



# HOUSE BILL 764: Expansion of MSD/Bd Appt.

2017-2018 General Assembly

<b>Committee:</b>	Senate State and Local Government. If favorable, re-refer to Rules and Operations of the Senate	<b>Date:</b>	May 22, 2017
<b>Introduced by:</b>	Rep. McGrady	<b>Prepared by:</b>	Billy R. Godwin Staff Attorney
<b>Analysis of:</b>	Second Edition		

**OVERVIEW:** House Bill 764 would amend the laws governing expansion of metropolitan sewerage districts to do both of the following:

- Allow a political subdivision to request inclusion into the metropolitan sewerage district of all, or part of, the political subdivision, rather than all; and
- Require that when new territory is expanded into a metropolitan sewerage district, any county without representation on the district board shall be represented by three additional board members from among the qualified voters residing in the new territory appointed by the county board of commissioners governing the new territory.

**CURRENT LAW:** Chapter 162A governs water and sewer systems, and in particular metropolitan sewerage districts (MSD). A MSD may be created upon request to the governing body of each political subdivision, and petition of at least 51% of the qualified voters residing in any unincorporated area, and approval of the Environmental Management Commission. Once approved, a district board is appointed.

Once established, a MSD may expand its territory upon receiving a resolution from a political subdivision or petition of at least 51% of the qualified voters residing in any unincorporated area requesting to be included. The district board then files a report with the Environmental Management Commission, who in turn shall determine if the request would preserve and promote the public health and welfare and may include the new area in the district. Alternatively, the qualified registered voters of the district may request an election to determine the question of expansion.

If the MSD is expanded, appointments to the district board are to be made by the additional political subdivisions, in accordance with G.S. 162A-68(i).

**BILL ANALYSIS:** House Bill 764 would amend the statute governing expansion of existing metropolitan sewerage districts to do the following:

1. Allow a political subdivision, including a county, to request the expansion of the MSD into all, or part, of that political subdivision's jurisdiction.
2. Require that any new county into which the territory of the existing MSD is expanding to be represented by three additional members on the MSD board. The three additional members would have to be qualified voters residing within the new territory and be appointed by the county board of commissioners governing the new territory.

**EFFECTIVE DATE:** This act would be effective when it becomes law and apply to any expansion of a metropolitan sewerage district on or after that date.

Staff attorneys Erika Churchill and Nicholas Giddings substantially contributed to this bill summary.

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