



2023-2024 General Assembly

HOUSE BILL 600: Regulatory Reform Act of 2023, Sec. 23: Utilities Commission Authority to Allow Owners' Associations to Charge for the Costs of Providing Water and Sewer Service

Committee:
Introduced by:
Analysis of: Sec. 23 of S.L. 2023-137

Date: December 11, 2023
Prepared by: Kyle Evans
Staff Attorney

OVERVIEW: *Section 23 of S.L. 2023-137 authorizes the Utilities Commission to adopt procedures to allow an owners' association to charge for the costs of providing water or sewer service to persons who occupy townhomes within a planned community, and a unit owners' association to charge for the costs of providing water or sewer service to persons who occupy a condominium.*

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

CURRENT LAW & BILL ANALYSIS:

To encourage water conservation, G.S. 62-110(g) authorizes the Utilities Commission (Commission) to adopt procedures that allow a lessor to charge for the costs of providing water or sewer service to persons who occupy a leased premises. The statute required that all charges for water or sewer service be based on the user's metered consumption of water, which must be determined by metered measurement of all water consumed. In 2022, the Commission was authorized to adopt procedures to allow a lessor of a leased residential premise to equally divide the amount of a water and sewer bill for a unit among all the lessees in the unit and bill each lessee accordingly.

Section 23 authorizes the Commission to adopt procedures to allow an owners' association to charge for the costs of providing water or sewer service to persons who occupy townhomes within a planned community, and a unit owners' association to charge for the costs of providing water or sewer service to persons who occupy a condominium. For purposes of this section, a townhome is a single-family dwelling unit constructed in a group of three or more attached units.

EFFECTIVE DATE: This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

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