



# SENATE BILL 190: Expand Special Assessments for Dam Repair.

2019-2020 General Assembly

|                       |   |                     |                              |
|-----------------------|---|---------------------|------------------------------|
| <b>Committee:</b>     | House Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House | <b>Date:</b>        | July 11, 2019                |
| <b>Introduced by:</b> | Sen. McInnis  | <b>Prepared by:</b> | Greg Roney<br>Staff Attorney |
| <b>Analysis of:</b>   | Second Edition  |                     |                              |

**OVERVIEW:** Senate Bill 190 would extend the sunset on counties' authority to impose special assessments for dam repair from July 1, 2019 to July 1, 2022, and expand the authority to repair privately-owned dams used for recreational and flood control purposes with a lake between 1,100 and 1,300 acres. The Woodlake dam in Moore County has a lake within the newly-allowed range.

[As introduced, this bill was identical to H281, as introduced by Reps. Boles, McNeill, which is currently in House Finance.]

**CURRENT LAW:** Article 9 of Chapter 153A, enacted in 2008, authorizes counties and cities to impose special assessments on benefitted property as a financing tool for long-term capital projects.

G.S. 153A-210.2(a1), enacted in 2014, authorizes special assessments by a county for repairs to privately-owned dams formerly used for textile mill purposes with a lake between 225 and 325 acres.

A county may impose special assessments if the county receives a petition from a majority of property owners and a super-majority (66%) of the assessed value of the property in the area to be assessed.

Procedurally, the county board of commissioners adopts a preliminary assessment resolution that describes the project, basis for making the assessment, the cost, and the terms of payment of the assessment. The assessment method must accurately assess property according to the benefits conferred by the project. The county must hold a public hearing on the matter, prepare a preliminary assessment roll, and publish a confirmation of the assessment roll. An owner of assessed property may appeal to court if the owner is dissatisfied with the amount of the assessment.

Article V, Section 4 of the NC Constitution requires public laws relating to the contracting of debts by local government units.

**BILL ANALYSIS:** Senate Bill 190 would

- Extend the sunset on counties' authority to impose special assessments for dam repair from July 1, 2019 to July 1, 2022.
- Allow counties to make special assessments against property that is contiguous to a lake and benefits from access to the lake for the purpose of repairing the dam if the dam is privately-owned, formerly used for recreational and flood control, and forms a lake between 1,100 and 1,300 acres.

The Woodlake dam in Moore County has a lake within the newly-allowed range.

In addition to the petition requirements of Article 9 of Chapter 153A, Senate Bill 190 would require projects for a lake between 1,100 and 1,300 acres to be subject to the following conditions including an advisory referendum:

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

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1. The board of county commissioners directs the county board of elections to conduct a referendum on the special assessment.
2. The ballot question on the referendum must read:

"Special assessment for repairing a dam formerly used for recreational and flood control purposes and forming a lake between 1,100 and 1,300 acres."
3. A majority of those voting in the referendum approve the special assessment.
4. The board of county commissioners, by resolution, makes the special assessment.

**EFFECTIVE DATE:** Senate Bill 190 would be effective when it becomes law and sunsets July 1, 2022.

*Nicholas Giddings with the Legislative Analysis Division substantially contributed to this summary.*