

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 758  
Committee Substitute Favorable 4/29/19  
PROPOSED COMMITTEE SUBSTITUTE H758-PCS30461-STx-38

Short Title: MSD Expansion and Governance.

(Public)

Sponsors:

Referred to:

April 16, 2019

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND THE MEMBERSHIP OF CERTAIN METROPOLITAN SEWERAGE  
3 DISTRICTS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Article 5 of Chapter 162A of the General Statutes is amended by  
6 adding a new section to read:

7 "**§ 162A-68.5. Alternate procedure for inclusion of additional political subdivision.**

8 (a) Notwithstanding G.S. 162A-67 and G.S. 162A-68, any time subsequent to the  
9 creation of a district, the district shall be expanded in accordance with this section to include  
10 territory of a requesting county if the governing board of the county submits a resolution  
11 requesting inclusion in the district and the county meets all of the following criteria:

12 (1) The county is contracting with the district for bulk service.

13 (2) The district has installed a sewage disposal system, sewerage system, sewers,  
14 or any portion thereof, in that county.

15 (3) The district serves customers in that county as of the date of the resolution.

16 (b) Upon receipt of a resolution described in subsection (a) of this section, the district  
17 board shall send to the Environmental Management Commission and the requesting county all  
18 of the following:

19 (1) A map or maps of the district showing each of the following:

20 a. The present and proposed new boundaries of the district.

21 b. The existing sewage disposal system, sewerage system, and sewers.

22 c. Any proposed extension of the sewage disposal system, sewerage  
23 system, sewer, including any sewer interceptors and outfalls.

24 (2) A description of any proposed extension of sewerage services to the  
25 requesting county, which shall address all of the following:

26 a. Extension of sewerage service to the requesting county on  
27 substantially the same basis and in the same manner as such services  
28 are provided within the rest of the district prior to inclusion of the new  
29 territory.

30 b. A proposed time schedule for extension of sewerage service to the  
31 requesting county.

32 c. The estimated cost of extension of sewerage service to the requesting  
33 county; the method by which the district board proposes to finance the  
34 extension; the outstanding existing indebtedness of the district, if any;



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1 and the valuation of assessable property within the district and within  
2 the requesting county.

3 (3) An analysis of the inclusion of the territory in the district.

4 (c) The Environmental Management Commission shall review the documents submitted  
5 under subsection (b) of this section and shall, in conjunction with the requesting county, set a  
6 time and place within the requesting county for a public hearing. The chair of the governing body  
7 of the requesting county shall give prior notice of such hearing by posting a notice at the  
8 courthouse door of the requesting county at least 30 days prior to the hearing and also by  
9 publication at least once a week for four successive weeks in a newspaper or newspapers having  
10 general circulation in the district and in the requesting county, the first publication to be at least  
11 30 days prior to such public hearing.

12 (d) If, after the public hearing, the Environmental Management Commission determines  
13 that the inclusion of the territory will not adversely affect customer service in the district and will  
14 preserve and promote the public health and welfare of the district, the Environmental  
15 Management Commission shall adopt a resolution expanding and defining the boundaries of the  
16 district to include the territory in the district. Such resolution shall state an effective date of the  
17 inclusion of the territory in the district.

18 (e) Any action or proceeding in any court to set aside a resolution of the Environmental  
19 Management Commission, or to obtain any other relief upon the ground that such resolution or  
20 any proceeding or action taken with respect to the inclusion of the requesting county within the  
21 district is invalid, must be commenced within 30 days after the effective date of the resolution  
22 adopted by the Environmental Management Commission. After the expiration of such period of  
23 limitation, no right of action or defense founded upon the invalidity of the resolution or the  
24 inclusion of the requesting county in the district shall be asserted, nor shall the validity of the  
25 resolution or the inclusion of the requesting county be open to question in any court upon any  
26 ground whatever, except in an action or proceeding commenced within such period.

27 (f) Any territory of the requesting county included within an existing district by  
28 resolution of the Environmental Management Commission shall be subject to all debts of the  
29 district.

30 (g) Upon inclusion in the district, the district board shall be expanded by two members,  
31 who shall be qualified registered voters residing in the territory added to the district and appointed  
32 by the governing body of the requesting county. The terms of office of the members appointed  
33 under this subsection may be varied for a period not to exceed six months from the terms provided  
34 for in G.S. 162A-67 so that the appointment of successors to such members may more nearly  
35 coincide with the appointment of successors to members of the existing district board. All  
36 successor members shall be appointed for the terms provided for in G.S. 162A-67.

37 (h) G.S. 162A-67(a)(4) and G.S. 162A-68 shall not apply to any expansion under this  
38 section."

39 **SECTION 2.** This act is effective when it becomes law.