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Introduction & Overview

The N.C. General Assembly operates on a biennial schedule, alternating long and short sessions. The 2020 session was the second part of a biennium and a short session. Normally a state budget is passed in the long session (2019) and then adjustments are made in the short session. But since legislators did not come to agreement on a budget in 2019, they instead passed so-called mini-budgets to fund various agencies and programs.

The 2020 legislative session was one of the most unusual in history as it was defined by the COVID-19 pandemic. Many committees met virtually instead of in-person and the public was not allowed into the legislative building for much of the year. Legislators focused on addressing the economic impacts of COVID-19 and there was little room for environmental or any other kind of policymaking.

The legislature adjourned the 2019-2020 session on Sept. 3, 2020. But note that in past years, even after adjournment, the legislature has sometimes come back for special sessions if legislative leadership sees the need to do so.

In addition, after repeated murders of Black people by police, protests erupted across the United States and in North Carolina against police violence against Black and Brown people. This movement inspired some legislators to call for swift criminal justice reforms. But there was a muted response by legislative leadership; a bipartisan task force was formed but no major action was taken.

As people across the country protest in defense of Black lives, the Sierra Club recognizes the need to dismantle systemic racism in the United States and within our own organization. We are reckoning with how white supremacy -- both past and present -- has shaped our institutions. The environmental movement does not exist in a vacuum, and it is our responsibility to use our power to help abolish systemic racism, which is destroying lives, communities, and the planet.

The Republican Party continued to hold a majority in both chambers of the General Assembly in 2020. This meant that, while the minority could sustain gubernatorial vetoes, they were unable to pass legislation without support from the majority. Gov. Roy Cooper exercised his veto power repeatedly to stop extreme bills and those limiting executive authority in 2020 as he did in 2019. The governor vetoed 11 bills this year. None of the vetoes were overridden.

There was a lot of bipartisan action around redistricting in 2019 and much hope that it
would carry into 2020, but other priorities took over. The N.C. Sierra Club opposes gerrymandering and supports independent redistricting.

In general, the focus of the N.C. Sierra Club in 2020 was to work with environmental champions in the House and Senate, to help them stand strong on our issues. We coordinated with our environmental partners, with social and racial justice allies, and with state agencies to improve or stop harmful proposals, while educating and engaging Sierrans, the media, and the public about environmental legislation.

Even this atmosphere, environmental advocates had some successes:

- A giveaway to the billboard industry was vetoed by the governor in 2019 and there was no effort to override the veto in 2020.
- Thanks to Rep. Chuck McGrady’s (R - Henderson) persistence, the state’s portion of the Volkswagen settlement funds for clean transportation was freed up so that the Department of Environmental Quality could begin awarding more than $30 million to projects like electric school buses and electric vehicle charging stations. In the same bill, help was provided to towns and local water and sewer authorities that serve rural communities to repair water and wastewater plants.

Some environmentally harmful legislation passed this year:
- The Farm Act: Two provisions of this omnibus bill were opposed by environmental groups. One will make certain agricultural public records secret, and another will encourage the entrenchment of the outdated lagoon-and-sprayfield method of hog waste management by providing a loophole for farms with biogas technology.
- The legislature made a significant cut to bike and pedestrian transportation funding for the coming year.

Disappointingly, the legislature did not pass some environmental legislation that had solid bipartisan support:
- The Storm Recovery Act: This bill passed the House in October 2019 and would have provided $5 million for hog farm buyouts in the 100-year floodplain. The N.C. Sierra Club supports getting hog farms out of the floodplain because of the risks posed by overflowing waste lagoons.
- A bill to improve the energy and water efficiency of state buildings passed the House nearly unanimously in 2019 but was never taken up by the Senate.
- A bill to ban toxic firefighting foam containing chemicals that contaminate water did not get taken up by the House despite contamination in Guilford County.
• No action was taken by the legislature to provide funding to help prevent utility shut-offs during the pandemic.
• Widely supported independent redistricting reform did not get to a vote.

The N.C. Sierra Club appreciates the many legislators who stood up against harmful environmental proposals, and our members and supporters who contacted their representatives in support of good environmental policy.

Many legislators announced retirements this year including Rep. Chuck McGrady (R - Henderson) who has been a stalwart environmental champion during his five terms in the House. We look forward to continuing to work with him on clean transportation, as he was nominated to serve on the N.C. Board of Transportation.

To stay in the loop, please subscribe to N.C. Sierra Club’s legislative updates by emailing your state lobbyist, Cassie Gavin, at cassie.gavin@sierraclub.org. The updates are also posted on the N.C. Sierra Club website.
highlight: The legislature passed House Bill 1087 “Water/Wastewater Public Enterprise Reform” in late June 2020; it included a provision to allow Volkswagen settlement funds to start flowing to projects like electric charging infrastructure in our state. North Carolina will eventually see $92 million from the Volkswagen settlement - part of the funds the car company had to pay out after cheating on emissions testing. The first phase of the funds were held up due to a budget provision passed in 2018. The NC Department of Environmental Quality allocated the first third (Phase 1) of the Volkswagen settlement funds and will next design the Phase 2 process for how to allocate the second third of the funds.

primary sponsor: Rep. Donny Lambeth (R - Forsyth)

What the bill does: The majority of H 1087 is about helping struggling water and wastewater systems, which was widely supported. The bill also includes a provision to allow the Volkswagen settlement funds to flow.

Our position: Support. Nearly 700 Sierrans weighed in with the state in support of using Volkswagen funds for electric vehicle charging so we are pleased to see these funds flowing to such projects.

The story: The 2018 budget put at risk $92 million in Volkswagen (VW) settlement funds that are intended to compensate North Carolinians for pollution caused by the VW emissions cheating scandal. The budget required that the VW settlement funds go into the N.C. State Treasury and then be distributed via an appropriation by the N.C. General Assembly, rather than go directly from the official VW Settlement Trust to DEQ and then to awardees.

There was no apparent reason for the 2018 budget provision that justified putting the state at risk of losing the funds for electric vehicle infrastructure and other clean transportation investments. The move seemed to be a pure political move by the majority party to try to limit gubernatorial authority. Advocates sought a fix to this problem in 2019 but to no avail. Rep. Chuck McGrady (R - Henderson) was an ally and worked to get a fix; he was able to do so in this otherwise unrelated bill that saw strong bipartisan support.
Result: H 1087 passed the House and Senate unanimously and Governor Cooper signed the bill on July 1, 2020. On July 29, 2020 DEQ announced awards to grant applicants including $12.2 million for school bus replacements, $6.1 million for transit bus replacements and $3.4 million for zero electric vehicle charging stations. N.C. Sierra Club will continue to advocate for these funds to be used for clean transportation and electric vehicle charging to the greatest extent possible and against the funds being used for new diesel vehicles.

Agriculture
Farm Act: Senate Bill 315

Highlight: Sen. Brent Jackson (R - Duplin, Johnston, Sampson) championed the Farm Act and the several provisions in the bill that benefit industrial swine operations at the expense of the environment. There was lots of controversy and discussion around the hemp farming provisions of this bill but limited debate about the provisions opposed by environmental and justice groups. S 315 stalled in 2019 due to disagreements about the hemp provisions but those were removed in 2020 and then the legislature passed the bill with little debate.

Primary Sponsors: Senators Brent Jackson (R - Sampson, Duplin, Johnston), Norm Sanderson (R - Carteret, Craven, Pamlico) and Todd Johnson (R - Union)

What the bill does: The Farm Act was primarily focused on regulation of the hemp industry in 2019. Then after those were removed in 2020 what was left was a hodgepodge of agricultural provisions. Environmental and environmental justice groups’ concerns were related to two provisions.

One provision made secret certain records, which previously were accessible to the public, that relate to soil and water conservation programs, including documents about factory farms that may expose environmental concerns. The Sierra Club supports government transparency and opposes making public records secret.

S 315 will also allow hog farms that install biogas technology to avoid upgrading to environmentally superior technologies, as long as the farms don't increase the number of pigs on site. This undermines a 2007 ban on construction of hog waste lagoons and sprayfields, which requires new or expanding hog production facilities to meet environmental performance standards. Environmental performance standards are meant
to protect our air and water from pollutants associated with waste from industrial swine farms.

**Our position:** Opposed. This bill ignores the communities who live near factory farms and who suffer environmental nuisances. Neighbors of factory hog farms have repeatedly won nuisance cases in court, but the legislature keeps offering more special treatment for the hog industry instead of addressing longstanding odor and pollution problems. Over 100 Sierrans weighed in with legislators against this bill.

**The story:** Traditionally, the legislature passes a Farm Act nearly every session and in recent years it often includes provisions requested by the politically powerful swine industry. Sen. Harper Peterson (D - New Hanover) helpfully spoke out against the hog farm provision during the Senate debate on this measure.

**Result:** The Farm Act passed the House with a vote of 86-34 and the Senate with a vote of 39-9. Governor Cooper signed the bill into law on June 12, 2020.

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**No State Budget**
**Mini-budgets Instead**

**Highlight:** The legislature passed a budget on June 27, 2019, essentially along party lines with Republican majority support and Democratic opposition. It was promptly vetoed by Governor Cooper, primarily due to disagreements about health care and education funding. In September 2019, the House voted 55-15 to override the veto but the Senate did not, so the veto stands. A revised budget was not negotiated.

**The story:** In North Carolina, the previous budget continues if a new budget is not in place, so government services may not be greatly disrupted but new funding does not flow. The legislature instead passed a variety of so-called “mini-budget” bills to fund programs that would not otherwise have received funding. Unfortunately we did not see the funding for coastal resiliency or hog farm buyouts that we supported in 2019 and had hoped would pass this year.

**The result:** North Carolina is operating with no official state budget.


**Water**

**Toxic Firefighting Foam and Forever Chemical Bills**

**Highlight:** The legislature balked at banning toxic PFAS-containing firefighting foam in 2019 but required a state inventory of the foam that is due by October 15, 2020. PFAS chemicals are pervasive; they can't be broken down in the environment so they are sometimes called “forever chemicals". This year legislators continued to file bills to address per- and polyfluoroalkyl substances (PFAS) pollution, indicating that this is a high priority issue for some. Unfortunately, the bills were not taken up by committees.

**Primary Sponsors:**

- **H 560 “Ban PFAS in Fire Retardant Foam”:** Reps. Pricey Harrison (D - Guilford), Faircloth (R - Forsyth), Hardister (R - Guilford), Chuck McGrady (R - Henderson)
- **H 1175 “2020 Safe Drinking Water Act”:** Reps. Graig Meyer (D - Orange), Ashton Clemmons (D - Guilford), Robert Reives (D - Chatham, Durham), Sydney Batch (D - Wake)
- **H 1108, “PFAS Mitigation”:** Reps. Pricey Harrison (D - Guilford), Deb Butler (D - New Hanover), Christy Clark (D - Mecklenburg), Rachel Hunt (D - Mecklenburg)
- **H 1109, “PFAS Ban”:** Reps. Pricey Harrison (D - Guilford), Deb Butler (D - New Hanover), Autry (D - Mecklenburg), Morey (D - Durham)
- **H 1110, “PFAS Studies”:** Reps. Pricey Harrison (D - Guilford), Ray Russell (D - Ashe, Watauga), Brandon Lofton (D - Mecklenburg), Robert Reives (D - Chatham, Durham)

**What the bills would do:** H 560 would have banned the use of fire retardant foam that contains PFAS. Communities around North Carolina are facing threats to their drinking water and health due to PFAS contamination, partly from the use of fluorine-based aqueous film-forming foam (AFFF) used in firefighting. The other PFAS bills would, among many things, require disclosure for PFAS releases, ban the chemicals and require various studies.

**Our position:** Support. Nearly 600 Sierrans weighed in with their legislators in support of PFAS legislation.

**The story:** In 2019, after water contamination in the Greensboro area was linked to the use of firefighting foam containing PFAS, Rep. Pricey Harrison (D - Guilford) proposed a bill to ban the use of that kind of foam. Her House Bill 560 was intended to help protect firefighters and the environment from PFAS.
Little research has been done about occupational exposure to AFFF among firefighters, who may be exposed to PFAS chemicals in firefighting foam and on firefighting gear to make it water- and stain-resistant. PFAS contamination is strongly linked to cancer, thyroid problems, reproductive system damage and impairments to children’s growth and development. Cancer is now the leading cause of line-of-duty deaths for firefighters. The legislature did not take up H 560 in committee in 2019 or 2020. Industry stakeholders would not support a ban of the toxic firefighting foam.

In 2020, Representative Harrison and other legislators continued to push for H 560 and, in addition, filed three more bills to address “forever chemical” pollution: H 1108, “PFAS Mitigation”, H 1109, “PFAS Ban” and H 1110, “PFAS Studies”. H 1108 “PFAS Mitigation” would require companies and wastewater treatment plants to disclose discharges of the chemical in waterways.

In the House, Representatives Meyer (D - Orange), Clemmons (D - Guilford), Reives (D - Chatham, Durham) and Batch (D - Wake) filed H 1175 “2020 Safe Drinking Water Act” that would have required the state to set maximum contaminant levels for chemicals known to be or likely to be cancer-causing toxins. Like the other PFAS bills, H 1175 saw much support from co-sponsors but did not get a committee hearing.

In the Senate, Senators deViere (D - Cumberland), Peterson (D - New Hanover) and Murdock (D - Durham) proposed a bill to study the health impacts of GenX on people exposed in southeastern North Carolina. Like the House PFAS bills, this measure did not get a committee hearing.

All together, if the legislature had passed this suite of PFAS bills North Carolina would be a leader in the country on addressing toxic chemical contamination, but legislative leadership showed no interest in moving these measures.

Result: These PFAS bills were not allowed committee hearings so legislators did not get the opportunity to learn more about the issue, to discuss the proposals in a public setting or to vote on the measures.
Energy

Utility Shut Offs During Pandemic?

**Highlight:** Surely we all want all North Carolinians to have access to hot water to wash their hands during the coronavirus pandemic. But many families are facing the reality of utility shut offs due to economic hardships during this time. As of June 2020, more than one million residential utility accounts, which owed a minimum of more than $200 million in unpaid utility bills, were at risk of shutoff. Even with the flexibility provided in repayment plans required by Governor Cooper’s executive orders, many households may be unable to afford their utility bills.

**Our position:** Supported legislative action. Over 160 Sierrans reached out to their senators asking them to prioritize this.

**The story:** Environmental and justice advocates including N.C. Sierra Club called on the legislature to address utility shutoffs by providing funding to help people keep electricity and water during the pandemic and to help small utilities that are on the brink of insolvency. Some House members indicated support for a version of this with House Bill 1200 “Foreclosure Prev.Grants/Rental & Utility Asst.” sponsored by Rep. Szoka (R - Cumberland) but the House did not take up the bill in committee.

Specifically, the N.C. Sierra Club and our allies asked the legislature to place a moratorium on shut-offs of service, require utilities to reinstate service without penalty for customers who were disconnected, and place a moratorium on late payment fees so that families already facing hardships aren't accumulating debt. The legislature could have used federal CARES Act funding or other available funds to address this problem.

**Result:** The legislature did not include a utility shutoff moratorium in the COVID-19 relief bill passed in September 2020. Governor Cooper dedicated some funding under executive branch control for this purpose but not enough to cover the need. It remains to be seen if significant shut offs will occur but the risk is great.

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