

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 184
Senate Finance Committee Substitute Adopted 5/23/17
PROPOSED SENATE COMMITTEE SUBSTITUTE H184-PCS40594-BA-24

Short Title: Certain Towns/Sewer Fee Collections. (Local)

Sponsors:

Referred to:

February 27, 2017

1 A BILL TO BE ENTITLED
2 AN ACT AUTHORIZING THE TOWNS OF BOLTON, FAIRMONT, LA GRANGE,
3 PEMBROKE, PROCTORVILLE, ROWLAND, AND ST. PAULS TO BILL AND
4 COLLECT SEWER SERVICE FEES AND STORMWATER UTILITY FEES AS
5 PROPERTY TAXES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 160A-314 reads as rewritten:

8 **"§ 160A-314. Authority to fix and enforce rates.**

9 ...
10 (a1) (1)

Before it establishes or revises a schedule of rates, fees, charges, or penalties for stormwater management programs and structural and natural stormwater and drainage systems under this section, the city council shall hold a public hearing on the matter. A notice of the hearing shall be given at least once in a newspaper having general circulation in the area, not less than seven days before the public hearing. The hearing may be held concurrently with the public hearing on the proposed budget ordinance.

11 ...
12 (4)

A city may adopt an ordinance providing that any fee imposed under this subsection may be billed with property taxes, may be payable in the same manner as property taxes, and, in the case of nonpayment, may be collected in any manner by which delinquent personal or real property taxes can be collected. If an ordinance states that delinquent fees can be collected in the same manner as delinquent real property taxes, the fees are a lien on the real property described on the bill that includes the fee.

This subdivision applies only to the Cities of Creedmoor, Durham and Winston-Salem, the Towns of Bolton, Butner, Fairmont, Garner, Kernersville, Knightdale, La Grange, Morrisville, Pembroke, Proctorville, Rowland, St. Pauls, Stem, Wendell, and Zebulon, and the Village of Clemmons.

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14 **SECTION 2.(a)** Section 1 of S.L. 2010-59 is codified as G.S. 160A-314(f)(1).

15 **SECTION 2.(b)** Section 2 of S.L. 2010-59 is codified as G.S. 160A-314(f)(2).

16 **SECTION 2.(c)** G.S. 160A-314(f), as enacted by subsections (a) and (b) of this
17 section, reads as rewritten:
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1 "(f) (1) A city may adopt an ordinance providing that a fee charged by the city for
2 sewer services and remaining unpaid for a period of 90 days may be
3 collected in any manner by which delinquent personal or real property taxes
4 can be collected. If the ordinance states that delinquent fees may be collected
5 in the same manner as delinquent real property taxes, the delinquent fees are
6 a lien on the real property owned by the person contracting with the city for
7 the service, and the ordinance shall provide for an appeals process. If a lien
8 is placed on real property, the lien shall be valid from the time of filing in
9 the office of the clerk of superior court of the county in which the service
10 was provided and shall include a statement containing the name and address
11 of the person against whom the lien is claimed, the name of the city claiming
12 the lien, the specific service that was provided, the amount of the unpaid
13 charge for that service, and the date and place of furnishing that service. A
14 lien on real property is not effective against an interest in real property
15 conveyed after the fees become delinquent if the interest is recorded in the
16 office of the register of deeds prior to the filing of the lien for delinquent
17 water or sewer services. No lien under this act shall be valid unless filed in
18 accordance with this section after 90 days of the date of the failure to pay for
19 the service or availability fees and within 180 days of the date of the failure
20 to pay for the service or fees. The lien may be discharged as provided in
21 G.S. 44-48.

22 The city shall adopt an appeals process providing notice and an
23 opportunity to be heard in protest of the imposition of such liens. The county
24 tax office, once notified of the city's lien, shall include the lien amount on
25 any tax bills printed subsequent to the notification. The county tax office
26 shall add or remove liens from the tax bill at the request of the city (such as
27 in the case of an appeal where the city decides to cancel the lien).

28 (2) This ~~act-section~~ applies only to the City of Locust and to the Towns of ~~New~~
29 ~~London~~ Bolton, Fairmont, La Grange, New London, Pembroke, Proctorville,
30 Rowland, St. Pauls, and Stanfield.

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