

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

H

1

HOUSE BILL 660

Short Title: Limit Late Fees by Sanitary District Boards. (Public)

Sponsors: Representatives Dockham; and Blackwood.

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

March 19, 2009

A BILL TO BE ENTITLED

AN ACT TO LIMIT FEES IMPOSED BY SANITARY DISTRICT BOARDS FOR DELINQUENT PAYMENT OF WATER AND SEWER SERVICE CHARGES AND TO REQUIRE NOTICE AND A GRACE PERIOD FOR THE DISCONTINUATION OF SERVICE DUE TO DELINQUENT PAYMENTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 130A-64 reads as rewritten:

**"§ 130A-64. Service charges and rates.**

(a) A sanitary district board shall apply service charges and rates based upon the exact benefits derived. These service charges and rates shall be sufficient to provide funds for the maintenance, adequate depreciation and operation of the work of the district. If reasonable, the service charges and rates may include an amount sufficient to pay the principal and interest maturing on the outstanding bonds and, to the extent not otherwise provided for, bond anticipation notes of the district. Any surplus from operating revenues shall be set aside as a separate fund to be applied to the payment of interest on or to the retirement of bonds or bond anticipation notes. The sanitary district board may modify and adjust these service charges and ~~rates~~ rates, except that a sanitary district board may not impose a late fee in excess of fifteen dollars (\$15.00) or ten percent (10%) of the amount due, whichever is greater, on an account that is less than 30 days past due. Nothing in this subsection shall be construed to prohibit a sanitary district board from imposing an additional late fee on an account that is more than 30 days past due.

(b) No sanitary district board may discontinue or disconnect service for nonpayment of a delinquent account unless the account is at least 30 days past due and the sanitary district board provides at least five days' advance written notice of the discontinuance or disconnection, by first class mail, to the individual or entity responsible for payment."

**SECTION 2.** This act is effective when it becomes law.

