

Selected Statutes from Article 16 of Chapter 153A

County Service Districts; County Research and Production Service Districts; County Economic Development and Training Districts.

Part 1. County Service Districts.

§ 153A-300. Title; effective date.

This Article may be cited as "The County Service District Act of 1973," and is enacted pursuant to Article V, Sec. 2(4) of the Constitution of North Carolina, effective July 1, 1973. (1973, c. 489, s. 1; c. 822, s. 2.)

§ 153A-301. Purposes for which districts may be established.

(a) The board of commissioners of any county may define any number of service districts in order to finance, provide, or maintain for the districts one or more of the following services, facilities and functions in addition to or to a greater extent than those financed, provided or maintained for the entire county:

- (1) Beach erosion control and flood and hurricane protection works.
- (2) Fire protection.
- (3) Recreation.
- (4) Sewage collection and disposal systems of all types, including septic tank systems or other on-site collection or disposal facilities or systems.
- (5) Solid waste collection and disposal systems.
- (6) Water supply and distribution systems.
- (7) Ambulance and rescue.
- (8) Watershed improvement projects, including but not limited to watershed improvement projects as defined in Chapter 139 of the General Statutes; drainage projects, including but not limited to the drainage projects provided for by Chapter 156 of the General Statutes; and water resources development projects, including but not limited to the federal water resources development projects provided for by Article 21 of Chapter 143 of the General Statutes.
- (9) Cemeteries.
- (10) Law enforcement if all of the following apply:
 - a. The population of the county is (i) over 900,000 according to the most recent federal decennial census, and (ii) less than ten percent (10%) of the population of the county is in an unincorporated area according to the most recent federal decennial census.
 - b. The county has an interlocal agreement or agreements with a municipality or municipalities for the provision of law enforcement services in the unincorporated area of the county.
 - c. Repealed by Session Laws 2008-134, s. 76(c), effective July 28, 2008.
- (11) Services permitted under Article 24 of this Chapter if the district is subject to G.S. 153A-472.1.

(b) The General Assembly finds that coastal-area counties have a special problem with lack of maintenance of platted rights-of-way, resulting in ungraded sand travelways deviating from the original rights-of-way and encroaching on private property, and such cartways exhibit poor drainage and are blocked by junk automobiles.

(c) To address the problem described in subsection (b), the board of commissioners of any coastal-area county as defined by G.S. 113A-103(2) may define any number of service

Selected Statutes from Article 16 of Chapter 153A

districts in order to finance, provide, or maintain for the districts one or more of the following services, facilities and functions in addition to or to a greater extent than those financed, provided or maintained for the entire county:

- (1) Removal of junk automobiles; and
- (2) Street maintenance.

(d) The board of commissioners of a county that contains a protected mountain ridge, as defined by G.S. 113A-206(6), may define any number of service districts, composed of subdivision lots within one or more contiguous subdivisions that are served by common public roads, to finance for the district the maintenance of such public roads that are either located in the district or provide access to some or all lots in the district from a State road, where some portion of those roads is not subject to compliance with the minimum standards of the Board of Transportation set forth in G.S. 136-102.6. The service district or districts created shall include only subdivision lots within the subdivision, and one or more additional contiguous subdivisions, where the property owners' association, whose purpose is to represent these subdivision lots, agrees to be included in the service district. For subdivision lots in an additional contiguous subdivision or for other adjacent or contiguous property to be annexed according to G.S. 153A-303, the property owners' association representing the subdivision or property to be annexed must approve the annexation. For the purposes of this subsection: (i) "subdivision lots" are defined as either separate tracts appearing of record upon a recorded plat, or other lots, building sites, or divisions of land for sale or building development for residential purposes; and (ii) "public roads" are defined as roads that are in actual open use as public vehicular areas, or dedicated or offered for dedication to the public use as a road, highway, street, or avenue, by a deed, grant, map, or plat, and that have been constructed and are in use by the public, but that are not currently being maintained by any public authority.

(e) The board of commissioners of a county that adjoins or contains a lake, river, or tributary of a river or lake that has an identified noxious aquatic weed problem may define any number of noxious aquatic weed control service districts composed of property that is contiguous to the water or that provides direct access to the water through a shared, certified access site to the water. As used in this subsection, the term "noxious aquatic weed" is any plant organism identified by the Secretary of Environmental Quality under G.S. 113A-222 or regulated as a plant pest by the Commissioner of Agriculture under Article 36 of Chapter 106 of the General Statutes. (1973, c. 489, s. 1; c. 822, s. 2; c. 1375; 1979, c. 595, s. 1; c. 619, s. 6; 1983 (Reg. Sess., 1984), c. 1078, s. 1; 1989, c. 620; 1993, c. 378, s. 1; 1995, c. 354, s. 1; c. 434, s. 1; 1997-456, s. 24; 2005-433, s. 10(b); 2005-440, s. 1; 2008-134, s. 76(c); 2011-100, s. 1; 2015-241, s. 14.30(v).)

§ 153A-302. Definition of service districts.

(a) Standards. – In determining whether to establish a proposed service district, the board of commissioners shall consider all of the following:

- (1) The resident or seasonal population and population density of the proposed district.
- (2) The appraised value of property subject to taxation in the proposed district.
- (3) The present tax rates of the county and any cities or special districts in which the district or any portion thereof is located.
- (4) The ability of the proposed district to sustain the additional taxes necessary to provide the services planned for the district.

Selected Statutes from Article 16 of Chapter 153A

- (5) If it is proposed to furnish water, sewer, or solid waste collection services in the district, the probable net revenues of the projects to be financed and the extent to which the services will be self-supporting.
- (6) Any other matters that the commissioners believe to have a bearing on whether the district should be established.
- (a1) Findings. – The board of commissioners may establish a service district if, upon the information and evidence it receives, the board finds that all of the following apply:
 - (1) There is a demonstrable need for providing in the district one or more of the services listed in G.S. 153A-301.
 - (2) It is impossible or impracticable to provide those services on a countywide basis.
 - (3) It is economically feasible to provide the proposed services in the district without unreasonable or burdensome annual tax levies.
 - (4) There is a demonstrable demand for the proposed services by persons residing in the district.

Territory lying within the corporate limits of a city or sanitary district may not be included unless the governing body of the city or sanitary district agrees by resolution to such inclusion.

(b) Report. – Before the public hearing required by subsection (c), the board of commissioners shall cause to be prepared a report containing:

- (1) A map of the proposed district, showing its proposed boundaries;
- (2) A statement showing that the proposed district meets the standards set out in subsection (a); and
- (3) A plan for providing one or more of the services listed in G.S. 153A-301 to the district.

The report shall be available for public inspection in the office of the clerk to the board for at least four weeks before the date of the public hearing.

(c) Hearing and Notice. – The board of commissioners shall hold a public hearing before adopting any resolution defining a new service district under this section. Notice of the hearing shall state the date, hour, and place of the hearing and its subject, and shall include a map of the proposed district and a statement that the report required by subsection (b) is available for public inspection in the office of the clerk to the board. The notice shall be published at least once not less than one week before the date of the hearing. In addition, it shall be mailed at least four weeks before the date of the hearing by any class of U.S. mail which is fully prepaid to the owners as shown by the county tax records as of the preceding January 1 (and at the address shown thereon) of all property located within the proposed district. The person designated by the board to mail the notice shall certify to the board that the mailing has been completed and his certificate is conclusive in the absence of fraud.

(d) Effective Date. – The resolution defining a service district shall take effect at the beginning of a fiscal year commencing after its passage, as determined by the board of commissioners.

(e) Exceptions For Countywide District. – The following requirements do not apply to a board of commissioners that proposes to create a law enforcement service district pursuant to G.S. 153A-301(a)(10) that covers the entire unincorporated area of the county:

- (1) The requirement that the district cannot be created unless the board makes the finding in subdivision (a1)(2) of this section.

Selected Statutes from Article 16 of Chapter 153A

- (2) The requirement in subsection (c) of this section to notify each property owner by mail, if the board publishes a notice of its proposal to establish the district, once a week for four successive weeks before the date of the hearing required by that subsection.

(f) **Exceptions for Article 24 District.** – The following requirements do not apply to a board of commissioners that proposes to create a service district pursuant to G.S. 153A-301(a)(11) that covers the entire unincorporated area of the county:

- (1) The requirement that the district cannot be created unless the board makes the finding in subdivision (a1)(2) of this section.
- (2) The requirement in subsection (c) of this section to notify each property owner by mail, if the board publishes a notice of its proposal to establish the district, once a week for two successive weeks before the date of the hearing required by that subsection. (1973, c. 489, s. 1; c. 822, s. 2; 1981, c. 53, s. 1; 1995, c. 354, s. 2; 2005-433, s. 10(c).)

§ 153A-305. Required provision or maintenance of services.

(a) **New District.** – When a county defines a new service district, it shall provide, maintain, or let contracts for the services for which the residents of the district are being taxed within a reasonable time, not to exceed one year, after the effective date of the definition of the district.

(b) **Extended District.** – When a county annexes territory to a service district, it shall provide, maintain, or let contracts for the services provided or maintained throughout the district to the residents of the area annexed to the district within a reasonable time, not to exceed one year, after the effective date of the annexation.

(c) **Consolidated District.** – When a county consolidates two or more service districts, one of which has had provided or maintained a lower level of services, it shall increase the services within that district (or let contracts therefor) to a level comparable to those provided or maintained elsewhere in the consolidated district within a reasonable time, not to exceed one year, after the effective date of the consolidation. (1973, c. 489, s. 1; c. 822, s. 2.)

§ 153A-306. Abolition of service districts.

Upon finding that there is no longer a need for a particular service district and that there are no outstanding bonds or notes issued to finance projects in the district, the board of commissioners may by resolution abolish that district. The board shall hold a public hearing before adopting a resolution abolishing a district. Notice of the hearing shall state the date, hour and place of the hearing, and its subject, and shall be published at least once not less than one week before the date of the hearing. The abolition of any service district shall take effect at the end of a fiscal year following passage of the resolution, as determined by the board. (1973, c. 489, s. 1; c. 822, s. 2.)

§ 153A-307. Taxes authorized; rate limitation.

A county may levy property taxes within defined service districts in addition to those levied throughout the county, in order to finance, provide or maintain for the districts services provided therein in addition to or to a greater extent than those financed, provided or maintained for the entire county. In addition, a county may allocate to a service district any other revenues whose use is not otherwise restricted by law.

Selected Statutes from Article 16 of Chapter 153A

Property subject to taxation in a newly established district or in an area annexed to an existing district is that subject to taxation by the county as of the preceding January 1.

Property taxes may not be levied within any district established pursuant to this Article in excess of a rate on each one hundred dollars (\$100.00) value of property subject to taxation which, when added to the rate levied countywide for purposes subject to the rate limitation, would exceed the rate limitation established in G.S. 153A-149(c), unless the portion of the rate in excess of this limitation is submitted to and approved by a majority of the qualified voters residing within the district. Any referendum held pursuant to this paragraph shall be held and conducted as provided in G.S. 153A-149. (1973, c. 489, s. 1; c. 822, s. 2.)