be calculated from the most recent available data. A person to whom this subsection applies shall comply with nitrogen and

phosphorous discharge monitoring requirements established by the Commission. This average annual load of nitrogen or phosphorous phosphorus shall be assigned to the wastewater discharge allocation of the wastewater treatment facility that accepts the wastewater.

A person to whom subsection (c1) of this section applies may request the Commission to approve a total nitrogen concentration greater than that set out in subsection (c1) of this section at a decreased permitted flow so long as the average annual mass load of total nitrogen is equal to or is less than that required under subsection (c1) of this section. A person to whom subsection (c2) of this section applies may request the Commission to approve a total phosphorous phosphorus concentration greater than that set out in subsection (c2) of this section at a decreased permitted flow so long as the average annual mass load of total phosphorous phosphorus is equal to or is less than that required under subsection (c2) of this section. If, after any 12-month period following approval of a greater concentration at a decreased permitted flow, the Commission finds that the greater concentration at a decreased permitted flow does not result in an average annual mass load of total nitrogen or total phosphorous phosphorus equal to or less than those that would be achieved under subsections (c1) and (c2) of this section, the Commission shall rescind its approval of the greater concentration at a decreased permitted flow and the requirements of subsections (c1) and (c2) of this section shall apply.

(c5) For surface waters to which the limits set out in subsection (c1) or (c2) of this section apply and for which a calibrated nutrient response model that meets the requirements of this subsection has been approved by the Commission, mass load limits for total nitrogen or total phosphorousphosphorus shall be based on the results of the nutrient response model. A calibrated nutrient response model shall be developed and maintained with current data, be capable of predicting the impact of nitrogen or phosphorousphosphorus in the surface waters, and incorporated into nutrient management plans by the Commission. The maximum mass load for total nitrogen or total phosphorousphosphorus established by the Commission shall be substantiated by the model and may require individual discharges to be limited at concentrations that are different than those set out in subsection (c1) or (c2) of this section. A calibrated nutrient response model shall be developed by the Department in conjunction with the

affected parties and is subject to approval by the Commission.

SECTION 1.6. G.S. 143-215.1B reads as rewritten:

"§ 143-215.1B. Extension of date for compliance with nitrogen and phosphorous discharge limits.

- (d) A permit holder who is granted an extended compliance date under this section shall:
 - (1) Develop a calibrated nutrient response model in conjunction with other affected parties and in accordance with a timetable for the development of the model that has been approved by the Commission. The model shall be based on current data, capable of predicting the impact of nitrogen and phosphorus in the surface waters, capable of being incorporated into any nutrient management plan developed by the Commission, and approved by the Commission.

SECTION 1.7. G.S. 159G-3(18) reads as rewritten:

"(18) 'Wastewater treatment works' means the various facilities and devices used in the treatment of sewage, industrial waste or other wastes of a liquid nature, including the necessary interceptor sewers, outfall sewers, phosphorous removal equipment, pumping, power and other equipment and their appurtenances."

SECTION 1.8. G.S. 159G-10(b)(5) reads as rewritten:

"(5) Wastewater Treatment Works Improvements to Meet Nitrogen and Phosphorous Phosphorus Limits. – The Environmental Management Commission shall adopt a rule specifying priority criteria for modifications to existing permitted wastewater treatment facilities that are owned or operated by local government units and that are subject to G.S. 143-215.1(c1) or G.S. 143-215.1(c2) to enable local government units to comply with G.S. 143-215.1(c1) and G.S. 143-215.1(c2)."

SECTION 1.9. If House Bill 1112, 2003 Regular Session, becomes law, then Section 8 of House Bill 1112 is rewritten to read:

"SECTION 8. Sections 1 through 6 of this act become effective 1 January 2005. Sections 7 and 8 of this act are effective when this act becomes law."

PART II. MODIFY REPORTING REQUIREMENTS

SECTION 2.1. Article 4 of Chapter 113A of the General Statutes is amended by adding a new section to read:

'§ 1<u>13A-67. Annual report.</u>

The Department shall report to the Environmental Review Commission on the implementation of this Article on or before 1 October of each year. The Department shall include in the report an analysis of how the implementation of the Sedimentation Pollution Control Act of 1973 is affecting activities that contribute to the sedimentation of streams, rivers, lakes, and other waters of the State. The report shall also include a review of the effectiveness of local erosion and sedimentation control programs."

SECTION 2.2. G.S. 113A-235(c) reads as rewritten:

"(c) Report. – The Department shall report on the implementation of this Article to the Environmental Review Commission no later than 1 November October of each year. The Department shall maintain an inventory of all conservation easements held by the Department. The inventory shall be included in the report required by this subsection."

SECTION 2.3. G.S. 113A-241(c) reads as rewritten:

"(c) The Secretary of Environment and Natural Resources shall report to the Governor and the Environmental Review Commission on or before 1 September October of each year on the State's progress towards attaining the goal established in this section."

SECTION 2.4. G.S. 143-215.107C(b) reads as rewritten:

"(b) It shall be the goal of the State that on and after 1 January 2004 at least seventy-five percent (75%) of the new or replacement light duty cars and trucks purchased by the State will be alternative-fueled vehicles or low emission vehicles. The Department of Administration, the Department of Transportation, and the Department of Environment and Natural Resources shall jointly develop a plan to achieve this goal and to fuel and maintain these vehicles. The Department of Administration shall report on progress in developing and implementing this plan and achieving this goal to the Environmental Review Commission on 1 September of each year beginning 1 September 2000. For purposes of this section, a light duty car or truck is one that is rated at 8,500 pounds or less Gross Vehicle Weight Rating (GVWR)."

SECTION 2.5. G.S. 143-355.1 is amended by adding a new subsection to read:

"(g) The Council shall report on the implementation of this section to the Secretary, the Governor, and the Environmental Review Commission no later than 1 October of each year. The report shall include a review of drought advisories issued by the Council and any recommendations to improve coordination among local, State, and federal agencies; public water systems; and water users to improve the management and mitigation of the harmful effects of drought."

SECTION 2.6. The Department of Environment and Natural Resources shall submit the first report required by G.S. 113A-67, as enacted by Section 2.1 of this act, to the Environmental Review Commission on or before 1 October 2005. The Drought

Management Advisory Council shall submit the first report required by G.S. 143-355.1, as enacted by Section 2.5 of this act, to the Secretary of Environment and Natural Resources, the Governor, and the Environmental Review Commission on or before 1 October 2005.

PART III. ABOLISH INACTIVE COUNCILS

SECTION 3.1. G.S. 143-214.6 (Watershed Protection Advisory Council), G.S. 143-215.22J (Scientific Advisory Council on Water Resources and Coastal Fisheries Management established; membership, compensation), and G.S. 143-215.22K (Scientific Advisory Council on Water Resources and Coastal Fisheries Management; functions and responsibilities) are repealed.

SECTION 3.2. G.S. 143-215.8C reads as rewritten:

"§ 143-215.8C. Neuse River Modeling and Monitoring Project reports.

The Primary Investigator or Researcher receiving funding pursuant to Subsection 14.14(a) of S.L. 1998-212 shall provide progress reports to the Environmental Review Commission, the Joint Legislative Commission on Governmental Operations,—the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, and the Fiscal Research Division on 1 January and 1 July of each year until the project or study is complete. Upon completion of the project or study, the Primary Investigator or Researcher shall provide a final report to the entities listed above."

SECTION 3.3. G.S. 143-215.8D(a) reads as rewritten:

- The Department of Environment and Natural Resources and North Carolina State University shall jointly establish the North Carolina Water Quality Workgroup. The Workgroup shall work collaboratively with the appropriate divisions of the Department of Environment and Natural Resources and North Carolina State University, the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, the Environmental Management Commission, and the Environmental Review Commission to identify the scientific and State agency databases that can be used to formulate public policy regarding the State's water quality, evaluate those databases to determine the information gaps in those databases, and establish the priorities for obtaining the information lacking in those databases. The Workgroup shall have the following duties:
 - (1) To address specifically the ongoing need of evaluation, synthesis, and presentation of current scientific knowledge that can be used to formulate public policy on water quality issues.
 - To identify knowledge gaps in the current understanding of water (2) quality problems and fill these gaps with appropriate research projects.

(3) To maintain a web-based water quality data distribution site.

- (4) To organize and evaluate existing scientific and State agency water quality databases.
- To prioritize recognized knowledge gaps in water quality issues for (5) immediate funding.'

SECTION 3.4. G.S. 143-215.8D(e) reads as rewritten:

The Chair of the North Carolina Water Quality Workgroup shall report each year by January 30 to the Scientific Advisory Council on Water Resources and Coastal Fisheries Management, to the Environmental Review Commission, to the Cochairs of the House of Representatives and Senate Appropriations Subcommittees on Natural and Economic Resources, and to the Chancellor of North Carolina State University or the Chancellor's designee on the previous year's activities, findings, and recommendations of the North Carolina Water Quality Workgroup."

PART IV. EXTEND THE TIME FOR DEVELOPMENT OF RULES RELATED

TO WATER CONSERVATION

SECTION 4. Section 3(c) of S.L. 2002-167 reads as rewritten:

"SECTION 3.(c) Rules adopted pursuant to subsection (a) of this section shall not supercede or modify existing rules governing water used in the generation of electricity. This section shall not be construed to authorize the Commission to adopt temporary rules. The Commission shall adopt permanent rules so that the rules will become effective following legislative review pursuant to G.S. 150B-21.3(b) by the 2005-2006 Regular Session of the 2005 General Assembly."

PART V. STAGGER TERMS OF AGRICULTURAL FINANCE AUTHORITY SECTION 5.1. G.S. 122D-4 reads as rewritten:

"§ 122D-4. North Carolina Agricultural Finance Authority.

- (a) The North Carolina Agricultural Finance Authority, a body politic and corporate, is hereby created within the Department of Agriculture and Consumer Services. The Authority shall be constituted a public agency and an instrumentality of the State for the performance of essential public functions.
- (b) The Authority shall be composed of 10—members. members appointed to three-year terms as follows:
 - One member appointed by the Governor to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.
 - One member appointed by the Governor to a term that expires on 1 July of years that are evenly divisible by three.
 - One member appointed by the Governor to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.
 - One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.
 - (5) One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on 1 July of years that are evenly divisible by three.
 - One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.
 - One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.
 - (8) One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on 1 July of years that are evenly divisible by three.
 - One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.
 - (10) The Commissioner or the Commissioner's designee shall serve ex officio, with the same rights and privileges, including voting rights, as other members. The other nine members shall be appointed in the following manner:
 - (1) Three members appointed by the General Assembly upon the recommendation of the Speaker of the House under G.S. 120-121;
 - (2) Three members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate under G.S. 120-121; and
 - (3) Three members appointed by the Governor.
- (c) Members shall serve for three year terms. Initial terms shall commence July 1, 1986. Appointed members shall serve until their successors are appointed and qualify. A member appointed under subdivisions (1) through (9) of subsection (b) of

this section may be reappointed to no more than two successive three-year terms. Upon the expiration of a three-year term, a member shall continue to serve until a successor is

appointed and duly qualified as provided by G.S. 128-7.

Vacancies in the offices of any appointed members of the Authority shall be filled in accordance with G.S. 120-122 for the remainder of the unexpired term. No vacant office shall be included in the determination of a quorum. No vacancy in office shall impair the rights of the members to exercise all rights and to conduct official business of the Authority.

The domicile of the Authority shall be the City of Raleigh. (e)

A majority of the members shall constitute a quorum for the transaction of official business. All official actions of the Authority shall require an affirmative vote of

a majority of the members present and voting at any meeting.

- Members of the Authority shall not receive any salary for the performance of their duties as members. Appointed members may be reimbursed for such actual expenses as may be incurred for travel and subsistence in the performance of official duties and such per diem as is allowed by law for members of other State boards, commissions and committees.receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.
 - The Authority shall meet quarterly and may meet more frequently upon call. (h)

The Authority may delegate to one or more of its members, officers,

employees or agents such powers and duties as it may deem proper."

SECTION 5.2. In order to alter the schedule of staggered terms of three years for the North Carolina Agricultural Finance Authority so that the same number of terms will expire each year and to provide for an orderly transition in membership of the Authority to the terms specified in G.S. 122D-4(b), as amended by Section 5.1 of this act, the following provisions shall apply:

(1) The Governor shall appoint a member to serve in the position

established by G.S. 122D-4(b)(1) through 1 July 2006.

(2) The Governor shall appoint a member to serve in the position established by G.S. 122D-4(b)(2) through 1 July 2007.

(3) The Governor shall appoint a member to serve in the position

established by G.S. 122D-4(b)(3) through 1 July 2008.

(4) George Graham of Lenoir County is appointed to serve in the position established by G.S. 122D-4(b)(4) through 1 July 2006.

James R. Britt of Duplin County is appointed to serve in the position (5) established by G.S. 122D-4(b)(5) through 1 July 2007.

(6) Deborah Mae Johnson of Sampson County is appointed to serve in the position established by G.S. 122D-4(b)(6) through 1 July 2008.

(7) Ira S. Cline of Catawba County is appointed to serve in the position established by G.S. 122D-4(b)(7) through 1 July 2006.

Stan Crowe of Martin County is appointed to serve in the position (8) established by G.S. 122D-4(b)(8) to serve through 1 July 2007.

(9) David Hall of Rowan County is appointed to serve in the position

established by G.S. 122D-4(b)(9) through 1 July 2008.

SECTION 5.3. The limitation on the number of successive three-year terms that a member of the North Carolina Agricultural Finance Authority may serve as provided in G.S. 122D-4(c), as amended by Section 5.1 of this act, shall not apply to any person who is a member of the Authority at the time this act becomes effective.

PÅRT VI. PROHIBIT SALE OR DISPENSING OF RAW MILK

SECTION 6.1. G.S. 130A-274(2) reads as rewritten:

'Milk' means the lacteal secretion practically free from colostrum "(2)obtained by the complete-milking of one or more cows or goats.cows, goats, or other lactating animals.

SECTION 6.2. G.S. 130A-279 reads as rewritten:

"§ 130A-279. Sale or dispensing of milk.

Only milk which that is Grade 'A' pasteurized milk may be sold or dispensed directly to consumers for human consumption. Raw milk and raw milk products shall be sold or dispensed only to a permitted milk hauler or to a processing facility at which the processing of milk is permitted, graded, or regulated by a local, State, or federal agency. The Commission may adopt rules to provide exceptions for dispensing raw milk and raw milk products for nonhuman consumption. 'Sale' or 'sold' shall mean any transaction that involves the transfer or dispensing of milk and milk products or the right to acquire milk and milk products through barter or contractual arrangement or in exchange for any other form of compensation including, but not limited to, the sale of shares or interest in a cow, goat, or other lactating animal or herd."

PART VII. VAČANCIES IN LEGISLATIVE APPOINTMENTS/EXPIRATION OF TERM

SECTION 7. G.S. 120-122 reads as rewritten:

"§ 120-122. Vacancies in legislative appointments.

When a vacancy occurs, other than by the expiration of term, occurs in any office subject to appointment by the General Assembly upon the recommendation of the Speaker of the House of Representatives, upon the recommendation of the President Pro Tempore of the Senate, or upon the recommendation of the President of the Senate, and the vacancy occurs either: (i) after election of the General Assembly but before convening of the regular session; (ii) when the General Assembly has adjourned to a date certain, which date is more than 20 days after the date of adjournment; or (iii) after sine die adjournment of the regular session, session; or (iv) when the term of office expires and a successor has not been appointed, then the Governor may appoint a person to serve until the expiration of the term or until the General Assembly fills the vacancy, whichever occurs first. The General Assembly may fill the vacancy in accordance with G.S. 120-121 during a regular or extra session. When a person is holding over in office after the expiration of the term, for the purpose of this section that office may be filled as if it were vacant. Before making an appointment, the Governor shall consult the officer who recommended the original appointment to the General Assembly (the Speaker of the House of Representatives, the President Pro Tempore of the Senate, or the President of the Senate), and ask for a written recommendation. After receiving the written recommendation, the Governor must within 30 days either appoint the person recommended or inform the officer who made the recommendation that he is rejecting the recommendation. Failure to act within 30 days as required under the provisions of the preceding sentence shall be deemed to be approval of the candidate, and the candidate shall be eligible to enter the office in as full and ample extent as if the Governor had executed the appointment. The Governor shall not appoint a person other than the person so recommended. Any position subject to initial appointment by the General Assembly but not filled prior to sine die adjournment of the Session at which the position was created or adjournment to a date certain which date is more than 20 days after the date of adjournment of the session at which the position was created may be filled by the Governor under this section as if it were a vacancy occurring after the General Assembly had made an appointment."

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PART VIII. EFFECTIVE DATE
SECTION 8. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 17th day of July, 2004.

- s/ Marc Basnight President Pro Tempore of the Senate
- s/ James B. Black Speaker of the House of Representatives
- s/ Michael F. Easley Governor

Approved 12:31 p.m. this 17th day of August, 2004

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