

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

SESSION LAW 2009-436  
SENATE BILL 698

AN ACT REQUIRING THAT CITIES, COUNTIES, SANITARY DISTRICTS, AND WATER AND SEWER AUTHORITIES GIVE ELECTRONIC NOTICE OF THE IMPOSITION OF CERTAIN NEW FEES AND INCREASES IN CERTAIN EXISTING FEES AND AN OPPORTUNITY TO BE HEARD WHEN THE IMPOSITION OR INCREASE OF THOSE FEES IS CONSIDERED.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 5 of Chapter 153A of the General Statutes is amended by adding a new section to read:

**"§ 153A-102.1. Electronic notice of new fees and fee increases; public comment period.**

(a) If a county has a Web site maintained by one or more of its employees, the county shall provide notice of the imposition of or increase in fees or charges applicable solely to the construction of development subject to the provisions of Part 2 of Article 18 of this Chapter on the county's Web site at least seven days prior to the first meeting where the imposition of or increase in the fees or charges is on the agenda for consideration.

(b) During the consideration of the imposition of or increase in fees or charges as provided in subsection (a) of this section, the governing body of the county shall permit a period of public comment.

(c) This section shall not apply if the imposition of or increase in fees or charges is contained in a budget filed in accordance with the requirements of G.S. 159-12."

**SECTION 2.** Article 1 of Chapter 160A of the General Statutes is amended by adding a new section to read:

**"§ 160A-4.1. Electronic notice of new fees and fee increases; public comment period.**

(a) If a city has a Web site maintained by one or more of its employees, the city shall provide notice of the imposition of or increase in fees or charges applicable solely to the construction of development subject to the provisions of Part 2 of Article 19 of this Chapter on the city's Web site at least seven days prior to the first meeting where the imposition of or increase in the fees or charges is on the agenda for consideration.

(b) During the consideration of the imposition of or increase in fees or charges as provided in subsection (a) of this section, the governing body of the city shall permit a period of public comment.

(c) This section shall not apply if the imposition of or increase in fees or charges is contained in a budget filed in accordance with the requirements of G.S. 159-12."

**SECTION 3.** Part 2 of Article 2 of Chapter 130A of the General Statutes is amended by adding a new section to read:

**"§ 130A-64.1. Electronic notice of new or increased charges and rates; public comment period.**

(a) If a sanitary district has a Web site maintained by one or more of its employees, the sanitary district shall provide notice of the imposition of or increase in service charges or rates applicable solely to the construction of development subject to Part 2 of Article 19 of Chapter 160A or Part 2 of Article 18 of Chapter 153A for any service provided by the sanitary district



on the sanitary district's Web site at least seven days prior to the first meeting where the imposition of or increase in the charges or rates is on the agenda for consideration.

(b) During the consideration of the imposition of or increase in service charges or rates as provided in subsection (a) of this section, the governing body of the sanitary district shall permit a period of public comment.

(c) This section shall not apply if the imposition of or increase in service charges or rates is contained in a budget filed in accordance with the requirements of G.S. 159-12."

**SECTION 4.** G.S. 162A-9 reads as rewritten:

**"§ 162A-9. Rates and charges; electronic notice; contracts for water or services; deposits; delinquent charges.**

(a) An authority may establish and revise a schedule of rates, fees, and other charges for the use of and for the services furnished or to be furnished by any water system or sewer system or parts thereof owned or operated by the authority. The rates, fees, and charges established under this subsection are not subject to supervision or regulation by any bureau, board, commission, or other agency of the State or of any political subdivision.

Before an authority sets or revises rates, fees, or other charges for stormwater management programs and structural or natural stormwater and drainage system service, the authority shall hold a public hearing on the matter. At least seven days before the hearing, the authority shall publish notice of the public hearing in a newspaper having general circulation in the area. An authority may impose rates, fees, or other charges for stormwater management programs and stormwater and drainage system service on a person even though the person has not entered into a contract to receive the service.

Rates, fees, and charges shall be fixed and revised so that the revenues of the authority, together with any other available funds, will be sufficient at all times:

- (1) To pay the cost of maintaining, repairing, and operating the systems or parts thereof owned or operated by the authority, including reserves for such purposes, and including provision for the payment of principal of and interest on indebtedness of a political subdivision or of political subdivisions which payment shall have been assumed by the authority, and
- (2) To pay the principal of and the interest on all bonds issued by the authority under the provisions of this Article as the same shall become due and payable and to provide reserves therefor.

The fees established under this subsection must be made applicable throughout the service area. Schedules of rates, fees, charges, and penalties for providing stormwater management programs and structural and natural stormwater and drainage system service may vary according to whether the property served is residential, commercial, or industrial property, the property's use, the size of the property, the area of impervious surfaces on the property, the quantity and quality of the runoff from the property, the characteristics of the watershed into which stormwater from the property drains, and other factors that affect the stormwater drainage system. Rates, fees, and charges imposed under this subsection for stormwater management programs and stormwater and drainage system service may not exceed the authority's cost of providing a stormwater management program and a structural and natural stormwater and drainage system. The authority's cost of providing a stormwater management program and a structural and natural stormwater and drainage system includes any costs necessary to assure that all aspects of stormwater quality and quantity are managed in accordance with federal and State laws, regulations, and rules.

No stormwater utility fee may be levied under this subsection whenever two or more units of local government operate separate stormwater management programs or separate structural and natural stormwater and drainage system services in the same area within a county. However, two or more units of local government may allocate among themselves the functions, duties, powers, and responsibilities for jointly operating a stormwater management program

and structural and natural stormwater and drainage system service in the same area within a county, provided that only one unit may levy a fee for the service within the joint service area. For purposes of this subsection, a unit of local government shall include a regional authority providing stormwater management programs and structural and natural stormwater and drainage system services.

(a1) If an authority has a Web site maintained by one or more of its employees, the authority shall provide notice of the imposition of or increase in rates, fees, and charges under subsection (a) of this section applicable solely to the construction of development subject to Part 2 of Article 19 of Chapter 160A or Part 2 of Article 18 of Chapter 153A on the authority's Web site at least seven days prior to the first meeting where the imposition of or increase in the rates, fees, and charges is on the agenda for consideration. During the consideration of the imposition of or increase in rates, fees, or charges under this subsection, the authority shall permit a period of public comment. This subsection shall not apply if the imposition of or increase in rates, fees, and charges is contained in a budget filed in accordance with the requirements of G.S. 159-12.

(b) Notwithstanding any of the foregoing provisions of this section, the authority may enter into contracts relating to the collection, treatment or disposal of sewage or the purchase or sale of water which shall not be subject to revision except in accordance with their terms.

(c) In order to insure the payment of such rates, fees and charges as the same shall become due and payable, the authority may do the following in addition to exercising any other remedies which it may have:

- (1) Require reasonable advance deposits to be made with it to be subject to application to the payment of delinquent rates, fees and charges.
- (2) At the expiration of 30 days after any rates, fees and charges become delinquent, discontinue supplying water or the services and facilities of any water system or sewer system of the authority.
- (3) Specify the order in which partial payments are to be applied when a bill covers more than one service."

**SECTION 5.** This act becomes effective September 1, 2009.

In the General Assembly read three times and ratified this the 30<sup>th</sup> day of July, 2009.

s/ Walter H. Dalton  
President of the Senate

s/ Joe Hackney  
Speaker of the House of Representatives

s/ Beverly E. Perdue  
Governor

Approved 10:57 a.m. this 7<sup>th</sup> day of August, 2009