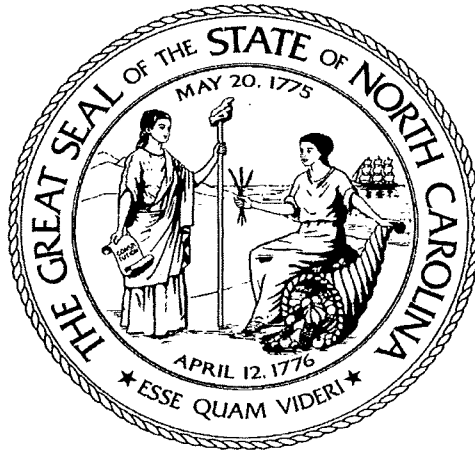


NORTH CAROLINA GENERAL ASSEMBLY



HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM FUNDING SOLUTIONS

REPORT TO THE 2017 SESSION of the 2017 GENERAL ASSEMBLY OF NORTH CAROLINA

JANUARY 10, 2017

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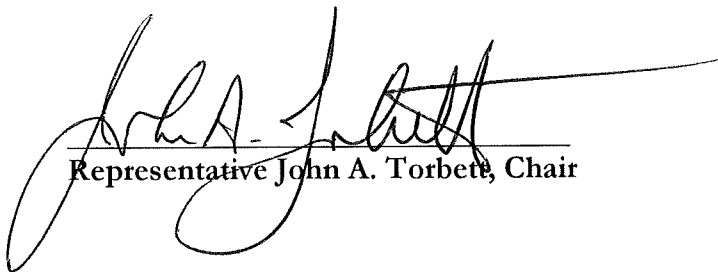
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TRANSMITTAL LETTER

January 10, 2017

TO THE MEMBERS OF THE 2017 REGULAR SESSION
OF THE 2017 GENERAL ASSEMBLY

The House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions respectfully submits the following report to the 2017 Regular Session of the 2017 General Assembly.



Representative John A. Torbett, Chair

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COMMITTEE PROCEEDINGS

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The House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions met seven times after the 2016 Regular Session of the 2015-2016 General Assembly. The following is a brief summary of the Committee's proceedings. Detailed minutes and information from each Committee meeting are available in the Legislative Library, and at the Committee's website:

<http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=283>

July 25, 2016

The first meeting of the Committee following the 2016 Regular Session was held July 25, 2016 at 1:00 p.m. in Room 544 of the Legislative Office Building. The Committee first heard a review of Committee's work to date, and a summary of transportation-related legislation from the 2016 session, from Committee staff Wendy Graf Ray, Luke Gillenwater, and Giles Perry. The Committee next heard a presentation on STIP funding vs. needs from Amna Cameron, Committee staff. Next, the Committee heard a presentation entitled "A Transportation Vision for Metropolitan Communities" from Mayor Nancy McFarlane, Past Chair, North Carolina Metropolitan Mayors Coalition, Mayor, City of Raleigh; and Julie White, Executive Director, North Carolina Metropolitan Mayors Coalition. The Committee's next presentation was on transportation's role in rural development, from Patrick Woodie, President, North Carolina Rural Economic Development Center. Next, the Committee heard a presentation on "How Grassroots Organizations Can Raise Public Awareness Concerning North Carolina's Transportation Needs" from Marc Finlayson, Chair, NC Go!, Finlayson Consulting, LLC, Director for Highway 17/64 Association; and Charles Hodges, Executive Director, NC Go!. The final presentation of the meeting was a review of the Map Act, the *Kirby* Decision, and potential fiscal impact, from Giles Perry, Luke Gillenwater, and Amna Cameron, Committee staff.

August 22, 2016

The second meeting of the Committee following the 2016 Regular Session was held August 22, 2016, beginning at 9:00 am at Salem Baptist Church in Sneads Ferry, North Carolina.

After convening, the Committee departed for a site visit tour that included a shrimp boat tour, to understand the effects of shallow draft navigation and dredging on the commercial fishing industry, and a tour on an Onslow County activity bus that included a discussion of transportation challenges facing the Onslow County School System. The Committee heard from Lisa Padgett, bus coordinator for Onslow County Schools and Fred Burns, Mayor, North Topsail Beach on the tour. In addition, Stuart Turille, Town Manager, North Topsail Beach led discussion of beach nourishment and other options used to mitigate beach erosion.

Following lunch, the committee reconvened at Salem Baptist Church for a regular meeting. The Committee heard the following presentations:

- "Overview of State and Federal Responsibility and Funding for Dredging Operations", Bryce Ball, Committee Staff.
- "How the Shallow Draft Navigational Channel and Lake Dredging Fund has Benefitted One Coastal Community (Topsail Beach) and the Difficulty in Financing Dredging Operations for Small Towns (North Topsail Beach)", Chris Gibson, President, TI Coastal Services, Inc.; Stuart Turille, Town Manager, North Topsail Beach.
- "The Use of Terminal Groins and Jetties for Shoreline Erosion and Navigation", Spencer Rogers, Coastal Construction and Erosion Specialist, North Carolina Sea Grant.
- "Camp Lejeune's Navigational and Connectivity Challenges", Joe Ramirez, Director of Military/Government and External Affairs, Marine Corps Base, Camp Lejeune.
- "Connectivity and Highway Development Needs of Southeastern North Carolina", Mary Jennings, Government Affairs and Policy Director, NCDOT, and Karen Collette, PE, Division Engineer, Highway Division 3, NCDOT.

September 26, 2016

The third meeting of the Committee following the 2016 Regular Session was held September 26, 2016 beginning at 8:50 a.m. at High Pastures Christian Retreat and Conference Center, Burnsville, North Carolina.

The Committee first boarded buses for a series of site visits in Yancey and Madison Counties in order to better understand the transportation needs of mountain communities. The first stop of the tour was on I-26 to view a rockslide containment area. Randy McKinney, P.E., Resident Engineer, NCDOT, gave an overview of the challenges to build a road through this area, and the technologies employed to mitigate and prevent rockslides. Next, the committee traveled to the NCDOT Welcome Center on I-26 in Madison County. Don Lee, P.E., State Roadside Environmental Engineer, NCDOT, discussed how NCDOT incorporates landscape design in transportation projects for NCDOT buildings, such as rest areas, welcome centers, and visitor centers, and on roadsides. Following lunch at Mars Hill University, the Committee traveled back to Yancey County via NC 197, a State-maintained primary road with an eight mile section of unpaved road. The committee made a stop on SR 1102, Winter Star Road. Chris Deyton, P.E., County Maintenance Engineer, NCDOT, discussed the challenges of paying for and paving State-maintained gravel roads in mountain communities.

Following the site visit tour, the Committee returned to High Pastures Christian Retreat and Conference Center Committee for an afternoon Committee meeting. The Committee heard the following presentations:

- "The Challenges of Secondary Road Construction in Mountainous Terrain", Chris Deyton, P.E., Yancey/Madison County Maintenance Engineer, NCDOT.
- "Rockslide Containment Strategies", Randy McKinney, P.E., Resident Engineer, NCDOT.

- "The Blue Ridge Parkway: Funding and Maintenance Challenges", Mike Molling, Chief of Maintenance and Engineering for the Blue Ridge Parkway, US Parkway Service
- "Transportation Infrastructure Development as an Economic Development Tool in Western North Carolina", John Skvarla, III, Secretary, NC Department of Commerce.
- "Snow and Ice Prevention, Treatment, and Removal", Mark T. Gibbs, P.E. Division Maintenance Engineer, NCDOT.

October 24, 2016

The fourth meeting of the Committee following the 2016 Regular Session was held February 1, 2016 in Raleigh.

The Committee met at 8:50 am outside the Legislative Office Building and proceeded by bus to a series of morning site visits. The Committee first visited the NCDOT Division of Aviation Flight Operations facility at the RDU International Airport. At this site, the Committee heard from Bobby Walston, Director, Division of Aviation, North Carolina Department of Transportation, and Michael Landguth, President and Chief Executive Officer, RDU International Airport. The Committee then took a brief tour of the runway and other facilities at the RDU International Airport.

The Committee then proceeded to the NCDOT Rail Division Capital Yard, 862 Capital Blvd, in Raleigh. At this site, the Committee heard comments from Paul Worley, Director, Rail Division, NCDOT, and toured an NCDOT passenger train, and inspected the rail maintenance facility.

Following lunch, the Committee reconvened at 1:00 pm in room 544 of the Legislative Office Building for a regular Committee meeting.

The Committee first heard a presentation on "Revitalizing the Economy Through Transportation Investments" by Dr. Alison Premo Black, Senior Vice President of Policy and Chief Economist, American Road & Transportation Builders Association.

Next, the Committee heard from Dr. Daniel Findley, P.E., Senior Research Associate, Institute for Transportation Research and Education (ITRE), North Carolina State University on "The Importance of Transportation Investments to Support Economic Development in Rural and Urban North Carolina Communities".

The Committee then heard a Hurricane Matthew damage assessment report from Mike Holder, P.E., Chief Engineer, NCDOT.

Next, the committee heard an overview of three new technologies implemented by NCDOT: Automated Machine Guidance, by Lamar Sylvester, P.E., State Construction Engineer, NCDOT; Geosynthetic Reinforced Soil Integrated Bridge System, by Louis Mitchell, P.E., Division Engineer – Division 10 NCDOT; and Terradrain by Ben Johnson, P.E., Value Management Program Engineer, NCDOT.

November 14, 2016

The fifth meeting of the Committee following the 2016 Regular Session was held November 14, 2016 at 9 a.m. in Room 643 of the Legislative Office Building.

The Chair, Representative John Torbett, opened the meeting by offering thanks and congratulations to departing committee staff Bryce Ball.

The regular agenda of the Committee began with a presentation on transportation revenue sources in North Carolina and other states from Committee Fiscal Staff Anna Cameron and Bryce Ball. Next, the Committee heard a transportation debt capacity report given by Dora Fazzini, Director, NC Capital Facilities, North Carolina Department of State Treasurer, Following this presentation, David Vanderweide, Fiscal Analyst, NCGA staff, gave a report on options to increase transportation debt capacity. Next, the Committee heard from David Tyeryar, Chief Financial Officer, NCDOT, on the use of the State Infrastructure Bank and GARVEE bonds by NCDOT. The final presentation of the meeting was given by Sharon Decker, Chief Operating Officer, Tryon International Equestrian Center, on the facility and its impact on the rural economy.

December 12, 2016

The sixth meeting of the Committee following the 2016 Regular Session was held December 12, 2016 at 9 a.m. in Room 643, Legislative Office Building.

The Committee first heard a presentation from Jeff Mann, General Manager, GoTriangle, on the benefits of a regional transportation system. Next, the Committee heard from Jim Trogdon, National Transportation Director, SAS Institute, on the need for transportation infrastructure investments, and various methods used around the country to pay for it. The final presentation of the meeting was from Ted Abernathy, Managing Partner, Economic Leadership LLC, on how transportation infrastructure investments stimulate economic development in the State.

Following these presentations, the Committee discussed legislation and topics they would like addressed in the final report, and directed Committee staff to prepare a draft report for their review.

January 10, 2017

The seventh and final meeting of the Committee following the 2016 Regular Session was held January 10, 2017 at 4:00 p.m. in Room 643 of the Legislative Office Building. The Committee reviewed and approved this report for submittal to the 2017 General Assembly, and adjourned.

FINDINGS AND RECOMMENDATIONS

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The Committee makes the following findings and recommendations:

1. Funding of the State's Transportation Infrastructure Needs

(a) Needs.-- The Committee finds that North Carolina has significant transportation infrastructure needs and insufficient revenue to meet these needs. North Carolina is expected to surge in population from the 9th most populous state to the 4th most populous State in 13 years. Without additional revenue, road and rail congestion will worsen. NCDOT's 2040 Plan included estimates of needs from 2011-2040, totaling \$159 billion. The majority of the needs include highway maintenance and construction needs (\$117 billion). For example, improvements necessary to bring the three newly designated interstates up to standard total \$2.9 billion: \$1.5 billion for I-42, \$1.3 billion for I-87, and \$100 million for I-587. North Carolina's roads will require an additional \$28 billion over the next 30 years to maintain current road conditions. To improve current road conditions to NCDOT's target condition, it will cost an additional \$55 billion over the next 30 years. To create optimal conditions, an additional \$89 billion over the next 30 years is required. The 2040 report identified \$24 billion in needs for public transportation and \$11 billion for rail. The full implementation of the Raleigh-Richmond Southeast High Speed Rail Corridor is estimated to cost \$3.8 billion and near-term frequency expansions and longer-term initiation of regional intercity passenger services are expected to cost \$1.3 billion. The Morehead City and Wilmington ports are estimated to need \$1.6 billion by 2040. Aviation needs totaled \$3 billion in the 2040 Plan. The Governor's Aviation Development Task Force (2015) identified operations and maintenance funding gaps of \$15 million per year for general aviation airports and \$67 million per year for commercial service airports.

(b) Revenue options.-- The Committee recommends that the General Assembly study additional and alternative revenue sources. Motor fuel tax revenues generate 55% of State transportation revenues, but with the combination of increased fuel efficiency standards and the use of alternative fuel vehicles, motor fuel tax revenue will decline. Other states are shifting their reliance on motor fuel tax revenue by implementing a dedicated State sales tax, a sales tax on motor fuel sold at the pump, a vehicle miles travelled based tax, increasing registration fees on alternative fuel vehicles. Additionally, states rely on property tax revenues, general fund revenues or lottery proceeds to support transportation needs. Many states have increased the use of toll roads and managed lane facilities to mitigate congestion and accelerate projects. Low interest rates have encouraged states to issue special obligation or general obligation bonds or increase the use of GARVEE bonds to advance transportation projects. The study of revenue sources may need to expand beyond the responsibility of the State. Enlisting greater fiscal participation from county and municipal governments will help to accomplish local transportation needs. Through a combination of the enacting additional revenue options to local governments and increased use of existing revenue sources, local governments will be motivated to

increase financial participation. Additionally, grants from a State infrastructure bank will assist localities in completing local and regional priorities.

2. Transportation Megaprojects Funding

The Committee recommends that the General Assembly consider enactment of legislation to establish a megaproject fund, for the purpose of funding expensive and large-scale transportation projects.

See attached recommended legislation 2017-MLz-11

3. Oversight of the State Infrastructure Bank

The Committee recommends that the General Assembly consider enactment of legislation to expand the purposes for which funds from the State infrastructure bank may be used, and to create an oversight board for the State infrastructure bank.

See attached recommended legislation 2017-MLz-20

4. STI/Regional & Divisional Weighting

The Committee recommends that the General Assembly consider enactment of legislation to adjust the weighting attributed under the Transportation Investment Strategy formula to the Department of Transportation's Division Engineers, the Metropolitan Planning Organizations, and the Rural Transportation Planning Organizations, as follows:

- When selecting regional impact projects, 10% to the rankings identified by the Division Engineers, and 20% to the rankings identified by the Metropolitan Planning Organizations and the Rural Transportation Planning Organizations. The remaining 70% is based on the quantitative criteria set forth in G.S. 136-189.11(d)(2)a.
- When selecting division impact projects, 15% to the rankings identified by the Division Engineers, and 35% to the rankings identified by the Metropolitan Planning Organizations and the Rural Transportation Planning Organizations. The remaining 50% is based on the quantitative criteria set forth in G.S. 136-189.11(d)(3)a.

See attached recommended legislation 2017-MLz-19

5. Blue Ribbon Committee on Transportation Infrastructure Funding

The Committee recommends that the General Assembly consider enactment of legislation to create a joint Blue Ribbon Committee on Transportation Infrastructure Funding to study all options available, including debt instruments, revenue changes, local government participation, and tolling, to increase funding for the transportation infrastructure needs of the State.

See attached recommended legislation 2017-MLz-23

6. Federal Funds

The Committee finds that federal funds appropriated to the State for transportation infrastructure can be used most effectively, efficiently and expeditiously if they are granted with maximum flexibility.

7. State Role in Dredging.

The Committee finds that many navigation channels and inlets in the State are in need of additional dredging in order to ensure their availability for commercial and recreational use. The Committee recommends that the General Assembly consider seeking authority from the federal government to authorize the State to assume a larger role in dredging, and, in addition, allow use of the dredged sand for beach renourishment projects.

8. State Ports

The Committee recommends that the North Carolina State Ports Authority prepare and submit a special report to the 2017 General Assembly on capital improvement plans, including associated cost estimates and funding needs, that, if implemented, accomplish, but are not limited to, the following:

- Increasing operational capability and capacity at both the Port of Morehead and Port of Wilmington through use of developing available property.
- Modernizing the Port of Morehead and the Port of Wilmington in an effort to maximize the assets of the people of North Carolina in preparation for growth in export and import global maritime trade.
- Developing road and rail access to the Port of Morehead and the Port of Wilmington.
- Maintaining year-round free and clear navigational channels.

RECOMMENDED LEGISLATION

See attached bill drafts, below

2017-MLz-11

2017-MLz-20

2017-MLz-19

2017-MLz-23

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H

D

BILL DRAFT 2017-MLz-11 [v.9] (11/08)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
12/19/2016 01:42:39 PM

Short Title: Transportation Megaproject Funding.

(Public)

Sponsors: Representative Torbett.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A MEGAPROJECT FUND TO FUND HIGHER-COST
3 AND LARGER-SCALE TRANSPORTATION PROJECTS, AS RECOMMENDED
4 BY THE HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION
5 PLANNING AND LONG TERM FUNDING SOLUTIONS.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Establishment of the Megaproject Fund. – Chapter 136 of the
8 General Statutes is amended by adding a new Article to read:

9 "Article 14C.

10 "Megaproject Fund.

11 **"§ 136-189.12. Creation of the Megaproject Fund.**

12 (a) An account designated as the Megaproject Fund is hereby created within the
13 Highway Trust Fund. The Megaproject Fund consists of revenue from appropriations or
14 transfers by the General Assembly.

15 (b) The amounts deposited to the Megaproject Fund shall be used as provided in
16 this Article, notwithstanding any provision of Article 14B of this Chapter to the
17 contrary. The provisions of Article 14B of this Chapter shall not apply to the application
18 of the Megaproject Fund.

19 **"§ 136-189.13. Use of the Megaproject Fund.**

20 The Department of Transportation shall use the Megaproject Fund to fund
21 transportation projects, selected by a workgroup overseen by the Department, of
22 statewide or regional significance that exceed two hundred million dollars
23 (\$200,000,000) in total project cost. The workgroup selecting projects under this section
24 shall establish project selection criteria based on the provisions of this Article.

25 **"§ 136-189.14. Reports by Department of Transportation.**

26 The Department of Transportation shall develop, and update annually, a report
27 containing a completion schedule for all projects to be funded from the Megaproject
28 Fund, including the selection criteria and reasoning used for each project. The annual
29 update shall indicate the projects, or portions thereof, that were completed during the
30 preceding fiscal year, any changes in the original completion schedules, and the reasons
31 for the changes. The report shall also include the Department's anticipated schedule for

1 future projects. The Department shall submit the report and the annual updates to the
2 Joint Legislative Transportation Oversight Committee by November 1 of each year."

3 **SECTION 2.** Exclusion from Transportation Investment Strategy Formula. –
4 G.S. 136-189.11(b) is amended by adding a new subdivision to read:

5 "(b) Funds Excluded From Formula. – The following funds are not subject to this
6 section:

7 ...

8 (11) Funds appropriated or transferred to the Megaproject Fund, in
9 accordance with Article 14C of this Chapter."

10 **SECTION 3.(a)** Establishment of Workgroup and Megaproject Selection
11 Criteria. – The Department of Transportation shall establish a workgroup for the
12 purposes of developing megaproject selection criteria and selecting projects in
13 accordance with G.S. 136-189.13, as enacted by Section 1 of this act. The megaproject
14 selection criteria shall:

- 15 (1) Address large-scale, significant transportation needs of the State.
- 16 (2) Provide for interstate and intrastate connectivity between urban and
17 rural areas, and between rural areas.
- 18 (3) Encourage economic development in both urban and rural areas of the
19 State.
- 20 (4) Improve existing major highway corridors by increasing capacity and
21 relieving congestion.
- 22 (5) Provide for infrastructure improvements and rail and highway
23 connectivity to the State ports.
- 24 (6) Encourage delivery of projects in the most effective, efficient, and
25 expeditious manner.

26 **SECTION 3.(b)** Membership. – The workgroup shall consist of the
27 following members:

- 28 (1) A representative from the workgroup established under
29 G.S. 136-189.11(h).
- 30 (2) A representative from the North Carolina Association of Municipal
31 Planning Organizations.
- 32 (3) A representative from the North Carolina Association of Rural
33 Planning Organizations.
- 34 (4) A representative from the North Carolina League of Municipalities.
- 35 (5) A representative from the North Carolina Association of County
36 Commissioners.
- 37 (6) A representative from the North Carolina Metropolitan Mayors
38 Coalition.
- 39 (7) A representative from the North Carolina Council of Regional
40 Governments.

41 **SECTION 3.(c)** Selection of Members; Co-Chairs. – The Department of
42 Transportation shall select the members listed in subsection (b) of this section. The
43 co-chairs of the workgroup shall be the members listed in subdivisions (2) and (3) of
44 subsection (b) of this section.

45 **SECTION 3.(d)** Meetings. – The Department of Transportation shall
46 establish and convene the workgroup required under this section within 30 days of the

1 effective date of this section. Within the three-month period from the date the
2 workgroup is convened, the workgroup shall hold at least three meetings. One meeting
3 shall set forth the goals and objectives of the workgroup, a second meeting shall discuss
4 the progress made in meeting its goals and objectives, and a third meeting shall present
5 the outcomes achieved from the workgroup process, including a presentation on the
6 selection criteria established by the workgroup. Additional meetings shall be on the call
7 of the co-chairs. Each member may be represented by a designee, who shall have the
8 same voting powers as the member. The workgroup shall meet in offices provided by
9 the Department of Transportation. In addition, the Department of Transportation shall
10 provide the necessary secretarial and clerical staff and supplies to help the workgroup
11 accomplish its goals and objectives.

12 **SECTION 3.(e) Quorum.** – A quorum of the workgroup shall consist of a
13 majority of the workgroup's total membership.

14 **SECTION 3.(f) Reports.** – No later than 45 days from the date the
15 workgroup is convened, the workgroup shall provide a report to the Joint Legislative
16 Transportation Oversight Committee on its progress creating selection criteria. Prior to
17 the end of the three-month period from the date the workgroup is convened, the
18 workgroup shall provide a report to the Joint Legislative Transportation Oversight
19 Committee on the selection criteria created by the workgroup.

20 **SECTION 4. Effective Date.** – Sections 3 and 4 of this act are effective
21 when it becomes law. The remainder of this act becomes effective July 1, 2017.
22

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H

D

BILL DRAFT 2017-MLz-20 [v.6] (12/13)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
12/19/2016 09:30:00 AM

Short Title: State Infrastructure Bank Revisions.

(Public)

Sponsors: Representative Torbett.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE PURPOSES FOR WHICH FUNDS FROM THE STATE
INFRASTRUCTURE BANK MAY BE USED AND TO CREATE AN
OVERSIGHT BOARD FOR THE STATE INFRASTRUCTURE BANK, AS
RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON STRATEGIC
TRANSPORTATION PLANNING AND LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 136 of the General Statutes is amended by adding a
new article to read:

"Article 21.

"State Infrastructure Bank.

"§ 136-277. Creation of the State Infrastructure Bank.

(a) Creation. – The Department of Transportation shall have such powers as are
necessary to establish, administer, and receive federal funds for a transportation
infrastructure banking program authorized by the Intermodal Surface Transportation
Efficiency Act of 1991, Pub. L. 102-240, as amended, the National Highway System
Designation Act of 1995, Pub. L. 104-59, as amended, and any other federal law
authorizing and governing the use of federal funds for a transportation infrastructure
banking program.

(b) Federal Financial Assistance. – The Department is authorized to apply for,
receive, administer, and comply with all conditions and requirements related to federal
financial assistance necessary to fund the infrastructure banking program.

(c) Use of Funds; Conditions and Repayment. – Except as otherwise prohibited
under federal law, the infrastructure banking program established under subsection (a)
of this section may utilize available federal and State funds for the purpose of providing
loans or other financial assistance to governmental units, including toll authorities, to
finance the costs of transportation projects. Loans or other financial assistance provided
under this subsection shall be subject to repayment and conditioned upon the
establishment of any security, and the payment of any fees and interest rates, required
by this subsection, deemed necessary by the Department, or required by this subsection
and deemed necessary by the Department. Governmental units may apply for loans and
execute debt instruments payable to the State in order to obtain loans or other financial

1 assistance provided for in this subsection. The Department shall require that applicants
2 pledge as security for the obligations revenues derived from operation of the benefited
3 facilities or systems, other sources of revenue, or their faith and credit, or any
4 combination thereof. The faith and credit of the governmental units shall not be pledged
5 or be deemed to have been pledged unless the requirements of Article 4 of Chapter 159
6 of the General Statutes have been met. The Department is authorized to apply a
7 municipality's share of funds allocated under G.S. 136-41.1 or G.S. 136-44.20 as
8 necessary to ensure repayment of funds advanced under this subsection.

9 (d) Account; Nonreversion of Funds. – The Department shall establish jointly,
10 with the State Treasurer, a separate infrastructure banking account with necessary fiscal
11 controls and accounting procedures. Funds credited to this account shall not revert, and
12 interest and other investment income shall accrue to the account and may be used to
13 provide loans and other financial assistance as provided under this section.

14 (e) Rules. – The Department may establish such rules and policies as are
15 necessary to establish and administer the infrastructure banking program.

16 (f) Effect on Transportation Investment Strategy Formula. – The infrastructure
17 banking program authorized under this subdivision shall not modify the formula for the
18 distribution of funds established by G.S. 136-189.11.

19 (g) Debt Instruments. – The State Treasurer, with the assistance of the Local
20 Government Commission, shall develop and adopt appropriate debt instruments for use
21 under this section. The Local Government Commission shall develop and adopt
22 appropriate procedures for the delivery of debt instruments to the State without any
23 public bidding therefor.

24 (h) Review and Approval of Loans. – The State Infrastructure Bank Oversight
25 Board established in G.S. 136-278 shall review and approve all proposed loans and
26 other financial assistance to applicants under this section. In addition, the Local
27 Government Commission shall review and approve proposed loans to applicants under
28 this section pursuant to the provisions of Articles 4 and 5 of Chapter 159 of the General
29 Statutes, as if the issuance of bonds was proposed, so far as those provisions are
30 applicable.

31 (i) Outstanding Debt. – Loans authorized by this subdivision shall be
32 outstanding debt for the purpose of Article 10 of Chapter 159 of the General Statutes.

33 **"§ 136-278. Establishment of State Infrastructure Bank Oversight Board.**

34 (a) Establishment. – The State Infrastructure Bank Oversight Board (Board) is
35 established and shall be responsible for reviewing and approving loans or other financial
36 assistance provided under G.S. 136-277.

37 (b) Members. – The Board shall consist of the following voting members:

38 (1) The Secretary of the Department of Transportation.

39 (2) The Secretary of the Department of Commerce.

40 (3) The State Treasurer.

41 (4) The State Auditor.

42 (5) The State Budget Officer.

43 (c) Terms. – The members set forth in subsection (b) of this section shall serve
44 terms coinciding with their respective offices.

45 (d) Officers. – The Board shall elect from its members a Chair and Vice-Chair of
46 the Board.

1 (e) Meetings. – The Board shall meet on the call of the Chair or any two
2 members, but shall meet at least once every six months. Each member may be
3 represented by a designee, who shall have the same voting powers as the member. The
4 Board shall meet in offices provided by the Department of Transportation. In addition,
5 the Department of Transportation shall provide the necessary secretarial and clerical
6 staff and supplies to help the Board accomplish its objectives.

7 (f) Guidelines. – The Board shall develop guidelines, consistent with the
8 requirements of G.S. 136-277, for reviewing and approving loans or other financial
9 assistance provided under G.S. 136-277. The Board shall publish the guidelines
10 established under this subsection on the Board's website, or, if the Board does not have
11 its own website, on the Department of Transportation's website.

12 (g) Quorum. – A quorum of the Board shall consist of a majority of the Board's
13 total membership."

14 (h) Reports. – The Board shall report on its activities quarterly to the Joint
15 Legislative Commission on Governmental Operations and the Joint Legislative
16 Transportation Oversight Committee.

17 (i) Compensation. – Members shall serve without compensation, but may
18 receive travel and subsistence in accordance with G.S. 138-6."

19 **SECTION 2.** G.S. 136-18(12a) is repealed.

20 **SECTION 3.** Section 1 of this act becomes effective July 1, 2017, and
21 applies to loans and other financial assistance applied for on or after that date. The
22 remainder of this act becomes effective July 1, 2017.
23

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H

D

BILL DRAFT 2017-MLz-19 [v.5] (12/12)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

12/14/2016 01:04:10 PM

Short Title: STI/Regional & Division Weighting .

(Public)

Sponsors: Representative Torbett.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ADJUST THE WEIGHTING ATTRIBUTED UNDER THE
TRANSPORTATION INVESTMENT STRATEGY FORMULA TO THE
DEPARTMENT OF TRANSPORTATION'S DIVISION ENGINEERS, THE
METROPOLITAN PLANNING ORGANIZATIONS, AND THE RURAL
TRANSPORTATION PLANNING ORGANIZATIONS, WHEN SELECTING
REGIONAL IMPACT AND DIVISION NEED PROJECTS, AS RECOMMENDED
BY THE HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION
PLANNING AND LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-189.11(d)(2)a. reads as rewritten:

"(2) Regional Impact Projects. – Thirty percent (30%) of the funds subject to this section shall be used for Regional Impact Projects and allocated by population of Distribution Regions based on the most recent estimates certified by the Office of State Budget and Management:

a. Criteria. – A combination of transportation-related quantitative criteria, qualitative criteria, and local input shall be used to rank Regional Impact Projects involving highways that address cost-effective needs from a region-wide perspective and promote economic growth. Local input is defined as the rankings identified by the Department's ~~Transportation~~ Division Engineers, Metropolitan Planning Organizations, and Rural Transportation Planning Organizations. ~~Transportation~~ Division Engineer local input scoring shall take into account public comments. The Department shall ensure that the public has a full opportunity to submit public comments, by widely available notice to the public, an adequate time period for input, and public hearings. Board of Transportation input shall be in accordance with G.S. 136-189.11(g)(1) and G.S. 143B-350(g). The criteria utilized for selection of Regional Impact Projects shall be based thirty percent (30%) on local inputten percent (10%) on the rankings identified by the Division Engineers,

1 twenty percent (20%) on the rankings identified by the
2 Metropolitan Planning Organizations and the Rural
3 Transportation Planning Organizations, and seventy percent
4 (70%) on consideration of a numeric scale of 100 points based
5 on the following quantitative criteria:
6"

7 **SECTION 2.** G.S. 136-189.11(d)(3)a. reads as rewritten:

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

12 a. Criteria. – A combination of transportation-related quantitative
13 criteria, qualitative criteria, and local input shall be used to rank
14 Division Need Projects involving highways that address
15 cost-effective needs from a Division-wide perspective, provide
16 access, and address safety-related needs of local communities.
17 Local input is defined as the rankings identified by the
18 Department's ~~Transportation~~-Division Engineers, Metropolitan
19 Planning Organizations, and Rural Transportation Planning
20 Organizations. ~~Transportation~~-Division Engineer local input
21 scoring shall take into account public comments. The
22 Department shall ensure that the public has a full opportunity to
23 submit public comments, by widely available notice to the
24 public, an adequate time period for input, and public hearings.
25 Board of Transportation input shall be in accordance with
26 G.S. 136-189.11(g)(1) and G.S. 143B-350(g). The criteria
27 utilized for selection of Division Need Projects shall be based
28 ~~fifty percent (50%) on local input~~fifteen percent (15%) on the
29 rankings identified by the Department's Division Engineers,
30 thirty-five percent (35%) on the rankings identified by the
31 Metropolitan Planning Organizations and the Rural
32 Transportation Planning Organizations, and fifty percent (50%)
33 on consideration of a numeric scale of 100 points based on the
34 following quantitative criteria, except as provided in
35 sub-subdivision b. of this subdivision:

36"

37 **SECTION 3.** G.S. 136-189.11(d)(4)b. reads as rewritten:

38 "(4) Criteria for nonhighway projects. – Nonhighway projects subject to
39 this subsection shall be evaluated through a separate prioritization
40 process established by the Department that complies with all of the
41 following:

42 ...

43 b. Local input shall include rankings of projects identified by the
44 Department's ~~Transportation~~-Division Engineers, Metropolitan
45 Planning Organizations, and Rural Transportation Planning
46 Organizations. ~~Transportation~~-Division Engineer local input

1 scoring shall take into account public comments. The
2 Department shall ensure that the public has a full opportunity to
3 submit public comments, by widely available notice to the
4 public, an adequate time period for input, and public hearings.
5 Board of Transportation input shall be in accordance with
6 G.S. 136-189.11(g)(1) and G.S. 143B-350(g).

7 "

8 **SECTION 4.** This act is effective when it becomes law.
9

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H

D

BILL DRAFT 2017-MLz-23 [v.4*] (12/16)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
01/03/2017 03:48:54 PM

Short Title: Blue Ribbon Committee/Transportation Funding.

(Public)

Sponsors: Representative Torbett.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE BLUE RIBBON COMMITTEE ON
TRANSPORTATION INFRASTRUCTURE FUNDING, AS RECOMMENDED
BY THE HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION
PLANNING AND LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

SECTION 1. Establishment. – There is established a Blue Ribbon
Committee on Transportation Infrastructure Funding.

Transportation Infrastructure Funding.

SECTION 2. Membership. – The Committee shall be composed of 20
members as follows:

(1) 10 members appointed by the Speaker of the House of
Representatives, as follows:

a. Six members of the House of Representatives.

b. Two members representing the public.

c. Two members representing the business and industry of the
State.

(2) 10 members appointed by the President Pro Tempore of the Senate, as
follows:

a. Six members of the Senate.

b. Two members representing the public.

c. Two members representing the business and industry of the
State.

SECTION 3. Purpose. – The State has significant transportation
infrastructure needs and insufficient revenue to meet those needs. Therefore, the
Committee shall study all options available, including expanding the use of highway
tolling, to increase funding for the transportation infrastructure needs of the State, and
any other matters the Committee deems relevant.

SECTION 4. Officers; Vacancies. – The Speaker of the House of
Representatives shall designate one Representative as cochair, and the President Pro
Tempore of the Senate shall designate one Senator as cochair. Any vacancy on the
Committee shall be filled by the appointing authority.

1 **SECTION 5.** Compensation; Powers; Meeting. – Members of the
2 Committee shall receive per diem, subsistence, and travel allowances in accordance
3 with G.S. 120-3.1, G.S. 138-5, or G.S. 138-6, as appropriate. The Committee, while in
4 the discharge of its official duties, may exercise all powers provided for under G.S. 120-
5 19 and G.S. 120-19.4. The Committee shall meet upon the call of the cochair. A
6 quorum of the Committee shall be 10 members. The Committee may meet in the
7 Legislative Building or the Legislative Office Building. With approval of the
8 Legislative Services Commission, the Legislative Services Officer shall assign
9 professional staff to assist the Committee in its work. The House of Representatives'
10 and the Senate's Directors of Legislative Assistants shall assign clerical staff to the
11 Committee, and the expenses relating to the clerical employees shall be borne by the
12 Committee.

13 **SECTION 6.** Report; Termination. – The Committee may make an interim
14 report of its findings and recommendations to the 2018 Regular Session of the 2017
15 General Assembly and shall make a final report of its findings and recommendations to
16 the 2019 General Assembly prior to its convening. The Commission shall terminate on
17 the convening of the 2019 General Assembly, or upon the filing of its final report,
18 whichever occurs first.

19 **SECTION 7.** Effective Date. – This act is effective when it becomes law.
20
21
22

COMMITTEE MEMBERSHIP

[\[Back to Top\]](#)

2015-2016

Speaker of the House of Representatives

Appointments:

Representative John A. Torbett, Chair

Representative Frank Iler, Vice Chairman

Representative Phil Shepard, Vice Chairman

Representative Jamie Boles

Representative John R. Bradford, III

Representative William Brisson

Representative Becky Carney

Representative Debra Conrad

Representative Nelson Dollar

Representative Jeffrey Elmore

Representative John Faircloth

Representative John Fraley

Representative Ken Goodman

Representative George Graham

Representative Howard Hunter III

Representative Pat Hurley

Representative Linda Johnson

Representative Susan Martin

Representative Chuck McGrady

Representative Allen McNeill

Representative Michele Presnell

Representative Bobbie Richardson

Representative Scott Stone

Representative Paul Tine

Representative Rena Turner

Staff: Anna Cameron, Bryce Ball, Susan Tyler,
Luke Gillenwater, Wendy Graf Ray, Giles S. Perry

COMMITTEE CHARGE/LEGISLATIVE AUTHORITY

By letter dated December 8, 2015, the Speaker of the House of Representatives established the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions, and authorized it to report to the 2016 Session of the 2015 General Assembly. *See page 33 of this report.*

The Committee was authorized to study any of the following:

- (1) The I-77 Managed Lanes Project
- (2) Improvements to the I-95 Corridor
- (3) Port Modernization
 - A. Development of Radio Island
 - B. New freight rail access to the Ports of Morehead and Wilmington
 - C. Dredging
 - D. Economic development opportunities
- (4) Technological advancement in infrastructure development and construction
- (5) Autonomous vehicles

By letter dated March 8, 2016, the Speaker of the House of Representatives extended the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions, with the same charge as set out above. The letter authorizes the Committee to report on or before the convening of the General Assembly in January 2017. *See page 37 of this report.*



Office of the Speaker
North Carolina House of Representatives

TIM MOORE
SPEAKER

**HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING
AND LONG TERM FUNDING SOLUTIONS
TO THE HONORABLE MEMBERS OF THE
NORTH CAROLINA HOUSE OF REPRESENTATIVES**

Section 1. The House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions (hereinafter "Committee") is established by the Speaker of the House of Representatives pursuant to G.S. 120-19.6(a1) and Rule 26(a) of the Rules of the House of Representatives of the 2015 General Assembly.

Section 2. The Committee consists of twenty members appointed by the Speaker of the House of Representatives. The membership of the Committee shall include legislators as specified below. Members serve at the pleasure of the Speaker of the House of Representatives. The Speaker of the House of Representatives may dissolve the Committee at any time. Vacancies are filled by the Speaker of the House of Representatives. A Chair, Vice Chair, or other member of the Committee continues to serve until a successor is appointed.

Representative John Torbett, Chair
Representative Phil Shepard, Vice Chair
Representative Frank Iler, Vice Chair
Representative Charles Jeter, Vice Chair
Representative Jamie Boles
Representative William Brisson
Representative Becky Carney
Representative Debra Conrad
Representative Josh Dobson
Representative Nelson Dollar

Representative Jeffery Elmore
Representative John Fraley
Representative Ken Goodman
Representative Howard Hunter III
Representative Pat Hurley
Representative Linda Johnson
Representative Susan Martin
Representative Michele Presnell
Representative Paul Tine
Representative Rena Turner

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Section 3. The Committee may study any of the following:

- (1) The I-77 Managed Lanes project
- (2) Improvements to the I-95 corridor
- (3) Port modernization
 - A. Development of Radio Island
 - B. New Freight Rail access to the Ports of Morehead and Wilmington
 - C. Dredging
 - D. Economic Development opportunities
- (4) Technological advancements in infrastructure development and construction
- (5) Autonomous Vehicles

Section 4. The Committee shall meet upon the call of the Chair. A quorum of the Committee shall be a majority of its members. No action may be taken except by majority vote at a meeting at which a quorum is present.

Section 5. The Committee, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and Article 5A of Chapter 120 of the General Statutes. The Committee may contract for professional, clerical, or consultant services, as provided by G.S. 120-32.02.

Section 6. Members of the Committee shall receive per diem, subsistence, and travel allowance as provided in G.S. 120-3.1

Section 7. The expenses of the Committee including per diem, subsistence, travel allowances for Committee members, and contracts for professional or consultant services shall be paid upon the written approval of the Speaker of the House of Representatives pursuant to G.S. 120-32.02(c) and G.S. 120-35 from funds available to the House of Representatives for its operations.

Section 8. The Legislative Services Officer shall assign professional and clerical staff to assist the Committee in its work. The Director of Legislative Assistants of the House of Representatives shall assign clerical support staff to the Committee.

Section 9. The Committee may meet at various locations around the State in order to promote greater public participation in its deliberations.

Section 10. The Committee may submit an interim report on the results of its findings, including any proposed legislation, to the members of the House of Representatives at any time. The Committee may submit a final report on the results of its findings, including any proposed legislation to the members of the House of Representatives prior to the convening of the Short Session of the 2015 General Assembly. Reports shall be submitted by filing a copy of the report with the Office of the Speaker of the House of Representatives, the House principal Clerk, and the Legislative Library. The Committee terminates upon the convening of the Short Session of the 2015 General Assembly or upon the filing of its final report, whichever occurs first.

Effective this the 8th day of December 2015.

A handwritten signature in black ink, appearing to read "Tim Moore", is written over a horizontal line.

Tim Moore
Speaker



Office of the Speaker
North Carolina House of Representatives

TIM MOORE
SPEAKER

**HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING
AND LONG TERM FUNDING SOLUTIONS
TO THE HONORABLE MEMBERS OF THE
NORTH CAROLINA HOUSE OF REPRESENTATIVES**

Section 1. The House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions (hereinafter "Committee") is established by the Speaker of the House of Representatives pursuant to G.S. 120-19.6(a1) and Rule 26(a) of the Rules of the House of Representatives of the 2015 General Assembly.

Section 2. The Committee consists of twenty-four members appointed by the Speaker of the House of Representatives. The membership of the Committee shall include legislators as specified below. Members serve at the pleasure of the Speaker of the House of Representatives. The Speaker of the House of Representatives may dissolve the Committee at any time. Vacancies are filled by the Speaker of the House of Representatives. A Chair, Vice Chair, or other member of the Committee continues to serve until a successor is appointed.

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Representative Phil Shepard, Vice Chair
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Section 3. The Committee may study any of the following:

- (1) The I-77 Managed Lanes project
- (2) Improvements to the I-95 corridor
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 - A. Development of Radio Island
 - B. New Freight Rail access to the Ports of Morehead and Wilmington
 - C. Dredging
 - D. Economic Development opportunities
- (4) Technological advancements in infrastructure development and construction
- (5) Autonomous Vehicles

Section 4. The Committee shall meet upon the call of the Chair. A quorum of the Committee shall be a majority of its members. No action may be taken except by majority vote at a meeting at which a quorum is present.

Section 5. The Committee, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and Article 5A of Chapter 120 of the General Statutes. The Committee may contract for professional, clerical, or consultant services, as provided by G.S. 120-32.02.

Section 6. Members of the Committee shall receive per diem, subsistence, and travel allowance as provided in G.S. 120-3.1

Section 7. The expenses of the Committee including per diem, subsistence, travel allowances for Committee members, and contracts for professional or consultant services shall be paid upon the written approval of the Speaker of the House of Representatives pursuant to G.S. 120-32.02(c) and G.S. 120-35 from funds available to the House of Representatives for its operations.

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Section 10. The Committee may submit an interim report on the results of the study, including any proposed legislation, to the members of the House of Representatives at any time. The Committee may submit a final report on the results of its study, including any proposed legislation, to the members of the House of Representatives prior to the convening of the 2017 General Assembly. Reports shall be submitted by filing a copy of the report with the Office of the Speaker of the House of Representatives, the House Principal Clerk, and the Legislative Library. The Committee terminates upon the convening of the 2017 General Assembly, upon the filing of its final report, or by dissolution by the Speaker of the House of Representatives, whichever occurs first.

Effective this the 8th day of MARCH 2016.

A handwritten signature in dark ink, appearing to read "L. M.", is written over a horizontal line.

Tim Moore
Speaker

