

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1777*

Short Title: Dare Utility Undergrounding Amendments.

(Local)

Sponsors: Representative Culpepper.

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

May 25, 2000

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW DARE COUNTY TO EXPAND THE PURPOSE OF SPECIAL
2 TAX DISTRICTS TO UNDERGROUND ELECTRIC UTILITY LINES SO AS TO
3 ALLOW UNDERGROUNDING OF TELEPHONE AND CABLE TELEVISION
4 LINES.
5

6 The General Assembly of North Carolina enacts:

7 Section 1. Section 1.1 of S.L. 1999-127 reads as rewritten:

8 "Section 1.1. Authorization to Create Utility District. A county board of
9 commissioners may create one or more Utility Districts for the purpose of raising and
10 expending funds to underground ~~electric~~electric, telephone, and cable television utility
11 lines in the district."

12 Section 2. Section 5(a) of S.L. 1999-127 reads as rewritten:

13 "Section 5.(a) Powers. By resolution the board of commissioners of the county,
14 acting ex officio on behalf of the Utility District, may levy a tax of up ~~to one~~to:

15 (1) One dollar (\$1.00) per month on each residential electric power
16 customer bill for service within the district, and up to five dollars
17 (\$5.00) per month on each commercial or industrial electric power
18 customer bill within the district.

19 (2) One dollar (\$1.00) per month on each residential telephone customer
20 bill for service within the district, and up to five dollars (\$5.00) per

1 month on each commercial or industrial telephone customer bill within
2 the district.

3 (3) One dollar (\$1.00) per month on each cable television customer bill for
4 service within the district."

5 Section 3. Section 6 of S.L. 1999-127 reads as rewritten:

6 "Section 6. Use of Funds. The taxes levied under this act, after being expended for
7 the necessary administrative expenses of the utility district, shall be used only for
8 undergrounding of ~~electric~~-electric, telephone, and cable television utility lines within the
9 district. The budget for the Utility District shall be adopted by the special commission
10 for that district."

11 Section 4. Section 9(b) of S.L. 199-127 reads as rewritten:

12 "Section 9.(b) Collection. Every ~~electric~~-utility subject to a tax authorized by this
13 act shall, on and after the effective date of the levy of the tax, collect the tax. The tax
14 shall be collected as part of the charge for furnishing ~~electric power~~-service. The tax shall
15 be stated and charged separately and shall be paid by the purchaser to the utility as trustee
16 for and on account of the Utility District. The tax shall be added to the sales price and
17 shall be passed on to the purchaser instead of being borne by the utility. The Utility
18 District shall design, print, and furnish to all appropriate utilities in the district the
19 necessary forms for filing returns and instructions to ensure the full collection of the tax.
20 A utility who collects a tax authorized by this act may deduct from the amount remitted
21 to the Utility District a discount equal to the discount the State allows the utility for State
22 sales and use tax. For the purpose of this act, a utility includes a government entity
23 providing ~~electric~~-service, a cooperative, and any other ~~electric~~-utility. A utility shall have
24 the same right to suspend or terminate service for nonpayment of the tax that it has to
25 suspend or terminate service for payment of any other part of the utility bill. The
26 obligation of the utility to pay the tax if the customer has not paid the bill is the same as
27 its liability under G.S. 105-164.4(a)(4a)."

28 Section 5. Section 5 of S.L. 1999-127 is amended by adding a new subsection
29 to read:

30 "Section 5.(b) The board of commissioners may exempt from payment of the tax
31 any person for whom the payment would work an unreasonable financial hardship in
32 accordance with criteria established by the board of commissioners."

33 Section 6. This act is effective when it becomes law.