

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 206
Committee Substitute Favorable 3/18/19
Senate Transportation Committee Substitute Adopted 6/26/19
Senate Finance Committee Substitute Adopted 6/28/19
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Proposed Conference Committee Substitute H206-PCCS40511-SU-5

Short Title: Various Transportation Changes.

(Public)

Sponsors:

Referred to:

February 28, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE CHANGES TO LAWS RELATED TO TRANSPORTATION.
3 The General Assembly of North Carolina enacts:

4
5 **REENACT AUTHORIZATION FOR PARTNERSHIP WITH PRIVATE DEVELOPERS**

6 **SECTION 1.** Section 2 of S.L. 2009-235, as amended by Section 7 of S.L. 2014-58
7 and Section 2.3 of S.L. 2016-90, reads as rewritten:

8 "SECTION 2. This act is effective when it becomes law. ~~This act shall expire on July 1,~~
9 ~~2017.~~"

10
11 **PROCEEDS FROM PROPERTY DISPOSITION TO HIGHWAY FUND**
12 **CLARIFICATION**

13 **SECTION 2.(a)** G.S. 136-16 reads as rewritten:

14 "**§ 136-16. Funds and property converted to State Highway Fund.**

15 Except as otherwise ~~provided~~, provided in this Chapter, all funds and property collected by
16 the Department of Transportation, ~~including the proceeds from the sale of real property originally~~
17 ~~purchased with funds from the State Highway Fund~~, Transportation shall be paid or converted
18 into the State Highway Fund. For the purposes of this section, funds include proceeds from the
19 sale of real property owned by the Department."

20 **SECTION 2.(b)** G.S. 146-30 is amended by adding a new subsection to read:

21 "(b4) Notwithstanding the other provisions of this section, no service charge into the State
22 Land Fund shall be deducted from or levied against the proceeds of any disposition by lease,
23 rental, or easement of lands owned by the Department of Transportation. All net proceeds of
24 those dispositions shall be deposited into the State Highway Fund."

25 **SECTION 2.(c)** G.S. 146-30(c) reads as rewritten:

26 "(c) The amount or rate of such service charge shall be fixed by rules and regulations
27 adopted by the Governor and approved by the Council of State, but as to any particular sale,
28 lease, rental, or other disposition, it shall not exceed ten percent (10%) of the gross amount
29 received from such sale, lease, rental, or other disposition. Notwithstanding any other provision
30 of this Subchapter, the net proceeds derived from the sale of land or products of land owned by
31 or under the supervision and control of the Wildlife Resources Commission, or acquired or
32 purchased with funds of that Commission, shall be paid into the Wildlife Resources Fund.



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1 Provided, however, the net proceeds derived from the sale of land or timber from land owned by
2 or under the supervision and control of the Department of Agriculture and Consumer Services
3 shall be deposited with the State Treasurer in a capital improvement account to the credit of the
4 Department of Agriculture and Consumer Services, to be used for such specific capital
5 improvement projects or other purposes as are provided by transfer of funds from those accounts
6 in the Capital Improvement Appropriations Act. Provided further, the net proceeds derived from
7 the sale of park land owned by or under the supervision and control of the Department of Natural
8 and Cultural Resources shall be deposited with the State Treasurer in a capital improvement
9 account to the credit of the Department of Administration to be used for the purpose of park land
10 acquisition as provided by transfer of funds from those accounts in the Capital Improvement
11 Appropriations Act. In the Capital Improvement Appropriations Act, line items for purchase of
12 park and agricultural lands will be established for use by the Departments of Administration and
13 Agriculture. The use of such funds for any specific capital improvement project or land
14 acquisition is subject to approval by the Director of the Budget. No other use may be made of
15 funds in these line items without approval by the General Assembly except for incidental
16 expenses related to the project or land acquisition. Additionally with the approval of the Director
17 of the Budget, either Department may request funds from the Contingency and Emergency Fund
18 when the necessity of prompt purchase of available land can be demonstrated and funds in the
19 capital improvement accounts are insufficient. Provided further, the net proceeds derived from
20 the sale of any portion of the land owned by the State in or around the Butner Reservation on or
21 after July 1, 1980, shall be deposited with the State Treasurer in a capital improvement account
22 to the credit of the Department of Health and Human Services to make capital improvements on
23 or to property owned by the State in the Butner Reservation subject to approval by the Office of
24 State Budget and Management, and may be used to build industrial access roads to industries
25 located or to be located on the Butner Reservation, to construct new city streets in the Butner
26 Reservation, extend water and sewer service on the Butner Reservation, repair storm drains on
27 the Butner Reservation, and for other capital uses on the Reservation as determined by the
28 Secretary. Provided further, notwithstanding any other provision of this Subchapter, the proceeds
29 derived from the lease dispositions of land or facilities owned or under the supervision and
30 control of East Carolina University's Division of Health Sciences for the delivery of health care
31 services shall be deposited in clinical accounts at East Carolina University to be used to improve
32 access to patient care. Provided further, notwithstanding any other provision of this Subchapter,
33 the net proceeds derived from the sale of ~~land or facilities purchased with funds from the State~~
34 Highway Fund land, facilities, products, or timber owned by the Department of Transportation
35 shall be deposited into the State Highway Fund."
36

37 NEUSE BUFFER RULES/AIRPORT FACILITIES

38 **SECTION 3.(a)** Definition. – As used in this section, the term "Neuse River Basin
39 Airport Rules" means all of the following:

- 40 (1) The Neuse River Basin: Nutrient Sensitive Waters Management Strategy:
41 Protection and Maintenance of Existing Riparian Buffers (15A NCAC 02B
42 .0233), including the proposed readoption and recodification as 15A NCAC
43 02B .0714 adopted by the Environmental Management Commission on March
44 14, 2019, and approved by the Rules Review Commission on May 16, 2019.
- 45 (2) The definition of "Airport Facilities" in 15A NCAC 2B .0610 adopted by the
46 Environmental Management Commission on March 14, 2019, and approved
47 by the Rules Review Commission on May 16, 2019.

48 **SECTION 3.(b)** Neuse River Basin Airport Rules. – Until the effective date of the
49 revised permanent rules that the Environmental Management Commission is required to adopt
50 pursuant to subsection (d) of this section, the Commission and the Department of Environmental

1 Quality shall implement the Neuse River Basin Airport Rules as provided in subsection (c) of
2 this section.

3 **SECTION 3.(c)** Implementation. – The definition of "Airport Facilities" shall be as
4 follows:

5 All properties, facilities, buildings, structures, and activities that satisfy or otherwise
6 fall within the scope of one or more of the definitions or uses of the words or phrases "air
7 navigation facility," "airport," or "airport protection privileges" under G.S. 63-1; the definition
8 of "aeronautical facilities" in G.S. 63-79(1); the phrase "airport facilities" as used in
9 G.S. 159-48(b)(1); the phrase "aeronautical facilities" as defined in G.S. 159-81 and G.S. 159-97;
10 and the phrase "airport facilities and improvements" as used in Section 13 of Article V of the
11 North Carolina Constitution. Airport facilities shall include, without limitation, any and all of the
12 following:

- 13 (1) The airport and all of its terminals and terminal shops and support buildings.
- 14 (2) Runways, taxiways, clear zones, and other paved or unpaved areas, or open or
15 restricted landing areas on the airport.
- 16 (3) Airport offices and administrative buildings.
- 17 (4) Buildings, structures, equipment, and facilities intended to support aircraft
18 operations, including, without limitation, hangars and other aircraft
19 maintenance buildings, storage buildings or areas, and including, without
20 limitation, anything shown on any airport development plan submitted to the
21 Federal Aviation Administration.
- 22 (5) Navigational and signal systems, including any structures, mechanisms,
23 landing lighting and lights, beacons, marks, communicating systems, or other
24 instrumentalities or devices used or useful as an aid, or constituting an
25 advantage or convenience to the safe taking off, navigation, and landing of
26 aircraft, or the safe and efficient operation or maintenance of an airport or
27 restricted landing area.
- 28 (6) Parking owned or operated by the airport to serve the airport's operations,
29 whether located on the airport or as satellite parking.
- 30 (7) Drainage ditches or pipes, stormwater structures, and related stormwater
31 outfalls.
- 32 (8) Retail and commercial development outside of the terminal area but located
33 on the airport, including rental car facilities, hotels, industrial facilities,
34 freestanding offices, and other similar buildings constructed on the airport,
35 whether or not owned or operated by the airport.
- 36 (9) All appurtenant areas used or suitable for airport buildings or other airport
37 facilities, including all appurtenant rights-of-way.
- 38 (10) Easements through, or other interests in, airspace over land or water, interests
39 in airport hazards outside the boundaries of the airport or restricted landing
40 area, and other protection privileges, the acquisition or control of which is
41 necessary to ensure safe approaches to the landing areas of the airport and
42 restricted landing areas and the safe and efficient operation thereof.
- 43 (11) Any combination of any or all of such properties, facilities, buildings,
44 structures, activities, and easements.

45 **SECTION 3.(d)** Additional Rule-Making Authority. – The Commission shall adopt
46 rules to amend the Neuse River Basin Airport Rules (as defined in subsection (a) of this section)
47 consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rules
48 adopted by the Commission, pursuant to this section, shall be substantively identical to the
49 provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject
50 to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this

1 section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written
2 objections had been received as provided by G.S. 150B-21.3(b2).

3 **SECTION 3.(e)** Sunset. – This section expires when permanent rules adopted as
4 required by subsection (d) of this section become effective.

6 **NEUSE BUFFER RULES/AIRPORT IMPACTED PROPERTY**

7 **SECTION 3.1.(a)** Definitions. – As used in this section, the following definitions
8 apply:

9 (1) Airport Impacted Property. – Any tract of property contiguous to airports
10 located in the Neuse River Basin served by greater than 50,000 flights
11 annually that is impacted by a relocation of State-maintained road to
12 accommodate expansion or relocation of airport operations.

13 (2) Neuse River Basin Riparian Buffer Rule. – The Neuse River Basin: Nutrient
14 Sensitive Waters Management Strategy: Protection and Maintenance of
15 Existing Riparian Buffers (15A NCAC 02B .0233), including the proposed
16 readoption and recodification of that rule as 15A NCAC 02B .0714 adopted
17 by the Environmental Management Commission on March 14, 2019, and
18 approved by the Rules Review Commission on May 16, 2019.

19 **SECTION 3.1.(b)** Neuse River Basin Riparian Buffer Rule. – Until the effective
20 date of the revised permanent rules that the Environmental Management Commission is required
21 to adopt pursuant to subsection (d) of this section, the Commission and the Department of
22 Environmental Quality shall implement the Neuse River Basin Riparian Buffer Rule as provided
23 in subsection (c) of this section.

24 **SECTION 3.1.(c)** Implementation. – Notwithstanding subdivision 6 (Table of Uses)
25 of the Neuse River Basin Riparian Buffer Rule, uses of Airport Impacted Property shall be
26 designated as Allowable with Mitigation.

27 **SECTION 3.1.(d)** Additional Rule-Making Authority. – The Commission shall
28 adopt rules to amend the Neuse River Basin Riparian Buffer consistent with subsection (c) of
29 this section. Notwithstanding G.S. 150B-19(4), the rules adopted by the Commission, pursuant
30 to this section, shall be substantively identical to the provisions of subsection (c) of this section.
31 Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of
32 the General Statutes. Rules adopted pursuant to this section shall become effective as provided
33 in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by
34 G.S. 150B-21.3(b2).

35 **SECTION 3.1.(e)** Sunset. – This section expires when permanent rules adopted as
36 required by subsection (d) of this section become effective.

38 **DEPARTMENT OF TRANSPORTATION AUTHORIZATION TO PERMIT AIRSPACE** 39 **ENCROACHMENT FOR FIRSTHEALTH OF THE CAROLINAS, PINEHURST**

40 **SECTION 3.5.(a)** The Department of Transportation is hereby authorized to permit
41 private use and encroachment upon the airspace above State Road 1208, Page Road, in Pinehurst,
42 for the purpose of construction of a parking facility structure for FirstHealth of the Carolinas,
43 Pinehurst, provided, in the opinion of the Department of Transportation, such parking facility
44 structure will not unreasonably interfere with or obstruct the public use of the right-of-way of
45 State Road 1208, Page Road. Any agreement for an encroachment authorized by this section
46 shall be approved by the Board of Transportation, upon a finding that the encroachment is
47 necessary and appropriate, in the sole discretion of the Board. Any encroachment agreement
48 authorized by this section shall be subject to all State and federal rules and regulations, and shall
49 include any conditions deemed necessary by the Department of Transportation, including, but
50 not limited to, future inspection, maintenance, and repair responsibilities.

1 **SECTION 3.5.(b)** Ingress and egress movements (access) for the parking facility
2 structure shall be approved by the Department under a separate driveway permit.

3 **SECTION 3.5.(c)** FirstHealth of the Carolinas, Pinehurst shall be responsible for all
4 costs associated with requirements by the Department issued in the approved encroachment
5 agreement and driveway permit.

6 **SECTION 3.5.(d)** FirstHealth of the Carolinas, Pinehurst or any other organization
7 or event shall not require a fee to utilize the parking facility structure within the airspace of State
8 Road 1208, Page Road.

9 10 **AIRPORT IMPROVEMENT PROGRAM**

11 **SECTION 4.(a)** Article 7 of Chapter 63 of the General Statutes is amended by adding
12 a new section to read:

13 **"§ 63-74. Airport Improvement Program.**

14 (a) Purpose. – There is established an Airport Improvement Program (AIP) that shall
15 serve to (i) fund improvements at eligible airports and (ii) pay debt service or related financing
16 costs and expenses on revenue bonds or notes issued by eligible airports. The Department of
17 Transportation shall allocate funds appropriated to this program to eligible airports based on the
18 findings in the biennial economic impact study, as described in this section. The Department
19 shall adopt rules governing the distribution and use of these funds.

20 (b) Eligible Airport. – Any publicly owned, commercial service airport with more than
21 10,000 passenger boardings during the two calendar years preceding the fiscal year in which
22 funds are allocated is eligible for Airport Improvement Program funds.

23 (c) Economic Impact Study and Distribution Formula. – The Department of
24 Transportation shall conduct a biennial economic impact study that examines the annual
25 economic impact of each commercial service airport in North Carolina. The Department shall
26 disburse AIP funds appropriated in a year to each eligible airport in proportion to the total
27 economic impact of the airport, adjusted as provided in this subsection:

28 (1) For an eligible airport with one of the three largest economic impacts, the
29 airport's distribution amount shall be reduced by a percentage equal to the
30 lesser of twenty percent (20%) or five percent (5%) multiplied by each full ten
31 percent (10%) of economic impact calculated for that airport. The aggregate
32 amount of the reduction to the eligible airports with the three largest economic
33 impacts is the amount to be redistributed to the remaining eligible airports as
34 provided in subdivision (2) of this subsection.

35 (2) For an eligible airport that does not have one of the three largest economic
36 impacts, the airport's distribution amount shall be increased based upon the
37 following formula:

38 a. Twenty-five percent (25%) of the redistribution amount shall be
39 distributed equally.

40 b. Seventy-five percent (75%) of the redistribution amount shall be based
41 upon the airport's share of passenger boardings compared to the total
42 number of passenger boardings used for all airports receiving a
43 distribution pursuant to this subdivision.

44 (d) Permissible Uses, Reporting, and Return of Funds. – The Department of
45 Transportation shall not allocate funds to an airport under this section until that airport has
46 provided a report outlining how the airport will use the funds in conformance with the purposes
47 of the program. No later than 45 days from the date the Department receives the report required
48 under this subsection, the Department shall make a determination whether the intended use of
49 the funds matches the purposes of the program and, if so, allocate funds under this section to the
50 compliant airport. An airport that receives funds under this section shall return the funds to the
51 Department if the funds are in the possession or control of the airport and not expended or

1 encumbered by August 31 of the year following the fiscal year in which the Department makes
2 the allocation. All funds returned to the Department under this section, or retained by the
3 Department for failure of an eligible airport to submit a report under this subsection, shall be
4 credited to the fund from which they were appropriated and shall remain unexpended and
5 unencumbered until appropriated by the General Assembly.

6 (e) Limitation. – Notwithstanding any provision of law to the contrary, the allocation of
7 funds under this section to eligible airports, the enactment of this section, and the issuance of
8 bonds or notes by the airports in reliance thereon shall not in any manner constitute a pledge of
9 the full faith and credit and taxing power of the State. Additionally, allocations under this section
10 are subject to the availability of funds appropriated to the Airport Improvement Program. A
11 security interest shall not be granted in funds allocated under this section."

12 **SECTION 4.(b)** Section 34.19(b) of S.L. 2017-57 is repealed.

13 **SECTION 4.(c)** This section becomes effective July 1, 2019.

14
15 **DEPARTMENT AUTHORIZATION FOR PUBLIC-PRIVATE PARTNERSHIPS FOR**
16 **DEPARTMENT-OWNED COMMUNICATIONS INFRASTRUCTURE WITHIN**
17 **HIGHWAY RIGHT-OF-WAY**

18 **SECTION 5.(a)** G.S. 136-18 is amended by adding a new subdivision to read:

19 "(46) To enter into partnership agreements with private entities to finance, by
20 contracts, revenues of facilities, and other financing methods authorized by
21 law, the cost of acquiring, constructing, equipping, maintaining, and operating
22 communications infrastructure supporting transportation infrastructure on the
23 Interstate System as defined by Title 23, United States Code, Section 103(c)
24 in this State, and to plan, design, develop, acquire, construct, equip, maintain,
25 and operate communications infrastructure supporting transportation
26 infrastructure within this State. For the purposes of this subdivision,
27 communications infrastructure supporting transportation infrastructure means
28 fiber optic trunk lines, microcell towers or other broadband or data
29 transmission facilities located within the right-of-way of the interstate or
30 primary highway system that is owned, and utilized completely or partly, by
31 the Department for traffic management, highway safety, vehicle technology
32 integration, and other functions of the Department. An agreement entered into
33 under this subdivision requires the concurrence of the Board of
34 Transportation. The Department shall report to the Chairs of the Joint
35 Legislative Transportation Oversight Committee, the Chairs of the House of
36 Representatives Appropriations Subcommittee on Transportation, and the
37 Chairs of the Senate Appropriations Committee on the Department of
38 Transportation, at the same time it notifies the Board of Transportation of any
39 proposed agreement under this subdivision. No contract for communications
40 infrastructure supporting transportation infrastructure subject to such an
41 agreement that commits the Department to make nonretainage payments for
42 undisputed capital costs for communications infrastructure supporting
43 transportation infrastructure to be made later than 18 months after final
44 acceptance by the Department shall be executed without approval of the Local
45 Government Commission. Any contracts for communications infrastructure
46 supporting transportation infrastructure which are awarded pursuant to an
47 agreement entered into under this subdivision shall comply with the
48 competitive bidding requirements of this Article. The Department may enter
49 into agreements with one or more private entities under this subdivision as
50 follows:

- 1 a. A private entity or its contractors must provide performance and
2 payment security in the form of performance and payment bonds on
3 the design and construction portion of the agreement as required under
4 G.S. 44A-26.
- 5 b. Notwithstanding the provisions of G.S. 143B-426.40A, an agreement
6 entered into under this subdivision may allow the private entity to
7 assign, transfer, sell, hypothecate, and otherwise convey some or all of
8 its right, title, and interest in and to such agreement, and any rights and
9 remedies thereunder, to a lender, bondholder, or any other party.
10 However, in no event shall any such assignment create additional debt
11 or debt-like obligations of the State of North Carolina, the Department,
12 or any other agency, authority, commission, or similar subdivision of
13 the State to any lender, bondholder, entity purchasing a participation
14 in the right to receive the payment, trustee, trust, or any other party
15 providing financing or funding of projects described in this
16 subdivision. The foregoing shall not preclude the Department from
17 making any payments due and owing pursuant to an agreement entered
18 into under this subdivision.
- 19 c. An agreement entered into under this subdivision for communications
20 infrastructure supporting transportation infrastructure may provide
21 that private entities may commercialize the capacity of such
22 communications infrastructure in excess of the Department's need
23 through lease or other arrangements, with the Department having first
24 right of refusal for future anticipated capacity needs.
- 25 d. No agreement entered into under this subdivision for use of
26 Department right-of-way or communications infrastructure and its
27 facilities shall abrogate the Department's ownership and control of the
28 right-of-way or communications infrastructure and its facilities within
29 the right-of-way.
- 30 e. Agreements entered into under this subdivision shall comply with the
31 following additional provisions:
- 32 1. The Department shall solicit proposals for an agreement.
33 2. An agreement shall be limited to no more than 50 years from
34 the date the communications infrastructure becomes
35 operational and utilized by the Department.
- 36 3. Financial advisors and attorneys retained by the Department on
37 contract to work on projects pursuant to this subdivision shall
38 be subject to State law governing conflicts of interest.
- 39 4. Sixty days prior to the signing of a concession agreement
40 subject to this subdivision, the Department shall report to the
41 Joint Legislative Transportation Oversight Committee on the
42 following for the presumptive concessionaire:
- 43 I. Project description.
44 II. Name and location of firms and parent companies, if
45 applicable, including firm responsibility and stake, and
46 assessment of audited financial statements.
47 III. Analysis of firm selection criteria.
48 IV. Name of any firm or individual under contract to
49 provide counsel or financial analysis to the
50 Department. The Department shall disclose payments

1 to these contractors related to completing the
2 agreement under this subdivision.

3 V. Demonstrated ability of the project team to deliver the
4 project, by evidence of the project team's prior
5 experience in delivering a project on schedule and
6 budget, and disclosure of any unfavorable outcomes on
7 prior projects.

8 VI. Detailed description of method of finance, including
9 sources of funds, State contribution amounts, including
10 schedule of availability payments, service payments or
11 similar remuneration, and terms of debt payments.

12 VII. Information on assignment of risk shared or assigned to
13 the Department, the State, and private entity partner.

14 VIII. Information on the feasibility of finance."

15 **SECTION 5.(b)** G.S. 136-18(43) reads as rewritten:

16 "(43) For the purposes of financing an agreement under subdivision (39a) or (46) of
17 this section, the Department of Transportation may act as a conduit issuer for
18 private activity bonds to the extent the bonds do not constitute a debt
19 obligation of the State. The issuance of private activity bonds under this
20 subdivision and any related actions shall be governed by The State and Local
21 Government Revenue Bond Act, Article 5 of Chapter 159 of the General
22 Statutes, with G.S. 159-88 satisfied by adherence to the requirements of
23 subdivision (39a) or (46) of this section."

24 **SECTION 5.(c)** The Department shall develop standards for entering into
25 comprehensive agreements with private entities under the Department's authority pursuant to
26 G.S. 136-18(46), as enacted by subsection (a) of this section, and report those standards with
27 legislative recommendations to the Joint Legislative Transportation Oversight Committee on or
28 before March 1, 2020.

29 **SECTION 5.(d)** The authority granted in Section 5(a) of this act is limited to projects
30 which receive federal discretionary grants issued by the United States Department of
31 Transportation.

32 **SECTION 5.(e)** The Department shall consult and coordinate with private
33 telecommunications industry entities regarding the authority granted under this section and shall
34 report to the Joint Legislative Transportation Oversight Committee by March 1, 2020, with
35 findings and legislative recommendations.

36 37 **DEPARTMENT SURPLUS PROPERTY AUCTION PILOT**

38 **SECTION 6.(a)** Pilot Program to Streamline North Carolina Department of
39 Transportation (NCDOT) Surplus Property Auctions. – No later than October 1, 2019, the State
40 agency for State surplus property shall establish a pilot program for disposing of NCDOT surplus
41 property, including motor vehicles and equipment, by live public auction and via live simulcast
42 or electronic means in accordance with subsection (b) of this section without requiring the
43 movement of NCDOT surplus property. The NCDOT shall cooperate with the State agency for
44 State surplus property and the auctioneer selected pursuant to this pilot program. In implementing
45 this pilot program, the State agency for State surplus property shall prepare a request for proposal
46 pursuant to subsection (b) of this section for three public auctions conducted by a private licensed
47 auctioneer during this pilot program. No auctions pursuant to this program shall be held after
48 December 31, 2021, and the pilot program shall terminate upon submission of its report as
49 required by subsection (d) of this section.

50 **SECTION 6.(b)** By December 1, 2019, the State agency for State surplus property
51 shall issue a request for proposal (RFP) for the sale of North Carolina Department of

1 Transportation (NCDOT) surplus property, including titled and nontitled equipment and motor
2 vehicles owned by the NCDOT, at live public auction and via live simulcast or other electronic
3 means without requiring surplus property movement to a centralized auction location. The State
4 agency for State surplus property shall consult with the NCDOT and group the various
5 Department Highway Divisions into three regions for the purposes of determining the live public
6 auction locations based on surplus property distribution and storage locations. The NCDOT shall
7 provide copies of the maintenance file, maintenance-related invoices or documents, and the
8 preventive maintenance schedule for each item of equipment or motor vehicle being auctioned
9 for inspection prior to auction. The State agency for State surplus property shall consult with the
10 NCDOT to further determine (i) adequate staffing requirements to work with the auctioneer in
11 conducting an auction, including staff who are knowledgeable about the surplus property, (ii)
12 adequate arrangements to allow for the auctioneer to document by photograph or video, as
13 appropriate, surplus property for auction, and (iii) adequate arrangements to allow members of
14 the public access to NCDOT storage locations to inspect and view the surplus property to be
15 auctioned. Net proceeds shall be credited to the State Highway Fund in accordance with
16 G.S. 136-16. The RFP shall contain the following auctioneer requirements:

- 17 (1) Must accept payment by any commercially reasonable manner. The auction
18 company may charge credit card and platform fees of up to three percent (3%)
19 of the highest and final bid.
- 20 (2) Must have capability to conduct auctions via live simulcast or other electronic
21 means in conjunction with conducting live auctions.
- 22 (3) Must have capability to electronically document, via photographs and video,
23 as appropriate, surplus property, equipment, and motor vehicles and make
24 information electronically available for inspection prior to an auction.
- 25 (4) Must remit the net proceeds from the auction to the NCDOT within 14
26 business days after the auction is completed. The auction company may offset
27 up to one-fourth of one percent (0.25%) of the gross sale for advertisement
28 cost reimbursement.
- 29 (5) Must post a cash bond or equivalent guarantee in the amount of two hundred
30 fifty thousand dollars (\$250,000), made payable to the State of North
31 Carolina.
- 32 (6) Must have a minimum coverage of two million dollars (\$2,000,000) in
33 commercial general liability insurance.
- 34 (7) Must agree to charge no commission to the State. The auction company may
35 charge a buyer premium, not to exceed ten percent (10%) to the final and
36 highest bid.
- 37 (8) Must be a licensed auction company with a current and valid North Carolina
38 Auctioneer license issued pursuant to Chapter 85B of the General Statutes.
39 Preference shall be given to an auction company based in this State.
- 40 (9) Must require that successful bidders provide and complete proper transfer
41 documents for titled equipment or motor vehicles.
- 42 (10) Must be capable of conducting live simulcast public auctions in regions as
43 agreed upon by the NCDOT.

44 **SECTION 6.(c)** By June 1, 2020, the State agency for State surplus property shall
45 review the proposals submitted and shall enter into a contract with the lowest responsible bidder
46 who provides evidence satisfactory to the State agency for State surplus property that it meets
47 the requirements of the RFP.

48 **SECTION 6.(d)** No later than March 1, 2022, the State agency for State surplus
49 property shall report to the Joint Legislative Transportation Oversight Committee the results,
50 findings, and legislative recommendations based on the results from the auctions during the pilot
51 program. At a minimum, its report shall include information on the following:

- 1 (1) The quantity and type of surplus property offered as part of each auction.
- 2 (2) The details of each request for proposal and award of contract.
- 3 (3) The results of the State surplus property public auctions, including details of
- 4 each public auction, and the average ratio of sale price to estimated State
- 5 surplus property value.
- 6 (4) Other information the State agency for State surplus property deems
- 7 necessary.

9 LICENSE RESTORATION FEE WAIVER AUTHORITY

10 SECTION 7.(a) G.S. 20-7(i1) reads as rewritten:

11 "(i1) Restoration Fee. – Any person whose drivers license has been revoked pursuant to
12 the provisions of this Chapter, other than G.S. 20 17(a)(2) shall pay a restoration fee of sixty five
13 dollars (\$65.00). A person whose drivers license has been revoked under G.S. 20 17(a)(2) shall
14 pay a restoration fee of one hundred thirty dollars (\$130.00). The fee shall be paid to the Division
15 prior to the issuance to such person of a new drivers license or the restoration of the drivers
16 license. The restoration fee shall be paid to the Division in addition to any and all fees which may
17 be provided by law. This restoration fee shall not be required from any licensee whose license
18 was revoked or voluntarily surrendered for medical or health reasons whether or not a medical
19 evaluation was conducted pursuant to this Chapter. The sixty five dollar (\$65.00) fee, and the
20 first one hundred five dollars (\$105.00) of the one hundred thirty dollar (\$130.00) fee, shall be
21 deposited in the Highway Fund. Twenty five dollars (\$25.00) of the one hundred thirty dollar
22 (\$130.00) fee shall be used to fund a statewide chemical alcohol testing program administered
23 by the Forensic Tests for Alcohol Branch of the Chronic Disease and Injury Section of the
24 Department of Health and Human Services. Notwithstanding any other provision of law, a
25 restoration fee assessed pursuant to this subsection may be waived by the Division when (i) the
26 restoration fee remains unpaid for more than 10 years from the date of assessment and (ii) the
27 person responsible for payment of the restoration fee has been issued a drivers license by the
28 Division after the effective date of the revocation for which the restoration fee is owed. The
29 Office of State Budget and Management shall annually report to the General Assembly the
30 amount of fees deposited in the General Fund and transferred to the Forensic Tests for Alcohol
31 Branch of the Chronic Disease and Injury Section of the Department of Health and Human
32 Services under this subsection."

33 SECTION 7.(b) This section becomes effective October 1, 2019.

35 HANDICAPPED PERSONS PARKING AND ACCESS AISLE DESIGNATION 36 CLARIFICATION

37 SECTION 8. G.S. 20-37.6(d) reads as rewritten:

38 "(d) Designation of Parking Spaces. – Designation of parking spaces for handicapped
39 persons on streets and public vehicular areas shall comply with G.S. 136-30. A sign designating
40 a parking space for handicapped persons shall state the maximum penalty for parking in the space
41 in violation of the law. For purposes of this section, a parking space designated for handicapped
42 persons includes clearly marked access aisles, and all provisions, restrictions, and penalties
43 applicable to parking in spaces designated for handicapped persons also apply to clearly marked
44 access aisles."

46 PEER-TO-PEER VEHICLE SHARING

47 SECTION 9.(a) Chapter 20 of the General Statutes is amended by adding a new
48 Article to read:

49 "Article 10B.

50 "Peer-to-Peer Vehicle Sharing.

51 "§ 20-280.15. Definitions.

1 The following definitions apply in this Article:

- 2 (1) Airport operator. – As defined in G.S. 20-280.1.
3 (2) Peer-to-peer vehicle sharing. – The authorized use of a shared vehicle by an
4 individual other than the shared vehicle owner through a peer-to-peer vehicle
5 sharing program.
6 (3) Peer-to-peer vehicle sharing program. – A business platform that connects
7 shared vehicle owners with drivers to enable the sharing of vehicles for
8 financial consideration.
9 (4) Shared vehicle. – A vehicle that is available for sharing through a peer-to-peer
10 vehicle sharing program.
11 (5) Shared vehicle owner. – The registered owner of a shared vehicle that is made
12 available for sharing through a peer-to-peer vehicle sharing program.
13 (6) Vehicle sharing provider. – The person or entity that operates, facilitates, or
14 administers the provision of personal vehicle sharing through a peer-to-peer
15 vehicle sharing program.

16 **§ 20-280.17. Airport operators.**

17 An airport operator may (i) charge peer-to-peer vehicle sharing programs a reasonable fee
18 for the use of the airport's facility, (ii) require an identifying decal be displayed on all shared
19 vehicles that operate on airport property, (iii) require the purchase and use of equipment or
20 establish other appropriate mechanisms for monitoring and auditing compliance, including
21 having a peer-to-peer vehicle sharing program provide data for purposes of monitoring and
22 auditing compliance, and (iv) designate a location where shared vehicles may stage on the airport
23 operator's facility."

24 **SECTION 9.(b)** This section becomes effective October 1, 2019.

25
26 **SALE OF CERTAIN DOT PROPERTY**

27 **SECTION 10.(a)** Notwithstanding any other provision of law, the Department of
28 Transportation may sell the following real property parcels within Wake County:

- 29 (1) 1100 New Bern Ave., parcel identification number (PIN) 1713188611,
30 Raleigh.
31 (2) 205 South State Street, parcel identification number (PIN) 1713186162,
32 Raleigh.
33 (3) 207 South State Street, parcel identification number (PIN) 1713186095,
34 Raleigh.
35 (4) 104 Fayetteville Street, parcel identification number (PIN) 1703688783,
36 Raleigh.
37 (5) 101 Roscoe Trail, parcel identification number (PIN) 0775621438, Cary.

38 **SECTION 10.(b)** The sale of real property authorized by this section shall be made
39 by the Department of Administration pursuant to the procedures outlined in Article 7 of Chapter
40 146 of the General Statutes, subject to the following exceptions:

- 41 (1) Properties sold pursuant to this section are exempt from the requirement in
42 G.S. 146-28 that the Department of Administration determine present and
43 future State need for the land proposed to be conveyed.
44 (2) Properties sold pursuant to this section are exempt from G.S. 146-29.1(b) and
45 (c).
46 (3) Notwithstanding the service charge limit set by G.S. 146-30(c), the service
47 charge for a sale of property pursuant to this section shall not exceed the lesser
48 of the amount or rate fixed in accordance with G.S. 146-30(c) or fifty thousand
49 dollars (\$50,000).

50
51 **EFFECTIVE DATE**

1 **SECTION 11.** Except as otherwise provided, this act is effective when it becomes
2 law.