

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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HOUSE BILL 831  
Committee Substitute Favorable 5/11/21

Short Title: Cities/Prohibited Service Agreements.

(Public)

Sponsors:

Referred to:

May 5, 2021

1 A BILL TO BE ENTITLED  
2 AN ACT PROVIDING THAT CITIES SHALL NOT ENTER INTO AGREEMENTS WITH  
3 PUBLIC WATER OR SEWER SYSTEMS THAT CONDITION THE PROVISION OR  
4 EXTENSION OF WATER OR SEWER SERVICES UPON THE ANNEXATION OF THE  
5 AREA TO BE SERVED BY THE CITY OR WATER AND SEWER SERVICE DISTRICT.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 160A-58.24 reads as rewritten:

8 "§ 160A-58.24. Contents of agreements; procedure.

9 ...

10 (g) No agreement entered into under this Part by a city and a "public water or sewer  
11 system," as that term is defined in G.S. 160A-58.56(a), shall condition the provision or extension  
12 of water or sewer services, or both, upon the annexation of the area to be served by the city or by  
13 the public water or sewer service district."

14 SECTION 2. G.S. 160A-464 reads as rewritten:

15 "§ 160A-464. Provisions of the agreement.

16 (a) Any contract or agreement establishing an undertaking shall specify:

17 ...

18 (b) No contract or agreement establishing an undertaking under this Part by a city and a  
19 "public water or sewer system," as that term is defined in G.S. 160A-58.56(a), shall condition  
20 the provision or extension of water or sewer services, or both, upon the annexation of the area to  
21 be served by the city or the public water or sewer service district."

22 SECTION 3. This act is effective January 1, 2021, and applies to agreements or  
23 contracts entered into on or after that date.

