

§ 162A-19.2. Limitation on water and sewer rates charged to customers outside the jurisdictional boundaries of the provider.

(a) For purposes of this section, "local government service provider" means any of the following:

- (1) A county.
- (2) A city.
- (3) A water and sewer authority created under Article 1 of Chapter 162A of the General Statutes.
- (4) A metropolitan sewerage district created under Article 5 of Chapter 162A of the General Statutes.
- (5) A sanitary district created under Part 2 of Article 2 of Chapter 130A of the General Statutes.
- (6) A county water and sewer district created under Article 6 of Chapter 162A of the General Statutes.
- (7) A metropolitan water district created under Article 4 of Chapter 162A of the General Statutes.
- (8) A metropolitan water and sewerage district created under Article 5A of Chapter 162A of the General Statutes.

(b) Any local government service provider establishing an increase in the rates, fees, or charges for water or sewer system customers outside of the local government service provider's jurisdictional boundaries may impose rates, fees, and charges that exceed the charges to customers inside its boundaries. Notwithstanding G.S. 130A-64.1, 153A-277(a1)(1), 160A-314(a1)(1), and 162A-9(a), if the total of all rates, fees, and charges, excluding tap fees and impact fees, does not exceed the rates, fees, and charges to customers inside its boundaries by more than twenty-five percent (25%), the local government service provider shall not be required to hold a public hearing except as may be provided for service to customers inside the boundaries of the local government service provider. If the total of all rates, fees, and charges, excluding tap fees and impact fees, exceeds the rates, fees, and charges to customers inside its boundaries by more than twenty-five percent (25%), the local government service provider shall hold a public hearing and explain how the rates, fees, and charges for customers outside its boundaries were determined. This section shall not be construed to prohibit a local government service provider from charging a tap fee or impact fee separate from the provisions of this subsection. (2026-32, s. 3.)