

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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HOUSE BILL 2682

Short Title: New Hanover County Infrastructure Referendum. (Local)

Sponsors: Representatives McComas, Wright, and Justice (Primary Sponsors).

Referred to: Local Government I, if favorable, Finance.

May 25, 2006

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE A REFERENDUM ON TRANSPORTATION AND
2 SEWER NEEDS IN NEW HANOVER COUNTY.
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4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** This act applies only to New Hanover County.

6 **SECTION 2.** Short title; purpose. – This act is the New Hanover County
7 Sewer and Transportation Infrastructure Referendum Act. This act gives New Hanover
8 County an opportunity to improve infrastructure without having to raise property tax
9 rates. These improvements include the construction of transportation projects and
10 improving failing sewer infrastructure located within the County. It provides New
11 Hanover County with authority to levy sales and use taxes for these purposes.

12 **SECTION 3.** Definitions. – The definitions in G.S. 105-164.3 and the
13 following definitions apply in this act:

14 (1) Net proceeds. – Gross proceeds less the cost of administering and
15 collecting the tax.

16 (2) Sewer infrastructure. – The system of pipes, conduits, pumping
17 stations, force mains, and necessary appurtenances for collecting and
18 conveying wastewater to a designated wastewater treatment facility or
19 to another sewer system.

20 (3) Transportation improvement projects. – The highway projects to be
21 accelerated with the revenue collected pursuant to this act are the
22 following:

23 a. U-4434 – Independence Boulevard Extension.

24 b. Construction on U-4751 – SR 1409 (Military Cutoff Road) to
25 the Wilmington Bypass (R-2405).

26 c. Construction on R-4708 – US 421 (Lake Park Boulevard) in
27 Carolina Beach to US 421 (Fort Fisher Boulevard) in Kure
28 Beach.

1 **SECTION 6.** Distribution. – The Secretary shall, on a quarterly basis,
2 allocate to New Hanover County the net proceeds of any tax levied under this act.

3 **SECTION 7.** Funds reserved to the Infrastructure Improvement Fund. –
4 New Hanover County shall establish the Infrastructure Improvement Fund to receive the
5 net proceeds of a tax levied under this act. The funds in the Infrastructure Improvement
6 Fund shall be used only in accordance with this act.

7 **SECTION 8.** Use and limitation. – New Hanover County shall use one-half
8 of the net proceeds distributed to it under this act to participate in the right-of-way and
9 construction costs associated with the transportation improvement projects only. New
10 Hanover County shall use the remaining net proceeds to improve sewer infrastructure
11 located within the County. Upon the completion of the transportation improvement
12 projects, all net proceeds under this act shall be used for improvements to sewer
13 infrastructure located within the County. In funding sewer infrastructure improvements,
14 the County shall give priority to projects necessary to repair failing sewer infrastructure
15 and prevent sanitary sewer overflows, including but not limited to replacement of
16 failing sewer lines, extension of sewer lines to areas with failing subsurface waste
17 systems, construction of parallel or replacement lines to provide adequate sewer
18 capacity, and replacement of pump stations.

19 **SECTION 9.** Administration. – Except as provided in this act, the adoption,
20 levy, collection, administration, and repeal of these additional taxes shall be in
21 accordance with Article 39 of this Chapter. In applying the provisions of Article 39 of
22 Chapter 105 of the General Statutes to this act, references to "this Article" mean "this
23 act."

24 **SECTION 10.** No TIP disadvantage for participation. – If New Hanover
25 County participates in the right-of-way acquisition and construction of the
26 transportation improvement projects, the Department of Transportation shall ensure that
27 the County's participation does not cause any disruption to or delay of a project that is in
28 the Transportation Improvement Program and approved by the Board of Transportation
29 pursuant to G.S. 143B-350(f)(4) and that is located in New Hanover County.

30 **SECTION 11.** Lump sum or unit price contracts. – A tax levied under this
31 act does not apply to construction materials purchased to fulfill a lump sum or unit price
32 contract entered into or awarded before the effective date of the levy or entered into or
33 awarded pursuant to a bid made before the effective date of the levy when the
34 construction materials would otherwise be subject to the tax levied under this act.

35 **SECTION 12.** This act is effective when it becomes law.