



## TISPC NOVEMBER 20, 2021 LEGISLATIVE UPDATE

On Monday, the legislative budget conferees signed the conference report, with the Senate and House backing it with broad bipartisan support. The Senate voted in favor of the budget on Tuesday, with the House voting in favor on Thursday, and the Governor inking his support on Thursday as well. This marks the end of two months of closed-door negotiations between Republican leaders in the NC General Assembly and Governor Roy Cooper's administration. The budget totals \$25.9 billion for FY 2021-2022 and \$27 billion for FY 2022-2023. Important provisions within the budget include nearly \$6 billion for state agency and higher education construction projects and \$1 billion in federal funds for expanding broadband connectivity. There is \$1.7 billion included for water and sewer projects, as well as the creation of a \$500 million grant program for the hospitality industry. In addition, the personal income tax rate will drop from its current level of 5.25% to 3.99% over six years, with the corporate income being phased out over that period as well. Along with these budget provisions, the updated Congressional, Senate, and House redistricting maps have been passed. The only change to Topsail Island's representation is the 8th Senate District, represented by Sen. Bill Rabon, will become the 9th Senate District.

The budget includes two documents - the <u>bill text</u> and the <u>money report</u>. The bill text is where the explicit language regarding the provisions is found, while the money report details the number of funds per fiscal year. Every funding item has either a recurring (R) or non-recurring (NR) designation, which means the funding continues to occur after the year ends or is a one-time item. Since NC has not passed a budget for the past 3 years, this budget is comprehensive and includes high levels of funding. It is also supported by federal stimulus and the American Rescue Plan, which is why many provisions are non-recurring for 1 year.

Below are provisions that Topsail Island is eligible for. I have combed through the budget and looked for every possibility of funding for the towns on the island.

#### **Direct Appropriations**

- Town of Topsail Beach Equipment H54 Money Report
  - \$100,000 NR 1 year; Provides a grant to the town for equipment
- Water Resources Development Projects Pg. 555-556 Bill Text
  - There are three years of state match appropriations for the North Topsail/Surf City 50 year project in both the adopted budget: \$12,500,000 from a 2020 appropriation and \$14,537,000 for 2021-2022/2022-2023 for a total of \$41,574,000.
- Town of Surf City Water and Wastewater Project Pg. 314 Bill Text
  - \$4 million NR 1 year; Provides a grant to the town for wastewater infrastructure projects
- More flexible use of previous funding for North Topsail Beach Shoreline Protection includes Phases
  1 14 \$1,500,000 Page 556 Bill Text





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#### **Grant Opportunities**

- Local Assistance for Stormwater Infrastructure D57 Money Report & Pg. 315-316 Bill Text
  - \$103,625,000 NR 1 yr; Provides funds for a new program to provide grants to local governments for stormwater infrastructure. Localities are eligible to apply if they can demonstrate a stormwater quality or quantity issue and the hardships it incurs by raising the revenue to deal with the issue. 70% of undirected funds are allocated for construction grants, while 30% is allocated for planning grants.
- Coastal Storm Mitigation (Fund Code 2997) D68 Money Report
  - \$40,000,000 NR 1 yr; Provides grants to local governments for coastal storm damage mitigation projects in accordance with G.S. 143-215-73M. \$20M allocated to Town of Oak Island as matching funds for shoreline stabilization to recover from Hurricane Isaias. \$2M to NC Coastal Federation for living shorelines.
- <u>Streamflow Rehabilitation Assistance Program</u> D18 Money Report & Pg. 35-37 Bill Text
  - \$38,000,000 NR 1 yr; Provides grants to political subdivisions, such as a city of water/sewer authority, for the purpose of protecting and restoring the integrity of drainage infrastructure.
- DNCR Land and Water Trust H14 Money Report
  - \$37,500,000 NR 2 yrs; list of 2021 grants from the fund
- Small Project Mitigation and Recovery Program (Fund Code 1310) E53 Money Report & Pg. 29 Bill Text
  - \$25,000,000 NR 1 yr; Grant to Golden L.E.A.F. to establish and administer the Small Project Mitigation and Recovery Program. Grants will be for up to \$250,000 to units of local government for flood mitigation and recovery projects. These funds may be used for planning or matching funds when applicable.
- Flood Resiliency Blueprint D67 Money Report
  - \$20,000,00 NR 1 yr; Tasks the Division of Mitigation Services to develop a statewide Flood Resiliency Blueprint. The blueprint forms the backbone of a State flood planning process that increases community resiliency to flooding, is a resource for riverine and stream management to reduce flooding, and will support the establishment and furtherance of local government stormwater maintenance programs.





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### **Grant Opportunities Continued**

- Emergency Management Disaster Relief and Mitigation Fund E53 Money Report & Pg. 29/33 Bill Text
  - \$15,000,000 NR 1 yr; Establishes a new Disaster Relief and Mitigation Special Fund to provide grants to state agencies, units of local government, and non-profit corporations for flood mitigation efforts. Managed by Dept. of Public Safety, Division of Emergency Management. Authorized uses for the funds are 1) Flood mitigation efforts that stabilize areas and reduce future damage 2) Predevelopment assistance to provide small and underserved communities with technical assistance to identify and design shovel-ready projects related to disaster relief and flood mitigation.
- NCEM Transportation Infrastructure Resiliency Fund E53 Money Report
  - \$15,000,000 NR 1 yr; Creates a new fund providing grants to State agencies, units of local government, and non-profit corporations to facilitate transportation resilience against natural disasters.
- Grants to Volunteer Fire Departments F109 Money Report & Pg. 469-470 Bill Text
  - \$8,000,000 NR 1 yr; Provides funds to mitigate the financial impact of COVID providing \$10,000 base allocation to each eligible volunteer fire department defined in G.S. 58-87-1. Also, it establishes a supplemental grant (\$35,000 max) to purchase equipment, make capital improvements, and other related purposes outlined in G.S. 58-87-1(a1)(3)
- Insurance Underwriting Association (Fund Code 1310) F39 Money Report
  - \$7,000,000 NR 1 yr; Provides funds to the NC Insurance Underwriting Association for resilient roof replacement grants.
- Abandoned and Derelict Vessels D120 Money Report
  - \$1,500,000 NR 1 yr; Administered by the Wildlife Resources Commission.
- Resilience Coastal Communities (Fund Code 1625) D60 Money Report
  - \$1,150,000 NR 1 yr; Provides local coastal planning and management grants
- Shallow Draft Inlet Changes D65 Money Report
  - \$1,000,000 Cartaret County Dredging Project No match requirement
  - \$1,500,000 Lake Junaluska Dredging Funds No match requirement
  - \$400,000 Union County Dredging Project No match requirement
  - \$100,000 Dredge Material Disposal Assessments