



# HOUSE BILL 86: Utility Line Relocation/School Board

2015-2016 General Assembly

**Committee:**

**Introduced by:**

**Analysis of:** S.L. 2015-111

**Date:**

**Prepared by:** Heather Fennell  
Staff Attorney

**SUMMARY:** *S.L. 2015-111 requires 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.*

*This act became effective July 1, 2015, and applies to relocations on or after that date.*

**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.

**SESSION LAW ANALYSIS:** S.L. 2015-111 adds 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 became 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.



# House Bill 86

*Page 2*