



## HOUSE PCS 167: Extend Assessment Refund Period

2011-2012 General Assembly

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<b>Committee:</b>	House Finance	<b>Date:</b>	March 10, 2011
<b>Introduced by:</b>	Reps. Iler, Hill	<b>Prepared by:</b>	Greg Roney
<b>Analysis of:</b>	PCS to Second Edition		Committee Counsel
	H167-CSTM-1		

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**SUMMARY:** *House Bill 167 authorizes local governments to refund assessments imposed before 2012 where the assessment financed a capital project that was assumed by another local government.*

**CURRENT LAW:** Counties are authorized to impose assessments for certain capital improvements under Article 9 of Chapter 153A. Cities are authorized to impose assessments for certain capital improvements under Article 10 of Chapter 160A. These statutes do not provide a mechanism for refunds of unused assessments because assessments are imposed to reimburse local governments for the cost of completed projects.

S.L. 2010-129 authorized local governments to refund assessments imposed before 2007 where the assessment financed a capital project that was assumed by another local government.

**BILL ANALYSIS:** House Bill 167 would extend by five years the authority granted to local governments under S.L. 2010-129 to refund unused assessments. The bill does not change the other requirements of S.L. 2010-129 that the assessment finance a capital project and that the capital project be assumed by another local government.

**BACKGROUND:** House Bill 167 would allow Boiling Spring Lakes to refund unused assessments made to finance a capital project that was assumed by the county. Boiling Spring Lakes obtained a federal loan to pay for a water project, transferred its water project to the county, and now seeks to refund the unused assessments.

**EFFECTIVE DATE:** Effective when it becomes law.

*R. Erika Churchill, counsel to House Government, substantially contributed to this summary.*

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