



NORTH CAROLINA
Environmental Quality

ROY COOPER
Governor

MICHAEL S. REGAN
Secretary

June 1, 2020

MEMORANDUM

TO: Environmental Review Commission
Fiscal Research Division

FROM: Department of Environmental Quality

SUBJECT: PFAS Recovery Fund Status Quarterly Report, June 2020

Session Law 2018-5 established the PFAS Recovery Fund including Section 13.1(d) that provides funding for local government units to assist with the planning and analyzing water lines to serve impacted areas. This quarterly report provides the status of grant funding under Section 13.1(d).

SECTION 13.1.(d) In order to ensure the expeditious establishment of alternative permanent water supplies for each affected party, in accordance with the requirements of G.S. 143-215.2A, the sum of two million dollars (\$2,000,000) of the funds appropriated in this act to the Division of Water Infrastructure of the Department of Environmental Quality is allocated to provide funding to local governments for necessary expenditures that local governments may incur as a result of activities to connect affected parties to public water supplies *pursuant to an order issued under G.S. 143-215.2A*. These funds shall be deposited into the PFAS Recovery Fund, which is established within the Department as a special fund. The Department may distribute funds to local governments solely for the *purposes of planning, analysis, and surveying of waterline extensions* for affected parties subject to an order issued pursuant to G.S. 143-215.2A. No later than 30 days after completion of a local government's activities to connect an affected party to a public water supply pursuant to G.S. 143-215.2A, the Secretary shall deliver a statement of all funds paid from the PFAS Recovery Fund to the local government and the costs expended by the local government for such activities. The Department shall report on activities conducted and funds expended pursuant to this section on a quarterly basis to the Environmental Review Commission, and the Fiscal Research Division, beginning September 1, 2018.

Under Section 13.1(d), grant funding is only available where the Secretary has issued an order pursuant to G.S. 143-215.2A. At this time the Secretary has not issued an order under G.S. 143-215.2A. Rather, the Department of Environmental Quality, Cape Fear Riverwatch, and Chemours entered into a consent order signed by the three parties on February 20, 2019. The consent order is a comprehensive approach to address PFAS contamination at the Chemours facility and in the environment. It includes extensive alternative water provisions for those impacted by PFAS contamination of their drinking water wells, and therefore negates the need for an order under G.S. 143-215.2A. Judge Douglas Sasser signed the consent order on February 25, 2019 and the order was entered in Bladen County Superior Court on the same day.

Sincerely,

Joy Hicks
Senior Director for Governmental Affairs and Policy

