

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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**SENATE BILL 432*
Finance Committee Substitute Adopted 4/2/01**

Short Title: Water and Sewer Authorities.

(Public)

Sponsors:

Referred to:

March 13, 2001

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW NONPROFIT WATER CORPORATIONS TO JOIN CERTAIN
2 WATER AND SEWER AUTHORITIES.
3

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 162A-3 is amended by adding a new subsection to read:

6 "(a1) If an authority is organized by three or more political subdivisions, it may
7 include in its organization up to two nonprofit water corporations. The board of
8 directors of a nonprofit water corporation must signify the corporation's determination
9 to participate in the organization of the authority by adopting a resolution that meets the
10 requirements of subsection (b) of this section. The nonprofit water corporation is not
11 subject to the notice and public hearing requirements of subsection (a) of this section.
12 For all other purposes of this Article, the nonprofit water corporation shall be
13 considered to be a political subdivision."

14 **SECTION 2.** G.S. 162A-3.1 is amended by adding a new subsection to read:

15 "(a1) If an authority is organized by three or more political subdivisions, it may
16 include in its organization up to two nonprofit water corporations. The board of
17 directors of a nonprofit water corporation must signify the corporation's determination
18 to participate in the organization of the authority by adopting a resolution that meets the
19 requirements of subsection (b) of this section. The nonprofit water corporation is not
20 subject to the notice and public hearing requirements of subsection (a) of this section.
21 For all other purposes of this Article, the nonprofit water corporation shall be
22 considered to be a political subdivision."

23 **SECTION 3.** The creation of any Water and Sewer Authority under Article
24 1 of Chapter 162A of the General Statutes on or after July 1, 2000, but before this act
25 became law, that would have been permitted under that Article, as amended by Sections
26 1 and 2 of this act, is validated and confirmed as to the membership of nonprofit water
27 corporations.

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