

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 138  
House Committee Substitute Favorable 7/15/98  
Corrected Copy 7/17/98  
House Committee Substitute #2 Favorable 7/28/98

Short Title: Dissolve Sanitary Dist.

(Public)

Sponsors:

Referred to:

February 17, 1997

A BILL TO BE ENTITLED  
AN ACT TO ALLOW AN ALTERNATIVE PROCEDURE FOR DISSOLUTION OF A  
SANITARY DISTRICT THAT HAS NO INDEBTEDNESS AND THE  
TERRITORY OF WHICH HAS BEEN ENTIRELY ANNEXED.

The General Assembly of North Carolina enacts:

Section 1. Article 2 of Chapter 130A of the General Statutes is amended by adding a new section to read:

**"§ 130A-73.1. Dissolution of sanitary districts having no outstanding indebtedness and located wholly within or coterminous with corporate limits of city or town.**

(a) When the boundaries of a sanitary district that (i) is located entirely within one county, (ii) has no outstanding indebtedness, (iii) at the time of its creation was not located entirely within or coterminous with the corporate limits of a city or town, (iv) has not provided any water or sewer service for at least five years, (v) did not levy any ad valorem tax in the current year, (vi) has been for at least five years entirely located within or coterminous with the corporate limits of a city or town, and (vii) at the time of the annexation of the area of the district by that city or town, the city or town assumed all

1 assets and liabilities of the district, the board of that district by unanimous vote may  
2 petition the board of commissioners of the county in which the district is located to  
3 dissolve the district. Upon receipt of the petition, the board of commissioners shall notify  
4 the Department and the governing body of the city or town within which the district lies  
5 of the receipt of the petition. If the Commission, the county board of commissioners, and  
6 the governing body of the city or town shall deem it advisable to comply with the request  
7 of the petition, the Commission shall adopt a resolution dissolving the district. All taxes  
8 levied by the sanitary district that were levied prior to, but that are collected after, the  
9 dissolution shall vest in the city or town. All property held, owned, controlled, or used by  
10 the sanitary district upon the dissolution or that may later be vested in the sanitary  
11 district, and all judgments, liens, rights, and causes of actions in favor of the sanitary  
12 district shall vest in the city or town. At the dissolution, taxes owed to the sanitary  
13 district shall be collected by the city or town.

14 (b) The procedure for the dissolution of a sanitary district set out in this section is  
15 an alternative to the procedure set out in G.S. 130A-73 and any sanitary district to which  
16 both that section and this section apply may be dissolved under either section."

17 Section 2. This act is effective when it becomes law.