

Legislative Update

2016 Legislative Short Session

- Began April 25
- House is likely to pass their version of the Budget this week.

Budget

- The House will to pass its proposed budget first (likely this week), and then the Senate will work on theirs.
- There is a surplus and the chambers have already agreed to a spending amount.
- Items to note in current version of House Budget HB 1030 (Note: This will continue to be amended Wednesday and Thursday):
 - o Provides an additional \$5 Million for the Clean Water Management Trust Fund (CWMTF)
 - Environmental Management of Impaired Waters returns funds from the terminated SolarBee project in Jordan Lake to the CWMTF.

Environmental Bills of Interest

- <u>HB 965</u> Aquatic Weed Control Clarification (<u>SB 769</u>).
 - Expands uses of state-level aquatic weed control funds beyond lakes to any water body
 - Also included in House budget.
 - HB 996 DEQ Study of Rip. Buffers for Intermit. Streams (SB 766)
 - Directs an interim study of the size of and activities allowed in riparian buffers on intermittent streams. (ERC Recommended).
- <u>HB 997</u> DEQ Study Intrabasin Transfers (<u>SB 764</u>)
 - Directs an interim study of which interbasin transfer requirements should apply when a transfer is made between sub-basins within the same river basin. (ERC Recommended).
- <u>HB 1006</u> DEQ Study Nutrient Management Strategies (<u>SB 767</u>)
 - Directs an interim study of the effectiveness of state nutrient management, including the use of in-lake tech. (ERC Recommended).
- HB 1024 Prohibit Certain Stormwater Control Measures (SB 763)
 - Prohibits DEQ from requiring on-site stormwater control measures not otherwise required by State or federal law (ERC Recommended).
- Although not yet introduced, we expect to still see a regulatory reform package.



Regulatory Update

Review of Rules Process

 DEQ informed EMC in January that it would delay this package of 375+ Water rules (2B, 2H, 2T, 2U) until at least November

Triennial Review

- In April, almost a full year after the state's submittal, the U.S. Environmental Protection Agency (EPA) partially approved the N.C. Environmental Management Commission's (EMC) amendments to state water quality standards -- a rulemaking process known as the "triennial review."
- This rulemaking started in 2007 and is required by the federal Clean Water Act.
- In its <u>50-page response</u>, EPA disapproved some of the League-supported aspects of the suggested standards, including the retention of action levels. EPA approved the dissolved metals criteria.
- The N.C. Department of Environmental Quality (DEQ) is still negotiating with EPA on the EMC's behalf regarding implementation of the disapproved parts of the amendments and there will be a larger discussion of the effects at the July meeting of the EMC's Water Quality Committee.

Environmental Management Commission

- Prior to the May meeting of the EMC, Chair Steve Rowlan reorganized the EMC committees and replaced the existing committee chairs to provide a better transition if the current chairs are not reappointed to the EMC.
- After rejecting DEQ's revised versions, the EMC took action at their May meeting to approve two legislatively requested study reports:
 - o Study of the State's Riparian Buffer Protection Program pursuant to SL 2015-246
 - ❖ In discussion of this <u>report</u>, the EMC recognized that scientific literature demonstrates that riparian buffers perform many functions that protect water quality and address nutrient sediment and pollutant loading as part of larger management strategies that require reductions from municipal and industrial dischargers, and agriculture.
 - Survey of In Situ Strategies for Mitigation of Water Quality Impairments in North Carolina
 - This <u>report</u> analyzed whether technologies for the in-lake removal of nutrients could address nutrient impairment in lakes which can cause undesirable conditions including algal blooms and fish kills.
 - The EMC recognized that no single in-lake technology or combination of technologies alone appeared to be feasible for restoring water quality on North Carolina's large bodies of water. Instead, the commission noted

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that there may be value in using these technologies in combination with other watershed controls, but there is not enough research to guarantee their success.

SolarBees

- DEQ <u>decided</u> in early May to terminate the controversial SolarBee project on Jordan
 Lake after 21 months of data indicated there was no significant improvement in water
 quality from the use of that type of circulator in-lake technology.
- Although it is likely that the 2016 budget will return any remaining funds designated for the SolarBee project to the Clean Water Management Trust Fund, it remains unclear whether the legislature will continue to delay the implementation of the Jordan Lake Rules.

303(d) List

- At the beginning of March, N.C. Division of Water Resources (DWR) released its 2016 draft list of the state's impaired waters ("303(d) list").
- The Clean Water Act (CWA) requires states to evaluate the health of their waterbodies every two years and list those that do not meet water quality standards.
- Once listed, impaired waters most often become subject to water pollution restrictions for the affected watershed, usually in the form of a Total Maximum Daily Load (TMDL) limits.
- DWR took public comment until March 29, 2016
- In early April, DWR <u>sent the list to EPA</u> for approval and that submittal included a <u>white</u> <u>paper</u> that justified the methodology the State used for assessing toxics.

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