

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 951
HOUSE BILL 1277

AN ACT TO PROVIDE FOR THE MERGER OF TWO CONTIGUOUS SANITARY DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. Article 12 of Chapter 130 of the General Statutes is amended by adding a new section to read:

"§ 130-156.5. Merger of two contiguous sanitary districts. — Two sanitary districts created under the provisions of this Article that are contiguous with each other may merge in the following manner:

- (1) The board of commissioners of each sanitary district must first adopt a common proposed plan of merger of the two districts. The plan shall contain the name of the new or successor sanitary district, designate the members of the merging boards who shall serve as the interim board of commissioners for the new or successor district until the next election required by G.S. 130-126(b) and G.S. 163-279, and any other matters the two boards deem necessary and proper to complete the merger, including whether one district shall be the successor or an entirely new district is to be created.
- (2) Such merger may become effective only if approved by the voters of the two sanitary districts. In order to call an election, both boards shall adopt a resolution calling upon the board of county commissioners in the county or counties in which the districts are located to call for an election on a date jointly named by the sanitary district boards after consultation with the appropriate boards of election and request said board of commissioners to call to be held on the said date an election within each sanitary district on the proposition of merger of the sanitary districts.
- (3) If an election is called as provided in subdivision (2) above, the board(s) of elections shall provide ballots for such election in substantially the following form:

'[] FOR The merger of the _____ Sanitary District and the _____ Sanitary District into a single district to be known as the _____ Sanitary District, in which all the property, assets, liabilities, obligations and indebtedness of the two districts become the property, assets, liabilities, obligations, and indebtedness of the _____ Sanitary District.

'[] AGAINST The merger of the _____ Sanitary District and the _____ Sanitary District into a single district to be known as the _____ Sanitary District, in which all of the property, assets, liabilities, obligations, and indebtedness of the two districts become the property, assets, liabilities, obligations, and indebtedness of the _____ Sanitary District.'
- (4) If at such election a majority of the registered voters of each sanitary district who shall vote thereon shall vote in favor of the merger the two sanitary

districts shall be merged on July 1 following said election. Should the majority of the registered voters of either sanitary district vote against the proposition, then the merger authorized under this section shall not be effected. The sanitary district boards may, however, adopt resolutions and call for election on similar propositions of merger at any time not less than one year from the date of the last election thereon.

(5a) If the majority of the registered voters who shall vote at said election of both sanitary districts vote in favor of said merger and a new district is to be created, the merger becomes effective at 12:00 noon on the following July 1, and at that time:

- a. The two sanitary districts shall cease to exist as bodies politic and corporate, and the new sanitary district exists as a body politic and corporate.
- b. All property, real and personal and mixed, belonging to the sanitary districts vests in, belongs to and is the property of the new sanitary district.
- c. All judgments, liens, rights of liens and causes of action of any nature in favor of either sanitary district vest in and remain and inure to the benefit of the new sanitary district.
- d. All rentals, taxes, assessments and any other funds, charges of fees owing either of the sanitary districts are owed to and may be collected by the new sanitary district.
- e. Any action, suit, or proceeding pending against, or having been instituted by, either of the sanitary districts shall not be abated by its dissolution, but shall be continued and completed in the same manner as if dissolution had not occurred. The new sanitary district shall be a party to all these actions, suits and proceedings in the place and stead of the dissolved sanitary district and shall pay or cause to be paid any judgment rendered against either of the sanitary districts in any of these actions or proceedings. No new process need be served in any of the actions, suits or proceedings.
- f. All obligations of either of the sanitary districts, including outstanding indebtedness, are assumed by the new sanitary district and all the obligations and outstanding indebtedness are constituted obligations and indebtedness of the new sanitary district. The full faith and credit of the new sanitary district is deemed to be pledged for the punctual payment of the principal of and interest on all general obligation bonds and bond anticipation notes of either of the sanitary districts, and all the taxable property within the new sanitary district shall be and remain subject to taxation for these payments.
- g. All rules, regulations and policies of either of the sanitary districts shall continue in full force and effect until repealed or amended by the governing body of the new sanitary district.

(5b) If the majority of the registered voters who shall vote at said election of both sanitary districts vote in favor of said merger and one district is to be dissolved and the other district is to be a successor covering the territory of both, the merger becomes effective at 12:00 noon on the following July 1, and at that time:

- a. One sanitary district shall cease to exist as a body politic and corporate, and the successor sanitary district continues to exist as a body politic and corporate.

- b. All property, real and personal and mixed, belonging to the sanitary districts vests in, belongs to and is the property of the successor sanitary district.
 - c. All judgments, liens, rights of liens and causes of action of any nature in favor of either sanitary district vest in and remain and inure to the benefit of the successor sanitary district.
 - d. All rentals, taxes, assessments and any other funds, charges or fees owing either of the sanitary districts are owed to and may be collected by the successor sanitary district.
 - e. Any action, suit, or proceeding pending against, or having been instituted by, either of the sanitary districts shall not be abated by its dissolution, but shall be continued and completed in the same manner as if dissolution had not occurred. The successor sanitary district shall be a party to all these actions, suits and proceedings in the place and stead of the dissolved sanitary district and shall pay or cause to be paid any judgment rendered against the sanitary district in any of these actions or proceedings. No new process need be served in any of the actions, suits or proceedings.
 - f. All obligations of either of the sanitary districts, including outstanding indebtedness, are assumed by the successor sanitary district and all the obligations and outstanding indebtedness are constituted obligations and indebtedness of the successor sanitary district. The full faith and credit of the successor sanitary district is deemed to be pledged for the punctual payment of the principal of and interest on all general obligation bonds and bond anticipation notes of either of the sanitary districts, and all the taxable property within the successor sanitary district shall be and remain subject to taxation for these payments.
 - g. All rules, regulations and policies of either of the sanitary districts shall continue in full force and effect until repealed or amended by the governing body of the successor sanitary district.
- (6) The board of county commissioners shall request the appropriate board of elections to hold and conduct the election. All qualified voters of the two sanitary districts shall be eligible to vote.
- (7) Notice of the election shall be given as required in G.S. 163-33(8). The board of elections may, in its discretion, use either method of registration set out in G.S. 163-288.2 if it deems a special registration is desirable in the sanitary districts."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 10th day of July,

1981.