

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 981
HOUSE BILL 1204

AN ACT TO GIVE WATER AND SEWER AUTHORITIES THE SAME POWER AS
CITIES AND COUNTIES TO PURCHASE PROPERTY SUBJECT TO A
PURCHASE MONEY SECURITY INTEREST.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-20 reads as rewritten:

"§ **160A-20. Purchase money security interests.** ~~Cities and counties are authorized to~~
Cities, counties, and water and sewer authorities created under Article 1 of Chapter
162A of the General Statutes may purchase real or personal property by installment
contracts which create in the property purchased a security interest to secure payment of
the purchase money. A contract entered into under this section is subject to the
applicable provisions of Article 8 of Chapter 159 of the General Statutes. No deficiency
judgment may be rendered against any ~~city or county~~ city, county, or water and sewer
authority created under Article 1 of Chapter 162A of the General Statutes in any action
for breach of a contractual obligation authorized by this section, and the taxing power of
a city or county is not and may not be pledged directly or indirectly to secure any
moneys due to the seller. Any contract made or entered into by a city or county before
June 1, 1979, which would have been valid hereunder is hereby validated, ratified and
confirmed."

Sec. 2. G.S. 162A-6 is amended by adding a new subdivision to read:

"(16) To purchase real or personal property as provided by G.S. 160A-20, in
addition to any other method allowed under this Article."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of
June, 1988.