

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 427

Short Title: NC Water Security Act.

(Public)

Sponsors: Senators Clodfelter; Hartsell and Jones.

Referred to: Agriculture/Environment/Natural Resources.

March 28, 2011

A BILL TO BE ENTITLED

AN ACT TO IMPROVE THE SECURITY OF NORTH CAROLINA'S WATER
RESOURCES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 38 of Chapter 143 of the General Statutes is amended by
adding a new section to read:

"§ 143-350.1. Declaration of policy.

It is the policy of the State to use its water resources efficiently and productively and to
manage the water resources of the State in a manner that fosters the efficient and productive use
of the water supply for the purpose of being able to satisfy economic, environmental, and other
social goals, whether public or private, while extending water availability and utility in a way
that prevents water from becoming a limiting factor in the general improvement of economic
growth and social welfare."

SECTION 2. G.S. 143-355(l) reads as rewritten:

"(l) Local Water Supply Plans. – Each unit of local government that provides public
water service or that plans to provide public water service and each large community water
system shall, either individually or together with other units of local government and large
community water systems, prepare a local water supply plan and submit it to the Department
for approval. The Department shall provide technical assistance with the preparation of plans to
units of local government and large community water systems upon request and to the extent
that the Department has resources available to provide assistance. At a minimum, each unit of
local government and large community water system shall include in local water supply plans
all information that is readily available to it. Plans shall include present and projected
population, industrial development, and water use within the service area; present and future
water supplies; an estimate of the technical assistance that may be needed at the local level to
address projected water needs; current and future water conservation and water reuse programs;
a description of how the local government or large community water system will respond to
drought and other water shortage emergencies and continue to meet essential public water
supply needs during the emergency; and any other related information as the Department may
require in the preparation of a State water supply plan. A unit of local government or large
community water system shall submit a revised plan that (i) includes a local water efficiency
plan under subsection (11) of this section and (ii) specifies how the water system intends to
address foreseeable future water needs when eighty percent (80%) of the water system's
available water supply based on calendar year average daily demand has been allocated to
current or prospective water users or the seasonal demand exceeds ninety percent (90%). Local
plans shall be revised to reflect changes in relevant data and projections at least once each five
years unless the Department requests more frequent revisions. The revised plan shall include



1 the current and anticipated reliance by the local government unit or large community water
2 system on surface water transfers as defined by G.S. 143-215.22G. Local plans and revised
3 plans shall be submitted to the Department once they have been approved by each unit of local
4 government and large community water system that participated in the preparation of the plan."

5 **SECTION 3.** G.S. 143-355 is amended by adding a new subsection to read:

6 "(11) Local Water Efficiency Plans. – Each unit of local government that prepares a local
7 water supply plan under subsection (l) of this section shall prepare a detailed local water
8 efficiency plan that provides for reducing the long-term per capita demand for potable water
9 and submit it to the Department for approval. The local water efficiency plan under this section
10 shall include policies and practices that by the year 2016 will result in residential water use at a
11 level that does not exceed 100 gallons for each person each day, by 2025 will result in
12 residential and commercial water use at a level that does not exceed 75 gallons for each person
13 each day, and by 2035 will result in residential and commercial water use at a level that does
14 not exceed 45 gallons for each person each day."

15 **SECTION 4.** G.S. 143-355.4(b) is amended by adding a new subdivision to read:

16 "(8) Has implemented a water fixture and appliance retrofit and incentive
17 program."

18 **SECTION 5.** G.S. 159-52(a) is amended by adding a new subdivision to read:

19 "(13) If a unit has prepared a local water efficiency plan under G.S. 143-355, the
20 unit's compliance with the local water efficiency plan."

21 **SECTION 6.** G.S. 159G-36 is amended by adding a new subsection to read:

22 "(d) DWSRF Set Aside for Water Use Reduction Goals. – Not less than twenty percent
23 (20%) of the Drinking Water Reserve shall be used for loans or grants for projects that for the
24 recipient meet the water use reduction goals for units of local government included in local
25 water efficiency plans under G.S. 143-355."

26 **SECTION 7.** The Department of Environment and Natural Resources shall provide
27 statewide outreach and technical assistance as needed regarding water efficiency, which shall
28 include the development of best management practices for community water efficiency and
29 conservation. These best management practices shall address at least all of the following
30 practices:

- 31 (1) Integrating water efficiency and conservation into water supply plans.
- 32 (2) Conducting regular water audits to identify revenue and nonrevenue water
33 and water losses.
- 34 (3) Adopting water loss abatement programs.
- 35 (4) Metering and submetering of existing multiunit residential, commercial, and
36 industrial complexes.
- 37 (5) Retrofitting fixtures, equipment, and irrigation systems to make them more
38 water efficient.
- 39 (6) Landscaping in a manner that conserves water use and is regionally
40 appropriate.
- 41 (7) Employing water reuse practices that include harvesting rainwater and using
42 grey water.
- 43 (8) Pricing water to achieve comprehensive conservation and adopting full-cost
44 accounting in line with the recommendation approved by the State Water
45 Infrastructure Commission in November 2010.

46 **SECTION 8.** The State Water Infrastructure Commission, in consultation with the
47 Department of Environment and Natural Resources, the School of Government at the
48 University of North Carolina at Chapel Hill, the North Carolina Utilities Commission, the
49 Public Staff of the North Carolina Utilities Commission, and the Local Government
50 Commission shall examine the impacts and benefits of water conservation and efficiency on
51 utilities and users and develop recommendations for mitigating any of the financial impacts of

1 implementing this act for a unit of local government or public water supplier and for assuring
2 sustainable revenues to operate and maintain its water system.

3 **SECTION 9.** The State Water Infrastructure Commission and the North Carolina
4 Utilities Commission shall work together to develop recommendations for electric utility and
5 water utility coordination to increase both water efficiency and energy efficiency within their
6 systems. The State Water Infrastructure Commission and the North Carolina Utilities
7 Commission shall report to the Environmental Review Commission annually on the progress
8 and effectiveness of this coordination no later than November 1, 2012.

9 **SECTION 10.** The Building Code Council shall develop and adopt a rule that is
10 the functional equivalent of the Water Efficiency Provisions of the International Green
11 Construction Code, as adopted by the International Code Council and released to the public in
12 November 2010. The rule developed under this section shall apply to both residential and
13 commercial structures and shall be developed by June 30, 2012, to become effective January 1,
14 2013. The mandatory provisions of this rule shall be published as a supplement to the North
15 Carolina Plumbing Code and the North Carolina Residential Code of the North Carolina
16 Building Code.

17 **SECTION 11.** Any newly constructed multiunit residential, commercial, or retail
18 building that is the subject of a building permit issued on or after January 1, 2013, shall be
19 constructed in a manner that will enable a unit of government or public water system to
20 measure the water use of each unit in the building.

21 **SECTION 12.** This act becomes effective October 1, 2011.