

1 15A NCAC 01T .0203 is proposed for adoption as follows:

2 **15A NCAC 01T .0203 PROJECT ELIGIBILITY SHALLOW DRAFT NAVIGATION CHANNEL**  
3 **DREDGING FUND**

4 (a) A shallow draft navigation channel dredging project proposed or sponsored by a local government may be eligible  
5 for grant funds from the Shallow Draft Navigation Channel Dredging Fund provided that:

6 (1) the project is designed to keep shallow draft navigation channels located in State waters or waters  
7 of the state located within lakes navigable and safe or the project is for siting and acquisition of  
8 dredged disposal easement sites associated with the maintenance of the Atlantic Intracoastal  
9 Waterway between the border with the state of South Carolina and the border with the  
10 Commonwealth of Virginia, under a Memorandum of Agreement between the state and the federal  
11 government; and

12 (2) the cost share requirements of G.S. 143-215.73F(c) are met.

13 (b) The following are ineligible costs that may not be reimbursed from the Shallow Draft Navigation Channel  
14 Dredging Fund:

15 (1) dredging underneath or immediately adjacent to privately owned ship berths, piers, docks, or similar  
16 facilities or businesses;

17 (2) costs incurred for fines, penalties, legal fees, or litigation costs (including but not limited to litigation  
18 of a permit, penalty, enforcement action, or contract dispute);

19 (3) costs incurred outside of the term of the grant contract between the Department and the local  
20 government;

21 (4) purchase of equipment (including but not limited to barges and excavators);

22 (5) indirect or overhead costs of the municipality, such as rent, telephone service, and general  
23 administrative support; or

24 (6) salaries and other expenses of elected officials, whether incurred for purposes of project direction,  
25 execution, or legislation.

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27 *History Note: Authority G.S. 143-215.73F;*  
28 *Temporary Adoption Eff. February 8, 2023.*

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