

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 266
Regulatory Reform Committee Substitute Adopted 4/16/25
Third Edition Engrossed 5/7/25

Short Title: Historic Flood Event Bldg. Code Exemption.

(Public)

Sponsors:

Referred to:

March 12, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH EXEMPTIONS FROM CERTAIN FLOODPLAIN
3 REQUIREMENTS FOR THE REPLACEMENT OR RECONSTRUCTION OF
4 STRUCTURES DAMAGED BY HISTORIC FLOOD EVENTS; AND EXEMPTIONS
5 FROM SOLID WASTE COMPOSTING RULES, STATE-ONLY STORMWATER AND
6 SEDIMENTATION CONTROL REQUIREMENTS, STATE-ONLY AIR QUALITY
7 PERMITS, SOIL AMENDMENT OR COMPOST PRODUCT REGISTRATION, AND
8 FIRE CODE LIMITATIONS ON MULCH PILE STORAGE, FOR THE PROCESSING OF
9 TREE STUMPS AND OTHER VEGETATIVE DEBRIS INTO MULCH OR SOIL
10 AMENDMENTS IN THE COUNTIES AFFECTED BY HELENE FOR A PERIOD OF
11 TWENTY-FOUR MONTHS.

12 The General Assembly of North Carolina enacts:

13 **SECTION 1.(a)** G.S. 143-138 is amended by adding a new subsection to read:

14 "(e1) Exemption for Historic Flood Event. – Notwithstanding any provision of law to the
15 contrary, including subsection (e) of this section, the North Carolina State Building Code, any
16 floodplain regulation established under Part 6 of Article 21 of this Chapter, a development
17 regulation established pursuant to authority in Chapter 160D of the General Statutes, or any other
18 local ordinance, the following shall apply:

19 (1) Replacement or reconstruction. – The owner of a lawfully established building
20 or structure damaged by a historic flood event may replace or reconstruct the
21 building or structure within the base floodplain, as defined in
22 G.S. 143-215.52(a)(1b), to the same or lesser extent or volume existing
23 immediately before the historic flood event, without regard to changes in State
24 or local regulations adopted after the building or structure was lawfully
25 established, subject to the limitation of subdivision (2) of this subsection.

26 (2) Limitation. – Replacement or reconstruction that increases the extent or
27 volume of the building or structure within the base floodplain shall not be
28 authorized unless hydrologic and hydraulic analyses, prepared in accordance
29 with standard engineering practice by a registered design professional,
30 demonstrate that the proposed replacement or reconstruction will not result in
31 any increase in the base flood elevation.

32 (3) Definitions. – For purposes of this subsection, the following definitions apply:
33 a. 200-year flood. – A flood having a one-half of one percent (0.5%)
34 probability of being equaled or exceeded in any given year, resulting



in floodwater elevations higher than the base flood elevation associated with a 100-year flood.

b. Historic flood event. – A flood event that meets or exceeds a 200-year flood."

SECTION 1.(b) G.S. 143-215.54(a) reads as rewritten:

"(a) ~~A Subject to G.S. 143-138(e1) and G.S. 160D-108, a~~ local government may adopt ordinances to regulate uses in flood hazard areas and grant permits for the use of flood hazard areas that are consistent with the requirements of this Part."

SECTION 1.(c) No later than August 1, 2025, the Department of Insurance shall prepare and submit to the Federal Emergency Management Agency (FEMA) for approval by that agency the proposed changes set forth in subsections (a) and (b) of this section.

SECTION 1.(d) Subsections (a) and (b) of this section become effective on the later of the following dates:

(1) October 1, 2025.

(2) The first day of a month that is 30 days after the Commissioner of Insurance certifies to the Revisor of Statutes that FEMA has approved the proposed changes set forth in subsections (a) and (b) of this section, as required by subsection (c) of this section. The Commissioner shall provide this notice along with the effective date of this act on its website.

SECTION 1.(e) The Department of Insurance shall report to the Joint Legislative Commission on Governmental Operations on the status of their activities pursuant to subsection (d) of this section quarterly, beginning September 1, 2025, until subsections (a) and (b) of this section become law.

SECTION 2.(a) The Department of Environmental Quality, the Department of Agriculture and Consumer Services, and a unit of local government, as applicable, shall waive all of the following permits or requirements, to the extent the permits or requirements are State or local in origin and not otherwise required to satisfy federal law, as they may apply to persons or entities undertaking activities to process tree stumps and other vegetative debris into mulch, compost, or soil amendments in the counties designated before, on, or after the effective date of this act under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93 288) as a result of Hurricane Helene:

(1) A solid waste composting permit for Type 1 facilities under 15A NCAC 13B, provided that a person or entity undertaking such activity submits written notice at least 10 days prior to commencement of operations to the Department of Environmental Quality with all of the following information:

a. The facility location.

b. The name(s) and contact information of the owner and operator.

c. The type and amount of wastes to be received.

d. The composting process to be used.

e. The intended distribution of the finished product.

(2) Approval of erosion and sediment control plans under 15A NCAC 04B, where activities do not involve the removal of trees or other existing groundcover.

(3) Air quality permit requirements for vegetative debris processing equipment under 15A NCAC 02D.

(4) Notwithstanding Article 2A of Chapter 106 of the General Statutes, and rules adopted thereunder, soil amendment or compost product registration required by the Department of Agriculture and Consumer Services.

(5) State Fire Code limitations on mulch pile storage.

SECTION 2.(b) With respect to the permits or requirements set forth under subdivisions (2) through (5) of subsection (a) of this section, a person or entity undertaking such activity shall submit written notice at least 10 days prior to commencement of operations to the

1 Department of Environmental Quality or the Department of Agriculture and Consumer Services,
2 as applicable, and the unit of local government within which activities will be conducted, that
3 includes a description of the general nature of the materials to be managed and the method(s) of
4 management, the location of activities, and the date on which activities will be commenced.

5 **SECTION 2.(c)** Individual sites under this section are limited to a maximum
6 allowance of 25,000 cubic yards, composed of both processed and unprocessed material.

7 **SECTION 2.(d)** The waiver of a permit pursuant to this section does not exempt
8 activities conducted from compliance with other applicable regulations.

9 **SECTION 2.(e)** Mulch used for the purposes of temporary erosion control shall not
10 be applied at a rate to exceed four (4) inches in depth.

11 **SECTION 2.(f)** Material to be used as a soil amendment must be used at normally
12 accepted agronomic rates as determined by industry practice. Recommendations for appropriate
13 application rates should be determined in consultation with an agronomist with the Department
14 of Agriculture and Consumer Services, a County or State Agriculture Extension agent, or
15 licensed soil scientist.

16 **SECTION 2.(g)** This section is effective when it becomes law and expires July 1,
17 2027. Any material managed under this section shall be removed from the site for its intended
18 purpose no later than July 1, 2027.

19 **SECTION 2.1.(a)** All units of local government in the counties designated before,
20 on, or after the effective date of this act under a major disaster declaration by the President of the
21 United States under the Stafford Act (P.L. 93 288) as a result of Hurricane Helene managing
22 vegetative debris removal within their jurisdictions shall transport the material to a composting
23 site for reuse as mulch or soil amendment when the transportation and disposal costs for
24 processing tree stumps and other vegetative debris at a composting site are equal to or less than
25 the costs associated with transportation and disposal at a landfill. The Department of
26 Environmental Quality and the Department of Agriculture and Consumer Services, to the extent
27 they assist in removal of vegetative debris in the affected area, shall comply with and assist local
28 governments in complying with the requirements of this section.

29 **SECTION 2.1.(b)** This section is effective when it becomes law and expires July 1,
30 2027.

31 **SECTION 3.** Except as otherwise provided, this act is effective when it becomes
32 law.