

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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SENATE BILL 320\*  
Second Edition Engrossed 5/7/19

Short Title: Regional Water Systems and State Grants. (Public)

Sponsors: Senator J. Alexander (Primary Sponsor).

Referred to: Rules and Operations of the Senate

March 21, 2019

1 A BILL TO BE ENTITLED  
2 AN ACT TO FOSTER REGIONAL COOPERATION FOR WATER AND WASTEWATER  
3 INFRASTRUCTURE.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 159G-42 reads as rewritten:

6 "§ 159G-42. Disbursement of loan or grant.

7 (a) The Department must disburse the proceeds of a loan or grant to a recipient in a series  
8 of payments based on the progress of the project for which the loan or grant was awarded. To  
9 obtain a payment, a loan or grant recipient must submit a request for payment to the Department  
10 and document the expenditures for which the payment is requested.

11 (b) Prior to any disbursement of a loan or grant to a recipient that is engaged in  
12 regionalization or initiating regionalization with the loan or grant, the Department shall  
13 encourage the recipient to have one of the following with respect to each local government unit  
14 that serves a customer base of over five thousand (5,000) and that purchases treated or untreated  
15 water from the recipient at the time of the disbursement of the loan or grant:

16 (1) A written agreement approved by the governing board of the recipient and the  
17 governing board of the local government unit stating the current rates of  
18 purchase and any anticipated increases over the term of the agreement.

19 (2) A resolution approved by the governing board of the purchasing local  
20 government unit stating the local government unit waives its option to  
21 establish such a written agreement.

22 (c) In developing any agreement for execution as required by subsection (b) of this  
23 section, either local government unit may request to the Local Government Commission to assist  
24 in resolving any disputes between the local government units prior to execution of the written  
25 agreement. When a request for assistance is made, the Local Government Commission shall  
26 assist and provide recommendations within 90 days of the request."

27 SECTION 2. This act is effective when it becomes law and applies to disbursements  
28 under Chapter 159G of the General Statutes on or after that date.

