

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 954  
Committee Substitute Favorable 6/1/16  
PROPOSED COMMITTEE SUBSTITUTE H954-PCS40638-LR-56

Short Title: Terminate Agreement for Tolling of I-77.

(Public)

Sponsors:

Referred to:

April 26, 2016

A BILL TO BE ENTITLED

AN ACT DIRECTING THE DEPARTMENT OF TRANSPORTATION TO TERMINATE THE COMPREHENSIVE AGREEMENT FOR THE I-77 HOT LANES PROJECT IN MECKLENBURG AND IREDELL COUNTIES; CREATING A RESERVE ACCOUNT PROVIDING FOR PAYMENT OF TERMINATION CLAIMS; REDIRECTING REMAINING RESERVE ACCOUNT FUNDS; SUSPENDING SPECIFIED PROJECTS; REMOVING AUTHORIZATION TO CONSTRUCT THE I-77 HOT LANES PROJECT AS A PUBLIC-PRIVATE PARTNERSHIP; AND APPROPRIATING RELATED FUNDS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Termination. – In a manner consistent with the terms of the Comprehensive Agreement, and pursuant to Section 17.1.1.7 of the Agreement, the Department of Transportation shall terminate the Comprehensive Agreement for the I-77 HOT Lanes project in Mecklenburg and Iredell Counties. Nothing in this section shall be construed as relieving the State from paying damages determined to be owed from the early termination of the Comprehensive Agreement. For purposes of this act, "Comprehensive Agreement" means the Comprehensive Agreement dated as of June 26, 2014, including any amendments made to the Comprehensive Agreement as of the effective date of this act.

**SECTION 2.** Reserve Account Created/Use of Account. – There is created a reserve account within the Highway Trust Fund. The funds in the account shall be used to pay any damages or other monetary penalties resulting from the termination of the Comprehensive Agreement for the I-77 HOT Lanes project in Mecklenburg and Iredell Counties. Upon resolution of any litigation resulting from the cancellation of the Comprehensive Agreement, or 10 years, whichever is sooner, the funds remaining in the reserve account shall be used by the Department to fund the projects suspended under Section 3 of this act, in their Strategic Transportation Investments Act Prioritization 3.0 order. If the funds remaining are insufficient to fund any of the projects, those unfunded projects may be resubmitted for prioritization under the Strategic Transportation Investments Act as new projects without prejudice. To the extent these funds are deemed unappropriated, the funds made available by the projects suspended in Section 3 of this act are hereby appropriated for the purposes stated in this section.

**SECTION 3.** Effect on Specified Mecklenburg Projects. – Notwithstanding Article 14B of Chapter 136 of the General Statutes, the following projects shall be suspended:

- (1) I-77/Gilead Road Interchange.
- (2) I-77/NC-73 Interchange.
- (3) Five Projects to Widen NC-73.
- (4) Project Widening US-21.



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- 1 (5) US-21/Gilead Road Interchange.
- 2 (6) Project Widening NC-115.
- 3 (7) Hambright Road Improvements.
- 4 (8) Lakeview Road Improvements.

5 **SECTION 4.** Funds Resulting From Suspension of Projects. – Any State funds  
6 resulting from the suspension of the projects listed under Section 3 of this act shall be credited to  
7 the reserve account established in Section 2 of this act.

8 **SECTION 5.** I-77 Project/No Public-Private Partnership. – Notwithstanding the  
9 provisions of G.S. 136-18(39), 136-18(39a), and 136-89.183(a)(2), no project on I-77 in  
10 Mecklenburg or Iredell Counties shall be constructed as a toll managed lane public-private  
11 partnership project by the Department of Transportation or Turnpike Authority.

12 **SECTION 6.** No Effect on Strategic Transportation Investments Act. – This act shall  
13 have no effect on the provisions or implementation of the Strategic Transportation Investments  
14 Act, Article 14B of Chapter 136 of the General Statutes, except as provided herein.

15 **SECTION 7.** Appropriation. – There is appropriated from the Highway Fund to the  
16 Department of Transportation the sum of twenty-five thousand dollars (\$25,000) in nonrecurring  
17 funds for the 2016-2017 fiscal year to be used for any legal fees incurred in determining the  
18 amount of damages that may be owed and other effects resulting from cancellation of the  
19 Comprehensive Agreement in accordance with Section 1 of this act.

20 **SECTION 8.** Effective Date. – Sections 7 and 8 of this act become effective July 1,  
21 2016. The remainder of this act becomes effective September 1, 2016.