



## NORTH CAROLINA GROUND WATER ASSOCIATION

LEGISLATIVE REPORT

JULY 18, 2008



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### INTRODUCTION

This will be the last regular legislative report for the 2008 short session. It appears that the session will end sometime at the end of the week and, once the session ends, we will prepare a final legislative report which will review and summarize all bills of interest that were approved during the session and also will include a full summary of the 2008-2010 budget. This report summarizes activities up to Monday, July 14, 2008. Obviously, there is a lot of action taking place this week to wrap up the session and we will summarize all of that activity in the final legislative report.

Although leadership in both the House and the Senate announced early on that this short session would not include controversial issues, the session has been full of them. The House approved an involuntary annexation moratorium and the Senate approved a repeal of the transfer tax. In addition, bills regarding bullying, gang prevention, union bills, requirements for trucks on highways, and legislation limiting gun purchases for those involuntarily committed were all discussed and debated during the session.

Although many legislators and lobbyists thought the session would end extremely early - by July 4<sup>th</sup> - the session has worn on and many important issues and controversial bills have been debated during the last two weeks. The budget was voted on last week, was sent to the Governor on July 8, 2008, and the Governor signed the budget into law on July 16, 2008. The Governor threatened to veto the budget bill; however, since both the House and the Senate passed the budget by margins that were veto-proof, it was highly unlikely.

Most legislators are anxious to return home to campaign for the November elections. With the presidential election receiving so much interest, legislators are worried about the new voters who may come out and how their votes will be cast. In the Senate, there are at least six open seats with current senators either running for higher office or retiring. These seats will be difficult for the Democrats to hold and the leadership is concerned about keeping their majority. The House has many open seats as well and it will be a tough election year with a lot at stake since next session the General Assembly will be dealing with redistricting.



## DROUGHT/WATER MANAGEMENT

**The North Carolina Ground Water Association** has been working hard to modify House Bill 2499, *Drought/Water Management Recommendations*. This bill was recommended by the Governor's Office and as originally written would have provided a wide variety of changes to North Carolina's water policy, including allowing local governments to regulate private wells for their use in irrigation during times of severe, extreme, or extraordinary drought. We have worked with legislators, staff, and other allies to have the bill modified to remove this authority from local governments and to allow that the current water allocation study that is being conducted by the Institute of Government include groundwater and well issues. In addition, a provision has been added to the bill which would clarify that nothing in the bill expands or reduces local governments' power to regulate private wells. In other words, the current law will continue that local governments may provide permitting and siting requirements for wells; however, local governments do not have the power to regulate water use for wells.

Although this has always been our position, an interesting part of this discussion has been that both the North Carolina Association of County Commissioners and the North Carolina League of Municipalities have agreed that their local governments do not have the authority to regulate private water wells. There is a great deal more in the bill regarding local government requirements for conservation and we will provide a full summary of the legislation in the final legislative report.

I would like to thank all the members of the Association who came to the Legislature to lobby on behalf of the bill as well as members who called and e-mailed their legislators regarding these provisions. These contacts made a huge difference in our work on the bill and we would not have been successful without your assistance. Congratulations on a job well done.

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If you would like a copy of any of the legislation introduced or considered by this year's General Assembly, you may receive one copy of as many bills as you are interested in, free of charge, by calling the General Assembly's Printed Bills office at 919/733-5648. They will need to know if it is a House bill or Senate bill and the bill number. (For example, Senate Bill 8). Copies are also available on the General Assembly's World Wide Web site: <http://www.ncleg.net>.

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## BILL UPDATES

HOUSE BILL 821, Specify Out-of-State Areas for IBT Notice. This bill was completely replaced in the Senate Agriculture/Environment/Natural Resources Committee with a new bill to require that notice of a proposed interbasin transfer of water (IBT) be provided in a newspaper of general circulation and by first-class or electronic mail to other entities located in the surface drainage basin area of the source river. The bill would also require the Environmental Review Commission to study the delineation of major river basins and sub-basins within the state as part of its allocation of water resources. **The bill as amended was approved by the Senate Agriculture/Environment/Natural Resources Committee and the full Senate. The House approved the changes made by the Senate and the bill will next be sent to the Governor for his signature.**

HOUSE BILL 1770, Future Conveyances/Special Assessments. This bill was amended in the Senate Finance Committee with similar changes as Senate Bill 2156, which is summarized below in this legislative report. **The bill as amended was approved by the Senate Finance Committee and the full Senate and the House approved of the changes made by the Senate. The bill will next be sent to the Governor for his signature.**

HOUSE BILL 2787, Special Assessments Authority. This bill was amended in the House Local Government II Committee with similar changes as to Senate Bill 2156, which is summarized below in this legislative report. **The bill as amended was approved by the House Local Government II Committee and will next be considered by the House Finance Committee.**

SENATE BILL 2156, Special Assessments Authority. This bill was completely rewritten in the Senate Finance Committee and replaced with a new bill to allow special assessments in Cabarrus, Cumberland, Henderson, and Rowan Counties and in cities located within those counties. The bill would allow the issuance of revenue bonds which would be paid from the special assessments that are imposed on properties that benefit from the projects for which the bonds are issued. Special assessments could be assessed and bonds issued to finance the following projects: sanitary sewer systems; storm sewers and flood control facilities; **water systems**; schools; and streets and sidewalks. The provisions of the act would expire on July 1, 2013. **The bill as modified was approved by the Senate Finance Committee and was sent to the full Senate; however, the bill was re-referred to the Senate Finance Committee for further consideration.**

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