



CHAPTER 159G
ARTICLE 1 - GENERAL PROVISIONS

N.C.G.S. § 159G-20.

Definitions.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 05:37 UTC	eec09375b40f293ed3be28fb - 59e54bd2d567a2aaee857fef - ec70e1148cd2ca9e

The following definitions apply in this Chapter:

Affordability. - The relative affordability of a project for a community compared to other communities in North Carolina based on factors that shall include, at a minimum, water and sewer service rates, median household income, poverty rates, employment rates, the population of the served community, and past expenditures by the community on water infrastructure compared to that community's capacity for financing of water infrastructure improvements.

Asset management plan. - The strategic and systematic application of management practices applied to the infrastructure assets of a local government unit in order to minimize the total costs of acquiring, operating, maintaining, improving, and replacing the assets while at the same time maximizing the efficiency, reliability, and value of the assets.

Authority. - The State Water Infrastructure Authority created and established pursuant to Article 5 of this Chapter.

Construction costs. - The costs of planning, designing, and constructing a project for which a loan or grant is available under this Chapter. The term includes the following:

- a.Excess or reserve capacity costs attributable to no more than 20-year projected domestic growth plus ten percent (10%) unspecified industrial growth.
- b.Legal, fiscal, administrative, and contingency costs.
- c.The fee imposed under G.S. 159G-24 to obtain a loan or grant for a project.
- d.A fee payable to the Department for a permit to implement a project for which a loan or grant is obtained.
- e.The cost to acquire real property or an interest in real property.

CWSRF. - The Clean Water State Revolving Fund established in G.S. 159G-22 as an account in the Water Infrastructure Fund.

Department. - The Department of Environmental Quality.

Repealed by Session Laws 2011-145, s. 13.3(ggg), effective July 1, 2011.

Distressed unit. - A public water system or wastewater system operated by a local government unit exhibiting signs of failure to identify or address those financial or operating needs necessary to enable that system to become or to remain a local government unit generating sufficient revenues to adequately fund management and operations, personnel, appropriate levels of maintenance, and reinvestment that facilitate the provision of reliable water or wastewater services.

Repealed by Session Laws 2013-360, s. 14.21(d), effective July 1, 2013 and Repealed by Session Laws 2013-413, s. 57(q), effective August 23, 2013.

Repealed by Session Laws 2013-360, s. 14.21(d), effective July 1, 2013.

Division. - Division of Water Infrastructure.

Drinking Water Reserve. - The Drinking Water Reserve established in G.S. 159G-22 as an account in the Water Infrastructure Fund.

DWSRF. - The Drinking Water State Revolving Fund established in G.S. 159G-22 as an account in the Water Infrastructure Fund.

Grant. - A sum of money given to an applicant without any obligation on the part of the applicant to repay the sum.

,(10) Repealed by Session Laws 2015-241, s. 14.13(b), effective July 1, 2015.

Investor-owned drinking water corporation. - A corporation owned by investors and incorporated solely for the purpose of providing drinking water services for profit.

Loan. - A sum of money loaned to an applicant with an obligation on the part of the applicant to repay the sum.

Local Government Commission. - The Local Government Commission of the Department of the State Treasurer, established in G.S. 159-3.

Local government unit. - Any of the following:

a.A city as defined in G.S. 160A-1.

b.A county.

c.A consolidated city-county as defined in G.S. 160B-2.

d. Any of the following entities created pursuant to Chapter 162A of the General Statutes:

1. A water and sewer authority created pursuant to Article 1.
2. A metropolitan water district created pursuant to Article 4.
3. A metropolitan sewerage district created pursuant to Article 5.
4. A metropolitan water and sewerage district created pursuant to Article 5A.
5. A county water and sewer district created pursuant to Article 6.

e., f. Repealed by Session Laws 2020-79, s. 1(a), effective July 1, 2020.

g. A sanitary district created pursuant to Part 2 of Article 2 of Chapter 130A of the General Statutes.

h. A joint agency created pursuant to Part 1 or Part 5 of Article 20 of Chapter 160A of the General Statutes.

i. A joint agency that was created by agreement between two cities and towns to operate an airport pursuant to G.S. 63-56 and that provided drinking water and wastewater services off the airport premises before 1 January 1995.

Merger. - The consolidation of two or more water and/or sewer systems into one system with common ownership, management, and operation.

Nonprofit water corporation. - A nonprofit corporation that is incorporated under Chapter 55A of the General Statutes solely for the purpose of providing drinking water or wastewater services and is an eligible applicant for a federal loan or grant from the Rural Utility Services Division, U.S. Department of Agriculture.

Operating deficit. - The shortage between revenues plus available reserves and operating expenditures, including capital expenditures, necessary to maintain operations in a distressed unit.

Public water system. - Defined in G.S. 130A-313.

Regionalization. - The physical interconnecting of an eligible entity's wastewater system to another entity's wastewater system for the purposes of providing regional treatment or the physical interconnecting of an eligible entity's public water system to another entity's water system for the purposes of providing regional water supply.

Reserved.

Secretary. - The Secretary of Environmental Quality.

State. - The State of North Carolina.

Stormwater quality project. - A project whose primary purpose is to prevent or remove pollution from stormwater rather than collect, store, or convey stormwater for drainage or flood control purposes.

Targeted interest rate project. - Either of the following types of projects:

- a.A project that is awarded a loan from the Drinking Water Reserve or the Wastewater Reserve based on affordability.
- b.A project that is awarded a loan from the CWSRF or the DWSRF and is in a category for which federal law encourages a special focus.

Treasurer. - The Treasurer of the State elected pursuant to Article III, Section 7, of the Constitution.

Viable Utility Reserve. - The Viable Utility Reserve established in G.S. 159G-22 as an account in the Water Infrastructure Fund.

Wastewater collection system. - A unified system of pipes, conduits, pumping stations, force mains, and appurtenances for collecting and transmitting water-carried human wastes and other wastewater from residences, industrial establishments, or any other buildings.

Wastewater Reserve. - The Wastewater Reserve established in G.S. 159G-22 as an account in the Water Infrastructure Fund.

Wastewater system. - A wastewater collection system, wastewater treatment works, stormwater quality project, or nonpoint source pollution project.

Wastewater treatment works. - The various facilities and devices used in the treatment of sewage, industrial waste, or other wastes of a liquid nature, including the necessary interceptor sewers, outfall sewers, nutrient removal equipment, pumping equipment, power and other equipment, and their appurtenances.

Water Infrastructure Fund. - The fund established in G.S. 159G-22. (2005-454, s. 3; 2010-151, s. 1; 2011-145, ss. 13.3(ggg), 13.11A(a); 2013-360, s. 14.21(d); 2013-413, s. 57(q); 2014-115, s. 17; 2015-241, ss. 14.13(a), (b), 14.30(u), (v); 2019-241, s. 11(d); 2020-79, ss. 1(a), 6(a).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
7 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 159G-24		"c. The fee imposed under"
G.S. 159G-22	(null)(2)	"Water State Revolving Fund established in"

G.S. 159-3	(null)(12)	"of the State Treasurer, established in"
G.S. 160A-1		"a. A city as defined in"
G.S. 160B-2		"A consolidated city-county as defined in"
G.S. 63-56		"to operate an airport pursuant to"
G.S. 130A-313	(null)(15)	"Public water system. - Defined in"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 159G-20 (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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