



# HOUSE BILL 86: Utility Line Relocation/School Board

2015-2016 General Assembly

---

<b>Committee:</b>	Senate Transportation	<b>Date:</b>	June 10, 2015
<b>Introduced by:</b>	Reps. McNeill, Hurley, Shepard	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

---

**SUMMARY:** *House Bill 86 would require the Department of Transportation to pay the nonbetterment costs of moving water and sewer lines for a local board of education, when the lines are located in the right-of-way of a State transportation improvement project.*

**CURRENT LAW:** The NC Department of Transportation is authorized by G.S. 136-18(10) to allow entities that provide various utility services to locate their utility lines on DOT rights-of-way. The cost to move the lines because of a DOT project must be paid by the utility, unless State law provides otherwise.

G.S. 136-27.1<sup>1</sup> requires the Department of Transportation to pay the nonbetterment<sup>2</sup> cost of relocating the water and sewer lines owned by certain entities in the transportation right-of-way when the lines must be moved for a transportation improvement project.

The Department must pay the nonbetterment cost to move water and sewer lines belonging to the following:

- Municipalities with a population of 5,500 or less, including lines for systems that were initially organized under Chapter 162A.<sup>3</sup>
- Nonprofit water or sewer associations and corporations.
- A water or sewer system organized under Chapter 162A.
- A rural water system operated as a County enterprise system.
- Sanitary Districts.

**BILL ANALYSIS:** House Bill 86 would add water and sewer lines owned by local boards of education to the type of lines that the Department of Transportation must pay to relocate for transportation improvement projects.

**EFFECTIVE DATE:** This act becomes effective July 1, 2015, and applies to relocations on or after that date.

*Heather Fennell, counsel to House Public Utilities, substantially contributed to this summary.*

<sup>1</sup> G.S. 136-27.2 also requires DOT to pay the nonbetterment cost for the relocation of county owned natural gas lines, located in DOT right-of-way, that the DOT needs to relocate due to a State transportation improvement project.

<sup>2</sup> "Nonbetterment cost" refers to the cost to move, but not improve, the utility line.

<sup>3</sup> Systems authorized under Chapter 162A are Metropolitan Water Districts, Metropolitan Sewerage Districts, Metropolitan Water and Sewerage Districts, and County Water and Sewerage Districts.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 86

*Page 2*