

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**HOUSE BILL 1734
RATIFIED BILL**

**AN ACT TO ALLOW THE TOWN OF OCEAN ISLE BEACH TO IMPOSE A
CANAL DREDGING FEE.**

The General Assembly of North Carolina enacts:

SECTION 1. Fee-Supported Canal Dredging District. – A municipality by resolution may create a fee-supported canal dredging district for all properties that are contiguous to a canal within the corporate limits.

SECTION 2. Imposition of Annual Fees. – A municipality may impose annual fees for the dredging of canals, both natural and concrete, within the corporate limits. The governing board shall establish the fees on or before July 1 each year.

SECTION 3. Fees. – The fees imposed by the municipality may not exceed the cost of providing for the dredging of the canals within the municipality. The fees shall be imposed on owners of each dwelling unit or parcel of property that could or does benefit from water access through the canal system on the island.

SECTION 4. Billing of Fees. – The municipality may include a fee imposed under this section on the property tax bill for each parcel of property lying within the municipal limits on which the fee is imposed. Said fee shall be collected in the same manner as provided for in the General Statutes for the collection of ad valorem taxes, and remedies available by statute for the collection of taxes shall apply to the collection of the canal dredging fees.

SECTION 5. Use of Fees. – A municipality shall credit the fees collected within the district to a separate fund to be used only to pay the bill that is received for canal dredging. The governing board shall administer the fund to provide for the payment of canal dredging.

SECTION 6. Abolition of District. – Upon finding that there is no longer a need for a given fee-supported district, the governing board may repeal the resolution establishing the district and thus abolish the district.

SECTION 6.1. Capital Reserve Fund. – If a municipality establishes a capital reserve fund under Chapter 159 of the General Statutes to build up funds for the purpose of providing the service under this act, it may delay providing the service until sufficient funds have accumulated, but in no case to exceed five years.

SECTION 7. This act applies only within the municipal boundaries of the Town of Ocean Isle Beach.

SECTION 8. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 15th day of
July, 2004.

Beverly E. Perdue
President of the Senate

James B. Black
Speaker of the House of Representatives