

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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HOUSE BILL 298

Short Title: Local Gov'ts/System Development Fees. (Public)

Sponsors: Representative Pickett.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: State and Local Government, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

March 6, 2025

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT SYSTEM DEVELOPMENT FEES FOR CERTAIN
NONRESIDENTIAL NEW DEVELOPMENT MAY BE PAID IN INSTALLMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 162A-213 reads as rewritten:

"§ 162A-213. **Time for collection of system development fees.**

...

(b) Other New Development. – ~~For~~ Except as provided in subsection (b1) of this section,
for all other new development, the local governmental unit shall collect the system development
fee at the earlier of either of the following:

...

(b1) Nonresidential New Development. – For new nonresidential development with a
calculated increased flow rate between 325 and 2,500 gallons per day, the local governmental
unit may collect the system development fee in installments; provided, however, the installment
plan established by the local governmental unit shall provide that installments shall accrue
interest at a rate not greater than that established by the Secretary of Revenue pursuant to
G.S. 105-241.21 on the date of connection and shall be spread over a time period of three years
or less from the time of application for a building permit or the time of application for connection
of the individual unit of development to the service or facilities, whichever comes first.

...."

SECTION 2. This act is effective when it becomes law and applies to system
development fees imposed on or after that date.

