

May 10, 2000

S 1200. MUNICIPAL PARTICIPATION. TO AUTHORIZE ADDITIONAL VOLUNTARY MUNICIPAL PARTICIPATION IN ROAD CONSTRUCTION. GS 136-66.3 generally provides that municipalities may not participate in the costs of land acquisition or construction for state highway improvement projects except (1) projects financed under the "Small Urban Construction Program," or (2) upon a favorable vote of the voters of the municipality in a referendum, or (3) projects necessitated in connection with the municipality's approval or plans for development of property abutting the state highway system, or (4) by an agreement with the Department of Transportation (DOT) to provide improvements to an existing project that DOT would not normally include, or (5) for municipalities over 10,000 a sliding-scale participation on the acquisition of rights of way for construction projects.

This bill amends the statute to provide that municipalities over 10,000 population may participate in construction and land acquisition costs without a referendum for any proposed state highway project in and around the municipality, upon an agreement with DOT. The agreement must take into account the relative importance of the project to a coordinated statewide system of highways, the relative benefits of the project to the municipality, and the degree to which the cost of acquisition of rights-of-way can be reduced by the participation of the municipality. The bill provides that funds expended by the municipality pursuant to the agreement may not be considered in calculating distribution of construction funds under GS 136-17.2A. Effective July 1, 2000.

Intro. by Gulley.

Ref. to Finance	GS 136
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June 14, 2000

S 1200. MUNICIPAL PARTICIPATION. Intro. 5/10/00. Senate committee substitute makes the following changes to 1st edition. Authorizes voluntary municipal participation in the right-of-way and construction cost of a State highway improvement approved by the Board of Transportation that is located in the municipality or its extraterritorial jurisdiction, regardless of the size of the municipality. Also authorizes Burke, Cabarrus, and Mecklenburg counties to participate in State highway improvement projects located in each respective county in accordance with GS 136-66.3 (this authority is in addition to the authority given these counties by SL 1993, Ch. 478).

Specifies that a municipality interested in participating in the funding of a State project may submit a proposal to DOT. DOT and the municipality are to include their respective responsibilities for a proposed municipal participation project in any agreement reached concerning participation. Deletes current requirement of a vote of municipal citizens to authorize use of local funds to acquire land and make improvements to State highway system.

Deletes current provisions concerning total cost of improvements being responsibility of municipality and effect of municipal participation on other transportation projects and adds the following provisions. Specifies that if a municipality participates in a State project, DOT is to ensure that municipality's participation does not cause any disadvantage to any other project in the Transportation Improvement Program (TIP) under GS 143B-350(f)(4) and located outside the municipality. Also, any State or federal funds allocated to a project that are made available by municipal participation in a project contained in TIP are to remain in the same funding region that the funding was allocated to under the distribution formula contained in GS 136-17.2A. DOT is not to enter into any agreement with a municipality to provide additional total funding for highway construction in the municipality in exchange for municipal participation in any project contained in TIP.

Specifies that DOT is not to charge a municipality any interest on its agreed upon share of the costs necessary for the project during the initial three years. Specifies that monthly reports under statute are to be made by DOT, rather than Sec'y of Transportation.

Adds headings and technical changes. Effective July 1, 2000.

June 22, 2000

S 1200. MUNICIPAL PARTICIPATION. Intro. 5/10/00. House committee substitute makes the following changes to 2nd edition. Makes technical changes only.

July 7, 2000

S 1200. MUNICIPAL PARTICIPATION. Intro. 5/10/00. Conference report recommends the following changes to 3rd edition to reconcile matters in controversy. Revises amendments to GS 136-66.3(e1). As revised, the subsection permits DOT, upon request of the municipality, to allow the municipality a period of not less than three years to reimburse DOT for the municipal share of the cost of the project, free of interest charges during the initial three years.