

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017**

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**HOUSE BILL 376
PROPOSED COMMITTEE SUBSTITUTE H376-PCS40491-RB-6**

Short Title: Subdivision Improvement Guarantee Changes.

(Public)

Sponsors:

Referred to:

March 16, 2017

A BILL TO BE ENTITLED
AN ACT TO MAKE CHANGES TO THE GENERAL STATUTES RELATING TO
SUBDIVISION IMPROVEMENT GUARANTEES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 153A-331(d) reads as rewritten:

"(d) The ordinance may provide that in lieu of required street construction, a developer may provide funds to be used for the development of roads to serve the occupants, residents, or invitees of the subdivision or development. All funds received by the county under this section shall be transferred to the municipality to be used solely for the development of roads, including design, land acquisition, and construction. If the subdivision is not located in whole or in part within a municipality, then the county may contract with another entity for the development of the roads. Any municipality receiving funds from a county under this section is authorized to expend such funds outside its corporate limits for the purposes specified in the agreement between the municipality and the county. Any formula adopted to determine the amount of funds the developer is to pay in lieu of required street construction shall be based on the trips generated from the subdivision or development. The ordinance may require a combination of partial payment of funds and partial dedication of constructed streets when the governing body of the county determines that a combination is in the best interest of the citizens of the area to be served."

SECTION 2. G.S. 160A-372(g) reads as rewritten:

"(g) For purposes of this section, all of the following shall apply with respect to performance guarantees:

...

(4) The performance guarantee ~~shall only~~ must be used for completion of the required improvements and not for repairs or maintenance after completion. If the performance guarantee is insufficient to complete the required improvements, or the subdivision for which the performance guarantee is obtained is not completed, then the performance guarantee may be administered in accordance with standards adopted by the governing body to whom the performance guarantee is payable. The provisions of G.S. 160A-393 apply to the review of any decision made by the governing body concerning the standards adopted."

SECTION 3. This act is effective when it becomes law.

