EXCERPT from Session Law 2024-53

**EMERGENCY INFRASTRUCTURE BRIDGE LOAN PROGRAM FOR COMMERCIAL UNDERGROUND STORAGE TANKS**

**SECTION 4C.8.(a)** Allocation. – Of the funds appropriated from the Helene Fund to the Department of Environmental Quality by Section 2.1(a) of this act, the sum of twenty-two million dollars ($22,000,000) in nonrecurring funds shall be used by the Department of Environmental Quality, Division of Waste Management, for purposes consistent with the loan program established by this section. Funds allocated by this section that have not been expended or encumbered by October 31, 2028, shall revert to the Savings Reserve established in G.S. 143C-4-2. Repayments of all loans made under the program shall be remitted by the Division of Waste Management to the Office of State Budget and Management to be placed into the Savings Reserve.

**SECTION 4C.8.(b)** Definitions. – The definitions under Part 2A of Article 21A of Chapter 143 of the General Statutes and the following definitions apply in this section:

(1) Department. – The Department of Environmental Quality.

(2) Division. – Division of Waste Management.

(3) Emergency services. – Infrastructure repair and testing related to commercial underground storage tanks located in the affected area, including line and tank testing, product pump out and disposal, and repair or replacement of any of the following: (i) aboveground piping, (ii) dispensers, and (iii) electronics.

(4) Federal disaster relief. – Grant or loan funding provided by a federal agency to an owner or operator for line and tank testing, product pump out and disposal, and repair or replacement of tank equipment due to damage precipitated by Hurricane Helene.

**SECTION 4C.8.(c)** Purpose. – The purpose of this section is to establish a program that enables the Division to rapidly distribute emergency financial assistance, in the form of bridge loans, to owners or operators of commercial underground storage tanks and thereby supply owners or operators with the short-term financial liquidity necessary to immediately conduct emergency services in the affected area, pending federal disaster relief or payment or reimbursement by insurance.

**SECTION 4C.8.(d)** Administration. – The Division shall be responsible for administering loans from the program.

**SECTION 4C.8.(e)** Eligibility; Use. – An owner or operator is eligible to apply for a loan under the program. Loans from the program may only be used by an owner or operator for (i) temporary financial liquidity as necessary to immediately conduct emergency services and until receipt of federal disaster relief or payment or reimbursement by insurance and (ii) any other purpose specifically provided by an act of the General Assembly.

**SECTION 4C.8.(f)** Limitations. – The following limitations apply to the program:

(1) The amount of a loan from the program may not exceed the amount necessary to restore a commercial underground storage tank to operational capacity.

(2) A loan from the program is available only to the extent that other funding sources for emergency services are not reasonably available to an owner or operator.

**SECTION 4C.8.(g)** Application. – An application for a loan from the program must be filed with, submitted on a form prescribed by, and contain the information required by, the Division. An applicant must submit any additional information requested by the Division to enable the Division to make a determination on the application.

**SECTION 4C.8.(h)** Review. – The Division must review all applications filed for a loan under this section on a rolling basis and shall prioritize those applications that the Division determines demonstrate the most immediate need. The Division's determination of need is conclusive.

**SECTION 4C.8.(i)** Award. – When the Division determines that an applicant is eligible for an award of a loan, the Division must send the applicant a letter of intent to award the loan. The letter of intent must set out any conditions the applicant must meet to receive the award. When the applicant satisfies the conditions set out in the letter of intent, the Division must send the applicant an offer to award the loan. The applicant must give the Division written notice of whether it accepts or rejects the offer. A loan is considered awarded when an offer to award the loan is issued.

**SECTION 4C.8.(j)** Terms. – A loan from the program is subject to all of the following:

(1) Interest rate. – The loan does not bear interest.

(2) Maturity. – The loan matures upon the earlier of (i) receipt of federal disaster relief by the owner or operator or (ii) June 30, 2030.

**SECTION 4C.8.(k)** Report. – The Division shall provide a report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division no later than April 1, 2025, and annually thereafter until all funds have been allocated, at which time the Division shall report annually until all allocated funds have been repaid or otherwise accounted for by the Division. The report required by this subsection shall contain, at a minimum, the following information concerning loans made under the program:

(1) The total amount of loans awarded from the program.

(2) The recipient of each loan awarded, and the total amount awarded to each recipient.

(3) The total amount of loan funding that has been repaid.

**SECTION 4C.8.(*l*)** Rulemaking Exemption. – The Department shall adopt emergency rules to implement the provisions of this section. Temporary and permanent rules adopted to replace emergency rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes.