

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 587

Short Title: Sanitary Districts/Projects Economic Impact. (Public)

Sponsors: Representatives Butler and Iler (Primary Sponsors).

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

Referred to: State and Local Government II

April 6, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT PROVIDING THAT THE LOCAL GOVERNMENT COMMISSION SHALL  
3 CONDUCT AN ECONOMIC IMPACT STUDY OF SANITARY DISTRICT CAPITAL  
4 PROJECTS THAT REQUIRE THE ESTIMATED EXPENDITURE OF TEN MILLION  
5 DOLLARS OR MORE.

6 Whereas, counties and communities have an interest in providing clean water and  
7 sanitary sewer services for their citizens; and

8 Whereas, it is important that water and sanitary sewer services shall be provided in  
9 the most cost efficient manner; and

10 Whereas, in this State, there are often multiple sanitary districts and public  
11 authorities in close proximity to one another that provide similar services; and

12 Whereas, it is appropriate to examine capital intensive projects carefully to ensure  
13 that duplicitous infrastructure is not being constructed; Now, therefore,  
14 The General Assembly of North Carolina enacts:

15 **SECTION 1.** Article 2 of Chapter 130A of the General Statutes is amended by  
16 adding a new section to read as follows:

17 "**§ 130A-63.1. Economic impact study required for certain capital projects.**

18 Prior to accepting bids on any capital project that requires the estimated expenditure of ten  
19 million dollars (\$10,000,000) or more, a sanitary district board shall submit the details of the  
20 project to the Local Government Commission, which shall conduct an economic impact study  
21 to determine the impact the completed project will have on the sanitary district's assets and  
22 expenditures and the assets and expenditures of neighboring local government units and public  
23 authorities. The study shall also include the effect, if any, the capital project expenditures will  
24 have on the cost of raw water in the sanitary district and areas served by neighboring local  
25 government units and public authorities. The sanitary district shall submit the information  
26 required by this section in the form and manner required by the Local Government  
27 Commission, which is authorized to adopt regulations to carry out its powers and duties under  
28 this section."

29 **SECTION 2.** This act applies only to sanitary districts in counties with a  
30 population of 100,000 or more, but shall not apply if the county has only one sanitary district  
31 within its jurisdictional boundaries.

32 **SECTION 3.** This act is effective when it becomes law.  
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