

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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SENATE BILL 201
Commerce and Insurance Committee Substitute Adopted 4/29/21
House Committee Substitute Favorable 5/25/22
Fourth Edition Engrossed 5/25/22
Proposed Conference Committee Substitute S201-PCCS35421-BW-2

Short Title: Var. Motor Veh. and Transport. Law Changes.

(Public)

Sponsors:

Referred to:

March 9, 2021

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO MOTOR VEHICLE AND
3 TRANSPORTATION LAWS.

4 The General Assembly of North Carolina enacts:

5
6 **CRIMINALIZE UNLAWFUL POSSESSION OF CATALYTIC CONVERTER**

7 **SECTION 1.(a)** G.S. 14-72.8(b), as enacted by Section 1 of S.L. 2021-154, is
8 repealed.

9 **SECTION 1.(b)** Article 23 of Chapter 14 of the General Statutes is amended by
10 adding a new section to read:

11 **"§ 14-164.1. Possession of catalytic converter removed from a motor vehicle.**

12 Unless the conduct is covered under some other provision of law providing greater
13 punishment, knowingly possessing a catalytic converter that has been removed from a motor
14 vehicle is a Class I felony unless the person in possession is any of the following:

15 (1) An employee or agent of a company, or an individual, acting in their official
16 duties for a motor vehicle dealer, motor vehicle repair shop, secondary metals
17 recycler, or salvage yard that is licensed, permitted, or registered pursuant to
18 State law.

19 (2) An individual who possesses vehicle registration documentation indicating
20 that the catalytic converter in the individual's possession is from a vehicle
21 registered in that individual's name and is or will be replaced with another
22 legally obtained catalytic converter.

23 (3) An individual who possesses a catalytic converter lawfully received from an
24 individual in subdivision (2) of this section and proof of vehicle ownership
25 and a copy of the most recent vehicle registration documentation for the
26 vehicle from which the catalytic converter was removed."

27 **SECTION 1.(c)** G.S. 66-424(a)(3a), as enacted by Section 4 of S.L. 2021-154, reads
28 as rewritten:

29 "(3a) Purchase any catalytic converters that are not attached to a vehicle, except that
30 a secondary metals recycler may purchase these items from a person listed in
31 G.S. 14-72.8(b)-G.S. 14-164.1."

32 **SECTION 1.(d)** This section becomes effective December 1, 2022, and applies to
33 offenses committed on or after that date.



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1
2 **DELAY EFFECTIVE DATE OF PERMIT AND LICENSE REVOCATIONS FOR NOT**
3 **MEETING REQUIREMENTS FOR DRIVING ELIGIBILITY CERTIFICATE**

4 **SECTION 2.(a)** G.S. 20-13.2 reads as rewritten:

5 "**§ 20-13.2. Grounds for revoking provisional license.**

6 ...

7 (c1) Upon receipt of notification from the proper school authority that a person no longer
8 meets the requirements for a driving eligibility certificate under G.S. 20-11(n), the Division must
9 expeditiously notify the person that his or her permit or license is revoked effective on the ~~tenth~~
10 thirtieth calendar day after the mailing of the revocation notice. The Division must revoke the
11 permit or license of that person on the ~~tenth~~thirtieth calendar day after the mailing of the
12 revocation notice. Notwithstanding subsection (d) of this section, the length of revocation must
13 last for the following periods:

14"

15 **SECTION 2.(b)** This section becomes effective October 1, 2022, and applies to
16 revocation notices mailed on or after that date.

17
18 **AUTHORIZE UNITED STATES ARMY SPECIAL FORCES SPECIAL**
19 **REGISTRATION PLATE**

20 **SECTION 3.(a)** G.S. 20-79.4(b) reads as rewritten:

21 "(b) Types. – The Division shall issue the following types of special registration plates:

22 ...

23 (1) United States Army Special Forces. – Issuable to a member or veteran of the
24 United States Army Special Forces. The plate shall bear the name "United
25 States Army Special Forces" and the insignia of the United States Army
26 Special Forces.

27"

28 **SECTION 3.(b)** The Revisor of Statutes is authorized to alphabetize, number, and
29 renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special
30 registration plates are listed in alphabetical order and numbered accordingly.

31 **SECTION 3.(c)** The plate authorized by this act is not subject to the requirements to
32 establish a new special registration plate in G.S. 20-79.3A and the expiration of special
33 registration plate authorization in G.S. 20-79.8.

34 **SECTION 3.(d)** This section becomes effective October 1, 2022.

35
36 **DEALER PLATE REGISTRATION CARD REQUIREMENTS**

37 **SECTION 4.(a)** G.S. 20-79 is amended by adding a new subsection to read:

38 "(b1) Dealer Plate Registration Card. – For each dealer license plate issued pursuant to this
39 section, the Division must provide a registration card that lists all valid dealer license plates
40 issued to that dealer pursuant to this section. The Division shall reissue registration cards as
41 needed to ensure the accuracy of dealer license plate information."

42 **SECTION 4.(b)** This section becomes effective December 1, 2022, and applies to
43 dealer plates issued on or after that date.

44
45 **CLARIFY DEALER PLATE USE REQUIREMENTS**

46 **SECTION 5.(a)** G.S. 20-79(d) reads as rewritten:

47 "(d) Restrictions on Use. – A dealer license plate may be displayed only on a motor vehicle
48 that meets all of the following requirements:

- 49 (1) Is part of the inventory of the dealer.
50 (2) Is not consigned to the dealer.

- 1 (3) Is covered by liability insurance that meets the requirements of Article 9A of
2 this Chapter.
- 3 (4) Is not used by the dealer in another business in which the dealer is engaged.
- 4 (5) Is driven on a highway by a person who meets one of the following
5 descriptions:
- 6 a. Has a demonstration permit to test-drive the motor vehicle and carries
7 the demonstration permit while driving the motor vehicle.
- 8 b. Is an officer or sales representative of the dealer and is driving the
9 vehicle for a business purpose of the dealer.
- 10 c. Is an employee of the dealer and is driving the vehicle in the course of
11 employment.
- 12 d. Is an employee of the dealer or of a contractor of the dealer and is
13 driving the vehicle within a 20-mile radius of a place where the vehicle
14 is being repaired or otherwise prepared for sale.
- 15 e. Is an employee of the dealer or of a contractor of the dealer and is
16 transporting the vehicle to or from a vehicle auction or to the dealer's
17 established salesroom.
- 18 f. Is an officer, sales representative, or other employee of an independent
19 or franchised motor vehicle dealer or is an immediate family member
20 of an officer, sales representative, or other employee of an independent
21 or franchised motor vehicle dealer.
- 22 (6) ~~A-Displays a dealer license plate that matches (i) a copy of the registration~~
23 ~~card for the dealer plate issued to the dealer is-carried by the person operating~~
24 ~~the motor vehicle or, vehicle, or (ii) if the person is operating the motor vehicle~~
25 ~~in this State, the a registration card for the dealer plate issued to the dealer that~~
26 ~~is maintained on file at the dealer's address listed on the registration card, card~~
27 ~~and the registration card must be able to be produced within 24 hours upon~~
28 ~~request of any law enforcement officer.~~

29 A dealer may issue a demonstration permit for a motor vehicle to a person licensed to drive
30 that type of motor vehicle. A demonstration permit authorizes each person named in the permit
31 to drive the motor vehicle described in the permit for up to 96 hours after the time the permit is
32 issued. A dealer may, for good cause, renew a demonstration permit for one additional 96-hour
33 period. A franchised motor vehicle dealer is not prohibited from using a demonstration permit
34 pursuant to this subsection by reason of the dealer's receipt of incentive or warranty compensation
35 or other reimbursement or consideration from a manufacturer, factory branch, distributor,
36 distributor branch or from a third-party warranty, maintenance, or service contract company
37 relating to the use of the vehicle as a demonstrator or service loaner.

38 A dealer may not lend, rent, lease, or otherwise place a dealer license plate at the disposal of
39 a person except as authorized by this subsection."

40 **SECTION 5.(b)** This section becomes effective December 1, 2022, and applies to
41 offenses committed on or after that date.

42 **CLARIFY APPLICABILITY OF MOVE OVER LAW**

43 **SECTION 6.(a)** G.S. 20-157(f) reads as rewritten:

44 "(f) When an authorized emergency vehicle ~~as described-listed~~ in subsection (a) of this
45 ~~section-section, or any a public service vehicle-vehicle,~~ is parked or standing within 12 feet of a
46 roadway and is-giving a warning signal by appropriate light, the driver of every other approaching
47 vehicle shall, as soon as it is safe and when not otherwise directed by an individual lawfully
48 directing traffic, do one of the following:

- 49 (1) Move the vehicle into a lane that is not the lane nearest to the parked or
50 standing authorized emergency vehicle or public service vehicle and continue
51

1 traveling in that lane until safely clear of the authorized emergency vehicle or
2 public service vehicle. This ~~paragraph~~ subdivision applies only if the roadway
3 has at least two lanes for traffic proceeding in the direction of the approaching
4 vehicle and if the approaching vehicle may change lanes safely and without
5 interfering with any vehicular traffic.

- 6 (2) Slow the vehicle, maintaining a safe speed for traffic conditions, and operate
7 the vehicle at a reduced speed and be prepared to stop until completely past
8 the authorized emergency vehicle or public service vehicle. This ~~paragraph~~
9 subdivision applies only if the roadway has only one lane for traffic
10 proceeding in the direction of the approaching vehicle or if the approaching
11 vehicle may not change lanes safely and without interfering with any vehicular
12 traffic.

13 For purposes of this section, "public service vehicle" means a vehicle that is (i) ~~is~~-being used to
14 assist motorists or law enforcement officers with wrecked or disabled vehicles, (ii) ~~is~~-being used
15 to install, maintain, or restore utility service, including electric, cable, telephone, water,
16 wastewater, communications, and gas, (iii) ~~is~~-being used in the collection of refuse, solid waste,
17 or recycling, or (iv) ~~is~~-a highway maintenance vehicle owned and operated ~~by~~-or contracted by
18 the State or a local government and is operating an amber-colored flashing light authorized by
19 G.S. 20-130.2. Violation of this subsection shall be negligence per se."

20 **SECTION 6.(b)** This section becomes effective August 1, 2022, and applies to
21 offenses committed on or after that date.

22

23 **TEMPORARY DEALER LICENSE REQUIREMENTS**

24 **SECTION 7.(a)** G.S. 20-295, as amended by Section 5 of S.L. 2021-134, reads as
25 rewritten:

26 "**§ 20-295. Action on application; grace period while application for license renewal is**
27 **pending.**

28 (a) Division Action. – The Division shall either grant or deny an application for a license
29 or license renewal within 30 days after receiving it. Any applicant denied a license shall, upon
30 filing a written request within 30 days, be given a hearing at the time and place determined by
31 the Commissioner or a person designated by the Commissioner. A hearing shall be public and
32 shall be held with reasonable promptness.

33 (b) Pending License Renewal Grace Period. – When an application for license renewal
34 has been timely submitted prior to expiration of the license, the license shall remain valid for up
35 to 30 days after the expiration date until the Division grants or denies the application. The
36 Division shall (i) ensure that any database maintained by the Division that indicates the status of
37 a license issued under this Article reflects that the license continues to be valid during this period
38 and (ii) send a temporary license to the renewal applicant for display to evidence extension of
39 the validity of the license to engage in business in this State while the Division reviews the
40 renewal application. The temporary license issued by the Division pursuant to this subsection
41 shall contain on its face the following notation: "This temporary license is issued pursuant to
42 G.S. 20-295 during a license renewal application review by the North Carolina Division of Motor
43 Vehicles and is valid to engage in business in this State with all rights and privileges of a
44 license."

45 **SECTION 7.(b)** This section becomes effective October 1, 2022, and applies to
46 applications for license renewals submitted to the Division of Motor Vehicles on or after that
47 date.

49 **PENALIZE FAILURE TO INSPECT MOTOR VEHICLE BEFORE RETAIL SALE**

50 **SECTION 8.(a)** G.S. 20-183.8(a) reads as rewritten:

1 "(a) Infractions. – A person who does any of the following commits an infraction and, if
2 found responsible, is liable for a penalty of up to fifty dollars (\$50.00):

3 ...

4 (5) Fails to inspect a used motor vehicle before it is offered for retail sale, as
5 required by G.S. 20-183.4C. This subdivision only applies to motor vehicle
6 dealers, as defined in G.S. 20-286."

7 **SECTION 8.(b)** This section becomes effective December 1, 2022, and applies to
8 offenses committed on or after that date.

10 **REQUIRE IDENTIFICATION TO TITLE AND REGISTER A COMPANY VEHICLE**

11 **SECTION 9.(a)** G.S. 20-52 reads as rewritten:

12 "**§ 20-52. Application for registration and certificate of title.**

13 (a) An owner of a vehicle subject to registration must apply to the Division for a
14 certificate of title, a registration plate, and a registration card for the vehicle. To apply, an owner
15 must complete an application provided by the Division. The application shall contain a preprinted
16 option that co-owners may use to title the vehicle as a joint tenancy with right of survivorship.
17 The co-owners' designation of a joint tenancy with right of survivorship on the application shall
18 be valid notwithstanding whether this designation appears on the assignment of title. The
19 application must request all of the following information and may request other information the
20 Division considers necessary:

21 ...

22 (1b) If the owner is a firm, partnership, a corporation, or another entity, the address
23 of the ~~entity~~entity and a drivers license number or identification card number
24 belonging to a responsible member of the entity.

25 "

26 **SECTION 9.(b)** This section becomes effective October 1, 2022.

28 **FEE FOR RECORDS REQUESTS**

29 **SECTION 10.(a)** G.S. 20-43.1 reads as rewritten:

30 "**§ 20-43.1. Disclosure of personal information in motor vehicle records.**

31 ...

32 (e) As authorized in 18 U.S.C. § 2721, the Division may also provide copies of partial
33 crash report data collected pursuant to G.S. 20-166.1, partial driver license data kept pursuant to
34 G.S. 20-26(a), and partial vehicle registration application and renewal data ~~collected pursuant to~~
35 ~~G.S. 20-52~~ in bulk form to persons, private companies, or other entities, for uses other than
36 official, upon payment of a fee of three cents (3¢) per individual record. The Division shall not
37 furnish such data except upon execution by the recipient of a written agreement to comply with
38 the Driver's Privacy Protection Act of 1994, as amended, 18 U.S.C. §§ 2721, et seq. The
39 information released to persons, private companies, or other entities, for uses other than official,
40 pursuant to this subsection, shall not be a public record pursuant to Chapter 132 of the General
41 Statutes.

42 (e1) As authorized in 18 U.S.C. § 2721 and for verification purposes, the Division may
43 provide information on motor vehicle registration or liability insurance upon written request and
44 payment of a fee of one dollar (\$1.00) per individual record.

45 "

46 **SECTION 10.(b)** G.S. 20-4.02 reads as rewritten:

47 "**§ 20-4.02. Quadrennial adjustment of certain fees and rates.**

48 (a) Adjustment for Inflation. – Beginning July 1, 2020, and every four years thereafter,
49 the Division shall adjust the fees and rates imposed pursuant to the statutes listed in this
50 subsection for inflation in accordance with the Consumer Price Index computed by the Bureau
51 of Labor Statistics. The adjustment for per transaction rates in subdivision (8a) of this subsection

1 shall be rounded to the nearest cent and all other adjustments under this subsection shall be
 2 rounded to the nearest twenty-five cents (25¢):

- 3 ...
- 4 (8) G.S. 20-42(b).
- 5 (8a) G.S. 20-43.1(e1), with respect to the per individual record fee set in that
- 6 subsection.
- 7 ~~(8a)~~(8b) G.S. 20-63(h), with respect to the per transaction rates set in that
- 8 subsection.
- 9 (9) G.S. 20-85(a)(1) through (10).

10"
 11 **SECTION 10.(c)** This section becomes effective July 1, 2022.

12
 13 **EXEMPT FROM TAXES AND FEES VEHICLES TO BE USED BY A STATE AGENCY**
 14 **FOR RESEARCH OR DEMONSTRATION PROJECT**

15 **SECTION 11.(a)** G.S. 105-187.6(a) is amended by adding a new subdivision to read:
 16 "(13) To be used by a State agency in a research pilot or demonstration project."

17 **SECTION 11.(b)** G.S. 20-85(c) reads as rewritten:

18 "(c) The Division shall not collect a fee for a certificate of title for a motor vehicle entitled
 19 to a permanent registration plate under G.S. 20-84. The Division shall not collect a fee for a
 20 certificate of title for a motor vehicle to be used by a State agency in a research pilot or
 21 demonstration project."

22 **SECTION 11.(c)** G.S. 20-87 is amended by adding a new subdivision to read:

23 "(14) Research pilot or demonstration project motor vehicles. – The Division shall
 24 not collect a registration fee for a motor vehicle to be used by a State agency
 25 in a research pilot or demonstration project."

26
 27 **INCLUDE RAIL EQUIPMENT WITHIN MEANING OF HIGHWAY**
 28 **CONSTRUCTION, MAINTENANCE, OR REPAIR FOR PURPOSES OF**
 29 **CONTRACTING**

30 **SECTION 12.** G.S. 136-28.1(c) reads as rewritten:

31 "(c) The construction, maintenance, and repair of rail equipment, ferryboats and all other
 32 marine floating equipment and the construction and repair of all types of docks by the Department
 33 of Transportation shall be deemed highway construction, maintenance, or repair for the purpose
 34 of G.S. 136-28.1 and Chapter 44A and Chapter 143C of the General Statutes, the State Budget
 35 Act. In cases of a written determination by the Secretary of Transportation that the requirement
 36 for compatibility does not make public advertising feasible for the repair of rail equipment or
 37 ferryboats, the public advertising as well as the soliciting of informal bids may be waived."
 38

39 **INCLUDE NEVI AND CRP FEDERAL FUNDS WITHIN STI FORMULA**

40 **SECTION 13.** G.S. 136-189.11, as amended by Section 3.5 of S.L. 2021-185, reads
 41 as rewritten:

42 "**§ 136-189.11. Transportation Investment Strategy Formula.**

- 43 ...
- 44 (b) Funds Excluded From Formula. – The following funds are not subject to this section:
- 45 (1) Federal congestion mitigation and air quality improvement program funds
- 46 appropriated to the State by the United States pursuant to 23 U.S.C. §
- 47 104(b)(2) and 23 U.S.C. § 149.
- 48 (1a) Federal Carbon Reduction Program formula funds appropriated to the State.
- 49 (2) Funds received through competitive awards or discretionary grants through
- 50 federal appropriations either for local governments, transportation authorities,
- 51 transit authorities, or the Department.

- 1 (3) Funds received from the federal government that under federal law may only
2 be used for Appalachian Development Highway System projects.
- 3 (4) Funds used in repayment of "GARVEE" bonds related to Phase I of the
4 Yadkin River Veterans Memorial Bridge project.
- 5 (5) Funds committed to gap funding for toll roads funded with bonds issued
6 pursuant to G.S. 136-176.
- 7 (6) Funds obligated for projects in the State Transportation Improvement
8 Program that are scheduled for construction as of October 1, 2013, in State
9 fiscal year 2012-2013, 2013-2014, or 2014-2015.
- 10 (7) Toll collections from a turnpike project under Article 6H of this Chapter and
11 other revenue from the sale of the Authority's bonds or notes or project loans,
12 in accordance with G.S. 136-89.192.
- 13 (8) Toll collections from the State-maintained ferry system collected under the
14 authority of G.S. 136-82.
- 15 (9) Federal State Planning and Research Program funds (23 U.S.C. § 505) and
16 Metropolitan Planning funds (23 U.S.C. §§ 104 and 134).
- 17 (10) Federal Lands Access Program funds received by the State pursuant to 23
18 U.S.C. § 204.
- 19 (11) Funds advanced pursuant to G.S. 136-186.
- 20 (12) Funds appropriated to the North Carolina State Ports Authority for the
21 purposes described in G.S. 136-176(b3).

22 ...

23 (c) Funds With Alternate Criteria. – The following federal program activities shall be
24 included in the applicable category of the Transportation Investment Strategy Formula set forth
25 in subsection (d) of this section but shall not be subject to the prioritization criteria set forth in
26 that subsection:

- 27 (1) Bridge replacement.
- 28 (2) Interstate maintenance.
- 29 (3) Highway safety improvement.
- 30 (4) State funds used to match federal Congestion Mitigation and Air Quality
31 Improvement (CMAQ) program funds apportioned to the State pursuant to 23
32 U.S.C. § 104(b)(2) and 23 U.S.C. § 149 for projects on the State highway
33 system that improve the safety, mobility, and operational characteristics of the
34 State highway system for motorists.
- 35 (5) State funds used to match federal Carbon Reduction Program formula funds
36 appropriated to the State for projects on the State highway system that
37 improve the safety, mobility, and operational characteristics of the State
38 highway system for motorists.

39 ...

40 (d) Transportation Investment Strategy Formula. – Funds subject to the Formula shall be
41 distributed as follows:

42 ...

- 43 (3) Division Need Projects. – Thirty percent (30%) of the funds subject to this
44 section shall be allocated in equal share to each of the Department divisions,
45 as defined in G.S. 136-14.1, and used for Division Need Projects.

46 ...

- 47 b. Alternate criteria. – Funding from the following programs shall be
48 included in the computation of each of the Department division equal
49 shares but shall be subject to alternate quantitative criteria:

- 1 1. Federal Surface Transportation Program-Direct Attributable
2 funds expended on eligible projects in the Division Need
3 Projects category.
- 4 2. Federal Transportation Alternatives funds appropriated to the
5 State.
- 6 3. Federal Railway-Highway Crossings Program funds
7 appropriated to the State.
- 8 3a. Federal National Electric Vehicle Infrastructure (NEVI)
9 Program formula funds appropriated to the State.
- 10 4. Projects requested from the Department in support of a
11 time-critical job creation opportunity, provided that (i) the
12 Department investment for all projects funded under this
13 sub-sub-subdivision in any five-year period shall not exceed
14 one hundred million dollars (\$100,000,000) in the aggregate,
15 (ii) the amount of funding associated with a project under this
16 sub-sub-subdivision does not exceed the lesser of ten million
17 dollars (\$10,000,000) and the greater of ten thousand dollars
18 (\$10,000) per job created or ten percent (10%) of the amount
19 of private investment associated with the project, (iii) the
20 Department ensures that funding under this
21 sub-sub-subdivision, when combined with any other grants,
22 does not result in the costs of the project to the State
23 outweighing its total benefits and determines that the funding
24 is necessary for completion of the project in this State. Upon
25 the release of a State Transportation Improvement Program,
26 the Department shall submit a report to the Joint Legislative
27 Transportation Oversight Committee detailing the projects
28 funded under this sub-sub-subdivision.
- 29 5. Federal funds for municipal road projects.
30"
- 31

32 STI REPRIORITIZATION DELAY FOR CERTAIN PROJECTS WITH ROUTE 33 REDESIGNATIONS

34 **SECTION 14.(a)** G.S. 136-189.11 is amended by adding a new subsection to read:

35 "(d2) Reprioritization Delay for Certain Projects with Route Redesignations. – After
36 redesignation of an existing or proposed secondary route to a primary highway route, a project
37 shall not be eligible for evaluation in a newly designated funding category under G.S. 136-189.10
38 until (i) the new route designation is reflected in the transportation plan that has been approved
39 by the appropriate governing body and the Board of Transportation and (ii) the Department has
40 commenced its second subsequent prioritization after the date of final route redesignation
41 approval. This subsection does not apply to a project that includes a route redesignation initiated
42 by the Department to meet intrastate or interstate connectivity needs."

43 **SECTION 14.(b)** The Secretary of Transportation may waive, in the discretion of
44 the Secretary, a project reprioritization delay required by G.S. 136-189.11(d2), as enacted by
45 subsection (a) of this section, upon the request of an affected Metropolitan Planning Organization
46 or Rural Transportation Planning Organization. The Secretary shall submit a report, by December
47 31, 2023, to the Joint Legislative Transportation Oversight Committee and Fiscal Research
48 Division of the North Carolina General Assembly on waivers requested under this subsection.
49 The information in the report required by this subsection shall summarize reasons for granting or
50 denying each requested waiver.

1 **SECTION 14.(c)** In accordance with G.S. 136-189.11(h), the Department shall
2 initiate a workgroup evaluation of potential Department policy and rule changes, potential
3 conflicts with federal laws or regulations, effects to State Transportation Improvement Program
4 prioritization processes, and any additional matter the Department deems relevant that relate to
5 the implementation of G.S. 136-189.11(d2), as enacted by subsection (a) of this section. The
6 Department shall submit a report of those findings with legislative recommendations, by
7 December 1, 2022, to the Joint Legislative Transportation Oversight Committee and Fiscal
8 Research Division of the North Carolina General Assembly.

9 **SECTION 14.(d)** This section is effective when it becomes law and applies to State
10 Transportation Improvement Program plan updates on or after that date. Subsection (b) of this
11 section expires December 31, 2023.

12 13 **CLARIFY APPLICATION OF NET PROCEEDS FROM THE SALE OR LEASE OF** 14 **DEPARTMENT OF TRANSPORTATION LAND**

15 **SECTION 15.(a)** G.S. 146-30(d) reads as rewritten:

16 "(d) Notwithstanding any other provision of this Subchapter, the following exceptions
17 apply:

18 ...

19 (4) ~~No service charge into the State Land Fund shall be deducted from or levied~~
20 ~~against the proceeds of any disposition by lease, rental, or easement of lands~~
21 ~~(i) owned by the Department of Transportation or (ii) owned by the~~
22 ~~Department of Administration and solely maintained by the Department of~~
23 ~~Transportation. All net proceeds of these dispositions shall be deposited into~~
24 ~~the State Highway Fund.~~

25 ...

26 (10) The net proceeds derived from the sale or lease of land, facilities, products, or
27 timber owned by the Department of Transportation or owned by the State and
28 solely maintained by the Department of Transportation shall be deposited into
29 the State Highway Fund.

30 "

31 **SECTION 15.(b)** G.S. 136-16 reads as rewritten:

32 **"§ 136-16. Funds and property converted to State Highway Fund.**

33 Except as otherwise provided in this Chapter, all funds and property collected by the
34 Department of Transportation shall be paid or converted into the State Highway Fund. For the
35 purposes of this section, funds include net proceeds from the sale or lease of real property owned
36 by the Department, Department or otherwise owned by the State and solely maintained by the
37 Department of Transportation."

38 39 **REVISE THE DISADVANTAGED BUSINESS PROGRAM AND EXTEND TO 2027**

40 **SECTION 16.** G.S. 136-28.4 reads as rewritten:

41 **"§ 136-28.4. State policy concerning participation by disadvantaged minority-owned and**
42 **women-owned businesses in transportation contracts.**

43 ...

44 (c) The following definitions apply in this section:

45 (1) "Contract" includes, but is not limited to, contracts let under the procedures
46 set forth in ~~G.S. 136-28.1(a) and (b)~~ G.S. 136-28.1(a), (b), and (f).

47 ...

48 (e) This section expires ~~August 31, 2022.~~ August 31, 2027."

49 50 **INCREASED OUTSOURCING TO SMALL PROFESSIONAL SERVICES FIRMS**

51 **SECTION 17.** G.S. 136-28.10 is amended by adding a new subsection to read:

"(a1) Notwithstanding the provisions of G.S. 136-28.4(b), the Department of Transportation shall increase the outsourcing of professional services for Highway Fund and Highway Trust Fund projects to Small Professional Services Firms. The Department of Transportation may identify professional services likely to attract increased participation by Small Professional Services Firms and restrict the solicitation and award to those firms, and any award of these contracts shall be through the Qualification Based Selection (QBS) process. The Board of Transportation may delegate full authority to award contracts, adopt necessary rules, and administer the provisions of this section to the Secretary of Transportation."

PILOT MOUNTAIN STATE PARK SPECIAL REGISTRATION PLATE

SECTION 18.(a) G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

- ...
- (j) Pilot Mountain State Park. – Issuable to a registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall bear the phrase "Pilot Mountain National Landmark" with a logo depicting Pilot Mountain State Park.

...."

SECTION 18.(b) G.S. 20-79.7 reads as rewritten:

"§ 20-79.7. Fees for special registration plates and distribution of the fees.

...

(a1) Fees. – All other special registration plates are subject to the regular motor vehicle registration fee in G.S. 20-87 or G.S. 20-88 plus an additional fee in the following amount:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
...	
Personalized	\$30.00
<u>Pilot Mountain State Park</u>	<u>\$30.00</u>
Pisgah Conservancy	\$30.00

...

(b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and Cultural Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a1) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 143B-135.234, and the Parks and Recreation Trust Fund, which is established under G.S. 143B-135.56, as follows:

<u>Special Plate</u>	<u>SRPA</u>	<u>CCAPA</u>	<u>CWMTF</u>	<u>PRTF</u>
...				
Piedmont Airlines	\$10	\$10	0	0
<u>Pilot Mountain State Park</u>	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
Pisgah Conservancy	\$10	\$20	0	0

...."

SECTION 18.(c) G.S. 20-81.12 is amended by adding a new subsection to read:

"(j) Pilot Mountain State Park. – The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of Pilot Mountain State Park plates to the Friends of Sauratown Mountains to be used for preserving and promoting Pilot Mountain State Park."

SECTION 18.(d) The Revisor of Statutes is authorized to alphabetize, number, and renumber the special registration plates listed in G.S. 20-79.4(b) and G.S. 20-81.12 to ensure that all the special registration plates are listed in alphabetical order and numbered accordingly.

SECTION 18.(e) This section becomes effective October 1, 2022.

AUTHORIZE NORTH CAROLINA ASSOCIATION OF FIRE CHIEFS SPECIAL REGISTRATION PLATE

SECTION 19.(a) G.S. 20-63(b1) is amended by adding a new subdivision to read:
 "(Q) North Carolina Association of Fire Chiefs."

SECTION 19.(b) G.S. 20-79.4(b) reads as rewritten:

"(b) Types. – The Division shall issue the following types of special registration plates:

...

(Q) North Carolina Association of Fire Chiefs. – Issuable to a registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall have a black background with a red line and the phrase "NC Fire Officer" across the top and the phrase "North Carolina" along the bottom. The plate shall bear the Association of Fire Chiefs logo on the left side and the letters "FO" on the right side.

...."

SECTION 19.(c) G.S. 20-79.7 reads as rewritten:

"§ 20-79.7. Fees for special registration plates and distribution of the fees.

...

(a1) Fees. – All other special registration plates are subject to the regular motor vehicle registration fee in G.S. 20-87 or G.S. 20-88 plus an additional fee in the following amount:

<u>Special Plate</u>	<u>Additional Fee Amount</u>
...	
North Carolina 4-H Development Fund	Expired July 1, 2016
<u>North Carolina Association of Fire Chiefs</u>	<u>\$30.00</u>
North Carolina Bluegrass Association	Expired July 1, 2016
...	

(b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and Cultural Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a1) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 143B-135.234, and the Parks and Recreation Trust Fund, which is established under G.S. 143B-135.56, as follows:

<u>Special Plate</u>	<u>SRPA</u>	<u>CCAPA</u>	<u>CWMTF</u>	<u>PRTF</u>
...				
NC Youth Soccer Association – Expired July 1, 2016				
<u>North Carolina Association of Fire Chiefs</u>	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
North Carolina Bluegrass Association – Expired July 1, 2016				
...."				

SECTION 19.(d) G.S. 20-81.12 is amended by adding a new subsection to read:

"(Q) North Carolina Association of Fire Chiefs. – The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of North Carolina Association of Fire Chiefs plates to the North Carolina Association of Fire Chiefs to be used for education programs for North Carolina firefighters."

SECTION 19.(e) The Revisor of Statutes is authorized to alphabetize, number, and renumber the special registration plates listed in G.S. 20-63(b1), 20-79.4(b), and 20-81.12 to

1 ensure that all the special registration plates are listed in alphabetical order and numbered
2 accordingly.

3 **SECTION 19.(f)** This section becomes effective October 1, 2022.
4

5 **REPEAL AUTHORIZATION FOR HONORARY CONSULAR SPECIAL**
6 **REGISTRATION PLATE**

7 **SECTION 20.(a)** G.S. 20-79.4(b)(100) is repealed.

8 **SECTION 20.(b)** Nothing in this section shall be construed to require the recall of,
9 or affect the validity of current registrations for, existing special registration plates issued by the
10 Division of Motor Vehicles pursuant to G.S. 20-79.4(b)(100) prior to the effective date of this
11 section.

12 **SECTION 20.(c)** The Division of Motor Vehicles shall not issue, or renew the
13 registration for, special registration plates authorized by G.S. 20-79.4(b)(100) on or after the
14 effective date of this section. A special registration plate issued under G.S. 20-79.4(b)(100) prior
15 to the effective date of this section must be replaced with an authorized registration plate upon
16 application for renewal on or after the effective date of this section.

17 **SECTION 20.(d)** This section becomes effective October 1, 2022.
18

19 **INCREASE PROJECT COST CAP FOR PROJECT DELIVERY METHOD PILOT**
20 **PROGRAM**

21 **SECTION 21.** Section 34.13(b) of S.L. 2018-5 reads as rewritten:

22 "**SECTION 34.13.(b)** Pilot Project. – Notwithstanding any provision of Chapter 136 of the
23 General Statutes to the contrary, the Department of Transportation may establish and implement
24 a pilot project to award contracts for up to five projects for the construction of transportation
25 projects on a construction manager-general contractor basis. The Department may only award a
26 contract under this section if (i) the cost of the project is determined by the Department to be less
27 than ~~one-five~~ hundred million dollars ~~(\$100,000,000),~~ (\$500,000,000), (ii) the Department
28 determines that it is in the public interest to use the construction manager-general contractor basis
29 for the project, (iii) the Department prequalifies the contractor that will be awarded the contract,
30 (iv) the Department complies with the pre-award reporting requirement set forth in subsection
31 (c) of this section, and (v) the Department has established and implemented guidelines as required
32 under subsection (d) of this section."
33

34 **PILOT PROGRAM TO AUTHORIZE AUTOMATIC LICENSE PLATE READERS IN**
35 **STATE RIGHT-OF-WAY**

36 **SECTION 22.(a)** The Department of Transportation may enter into agreements with
37 the North Carolina State Bureau of Investigation for the placement and use of automatic license
38 plate reader systems, as defined in G.S. 20-183.30(1), within land or right-of-way owned by the
39 Department of Transportation as part of a pilot program established by this section; provided that
40 (i) the use of the land or right-of-way is temporary in nature, (ii) the automatic license plate reader
41 system is above ground, removeable, and contains no combustible fuel, (iii) the placement and
42 use does not unreasonably interfere with the operation and maintenance of public utility facilities
43 or cause the facilities to fail to comply with all applicable laws, codes, and regulatory
44 requirements, (iv) the authorization to locate the automatic license plate reader system within the
45 right-of-way is revocable by the Department for cause with at least 30 days' notice, (v) the use
46 of the automatic license plate reader system complies with provisions of Article 8A of Chapter
47 87 of the General Statutes, and (vi) the automatic license plate reader system is operated in
48 accordance with Article 3D of Chapter 20 of the General Statutes. Placement and use of an
49 automatic license plate reader system and related equipment under this subsection must be
50 terminated and removed by the Department upon request by any affected public utility. The
51 Department or a public utility may relocate an automatic license plate reader system and related

1 equipment in the event that the Department or public utility needs immediate access to its utilities
2 or facilities and shall only be liable for damages to the automatic license plate reader system and
3 related equipment caused solely by its gross negligence or willful misconduct. If an automatic
4 license plate reader system or related equipment is moved for immediate access, the Department
5 or applicable public utility must provide notice to the State Bureau of Investigation. For purposes
6 of this subsection, the term "public utility" means any of the following: a public utility, as defined
7 in G.S. 62-3(23), an electric membership corporation, telephone membership corporation, a joint
8 municipal power agency, or a municipality, as defined in G.S. 159B-3(5).

9 **SECTION 22.(b)** No later than March 1, 2023, the North Carolina State Bureau of
10 Investigation shall submit a report to the Joint Legislative Oversight Committee on Justice and
11 Public Safety and the Joint Legislative Transportation Oversight Committee on automatic license
12 plate reader systems placed on right-of-ways owned or maintained by the Department of
13 Transportation. The report shall contain the written policy governing use of each automatic
14 license plate reader system, the number of requests for captured data by requesting agency, and
15 the amount of data preserved for more than 90 days compared to the amount of data captured on
16 an annual basis.

17 **SECTION 22.(c)** Section 41.57(a) and Section 41.57(c) of S.L. 2021-180 are
18 repealed.

19 **SECTION 22.(d)** Subsection (a) of this section expires June 1, 2023, and any
20 agreement entered into under the pilot program established in that subsection shall terminate no
21 later than that date.

22 **EFFECTIVE DATE**

23 **SECTION 23.** Except as otherwise provided, this act is effective when it becomes
24 law.
25