

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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HOUSE BILL 266

Short Title: Local Governments/System Development Fees. (Public)

Sponsors: Representative A. Baker.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Rules, Calendar, and Operations of the House

March 6, 2023

A BILL TO BE ENTITLED

AN ACT GRANTING LOCAL GOVERNMENT UNITS THE AUTHORITY TO EXEMPT
PROPERTY BEING DEVELOPED FOR AFFORDABLE HOUSING FROM SYSTEM
DEVELOPMENT FEES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 162A-203 reads as rewritten:

"§ 162A-203. Authorization of system development fee.

(a) A local governmental unit may adopt a system development fee for water or sewer service only in accordance with the conditions and limitations of this Article.

(b) A system development fee adopted by a local governmental unit under any lawful authority other than this Article and in effect on October 1, 2017, shall be conformed to the requirements of this Article not later than July 1, 2018.

(c) A local government unit or a joint agency created pursuant to G.S. 160A-461 may exempt affordable housing parcels from a system development fee imposed pursuant to this Article. The unit or joint agency shall adopt criteria for determining whether a parcel qualifies for the exemption."

SECTION 2. This act is effective when it becomes law.

