

TABLED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 125

AMENDMENT NO. **A5**
(to be filled in by
Principal Clerk)

H125-ANE-18 [v.7]

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Amends Title [NO]
Second Edition

Date _____, 2025

Senator Mayfield

1 moves to amend the bill on page 1, lines 9-13, by deleting those lines; and

2
3 on page 2, lines 11-12, by inserting the following new section between those lines:

4 **"HURRICANE HELENE ECONOMIC RECOVERY GRANT PROGRAM**

5 **SECTION 2.3.(a)** Program; Purpose; Funding. – There is established the Hurricane
6 Helene Economic Recovery Grant Program (Program) to be administered by the Department of
7 Revenue. The Department shall adopt guidelines providing for the administration of the Program
8 in accordance with this section and shall prioritize job retention, economic viability, and
9 commercial stability when awarding grants under this section. The purpose of the Program is to
10 ensure the economic viability of Western North Carolina in the aftermath of Hurricane Helene
11 by providing a one-time grant to qualifying businesses that meet the conditions of this section.
12 There is appropriated from the General Fund to the Department of Revenue the sum of sixty
13 million dollars (\$60,000,000) in nonrecurring funds for the 2025-2026 fiscal year for purposes
14 consistent with this section.

15 **SECTION 2.3.(b)** Definitions. – The following definitions apply in this section:

- 16 (1) Department. – The Department of Revenue.
17 (2) Economic loss. – A reduction in revenue experienced by a qualifying business
18 as a result of Hurricane Helene and determined as the difference between the
19 business's average combined gross receipts for the fourth calendar quarter of
20 2022 and 2023 as compared to the business's gross receipts for the fourth
21 calendar quarter of 2024.
22 (3) Gross receipts. – North Carolina gross receipts, determined as the sum of all
23 amounts listed on line 1 of Form E-500, Sales and Use Tax Return, for sales
24 occurring during a specified time period.
25 (4) Program. – The Hurricane Helene Economic Recovery Grant Program created
26 by this section.
27 (5) Qualifying business. – A business that meets all of the following
28 requirements:
29 a. Is subject to income tax under Article 4 of Chapter 105 of the General
30 Statutes.
31 b. Experienced economic loss of at least twenty-five thousand dollars
32 (\$25,000).



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- c. Has been registered to do business in the State and actively engaged in business for a minimum of two years immediately preceding application for grant funding under this section.
- d. Has not filed a bankruptcy petition or otherwise initiated a bankruptcy proceeding during the five years immediately preceding application for grant funding under this section.
- e. Is located in a county that qualifies, in whole or in part, for FEMA Public Assistance Categories C through G.

SECTION 2.3.(c) Eligibility; Verification. – A qualifying business is eligible for a grant under the Program. Prior to awarding a grant to an applicant business, the Department shall verify the applicant's economic loss.

SECTION 2.3.(d) Applications; Supplemental Documentation. – The business must apply to the Department for a grant during the time frame and on a form prescribed by the Department and the business must provide all supporting documentation required by the Department. The Department may accept applications until the funds available under the Program have been awarded and all funds shall be awarded on a first-come, first-served basis.

SECTION 2.3.(e) Grant Amount. – The grant amount to a qualifying business under the Program is equal to the lesser of (i) twenty-five percent (25%) of the qualifying business's economic loss or (ii) seventy-five thousand dollars (\$75,000).

SECTION 2.3.(f) Eligible Uses. – Grants awarded under the Program shall be used by qualifying businesses for working capital and normal business expenses consistent with the allowable use of loan proceeds under the Economic Injury Disaster Loan program of the Small Business Administration. The Department shall adopt guidelines detailing the eligible use of grant proceeds under the Program in accordance with the requirements of this subsection.

SECTION 2.3.(g) Grant Program Limit. – The total of all funds granted under the Program may not exceed the amount allocated to the Program under this act.

SECTION 2.3.(h) Clawback. – If a business receives a grant under the Program for which it is ineligible, the business forfeits the grant awarded under this section and is liable for the amounts received. An award forfeited under this section shall bear interest at the rate determined in accordance with G.S. 105-241.21 as of the date of receipt until repaid. Failure to pay an award forfeited shall be collected by a civil action in the name of the State, and the recipient business shall pay the cost of the action. The Attorney General, at the request of the Secretary of Revenue, shall institute the action in the proper court for the collection of the award forfeited, including interest thereon. A grant under the Program authorized in this section shall be conditioned on a recipient business maintaining operations for a minimum of one year following receipt of the grant, and the Department shall clawback a proportionate amount of the grant for any portion of the one year the recipient business does not maintain business operations.

SECTION 2.3.(i) Administrative Expenses. – The Department may retain up to one and one-half percent (1.5%) of the funds appropriated for the Program created by this section for administrative expenses.

SECTION 2.3.(j) Reporting. – Beginning May 1, 2026, and continuing every six months thereafter until all grant funding has been awarded, the Department shall submit a report on the Program to the Joint Legislative Economic Development and Global Engagement

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Oversight Committee and the Fiscal Research Division. Each report shall contain, at a minimum, all of the following:

- (1) The number of grants awarded.
- (2) The average grant amount.
- (3) The total amount of grant funding awarded to date.
- (4) The location of each recipient business."; and

on page 38, lines 50-51, by inserting the following new section between those lines:

**"COMPENSATION BONUSES DURING 2025-2026 FISCAL YEAR AWARDED TO
STATE EMPLOYEES AND LOCAL EDUCATION EMPLOYEES**

SECTION 9.7.(a) Effective July 1, 2025, there is appropriated from the General Fund to a Statewide Reserve in the Office of State Budget and Management the sum of one billion one hundred forty million eighty thousand eight hundred eighty-six dollars (\$1,140,080,886) for the 2025-2026 fiscal year to fund one-time bonuses for State employees and local education employees in accordance with this section.

SECTION 9.7.(b) For the 2025-2026 fiscal year, any State employee or local education employee (i) whose salary is set by the Current Operations Appropriations Act, pursuant to the North Carolina Human Resources Act, or as otherwise allowed by law and (ii) who is employed on October 1, 2025, shall be awarded a compensation bonus in the amount of four thousand forty-seven dollars (\$4,047), payable by October 31, 2025, out of funds available in the Compensation Bonus Reserve.

SECTION 9.7.(c) Subject to the following requirements, the compensation bonuses authorized by this section:

- (1) Shall be paid from the source of funds for the respective positions.
- (2) Shall be adjusted pro rata for permanent part-time employees.
- (3) Shall be awarded to eligible State-funded permanent employees without regard to an employee's placement within the salary range, including employees at the top of the salary range.
- (4) Are not part of annual salary and shall be paid out separately.
- (5) Are not compensation for the purposes of any retirement system administered by the State.

SECTION 9.7.(d) Funds appropriated for compensation bonuses in excess of the amounts required to implement the bonuses shall revert to the General Fund.

SECTION 9.7.(e) The following definitions apply for the purposes of the bonuses authorized in this section:

- (1) State employee. – An employee of a State agency, department, or institution regardless of funding source.
- (2) Local education employee. -- An employee of a community college, local school administrative unit, innovative school, regional school, or public charter school regardless of funding source."; and

on page 43, lines 46-47, by inserting the following new section between those lines:

"DMV BUDGET EXPANSION ITEMS

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SECTION 11.6 There is appropriated from the Highway Fund to the Department of Transportation the following sums for each year of the 2025-2027 fiscal biennium:

		2025-2026		2026-2027	
		R	NR	R	NR
DMV License Plate					
Funding Expansion	\$1,253,516			\$1,253,516	
DMV Driver License					
Office Expansions	\$1,336,348	\$8,603,975		\$2,004,522	
DMV Identity Vetting	\$1,282,365			\$1,282,365	
DMV Automated					
Hearings Solutions:	\$523,500			\$523,500	
DMV TraCS licensing fees	\$105,000			\$110,000	
License & Theft					
Body Cameras	\$238,680			\$238,680"; and	

by adjusting the appropriate totals accordingly.

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____