

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 831
Committee Substitute Favorable 5/11/21
PROPOSED COMMITTEE SUBSTITUTE H831-PCS40637-RIa-19

Short Title: Cities/Prohibited Service Agreements.

(Public)

Sponsors:

Referred to:

May 5, 2021

1 A BILL TO BE ENTITLED
2 AN ACT PROVIDING THAT CITIES SHALL NOT ENTER INTO AGREEMENTS WITH
3 PUBLIC WATER OR SEWER SYSTEMS THAT CONDITION THE PROVISION OR
4 EXTENSION OF WATER OR SEWER SERVICES UPON THE ANNEXATION OF THE
5 AREA TO BE SERVED BY THE CITY OR WATER AND SEWER SERVICE SYSTEM
6 AND APPROPRIATING FUNDS TO THE DEPARTMENT OF ENVIRONMENTAL
7 QUALITY TO DEVELOP INFORMATION FOR PRIVATE DRINKING WATER WELL
8 OWNERS TRANSITIONING TO PUBLIC WATER SUPPLIES.

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 160A-464 reads as rewritten:

11 "**§ 160A-464. Provisions of the agreement.**

12 (a) Any contract or agreement establishing an undertaking shall specify:

13 ...

14 (b) No contract or agreement establishing an undertaking under this Part by a city and a
15 "public water or sewer system," as that term is defined in G.S. 160A-58.56(a), shall condition
16 the provision or extension of water or sewer services, or both, upon the annexation of the area to
17 be served by the city or the public water or sewer system. The limitation established by this
18 provision shall not be construed to affect the authority of an individual city or an individual public
19 water or sewer system to require annexation for the provision of water or sewer service but shall
20 only prohibit agreements between a city and public water system for the purpose specified
21 herein."

22 **SECTION 2.** There is appropriated from the General Fund to the Public Water
23 Supply Section of the Division of Water Resources of the Department of Environmental Quality
24 the sum of five thousand dollars (\$5,000) in nonrecurring funds for the 2021-2022 fiscal year to
25 establish information resources for individuals transitioning from use of private drinking water
26 wells due to connection to public water supplies, including proper procedures for abandonment
27 of a private drinking water well.

28 **SECTION 3.** This act is effective March 1, 2021, and applies to agreements or
29 contracts entered into on or after that date.

