

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011**

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**HOUSE BILL 925
Committee Substitute Favorable 5/26/11**

Short Title: LRC Study Metropolitan Sewerage/Water System.

(Public)

Sponsors:

Referred to:

May 5, 2011

A BILL TO BE ENTITLED

1 AN ACT TO DIRECT THE LEGISLATIVE RESEARCH COMMISSION TO STUDY
2 WHETHER THE EFFICIENCY OF PROVIDING WATER AND SEWER SERVICES
3 CAN BE IMPROVED BY REQUIRING LARGE CITIES LOCATED ENTIRELY
4 WITHIN A METROPOLITAN SEWERAGE DISTRICT TO CONVEY THEIR WATER
5 SYSTEM TO THAT DISTRICT WHICH CAN THEN OPERATE BOTH WATER AND
6 SEWER.
7

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** The Legislative Research Commission shall study whether requiring
10 large cities that have a municipal water system and that are located entirely within a
11 Metropolitan Sewerage District to convey that water system to the district will improve the
12 efficiency of providing public services. The Commission shall specifically examine House Bill
13 925, First Edition, 2011 Regular Session, and the following issues:

- 14 (1) Financial stability of the current independent systems on a historic basis and
15 the anticipated financial stability of a combined system.
- 16 (2) Cost-benefit analysis of a combined system, including a review of assets and
17 liabilities; personnel needs; equipment and infrastructure replacement
18 schedules; facilities leased and owned; and fee schedules.
- 19 (3) Debt obligation.
- 20 (4) Taxpayer investments in the systems.
- 21 (5) Audit of current financials.
- 22 (6) Comparative analysis of the current system to existing public and private
23 systems.
- 24 (7) Conservation and water efficiency practices.
- 25 (8) Best management practices.
- 26 (9) The disposition of property in Article 12 of Chapter 160A of the General
27 Statutes as it relates to a conveyance of a water system.
- 28 (10) The transfer of permits when a water system is conveyed.
- 29 (11) Any local acts applicable to the city or metropolitan sewerage district.
- 30 (12) Other items the Commission deems relevant to the study.

31 **SECTION 2.** The Legislative Research Commission shall report its findings and
32 recommendations to the 2012 Regular Session of the 2011 General Assembly prior to its
33 convening.

34 **SECTION 3.** The Legislative Services Officer shall allocate funds appropriated to
35 the General Assembly for the expenditures of the Legislative Services Commission in
36 conducting this study.



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SECTION 4. This act is effective when it becomes law.