

**2005-2006**

**HOUSE  
TRANSPORTATION**

**COMMITTEE  
MINUTES**

HOUSE STANDING COMMITTEE ON  
TRANSPORTATION  
2005 SESSION

Representative Lucy T. Allen  
Representative Cary Allred  
Representative Becky Carney  
Representative Bonner Stiller  
Chairs

Representative Jim Crawford  
Representative Drew Saunders  
Representative Fred Steen  
Representative Arthur Williams  
Representative Thomas Wright  
Vice-Chairs

Committee Assistants:

Jean Allred  
Carla Farmer  
Joyce Langdon  
Melissa Riddle

Committee Counsel:

Giles Perry  
Wendy Graf-Ray  
Research Division

**Permanent Directory**  
**HOUSE COMMITTEE ON TRANSPORTATION**  
**2005/2006 SESSION**

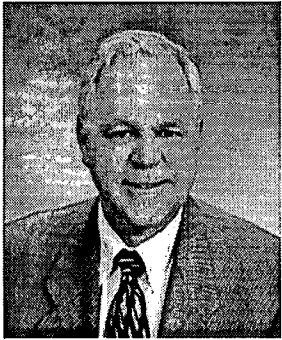
MEMBER	ASSISTANT	PHONE	OFFICE	SEAT
<b>Rep. Lucy Allen, Chair</b>	Melissa Riddle Committee Assistant	733-5860	1307	41
<b>Rep. Cary D. Allred, Chair</b>	Jean Allred Committee Assistant	733-5905	606	38
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<b>Rep. Bonner Stiller, Chair</b>	Carla Farmer Committee Assistant	733-5974	508	52
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<b>Rep. Nelson Cole</b>	Suzanne Smith	733-5779	1218	45
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<b>Rep. Jerry Dockham</b>	Regina Irwin	715-2526	1424	106
<b>Rep. Melanie Wade Goodwin</b>	Jane McMillan	733-5823	1305	91
<b>Rep. Phillip Haire</b>	Sara Jane Lennard	715-3005	419B	47

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<b>Rep. John Rhodes</b>	Lucille Carter	733-5530	1017	112
<b>Rep. Edgar V. Starnes</b>	Pattie Fleming	733-5931	513	116
<b>Rep. Ronnié Sutton</b>	Juanita Coley	715-0875	1321	72
<b>Rep. Winkie Wilkins</b>	Nancy Brantley	715-0850	1301	71
<b>Rep. Michael Wray</b>	Mary Capps	733-5662	534	94
<b>Rep. William Culpepper</b> Ex-officio Member	Dot Crocker	715-3028	404	36
<b>Rep. Pete Cunningham</b> Ex-officio Member	Valerie Rustin	733-5778	541	7
<b>Rep. Rick Eddins</b> Ex-officio Member	Susan Phillips	733-5828	1002	26
<b>Rep. Joe Hackney</b> Ex-officio Member	Emily Reynolds	733-5752	2207	69

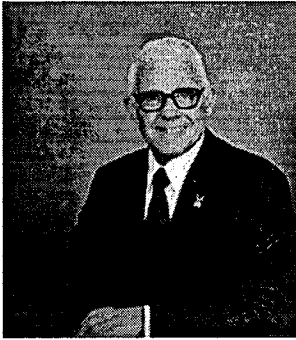


# NORTH CAROLINA GENERAL ASSEMBLY

## HOUSE STANDING COMMITTEE ON TRANSPORTATION 2005 – 2006 SESSION



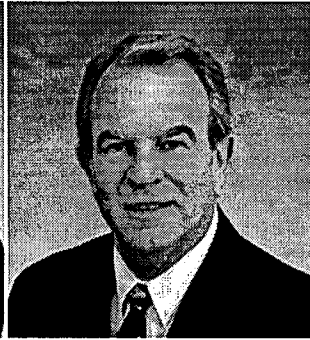
Rep. Curtis Blackwood



Rep. George Cleveland



Rep. Lorene Coates



Rep. Nelson Cole



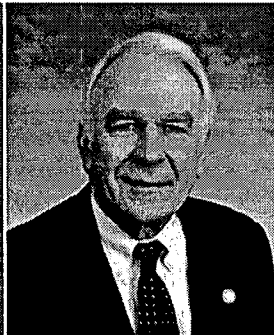
Rep. Bill Daughtridge



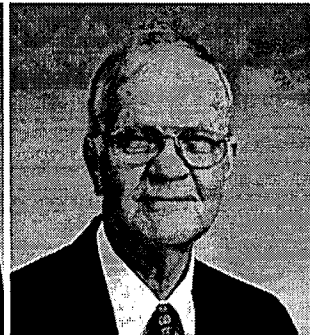
Rep. Jerry Dockham



Rep. Melanie Wade  
Goodwin



Rep. Phil Haire



Rep. Dewey Hill



Rep. Mark Hilton



Rep. Danny McComas



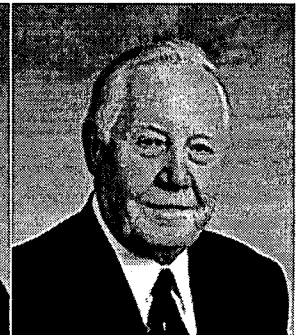
Rep. Tim Moore



Rep. Jean Preston



Rep. Ray Rapp



Rep. John Rayfield



Rep. John Rhodes



Rep. Edgar Starnes



Rep. Ronnie Sutton



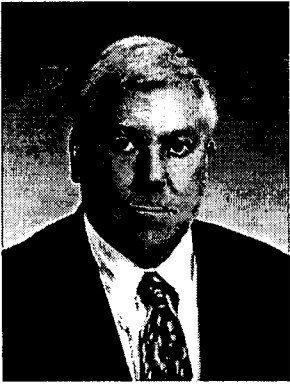
Rep. Winkie Wilkins



Rep. Michael Wray

# **NORTH CAROLINA GENERAL ASSEMBLY**

## **HOUSE STANDING COMMITTEE ON TRANSPORTATION 2005 – 2006 SESSION**



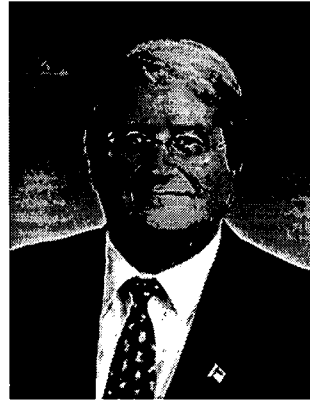
**Rep. Bill Culpepper**

**Ex-officio**



**Rep. Pete Cunningham**

**Ex-officio**



**Rep. Rick Eddins**

**Ex-officio**



**Rep. Joe Hackney**

**Ex-officio**

## TRANSPORTATION

2005 Session

[illegible]

## 2005 Session

[illegible]

## 2005 Session

[illegible]

## 2005 Session

[illegible]

North Carolina General Assembly  
Through House Committee on  
Transportation

Date: 09/12/2005  
Time: 14:43  
Page: 001 of 002  
Leg. Day: H-125/S-126

2005-2006 Biennium

Bill	Introducer	Short Title	Latest Action	In Date	Out Date
<b>\$ H0010</b>	<b>LaRoque</b>	<b>REGISTER OUT-OF-STATE SEX OFFENDERS.</b>	<b>H Re-ref Com On Appropriations</b>	<b>01-31-05</b>	<b>06-22-05</b>
H0039	Cole	MOTORCYCLES-NO PASSENGERS UNDER AGE 10.	H Ref To Com On Transportation	02-03-05	
H0099	Gibson	AMEND WORKERS' COMP ACT.	*H Pres. To Gov. 8/ 24/2005	02-07-05	03-10-05
H0141	Moore	FREE VETERAN'S DRIVERS LICENSES.	H Ref To Com On Transportation	02-09-05	
H0237	Coates	REVISE MORTGAGE LENDING ACT.	*HR Ch. SL 2005-316	06-01-05	06-21-05
H0249=	Cole	DOT DRIVEWAY CONNECTION CHANGES.	H Re-ref Com On Rules, Calendar, and Operations of the House	02-16-05	06-01-05
H0250=	Cole	INTEREST ON HIGHWAY CONDEMNATION AWARDS.	H Ref To Com On Transportation	02-16-05	
H0253	Crawford	NC TURNPIKE AUTHORITY CHANGES.	*HR Ch. SL 2005-275	02-16-05	03-10-05
H0254	Crawford	GARVEE BOND ISSUANCE.	*H Pres. To Gov. 8/ 23/2005	02-16-05	05-26-05
H0267	Sutton	8-YEAR DRIVERS LICENSE/INTERNET DL RENEWAL.	*H Ref To Com On Transportation	02-17-05	04-25-05
H0664	Cole	CRIME TO FALSIFY HIGHWAY INSPECTION REPORTS.-AB	*HR Ch. SL 2005-96	03-16-05	03-31-05
H0665=	Cole	AMEND HOUSE MOVER LAWS.-AB	*HR Ch. SL 2005-354	03-16-05	04-13-05
H0666	Cole	HOV LANE PENALTIES.-AB	*H Conf Com Appointed	03-16-05	04-13-05
H0666	Cole	HOV LANE PENALTIES.-AB	*H Conf Com Appointed	06-28-05	07-20-05
H0668=	Cole	PERMIT DOT BEST-VALUE PROCUREMENT.-AB	H Ref to the Com on Transportation and, if favorable, to the Com on Rules, Calendar, and Operations of the House	03-16-05	
H0669	Cole	OVERSIZE/OVERWEIGHT VEHICLE CHANGES.-AB	*HR Ch. SL 2005-361	03-16-05	04-28-05
H0670	Cole	CDL/FEDERAL COMPLIANCE	*HR Ch. SL 2005-349	03-16-05	05-05-05
H0740	Coates	TRANSIT DRUG TESTING.	HR Ch. SL 2005-156	03-17-05	04-07-05
H0746=	Cole	MITIGATION CREDIT-DOT/ CWMTF JOINT PURCHASES.-AB	H Ref To Com On Transportation	03-17-05	
H0747	Cole	DEFINING STATE ROADS.- AB	*H Pres. To Gov. 8/ 23/2005	03-17-05	05-26-05
H0748=	Cole	DEBARMENT OF DOT CONTRACTORS.-AB	H Ref To Com On Transportation	03-17-05	
H0749=	Cole	AGREEMENT FOR TRANSPORTATION IMPROVEMENTS.-AB	*H Re-ref Com On Finance	03-17-05	06-01-05
H0750	Cole	SECONDARY ROAD CONSTRUCTION.-AB	*H Pres. To Gov. 8/ 24/2005	03-17-05	04-28-05
H0761	Williams	MOTOR CARRIER	HR Ch. SL 2005-64	03-17-05	04-13-05

'\$' indicates the bill is an appropriation bill.

A bold line indicates the bill is an appropriation bill.

'\*' indicates that the text of the original bill was changed by some action.

'=' indicates that the original bill is identical to another bill.

North Carolina General Assembly  
Through House Committee on  
Transportation

Date: 09/12/2005  
Time: 14:43  
Page: 002 of 002  
Leg. Day: H-125/S-126

2005-2006 Biennium

Bill	Introducer	Short Title	Latest Action	In Date	Out Date
		AMENDMENTS.-AB			
86	Cole	MV DEALER TECHNICAL	*HR Ch. SL 2005-99	03-17-05	05-05-05
H0813	Allred	CORRECTIONS.-AB			
		PROHIBITING	*HR Ch. SL 2005-310	03-23-05	04-07-05
		SOLICITATIONS ON			
		STATE HIGHWAYS.			
H0887	Allred	BURLINGTON CHARTER	*HR Ch. SL 2005-30	03-28-05	04-07-05
		AMENDMENT.			
H0943	Almond	NONBETTERMENT	H Ref To Com On	03-29-05	
		RELOCATION OF UTILITY	Transportation		
		LINES.			
H1026	Gulley	LEFT TURN ON RED -	*HF Failed 2nd Reading	03-31-05	05-26-05
		RALEIGH.			
H1052	Stiller	BRUNSWICK - TRASH	HR Ch. SL 2005-266	03-31-05	04-25-05
		TRUCKS STOPPED ON			
		HIGHWAYS.			
H1125	Grady	DRIVERS LICENSE-	H Ref To Com On	04-06-05	
		ANTILITTERING PLEDGE.	Transportation		
H1227	Coleman	MOTOR VEHICLE REPAIR	*H Pres. To Gov. 8/	04-14-05	06-01-05
		AND FRANCHISE CHANGES.	23/2005		
H1266	Cole	DOT RELOCATION	HR Ch. SL 2005-331	04-18-05	05-05-05
		ASSISTANCE CHANGE.			
H1280	Pate	DOT REPORT/FEDERAL	*HR Ch. SL 2005-222	04-19-05	05-05-05
		RAIL ASSISTANCE TO NC.			
H1295	Harrison	NEW MOTOR VEHICLES	*H Pres. To Gov. 8/	04-19-05	05-09-05
		WARRANTIES.	23/2005		
H1356	McMahan	HIGHWAY TRUST FUND-	H Ref To Com On	04-21-05	
		NEED BASED PROJECTS.	Transportation		
H1371	Culpepper	EXEMPT ATVS FROM MV	H Ref To Com On	04-21-05	
		REGISTRATION	Transportation		
		REQUIREMENTS.			
H1372	Culpepper	CITY TRANSIT BENCH/	H Re-ref Com On	05-17-05	
		SHELTER ADS.	Transportation		
H1410	Luëbke	MOTOR VEHICLE SALES	H Ref To Com On	04-21-05	
		FINANCED BY DEALER.	Transportation		
H1487	Dickson	LICENSE PLATE DESIGN	H Re-ref Com On	05-17-05	06-01-05
		CONTEST.	Appropriations		
H1544	Lewis	NONRESIDENT CDL/	H Ref To Com On	04-21-05	
		TRAINING CHANGES.	Transportation		
S0189	William R. Purce	ALL-TERRAIN VEHICLE	*HR Ch. SL 2005-282	05-18-05	05-26-05
		REGULATION.			
S0603	Clark Jenkins	LIGHT-DUTY ROAD	H Ref To Com On	05-05-05	
		EXEMPTION-BUILDING	Transportation		
		SUPPLIES.			

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## **MINUTES**

### **HOUSE COMMITTEE ON TRANSPORTATION**

**March 2, 2005**

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, March 2, 2005, in Room 1228 of the Legislative Building at 11:00 A.M. Representative Lucy Allen presided. Members present were: Representatives Allred, Carney, and Stiller, Co-Chairs, Representatives Saunders, Steen, and Williams, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Haire, Hill, Hilton, McComas, Moore, Preston, Rapp, Rhodes, Starnes, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Jean Allred, Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Martha Parrish, Leslie Oakley, and Walter Spell, House Sergeants-at-Arms. A list of visitors is attached.

Representative L. Allen called the meeting to order and indicated this was an introductory meeting. The House pages were introduced: Katherine Carlton and Hattie Walter from Wake County (both pages were sponsored by Speaker Jim Black), along with the above mentioned House Sergeants-At-Arms.

Representative L. Allen welcomed all of the members of the TRANSPORTATION Committee and introduced the Co-Chairs for remarks. Vice-Chairs and Members of the Committee were asked to introduce themselves. Staff Counsel and Committee Assistants were recognized. Representatives from the Department of Transportation present included Secretary Lyndo Tippet, Lori Cove, Susan Coward, and Portia Manley.

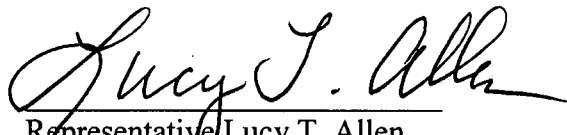
The Presiding Chair recognized Lyndo Tippet, Secretary of the Department of Transportation. Secretary Tippet provided an overview of the activities of the Department of Transportation and noted that this department impacts every household in North Carolina. There is a gap between the resources available and the needs in our state – over the next 25-year period it is estimated there is a need for \$80 billion and there will only be \$50 billion in resources. Secretary Tippet indicated Susan Coward and Dan DeVane are contacts/liaisons between the Department and members of the General Assembly. Much discussion ensued concerning toll roads, free parallel roads to these roads, prior bond issues and issues to be discussed this year.

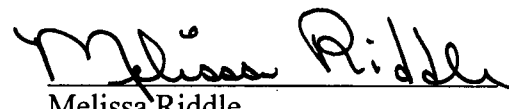
The Presiding chair recognized Lori Cove, Statewide Transportation Plan, who provided a report on the 25-year plan (see attached handout). Ms. Cove indicated the revenue forecast over the next 25 years is \$55 billion with the needs figure being \$84 billion. Anyone interested in reviewing this statewide plan can view the web page at: <http://www.ncdot.org/planning/statewideplan>.

House TRANSPORTATION Committee Minutes  
Wednesday, March 2, 2005  
Page two

After discussion ensued regarding the presentations by the Department of Transportation, the Presiding Chair adjourned the introductory meeting at 11:55 a.m.

Respectfully submitted,

  
Representative Lucy T. Allen  
Presiding Chair

  
Melissa Riddle  
Committee Assistant

Attachments:

Agenda  
Visitors Registration  
Handout

# *AGENDA*

## HOUSE COMMITTEE MEETING ON TRANSPORTATION

March 2, 2005

11:00 A.M.

Room 1228 LB

Representative Lucy T. Allen, Presiding Chair  
Representative Carey Allred, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair

WELCOME AND OPENING REMARKS BY CHAIRS

INTRODUCTION OF COMMITTEE

INTRODUCTION OF STAFF

PRESENTATIONS

Department of Transportation

Lyndo Tippet, Secretary

Lori Cove, Statewide Transportation Plan

QUESTIONS AND COMMENTARY

ADJOURNMENT

# VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

3-2-05

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Wesley Plunk	OSBM
Michelle Allen	OSBM
Portia Manley	NC DOT / DMV
Sandra Long	Martin Manetta Materials
Kyle Gottis	NC State Ports Authority
Beau Mills	NC Metro Coalition
Susan Conrad	NC DOT
Stephanie Dorko	Charlotte Chamber
Mark Seaton	Carter Group
Joe Muszko	RTA
Betsy Bailey	NCPTA

## Charting a New Direction for North Carolina

### NCDOT Statewide Transportation Plan



North Carolina General Assembly  
March 2005

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### Caretakers of the System

- NCDOT supports 74 publicly owned airports
  - Over 19 million passengers boarded airplanes in 2000
- NCDOT supports almost 100 transit operations in 100 counties
  - Over 40 million passengers transported annually
- NCDOT sponsors 2 passenger train routes in NC - Piedmont & Carolinian
  - Over 500,000 passengers accommodated in 2000

Charting a New Direction for NC

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### Caretakers of the System

- NCDOT maintains the 2nd largest ferry system in the country
  - 25 Ferries transport 2.5 million passengers annually
- NCDOT maintains over 78,000 miles of roadway
  - Ownership of 80% of the system, 2nd only to Texas
  - Average ownership of other State DOTs ~ 20%
- NCDOT houses the Nation's oldest bicycle and pedestrian program

Charting a New Direction for NC

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**Statewide Transportation Plan**  
**- Background & Purpose -**

- Develop Policy Guidance & Strategic Direction for NCDOT
- Federally Mandated (ISTEA & TEA-21)
- 2000 Transportation Finance Commission recommendation -- Efficiency Study # 8
- Inventory 25-year Needs
- Forecast Available Revenues
- Solicit Public & Stakeholder Interest
- Determine long-term Investment Priorities

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**Statewide Transportation Plan**  
**- Who has been involved? -**

- Board of Transportation
  - Statewide Plan Committee
- Senior NCDOT Management
- Technical Steering Committee (all modes)
- Division Engineers
- Stakeholder Groups / Citizens
- Transportation Planning Branch Staff

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**Statewide Transportation Plan**  
**- Key Issues -**

- \$84 Billion in Needs vs. \$55 Billion in Revenue
- Limited ability to address *pressing* needs
  - spending restrictions on state/federal dollars
  - flexibility is essential
- Maintenance Backlog
  - 4K miles of state highways & 260 bridges added each yr
- Demographic/Travel Trends
  - 1990-2000 - population increased 21%; VMT increased nearly 40%
  - By 2020 population increases additional 25%

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## Statewide Transportation Plan

### - Key Issues con't-

- Regional Differences and Needs
- Quality of life goals
  - air quality, environmental & community enhancement
- Lack of Performance Measuring
  - need goals, tracking systems, reporting mechanisms
- Department must Prioritize w/ Limited Resources

Charting a New Direction for NC

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## Statewide Transportation Plan

### - How was the public engaged? -

- Stakeholder Outreach > 40 distinct groups
- Regional Forums - 2 Rounds (April 01 & Oct. 02)
  - 14 urban & rural communities
- Newsletters
- Summit - May 2002
- Website
  - comment form/updates/technical reports

Charting a New Direction for NC

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## Statewide Transportation Plan

### - Needs estimate by mode -

**\$84 Billion** (all modes; \$2001)

- 25-year "snapshot"
  - Highways & Bridges - \$66.6 billion
  - ITS (Intelligent Transportation Systems) - \$1.1 billion
  - Public Transportation - \$10.6 billion
  - Rail (Passenger & Freight) - \$4 billion
  - Ferry - \$1.1 billion
  - Bicycle / Pedestrian - \$300 million
  - Aviation - \$1 billion\*

\*funding is self-contained; not in final scenario

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## Statewide Transportation Plan

### - How were the needs illustrated? -

*Improvement/Investment Categories*

- **Maintenance / Preservation** - routine treatments that restore to adequate level or sustain the condition of an asset & activities / treatments that protect the infrastructure and extend service life
- **Modernization** - upgrades to system safety, functionality, & operational efficiency w/o adding physical capacity
- **Expansion** - new construction/new services (beyond existing) and/or physically expanding capacity to an existing facility

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## Statewide Transportation Plan

### - What do the needs tell us? -

- 32,000 miles of deficient pavement (40% of the system)
- 7,000 state bridges structurally deficient
- 8,800 miles--narrow lanes & shoulders; sharp curves
- Outdated public transportation equipment
- Future needs almost uniformly split b/w: Expansion  
Maintenance/Pres. & Modernization
  - Future maintenance/preservation needs (over the next 25 year) expected to be almost \$25 billion
  - Future modernization needs (over the next 25 years) expected to be almost \$20 billion
- Passenger/freight mobility along key corridors is critical

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## How Do NC Highway Needs Compare with Recent Highway Investment?

25-Year Highway Needs

1995-2000 Highway Investment

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Statewide Transportation Plan  
- Revenue Forecast -

- \$55 Billion
- Assumptions made:
  - No new revenue sources over 25-years
  - Con't growth of state user fee "transfers"
  - Increases in fed/state funding at a conservative rate
  - Based on historical patterns; input from Office of State Budget and Management
  - Inflation assumed but discounted back to 2001 \$

Charting a New Direction for NC

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Statewide Transportation Plan  
- Revenue Forecast -

Federal = \$24 Billion  
State = \$87 Billion  
Less Expenses = - \$33 Billion  
Lost Buying Power = - \$23 Billion  
Net Value = \$55 Billion

\$111 B

Charting a New Direction for NC

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Statewide Transportation Plan  
- Determining a Direction -

Revenue = \$55 Billion  
Needs = \$84 Billion

Charting a New Direction for NC

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## Statewide Transportation Plan

### - What is an Investment Scenario? -

- Long-range Statewide Investment Strategy
  - program / capital goals
  - allocation of expected \$ within categories
  - financial framework; points to emphasis areas
- Fiscally constrained
- Independent of funding restrictions
- Investments reflect priorities
- Trade-offs (can retire only 2/3 of needs)

Charting a New Direction for NC

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## Statewide Transportation Plan

### - Recommended Scenario -

**A new Investment Direction:**

- Underscores importance of Safety in all investments
- Creates a focus on preserving/upgrading the existing transportation system
  - Extends intent & emphases of *Moving Ahead!*
- Targets investment in statewide mobility
- Only addresses 2/3 of all projected needs

Charting a New Direction for NC

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## Statewide Transportation Plan

### - Recommended Scenario -

**Specifics - page 20 & 21 in Plan Report**

- 75% of Maintenance & Preservation needs met
  - represents 10% increase from past
- Major Modernization emphasis (2/3 of needs met)
  - represents nearly 25% increase from past
- 2/3 of Highway Expansion needs met
- Increases investment in non-hwy modes

Charting a New Direction for NC

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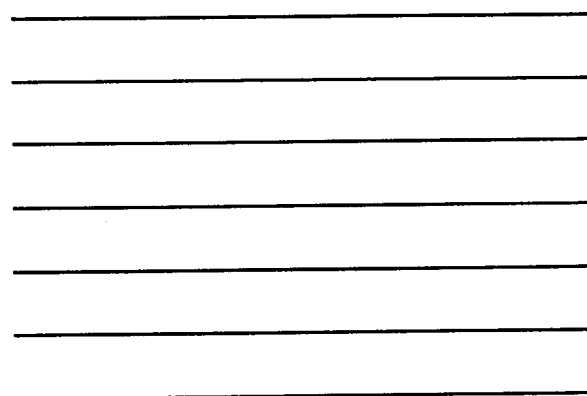
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# Statewide Transportation Plan - Implementation -

- Implementation Team (Technical Oversight)
- BOT Statewide Plan Committee (Policy Oversight)
- Pursue Greater Flexibility in Transportation Funding
- Improve Project Selection Process
- Monitor & Report Progress
- Establish Revision Cycles
- Implement Strategic Highway Corridors Concept
  - First tangible Action Item

Charting a New Direction for NC

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# Statewide Transportation Plan

## - Summary -

- Plan is a long-term Investment Blueprint
  - visionary; overarching policy for capital investment
- Only meets 2/3 of all projected needs
- Underscores the need for investment flexibility & maximizing the use of existing resources
- Plan is a "living document" -- updated every 4 years
- Implementation is the KEY!
  - Series of Action items must be sustained to achieve goals

CRS 11-1-1 NEW DIRECTION FOR ILC

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## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

March 9, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, March 9, 2005 in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Allred, presiding Chair, Representatives L. Allen, Carney and Stiller, Chairs, Representatives Crawford, Saunders, Steen, Williams, and Wright, Vice Chairs, Representatives Cleveland, Coates, Cole, Daughtride, Dockham, Goodwin, Hill, Hilton, Moore, Rapp, Rhodes, Starnes, Sutton, and Wray. Assisting with the meeting was Wendy Graf-Ray, Staff Counsel, and Jean Allred, Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Leslie Oakley and Frank Prevo, House Sergeants-at-Arms. Jessica Barber from Carteret County sponsored by Representative Preston and Eric Hellstrand from Cleveland County sponsored by Representative Moore served as House Committee Pages.

Representative Allred called the meeting to order and introduced the House Sergeants-at-Arms and the House Pages assisting with the meeting.

The first order of business was **HB-0267 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE EIGHT-YEAR DRIVERS LICENSES AND INTERNET RENEWAL OF DRIVERS LICENSES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.** Representative Sutton explained that the bill is a recommendation of the Joint Transportation Legislative Oversight Committee, which would authorize the Division of Motor Vehicles to issue eight-year drivers licenses and to electronically renew drivers' licenses under certain circumstances. Representative Allred, Presiding Chair, was concerned with how persons would prove their identity when renewing. Representative Rapp had issues with the number of accidents allowed when renewing over the Internet. Representative Hilton wanted to know about eye examinations. Representative Starnes questioned those applicants who had failed their tests and was concerned about how long a picture would be used on the license. Wendy Graf-Ray, Committee Counsel explained that the Internet License was renewable for one (1) five year period at the time of each expiration and for people between 25 and 60 years old, so every other time of renewal, one had to report to a DMV office. Representative Daughtride said the bill was going against the national trend by making drivers licenses even easier to obtain here in North Carolina and that was against national security. Chairman Allred told Representative Daughtride he made some good points and asked if he would like

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES**

**March 9, 2005**

**Page 2**

to prepare an amendment. Representative Cleveland had misgivings about Internet renewals and said he thought we were asking for trouble.

Wayne Hurder, DOT/DMV, was called on to address some of the issues concerning HB-0267. Representative Rhodes was recognized to offer an amendment to the bill. Chairman Allred temporarily displaced the bill so that Representative Rhodes' amendment could be prepared.

Next, Representative Gibson was recognized to explain **HB-0099 – A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE “FIRST IN FORESTRY” PLATES WITH A SPECIAL BACKGROUND.** The “First In Forestry” registration plate would be on a different background, rather than the standard “First in Flight” background. Representative Cleveland commented that there were too many special plates; Representative Gibson told the committee that the Highway Patrol and the DMV were in favor of the bill. Representative Saunders moved for a favorable report. The motion passed.

The last bill for consideration was **HB-0253 – A BILL TO BE ENTITLED AN ACT TO AMEND THE POWERS OF THE NORTH CAROLINA TURNPIKE AUTHORITY.** Representative Crawford, bill sponsor, explained that the bill would allow the authority to study and possibly construct, operate, and maintain three (3) more roads for toll roads for a total of six (6) projects instead of the initial three. Representative Starnes asked for an update on the previous projects. Calvin Leggett with the Turnpike Authority said they had four (4) strong projects brought to them, Garden Parkway in Gastonia, the Monroe Connector (I-485), a new connector off 17 to the Wilmington Port, the expansion of NC147/I-40 to I-540 known as the Triangle Parkway, and two (2) additional projects starting from scratch. Mr. Leggett said each project would pay for itself.

Representative Stiller said originally the bill allowed for three (3) projects and already there were four (4) strong projects being developed, one being the high span bridge at the port in Wilmington. He said bond money will pay for the bridge in Wilmington and the tolls collected will pay the bond money back. Representative Cole moved for a favorable report and the motion passed.

With meeting time expiring, HB-267 remained displaced and the meeting adjourned at 11:50 A.M.

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES**

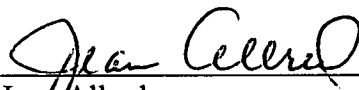
**March 9, 2005**

**Page 3**

Please note that the House Sergeant-at-Arms failed to start the tape recorder at the beginning of the meeting and when it was started it failed to record. There is no tape recording of this meeting.

Respectfully submitted,

  
Representative Cary Allred  
Presiding Chair

  
Jean Allred  
Committee Assistant

~~~~~  
Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

# ***AGENDA***

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

**March 9, 2005**

**11:00 A.M.**

**Room 1228 LB**

**Representative Cary Allred, Presiding Chair**

**Representative Lucy T. Allen, Chair**

**Representative Becky Carney, Chair**

**Representative Bonner Stiller, Chair**

### **OPENING REMARKS**

### **BILLS FOR CONSIDERATION\***

**HB 0099 – Forestry Special Plate Background.**

**Rep. Gibson, bill sponsor**

**HB 0249 – DOT Driveway Connection Changes.**

**Rep. Cole, bill sponsor** REMOVED FROM AGENDA - PER. REP COLE

**HB 0253 – NC Turnpike Authority Changes.**

**Rep. Crawford, bill sponsor**

**HB 0254 – GARVEE Bond Issuance.**

**Rep. Crawford, bill sponsor** DID NOT TAKE UP

**HB 0267 – 8- Year Drivers License/Internet DL Renewal.**

**Rep. Sutton, bill sponsor**

**\* Bills are listed in numerical order and may not reflect Agenda order**

### **ADJOURNMENT**

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives L. Allen, Allred, Carney, and Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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- ☐ Committee Substitute for  
H.B. 0253 A BILL TO BE ENTITLED AN ACT TO AMEND THE POWERS OF THE  
NORTH CAROLINA TURNPIKE AUTHORITY.
- ☒ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the  
Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report as to the committee substitute bill (# ), ☐ which changes the  
title, unfavorable as to (the original bill) (Committee Substitute Bill # ), (and  
recommendation that the committee substitute bill # ) be re-referred to the Committee  
on .)
- ☐ With a favorable report as to House committee substitute bill (# ), ☐ which changes  
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 253\*

Short Title: NC Turnpike Authority Changes.

(Public)

Sponsors: Representatives Crawford; Coates, Cole, McAllister, McMahan,  
Saunders, and Sutton.

Referred to: Transportation, if favorable, Rules, Calendar and Operations of the House.

February 16, 2005

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE POWERS OF THE NORTH CAROLINA TURNPIKE  
AUTHORITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-89.183 reads as rewritten:

**"§ 136-89.183. Powers of the Authority.**

(a) The Authority shall have all of the powers necessary to execute the provisions of this Article, including the following:

(1) The powers of a corporate body, including the power to sue and be sued, to make contracts, to adopt and use a common seal, and to alter the adopted seal as needed.

(2) To study, plan, develop, and undertake preliminary design work on up to six Turnpike Projects. At the conclusion of these activities, the Turnpike Authority is authorized to ~~To study, plan, develop, design, establish, purchase, construct, operate, and maintain three up to six Turnpike Projects. Projects, either on its own initiative or at the request of the Board of Transportation.~~ One of the Turnpike Projects shall be located in whole or in part in a county with a population equal to or greater than 650,000 persons, according to the latest decennial census, and one Turnpike Project shall be located in a county or counties that each have a population of fewer than 650,000 persons, according to the latest decennial census. A Turnpike Project selected for construction by the Turnpike Authority shall be included in any applicable locally adopted comprehensive transportation plans and shall be shown in the current State Transportation Improvement Plan prior to the letting of a contract for the Turnpike Project.

(3) ~~To study, plan, develop and undertake preliminary design work on three Turnpike Projects, in addition to the three turnpike projects~~

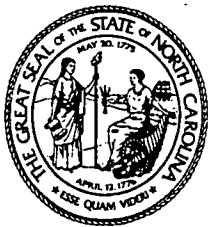
~~described in subdivision (2) of this subsection, either on its own initiative or at the request of the Board of Transportation. The Authority shall take no further action on a project described by this subdivision unless authorized to do so by Statute.~~

- (4) To rent, lease, purchase, acquire, own, encumber, dispose of, or mortgage real or personal property, including the power to acquire property by eminent domain pursuant to G.S. 136-89.184.
- (5) To fix, revise, charge, and collect tolls and fees for the use of the Turnpike Projects. Prior to the effective date of any toll or fee for use of a Turnpike Facility, the Authority shall submit a description of the proposed toll or fee to the Board of Transportation, the Joint Legislative Transportation Oversight Committee and the Joint Legislative Commission on Governmental Operations for review.
- (6) To issue bonds or notes of the Authority as provided in this Article.
- (7) To establish, construct, purchase, maintain, equip, and operate any structure or facilities associated with the Turnpike System.
- (8) To pay all necessary costs and expenses in the formation, organization, administration, and operation of the Authority.
- (9) To apply for, accept, and administer loans and grants of money or real or personal property from any federal agency, the State or its political subdivisions, local governments, or any other public or private sources available.
- (10) To adopt, alter, or repeal its own bylaws or rules implementing the provisions of this Article, in accordance with the review and comment requirements of G.S. 136-89.182(j).
- (11) To utilize employees of the Department; to contract for the services of consulting engineers, architects, attorneys, real estate counselors, appraisers, and other consultants; to employ administrative staff as may be required in the judgment of the Authority; and to fix and pay fees or compensation to the Department, contractors, and administrative employees from funds available to the Authority.
- (12) To receive and use appropriations from the State and federal government.
- (13) To adopt procedures to govern its procurement of services and delivery of Turnpike Projects.
- (14) To perform or procure any portion of services required by the Authority.
- (15) To use officers, employees, agents, and facilities of the Department for the purposes and upon the terms as may be mutually agreeable.
- (16) To contract for the construction, maintenance, and operation of a Turnpike Project.
- (17) To enter into partnership agreements, agreements with political subdivisions of the State, and agreements with private entities, and to expend such funds as it deems necessary, pursuant to such agreements,

1 for the purpose of financing the cost of acquiring, constructing,  
2 equipping, operating, or maintaining any Turnpike Project.

3 (b) To execute the powers provided in subsection (a) of this section, the  
4 Authority shall determine its policies by majority vote of the members of the Authority  
5 Board present and voting, a quorum having been established. Once a policy is  
6 established, the Authority Board shall communicate it to the Executive Director or the  
7 Executive Director's designee, who shall have the sole and exclusive authority to  
8 execute the policy of the Authority. No member of the Authority Board shall have the  
9 responsibility or authority to give operational directives to any employee of the  
10 Authority other than the Executive Director or the Director's designee. (2002-133,  
11 s. 1.)"

12 **SECTION 2.** This act is effective when it becomes law.



# HOUSE BILL 253: NC Turnpike Authority Changes

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 9, 2005  
**Version:** First Edition

**Introduced by:** Representative Crawford  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 253 would authorize the North Carolina Turnpike Authority to proceed with constructing and operating three additional Turnpike projects.*

**CURRENT LAW:** In 2002, the General Assembly passed legislation creating the North Carolina Turnpike Authority and authorizing it to construct, operate, and maintain toll roads and bridges in the State. The Authority is currently authorized to construct, operate, and maintain three Turnpike projects. The Authority is also authorized to study, plan, develop, and undertake preliminary design work on three additional projects, but it is not authorized to proceed with construction on those projects.

**BILL ANALYSIS:** House Bill 253 would amend the powers of the North Carolina Turnpike Authority, authorizing it to construct, operate, and maintain up to six Turnpike projects (three more than under the current law).

**EFFECTIVE DATE:** The bill would be effective when it becomes law.

**2005 COMMITTEE REPORT**  
**HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives L. Allen, Allred, Carney, and Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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- ☐ Committee Substitute for  
H.B. 0099 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE DIVISION OF  
MOTOR VEHICLES TO PRODUCE "FIRST IN FORESTRY" PLATES WITH A  
SPECIAL BACKGROUND.
- ☒ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the  
Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report as to the committee substitute bill (# ), ☐ which changes the  
title, unfavorable as to (the original bill) (Committee Substitute Bill # ), (and  
recommendation that the committee substitute bill # ) be re-referred to the Committee  
on .)
- ☐ With a favorable report as to House committee substitute bill (# ), ☐ which changes  
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

**H**

**1**

**HOUSE BILL 99**

Short Title: Forestry Special Plate Background.

(Public)

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Sponsors: Representative Gibson.

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Referred to: Transportation.

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February 7, 2005

1                               A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE  
3 "FIRST IN FORESTRY" PLATES WITH A SPECIAL BACKGROUND.

4 The General Assembly of North Carolina enacts:

5               **SECTION 1.** G.S. 20-63(b) reads as rewritten:

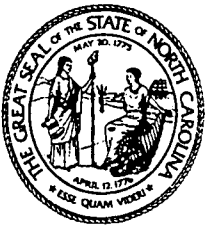
6               "(b) Every license plate shall have displayed upon it the registration number  
7 assigned to the vehicle for which it is issued, the name of the State of North Carolina,  
8 which may be abbreviated, and the year number for which it is issued or the date of  
9 expiration. A plate issued for a commercial vehicle, as defined in G.S. 20-4.2(1), and  
10 weighing 26,001 pounds or more, must bear the word "commercial," unless the plate is  
11 a special registration plate authorized in G.S. 20-79.4 or the commercial vehicle is a  
12 trailer or is licensed for 6,000 pounds or less. The plate issued for vehicles licensed for  
13 7,000 pounds through 26,000 pounds must bear the word "weighted".

14               Except as otherwise provided in this subsection, a registration plate issued by the  
15 Division for a private passenger vehicle or for a private hauler vehicle licensed for  
16 6,000 pounds or less shall be a "First in Flight" plate. A "First in Flight" plate shall have  
17 the words "First in Flight" printed at the top of the plate above all other letters and  
18 numerals. The background of the plate shall depict the Wright Brothers biplane flying  
19 over Kitty Hawk Beach, with the plane flying slightly upward and to the right. The  
20 following special registration plates do not have to be a "First in Flight" plate. The  
21 design of the plates that are not "First in Flight" plates must be approved by the Division  
22 and the State Highway Patrol for clarity and ease of identification.

- 23               (1) Friends of the Great Smoky Mountains National Park.  
24               (2) Rocky Mountain Elk Foundation.  
25               (3) Blue Ridge Parkway Foundation.  
26               (4) Friends of the Appalachian Trail.  
27               (5) NC Coastal Federation.  
28               (6) In God We Trust.  
29               (7) Stock Car Racing Theme.

1           (8) First in Forestry."

2           **SECTION 2.** This act is effective when it becomes law.



# HOUSE BILL 99: Forestry Special Plate Background

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 9, 2005  
**Version:** First Edition

**Introduced by:** Representative Gibson  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 99 would authorize the North Carolina Division of Motor Vehicles to issue the "First in Forestry" registration plate on a special background.*

**CURRENT LAW:** Generally, registration plates issued by the Division of Motor Vehicles for private passenger vehicles are required to be on the standard "First in Flight" background. The "First in Flight" background consists of a depiction of the Wright Brothers biplane flying over Kitty Hawk Beach with the words "First in Flight" printed at the top of the plate.

The "First in Forestry" special registration plate was authorized in 2001. The fee for the plate is \$30, of which \$10 goes to the Special Registration Plate Account, \$10 goes to the Natural Heritage Trust Fund, and the remaining \$10 is divided evenly between the Division of Forest Resources for a State forests and forestry education program and the Forest Education and Conservation Foundation for their programs. Under the current law, the "First in Forestry" plate is required to be on a "First in Flight" background.

**BILL ANALYSIS:** House Bill 99 would authorize the Division of Motor Vehicles to issue the "First in Forestry" registration plate on a special background, rather than the standard "First in Flight" background. The design of the plate would have to be approved by the Division and the State Highway Patrol for clarity and ease of identification.

**EFFECTIVE DATE:** The bill would be effective when it becomes law.

**BACKGROUND:** There are currently seven other special registration plates that are not required to be on the "First in Flight" background:

- 1) Friends of the Great Smoky Mountains National Park (authorized in 1998).
- 2) Rocky Mountain Elk Foundation (authorized in 2002).
- 3) Blue Ridge Parkway Foundation (authorized in 2003).
- 4) Friends of the Appalachian Trail (authorized in 2003).
- 5) NC Coastal Federation (authorized in 2003).
- 6) In God We Trust (authorized in 2004).
- 7) Stock Car Racing Theme (authorized in 2004).



Displaced  
3/9/05

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives L. Allen, Allred, Carney, and Stiller (Chairs) for the Committee on  
TRANSPORTATION.

- 
- ☐ Committee Substitute for  
H.B. 0267 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE EIGHT-YEAR  
DRIVERS LICENSES AND INTERNET RENEWAL OF DRIVERS LICENSES, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.
- ☐ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the  
Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report as to the committee substitute bill (# ), ☐ which changes the  
title, unfavorable as to (the original bill) (Committee Substitute Bill # ), (and  
recommendation that the committee substitute bill # ) be re-referred to the Committee  
on .)
- ☐ With a favorable report as to House committee substitute bill (# ), ☐ which changes  
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 267\*

Short Title: 8-Year Drivers License/Internet DL Renewal.

(Public)

Sponsors: Representatives Sutton; B. Allen, Cole, Crawford, Faison, Gillespie, Hackney, Hall, Saunders, Starnes, Tolson, Warren, Wilkins, Womble, Wray, and Yongue.

Referred to: Transportation.

February 17, 2005

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE EIGHT-YEAR DRIVERS LICENSES AND INTERNET RENEWAL OF DRIVERS LICENSES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-7(f) reads as rewritten:

"(f) Duration and Renewal of Licenses. – Expiration and Temporary License.  
~~The first drivers license the Division issues to a person expires on the person's fourth or subsequent birthday that occurs after the license is issued and on which the individual's age is evenly divisible by five, unless this subsection sets a different expiration date. A first drivers license may be issued for a shorter duration if the Division determines that a license of shorter duration should be issued when the applicant holds a visa of limited duration issued by the United States Department of State. The first drivers license the Division issues to a person who is at least 17 years old but is less than 18 years old expires on the person's twentieth birthday. The first drivers license the Division issues to a person who is at least 62 years old expires on the person's birthday in the fifth year after the license is issued, whether or not the person's age on that birthday is evenly divisible by five.~~

Drivers licenses shall be issued and renewed pursuant to the provisions of this subsection.

(1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 shall expire on the person's 21st birthday.

(2) Duration of license for persons at least 18 years of age or older. – A drivers license issued to a person at least 18 years old but less than 38 years old expires eight years after the date of issuance. A drivers

license issued to a person at least 38 years old expires five years after the date of issuance.

(3) Internet renewal of license authorized for certain persons. – The Division is authorized to renew a drivers license electronically in accordance with this subdivision. The Division may waive the sign tests for applicants renewing electronically. A person who holds a commercial drivers license and is required by federal regulations to be retested shall not renew electronically. A person may renew his or her drivers license electronically for one five-year period at the time of each expiration of a license issued in a drivers license office if all of the following apply:

- a. The person has no more than two reportable accidents on his or her drivers license record in the previous year.
- b. The person has no restrictions other than a restriction for corrective lenses on his or her drivers license record in the previous year.
- c. The person has four or fewer drivers license points.
- d. The person is at least 25 years old and less than 60 years old.
- e. The person has obtained an eye examination by a licensed ophthalmologist or licensed optometrist within 12 months prior to the date of electronic renewal, and the results of the examination are submitted to the Division by the ophthalmologist or optometrist to the Division at the time of the application for the electronic renewal.

(4) Duration of license for certain visa holders. – A drivers license that was issued by the Division and is renewed by the Division expires ~~five years~~ at the end of the period provided by this subsection after the expiration date of the license that is renewed unless the Division determines that a license of shorter duration should be issued when the applicant holds a visa of limited duration from the United States Department of State. A person may apply to the Division to renew a license during the 180 day period before the license expires. The Division may not accept an application for renewal made before the 180 day period begins.

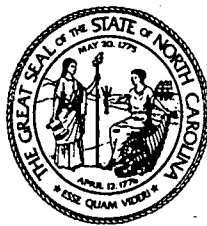
(5) Renewal by mail. – The Division may renew by mail a drivers license issued by the Division to a person who meets any of the following descriptions:

- (1)a. Is serving on active duty in the armed forces of the United States and is stationed outside this State.
- (2)b. Is a resident of this State and has been residing outside the State for at least 30 continuous days.

When renewing a license by mail, the Division may waive the examination that would otherwise be required for the renewal and may impose any conditions it finds

1 advisable. A license renewed by mail is a temporary license that expires 60 days after  
2 the person to whom it is issued returns to this State."

3 **SECTION 2.** This act becomes effective January 1, 2006.



# HOUSE BILL 267: 8-Year Drivers License/Internet DL Renewal

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 9, 2005  
**Version:** First Edition

**Introduced by:** Representative Sutton  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** House Bill 267 would authorize the Division of Motor Vehicles to issue eight-year drivers licenses and to electronically renew drivers licenses under certain circumstances.

**CURRENT LAW:** The duration of a first drivers license, issued by the Division of Motor Vehicles, depends on the age of the licensee. Under the current law, the duration is as follows:

- Persons less than 18 years old – expires on the person's 20<sup>th</sup> birthday.
- Persons 18-61 years old – expires on the person's fourth or subsequent birthday after the license is issued on which the person's age is evenly divisible by five (can be anywhere from 3 years and 1 day to 8 years after issuance).
- Persons 62 and older – expires on the persons birthday in the fifth year after issuance.

Currently, when the Division renews a drivers license, it expires five years after the expiration date of the renewed license, regardless of the licensee's age. The Division is not authorized to renew drivers licenses electronically.

**BILL ANALYSIS:** House Bill 267 would make the following changes to the duration of a first drivers license:

- Persons less than 18 years old – expires on the person's 21<sup>st</sup> birthday.
- Persons 18-38 years old – expires eight years after the date of issuance.
- Persons 38 and older – expires 5 years after the date of issuance.

House Bill 267 would also make the following changes pertaining to renewal of a drivers license:

- Renewal in person – duration after renewal is determined in the same manner as for first issuance.
- Electronic renewal – the bill authorizes the Division to waive the sign test and allow an applicant to renew a drivers license electronically for one 5-year period if the following conditions are met:
  - The person has no more than two reportable accidents in the last year.
  - The person has no restrictions, other than corrective lenses, in the last year.
  - The person has four or fewer drivers license points.
  - The person is at least 25, but less than 60, years old.
  - The person has had an eye exam in the last 12 months, and a licensed ophthalmologist or optometrist has submitted the results to the Division.

only one  
time then  
sit-down  
then one -  
time -

**EFFECTIVE DATE:** The bill would become effective January 1, 2006.

# VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

March 9, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                  |                         |
|------------------|-------------------------|
| John Long        | Martin Marietta         |
| Sandra Long      | Martin Marietta         |
| Mildred Spearman | NCDOC                   |
| Karen Brown      | Correction Enterprises  |
| Chuck Gogleton   | Correction Enterprise   |
| Jane Pinsky      | AAA Carolinas           |
| W. W. Brown      | Capital Group           |
| Lee Hodge        | KCLH                    |
| Rich Alf         | OSBM                    |
| Wanda Pook       | OSB                     |
| Al Keyes         | AARP } Jacksonville, NC |
| Ossie Keyes      |                         |

# VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

March 9, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                 |                                   |
|-----------------|-----------------------------------|
| Calvin Hergett  | DOT                               |
| Portia Hanley   | DOT/DMV                           |
| Wayne Herder    | DOT/DMV                           |
| Grady McCallin  | N.C. Conservation Network         |
| Jhanna Reese    | DENR                              |
| Paul W Idol     | House Intern                      |
| Stephanie Dorko | Charlotte Chamber                 |
| BERRY JENKINS   | CAROLINAS ACG                     |
| Christie Barber | CAPA                              |
| Beau Mills      | NC Metropolitan Coalition / NC LM |
| DAN DEVANE      | NC DOT                            |

## VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

March 9, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                |                    |
|----------------|--------------------|
| Susan Conard   | NC DOT             |
| VLMcBride      | NCPMA              |
| Doug Lassiter  | NCSTA              |
| Gary Harris    | NCPMA              |
| Ted Nugent     | Tepco              |
| Jim Lowrey     | NCVCA              |
| David Crawford | AIA                |
| Charlie Diehl  | NC Trucking Assoc. |
|                |                    |
|                |                    |
|                |                    |
|                |                    |



## TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting: March 9, 2005

| <u>Page Name</u> | <u>County</u> | <u>Sponsor</u> |
|------------------|---------------|----------------|
| Jessica Barber   | Carteret      | Preston        |
| ERIC HELLSTRAND  | CLEVELAND     | MOORE          |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |

| <u>Sergeant-at-Arms</u> |
|-------------------------|
| Leslie Oakley           |
| FRANK PrevO             |
|                         |
|                         |

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

March 16, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on March 16, 2005, in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Carney, presiding Chair, Representatives Allred, L. Allen, and Stiller, Chairs, Representatives Crawford, Saunders, Steen, Williams, and Wright, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Haire, Hill, Hilton, McComas, Moore, Rapp, Rayfield, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Jean Allred, Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, Bob Fowler and Jason Stancil, House Sergeants-at-Arms. Pages assisting were Seavy Dickson, sponsored by Representative Margaret Dickson of Cumberland, and Madison Bowden, sponsored by Representative John Hall of Wake County.

Representative Carney called the meeting to order and introduced the House Sergeants-at-Arms and the House Pages.

The first order of business was **HB 267 – AN ACT TO AUTHORIZE EIGHT-YEAR DRIVERS LICENSES AND INTERNET RENEWAL OF DRIVERS LICENSES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE**. Rep. Sutton explained the bill, pointing out that it was discussed at last week's meeting. The bill changes the time limit on driver's license and allows Internet renewal, under certain conditions. First, it says that if a person gets a full provisional license under age 18 it expires on 21st birthday, rather than 20th birthday as is the current law; that when persons between ages 18 and 38 renew, they get an eight-year license. Those 38 and older will get a five-year license. The bill allows a person to renew a license on the Internet for a five-year period, but one has to be between 25 and 60. One can only renew once in succession; has to go back to DMV for intervening renewal. As part of renewing on Internet, an eye examination is required to be sent to DMV

Rep. Allred had offered an amendment at the March 9, 2005, meeting, and again explained the amendment at this meeting. (See attached copy of amendment.)

Wayne Hurder, Director of Driver and Vehicle Services of the Division of Motor Vehicles, spoke briefly on the bill.

Representative Carney stated that she would put aside Representative Allred's amendment, and take up amendment sent forth by Representative Daughtridge (See attached copy of Representative Daughtridge's amendment.) Representative Sutton stated that he had no objection to amendment. Representative Allred moved that

Representative Daughtridge's amendment be approved. The vote was favorable as to the amendment.

Representative Carney stated that they would resume discussion on Representative Allred's amendment. Representative Allred asked that staff get some more information on concerns raised. Representative Sutton, bill sponsor, stated that he had no objection to waiting for further information, and the amendment was displaced.

Representative Carney stated that the next item on the agenda was **HB141 – AN ACT TO AUTHORIZE THE ISSUANCE OF A FREE DRIVERS LICENSE TO VETERANS**. Summaries of the bill were distributed. (A copy of the summary is attached.)

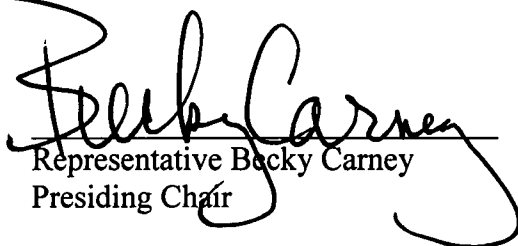
The bill sponsor, Representative Moore, explained the bill. The bill would give free drivers licenses to veterans. Many other states do this already, and as a military friendly state this is a way of saying thank you. The bill defines who qualifies. The fiscal note indicates that the cost to the state would be \$795,000, based on number of veterans who would qualify. The cost in 2005 and 2006 would be \$397,000; after that, \$795,000. Assuming that approximately 530,000 veterans would meet the criteria of the bill and about half, or 265,000, would apply for free drivers license, the costs would be less. We would only know the amount when it has been in place a couple of years.

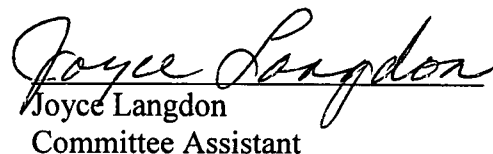
There was much discussion on the definition of "veterans." Representative Cleveland suggested an amendment to delete the word "served" on Line 14 and add "all retirees who served 20 years on active duty." Representative Carney asked for a vote on the amendment. The vote count was 13 in favor of the amendment; 9 opposed.

Representative Cole moved to roll the amendment into a committee substitute and give a favorable report to the committee substitute, unfavorable to the original bill, and that it be re-referred to Finance. The motion failed.

The meeting adjourned at 11:47 A.M.

Respectfully submitted,

  
Representative Becky Carney  
Presiding Chair

  
Joyce Langdon  
Committee Assistant

Attachments:

Agenda

HB 267, summary, and two amendments

HB 141 and summary

Visitors Registration

# **AGENDA**

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

March 16, 2005

11:00 A.M.

Room 1228 LB

Representative Becky Carney, Presiding Chair

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Bonner Stiller, Chair

### **OPENING REMARKS**

### **BILLS FOR CONSIDERATION**

HB 267 - 8-Year Drivers License/Internet DL Renewal (*Continued from  
March 9, 2005*)

Rep. Sutton, bill sponsor

HB 141 - Free Veteran's Drivers Licenses

Rep. Moore, bill sponsor

### **ADJOURNMENT**

# VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

March 16, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Warren Plott

OSBM

Nick Goff

OSBM

Portia Honey

NEDOT/DMV

Charlie Smith

NC DVA

Michael Nelson

Conservation Council - NC

Susan Volanni

Nationwide

Shen Durham

Charlotte O

John McHugh

BOG Office

Wayne Horder

DMV - DOT

AAA

AAA Carolina

Tanya Wallace

Chief District Court Judge - 2d

Jud. District

# TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting: March 16, 2005

| <u>Page Name</u> | <u>County</u> | <u>Sponsor</u>   |
|------------------|---------------|------------------|
| Seavy Dickson    | Cumberland    | Margaret Dickson |
| Madison Bowden   | White         | John Hall        |
|                  |               |                  |
|                  |               |                  |
|                  |               |                  |
|                  |               |                  |
|                  |               |                  |

| <u>Sergeant-at-Arms</u> |
|-------------------------|
| Dusty Rhodes            |
| Fred Niles              |
| BRAD BARBROT            |
|                         |

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 267\*

Short Title: 8-Year Drivers License/Internet DL Renewal.

(Public)

Sponsors: Representatives Sutton; B. Allen, Cole, Crawford, Faison, Gillespie, Hackney, Hall, Saunders, Starnes, Tolson, Warren, Wilkins, Womble, Wray, and Yongue.

Referred to: Transportation.

February 17, 2005

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE EIGHT-YEAR DRIVERS LICENSES AND INTERNET RENEWAL OF DRIVERS LICENSES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-7(f) reads as rewritten:

"(f) Duration and Renewal of Licenses. – Expiration and Temporary License.—  
The first drivers license the Division issues to a person expires on the person's fourth or subsequent birthday that occurs after the license is issued and on which the individual's age is evenly divisible by five, unless this subsection sets a different expiration date. A first drivers license may be issued for a shorter duration if the Division determines that a license of shorter duration should be issued when the applicant holds a visa of limited duration issued by the United States Department of State. The first drivers license the Division issues to a person who is at least 17 years old but is less than 18 years old expires on the person's twentieth birthday. The first drivers license the Division issues to a person who is at least 62 years old expires on the person's birthday in the fifth year after the license is issued, whether or not the person's age on that birthday is evenly divisible by five.

Drivers licenses shall be issued and renewed pursuant to the provisions of this subsection.

(1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 shall expire on the person's 21st birthday.

(2) Duration of license for persons at least 18 years of age or older. – A drivers license issued to a person at least 18 years old but less than 38 years old expires eight years after the date of issuance. A drivers

license issued to a person at least 38 years old expires five years after the date of issuance.

(3) Internet renewal of license authorized for certain persons. – The Division is authorized to renew a drivers license electronically in accordance with this subdivision. The Division may waive the sign tests for applicants renewing electronically. A person who holds a commercial drivers license and is required by federal regulations to be retested shall not renew electronically. A person may renew his or her drivers license electronically for one five-year period at the time of each expiration of a license issued in a drivers license office if all of the following apply:

a. The person has no more than two reportable accidents on his or her drivers license record in the previous year.

b. The person has no restrictions other than a restriction for corrective lenses on his or her drivers license record in the previous year.

c. The person has four or fewer drivers license points.

d. The person is at least 25 years old and less than 60 years old.

e. The person has obtained an eye examination by a licensed ophthalmologist or licensed optometrist within 12 months prior to the date of electronic renewal, and the results of the examination are submitted to the Division by the ophthalmologist or optometrist to the Division at the time of the application for the electronic renewal.

(4) Duration of license for certain visa holders. – A drivers license that was issued by the Division and is renewed by the Division expires ~~five years~~ at the end of the period provided by this subsection after the expiration date of the license that is renewed unless the Division determines that a license of shorter duration should be issued when the applicant holds a visa of limited duration from the United States Department of State. A person may apply to the Division to renew a license during the 180 day period before the license expires. The Division may not accept an application for renewal made before the 180 day period begins.

(5) Renewal by mail. – The Division may renew by mail a drivers license issued by the Division to a person who meets any of the following descriptions:

(1)a. Is serving on active duty in the armed forces of the United States and is stationed outside this State.

(2)b. Is a resident of this State and has been residing outside the State for at least 30 continuous days.

When renewing a license by mail, the Division may waive the examination that would otherwise be required for the renewal and may impose any conditions it finds



1 advisable. A license renewed by mail is a temporary license that expires 60 days after  
2 the person to whom it is issued returns to this State."

3 **SECTION 2.** This act becomes effective January 1, 2006.



**NORTH CAROLINA GENERAL ASSEMBLY**  
**AMENDMENT**  
**House Bill 267\***

H267-ASU-3 [v.3]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 3

Date \_\_\_\_\_, 2005

Comm. Sub. [NO]  
Amends Title [NO]  
First Edition

Representative Allred

1 moves to amend the bill on page 2, lines 24-25,  
2 by adding the following between the lines:

3  
4 "f. The person is a citizen of the United States or otherwise demonstrates  
5 unexpired legal authorization to be in the United States."; and  
6

7 on page 3, line 3,  
8 by rewriting the line to read:

9 "SECTION 2. G.S. 20-7(b1) reads as rewritten:

10 '(b1) Application. – To obtain an identification card, learners permit, or drivers  
11 license from the Division, a person shall complete an application form provided by the  
12 Division, present at least two forms of identification approved by the Commissioner, be  
13 a resident of this State, and, except for an identification card, demonstrate his or her  
14 physical and mental ability to drive safely a motor vehicle included in the class of  
15 license for which the person has applied. At least one of the forms of identification shall  
16 indicate the applicant's residence address. The Division may copy the identification  
17 presented or hold it for a brief period of time to verify its authenticity. To obtain an  
18 endorsement, a person shall demonstrate his or her physical and mental ability to drive  
19 safely the type of motor vehicle for which the endorsement is required.

20 The application form shall request all of the following information, and it shall  
21 contain the disclosures concerning the request for an applicant's social security number  
22 required by section 7 of the federal Privacy Act of 1974, Pub. L. No. 93-579:

- 23 (1) The applicant's full name.  
24 (2) The applicant's mailing address and residence address.



**NORTH CAROLINA GENERAL ASSEMBLY**  
**AMENDMENT**  
**House Bill 267\***

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H267-ASU-3 [v.3]

Page 2 of 3

- 1           (3)    A physical description of the applicant, including the applicant's sex,
- 2                   height, eye color, and hair color.
- 3           (4)    The applicant's date of birth.
- 4           (5)    The applicant's valid social security number.
- 5           (6)    The applicant's signature.

6        If an applicant does not have a valid social security number and is ineligible to  
7 obtain one, the applicant shall swear to or affirm that fact under penalty of perjury. ~~In~~  
8 ~~such case, the applicant may provide a valid Individual Taxpayer Identification Number~~  
9 ~~issued by the Internal Revenue Service to that person.~~

10       The Division shall not issue an identification card, learners permit, or drivers license  
11 to an applicant who fails to provide either the applicant's valid social security number or  
12 ~~the applicant's valid Individual Taxpayer Identification Number.~~ to swear or affirm that  
13 the applicant is ineligible to receive one.'

14       **SECTION 3.** G.S. 20-7(b1), as amended by Section 2 of this act, reads as  
15 rewritten:

16       '(b1) Application. – To obtain an identification card, learners permit, or drivers  
17 license from the Division, a person shall complete an application form provided by the  
18 Division, present at least two forms of identification approved by the Commissioner, be  
19 a resident of this State, and, except for an identification card, demonstrate his or her  
20 physical and mental ability to drive safely a motor vehicle included in the class of  
21 license for which the person has applied. At least one of the forms of identification shall  
22 indicate the applicant's residence address. The Division may copy the identification  
23 presented or hold it for a brief period of time to verify its authenticity. To obtain an  
24 endorsement, a person shall demonstrate his or her physical and mental ability to drive  
25 safely the type of motor vehicle for which the endorsement is required.

26       The application form shall request all of the following information, and it shall  
27 contain the disclosures concerning the request for an applicant's social security number  
28 required by section 7 of the federal Privacy Act of 1974, Pub. L. No. 93-579:

- 29           (1)    The applicant's full name.
- 30           (2)    The applicant's mailing address and residence address.
- 31           (3)    A physical description of the applicant, including the applicant's sex,
- 32                   height, eye color, and hair color.
- 33           (4)    The applicant's date of birth.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 267\*

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H267-ASU-3 [v.3]

Page 3 of 3

(5) The applicant's valid social security number.

(6) The applicant's signature.

If an applicant does not have a valid social security number and is ineligible to obtain one, the applicant shall swear to or affirm that fact under penalty of perjury.

The Division shall not issue an identification card, learners permit, or drivers license to an applicant who fails to provide either the applicant's valid social security number or to swear or affirm that the applicant is ineligible to receive one.

An applicant for an original drivers license, learners permit, or identification card shall be a citizen of the United States or otherwise demonstrate unexpired legal authorization to be in the United States.'

SECTION 4. This act becomes effective January 1, 2006."

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 267\*

H267-ASU-2 [v.3]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 2

Date \_\_\_\_\_, 2005

Comm. Sub. [NO]  
Amends Title [NO]  
First Edition

Representative Daughtridge

1 moves to amend the bill on page 2, line 25,

2  
3 by deleting "license for certain visa holders." and substituting "license."; and

4  
5 on page 2, lines 28-31,

6  
7 by rewriting the lines to read:

8 "~~expiration date of the license that is renewed unless the Division determines that a~~  
9 ~~license of shorter duration should be issued when the applicant holds a visa of limited~~  
10 ~~duration from the United States Department of State.~~ renewed. A person may apply to  
11 the Division to renew a"; and

12  
13 on page 2, lines 34-35,

14  
15 by inserting the following new subdivision between the lines:

16 "(5) Duration of license for certain visa holders. – Any drivers license issued or  
17 renewed by the Division to an applicant who holds a visa of limited duration from the  
18 United States Department of Homeland Security shall only be for the duration of the  
19 visa."; and

20  
21 by renumbering the remaining subdivision accordingly.

22



**NORTH CAROLINA GENERAL ASSEMBLY**  
**AMENDMENT**  
House Bill 267\*

H267-ASU-2 [v.3]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 2 of 2

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



# HOUSE BILL 267: 8-Year Drivers License/Internet DL Renewal

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 9, 2005  
**Version:** First Edition

**Introduced by:** Representative Sutton  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 267 would authorize the Division of Motor Vehicles to issue eight-year drivers licenses and to electronically renew drivers licenses under certain circumstances.*

**CURRENT LAW:** The duration of a first drivers license, issued by the Division of Motor Vehicles, depends on the age of the licensee. Under the current law, the duration is as follows:

- Persons less than 18 years old – expires on the person's 20<sup>th</sup> birthday.
- Persons 18-61 years old – expires on the person's fourth or subsequent birthday after the license is issued on which the person's age is evenly divisible by five (can be anywhere from 3 years and 1 day to 8 years after issuance).
- Persons 62 and older – expires on the persons birthday in the fifth year after issuance.

Currently, when the Division renews a drivers license, it expires five years after the expiration date of the renewed license, regardless of the licensee's age. The Division is not authorized to renew drivers licenses electronically.

**BILL ANALYSIS:** House Bill 267 would make the following changes to the duration of a first drivers license:

- Persons less than 18 years old – expires on the person's 21<sup>st</sup> birthday.
- Persons 18-38 years old – expires eight years after the date of issuance.
- Persons 38 and older – expires 5 years after the date of issuance.

House Bill 267 would also make the following changes pertaining to renewal of a drivers license:

- Renewal in person – duration after renewal is determined in the same manner as for first issuance.
- Electronic renewal – the bill authorizes the Division to waive the sign test and allow an applicant to renew a drivers license electronically for one 5-year period if the following conditions are met:
  - The person has no more than two reportable accidents in the last year.
  - The person has no restrictions, other than corrective lenses, in the last year.
  - The person has four or fewer drivers license points.
  - The person is at least 25, but less than 60, years old.
  - The person has had an eye exam in the last 12 months, and a licensed ophthalmologist or optometrist has submitted the results to the Division.

**EFFECTIVE DATE:** The bill would become effective January 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

1

HOUSE BILL 141

Short Title: Free Veteran's Drivers Licenses.

(Public)

Sponsors: Representatives Moore; Cleveland, Faison, Frye, Grady, Hill, Justice, Lewis, McGee, Pate, Preston, Rayfield, Steen, and Wray.

Referred to: Transportation.

February 9, 2005

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE ISSUANCE OF A FREE DRIVERS LICENSE TO VETERANS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 20 of the General Statutes is amended by adding a new section to read:

**"§ 20-9.3. Veteran's free drivers license.**

(a) Notwithstanding any other provisions of this Chapter, 'veterans', as defined in this section, shall be issued or reissued Class B or Class C drivers licenses without charge or fee.

(b) For purposes of this section, a person is a 'veteran' if that person meets the requirements of one of the following subdivisions of this subsection:

(1) Persons who:

a. Served on active duty in the armed forces of the United States or on active duty in a reserve component of the armed forces of the United States, including the national guard, during wartime or any conflict when personnel were committed by the President of the United States, whether or not such veterans were assigned to a unit or division which directly participated in the war or not, except that periodic transfer from reserve status to active duty status for training purposes shall not be considered active duty.

b. Were residents of this State at the time of enlistment or commissioning and are residents of this State at the time of application for the license, or who have been residents of this State for at least five years immediately preceding the date of application for the license.

c. Have been discharged or separated under honorable conditions.



1           (2)   All members or former members of the North Carolina National Guard  
2               or members or former members of reserve components of the armed  
3               forces who have 20 or more years of creditable service.

4           (c)   The Commissioner shall issue rules implementing the issuance of free  
5   veteran's drivers licenses. These rules shall require:

6           (1)   That the applicant provide evidence of honorable active duty service  
7               by means of a Form DD214 which shall first be submitted to the  
8               Division of Veterans Affairs for verification by means of a form  
9               developed by the Division of Motor Vehicles that is signed by the  
10              certifying official and the applicant.

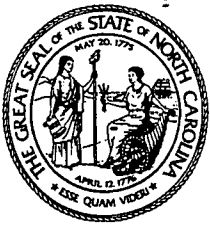
11          (2)   That the applicant provide evidence of honorable national guard  
12               service by means of a form, to be developed by the Division of Motor  
13               Vehicles, signed by the Adjutant General of the North Carolina  
14               National Guard verifying the required service.

15          (3)   That the applicant provide evidence of honorable reserve component  
16               service by means of a form developed by the Division of Motor  
17               Vehicles, submitted to the Division of Veterans Affairs for verification  
18               and signed by the certifying official and the applicant attesting to the  
19               required service.

20          (4)   Any other documentation that may be required by the Commissioner  
21               to verify qualification for this drivers license.

22          (d)   The drivers license issued pursuant to this section shall bear a background  
23   appropriate to the veteran applicant's military service."

24          **SECTION 2.** This act becomes effective January 1, 2006.



# HOUSE BILL 141: Free Veteran's Drivers License

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 16, 2005  
**Version:** 1st Edition

**Introduced by:** Rep. Moore  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 141 amends the drivers license law to authorize issuance of free Class B or Class drivers licenses to veterans.*

**CURRENT LAW:** Under current G.S. 20-7, a Class C drivers license (for operators of vehicles of 26,000 lbs. or less) is issued at a rate of \$3/year. A Class B drivers license (for CDL-exempt operators of vehicles over 26,000 lbs., or combinations with a towing unit less than 10,001 lbs.) is issued at a rate of \$4.25/year.

**BILL ANALYSIS:** House Bill 141 would exempt "veterans" from the requirement to pay the statutory fees for a Class C or Class B drivers licenses.

"Veterans" are defined in the bills as persons who:

--served on active duty in the U. S. armed forces or reserves during wartime or any conflict when personnel were committee by the President, are residents of the State, and were honorably discharged;

or,

--all members and former members of the NC National Guard or armed forces reserves with 20 or more years of service.

In addition, House Bill 141 would require the Division of Motor Vehicles to include a special background on licenses issued to veterans.

House Bill 141 would become effective January 1, 2006.

H141-SMRW-001

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

**March 23, 2005**

The HOUSE COMMITTEE ON TRANSPORTATION met on March 23, 2005 in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Stiller, presiding Chair, Representatives Allred, L. Allen, and Carney, Co-Chairs, Representatives Crawford, Saunders, Steen, Williams, and Wright, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtride, Dockham, Hill, Hilton, Moore, Rapp, Rayfield, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Jean Allred, Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Thomas Wilder, and Willie Dixon, House Sergeants-at-Arms.


Representative Stiller called the meeting to order and introduced the House Sergeants-at-Arms and the House Pages assisting with the meeting.

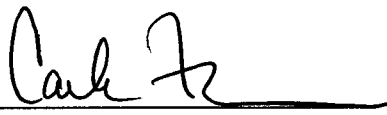
The first order of business was **HB-267 8-Year Drivers License/Internet DL Renewal**

This discussion was a continuation from the previous two meetings. Prior to this meeting, Rep. Sutton had requested a sub-committee be appointed to help resolve any issues with the legislation. Rep. Steen was appointed as the Chair, Rep. Coates, Saunders, Rapp and Daughtride will serve as members and report back to the committee at a future meeting.

The meeting adjourned at 11:17 A.M.

Respectfully submitted,

  
Representative Bonner Stiller  
Presiding Chair

  
Carla Farmer  
Committee Assistant

Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

**NORTH CAROLINA HOUSE OF REPRESENTATIVES**

**COMMITTEE MEETING NOTICE**

**AND**

**BILL SPONSOR NOTIFICATION**

**2005-2006 SESSION**

You are hereby notified that the **Committee on Transportation** will meet as follows:

**DAY & DATE:**    **Wednesday, March 23, 2005**

**TIME:**                **11.00 AM**

**LOCATION:**        **Room 1228**

The following bills will be considered (Bill # & Short Title & Bill Sponsor):

**HB 267 - 8-Year Drivers License/Internet DL Renewal (*Continued from March 16*)**

**Rep. Sutton, bill sponsor**

Respectfully,  
Representatives L. Allen, Allred, Carney, and  
Stiller, Chairs

I hereby certify this notice was filed by the committee assistant at the following offices  
at **1:00 PM** on **March 17, 2005**.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk - House Chamber

Carla Farmer (Committee Assistant)

# **House Committee on Transportation**

**March 23, 2005**

**11:00 Room 1228**

## **Agenda**

Introduction of Pages and Sgt. Of Arms Staff

### **BILLS**

HB 267 – 8 Year Drivers License /Internet DL Renewal – Rep. Sutton

Continued from 3/16/2005

Displaced

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

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HOUSE BILL 267\*

Short Title: 8-Year Drivers License/Internet DL Renewal.

(Public)

Sponsors: Representatives Sutton; B. Allen, Cole, Crawford, Faison, Gillespie, Hackney, Hall, Saunders, Starnes, Tolson, Warren, Wilkins, Womble, Wray, and Yongue.

Referred to: Transportation.

February 17, 2005

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE EIGHT-YEAR DRIVERS LICENSES AND INTERNET RENEWAL OF DRIVERS LICENSES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-7(f) reads as rewritten:

"(f) Duration and Renewal of Licenses. – Expiration and Temporary License.  
~~The first drivers license the Division issues to a person expires on the person's fourth or subsequent birthday that occurs after the license is issued and on which the individual's age is evenly divisible by five, unless this subsection sets a different expiration date. A first drivers license may be issued for a shorter duration if the Division determines that a license of shorter duration should be issued when the applicant holds a visa of limited duration issued by the United States Department of State. The first drivers license the Division issues to a person who is at least 17 years old but is less than 18 years old expires on the person's twentieth birthday. The first drivers license the Division issues to a person who is at least 62 years old expires on the person's birthday in the fifth year after the license is issued, whether or not the person's age on that birthday is evenly divisible by five.~~

Drivers licenses shall be issued and renewed pursuant to the provisions of this subsection.

(1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 shall expire on the person's 21st birthday.

(2) Duration of license for persons at least 18 years of age or older. – A drivers license issued to a person at least 18 years old but less than 38 years old expires eight years after the date of issuance. A drivers

1 license issued to a person at least 38 years old expires five years after  
2 the date of issuance.

3 (3) Internet renewal of license authorized for certain persons. – The  
4 Division is authorized to renew a drivers license electronically in  
5 accordance with this subdivision. The Division may waive the sign  
6 tests for applicants renewing electronically. A person who holds a  
7 commercial drivers license and is required by federal regulations to be  
8 retested shall not renew electronically. A person may renew his or her  
9 drivers license electronically for one five-year period at the time of  
10 each expiration of a license issued in a drivers license office if all of  
11 the following apply:

12 a. The person has no more than two reportable accidents on his or  
13 her drivers license record in the previous year.

14 b. The person has no restrictions other than a restriction for  
15 corrective lenses on his or her drivers license record in the  
16 previous year.

17 c. The person has four or fewer drivers license points.

18 d. The person is at least 25 years old and less than 60 years old.

19 e. The person has obtained an eye examination by a licensed  
20 ophthalmologist or licensed optometrist within 12 months prior  
21 to the date of electronic renewal, and the results of the  
22 examination are submitted to the Division by the  
23 ophthalmologist or optometrist to the Division at the time of the  
24 application for the electronic renewal.

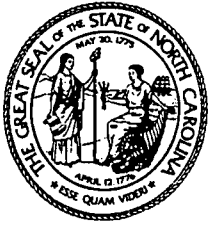
25 (4) Duration of license for certain visa holders. – A drivers license that  
26 was issued by the Division and is renewed by the Division expires ~~five~~  
27 ~~years~~ at the end of the period provided by this subsection after the  
28 expiration date of the license that is renewed unless the Division  
29 determines that a license of shorter duration should be issued when the  
30 applicant holds a visa of limited duration from the United States  
31 Department of State. A person may apply to the Division to renew a  
32 license during the 180 day period before the license expires. The  
33 Division may not accept an application for renewal made before the  
34 180 day period begins.

35 (5) Renewal by mail. – The Division may renew by mail a drivers license  
36 issued by the Division to a person who meets any of the following  
37 descriptions:

38 (1)a. Is serving on active duty in the armed forces of the United  
39 States and is stationed outside this State.

40 (2)b. Is a resident of this State and has been residing outside the State  
41 for at least 30 continuous days.

42 When renewing a license by mail, the Division may waive the examination that  
43 would otherwise be required for the renewal and may impose any conditions it finds



# HOUSE BILL 267: 8-Year Drivers License/Internet DL Renewal

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 9, 2005  
**Version:** First Edition

**Introduced by:** Representative Sutton  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 267 would authorize the Division of Motor Vehicles to issue eight-year drivers licenses and to electronically renew drivers licenses under certain circumstances.*

**CURRENT LAW:** The duration of a first drivers license, issued by the Division of Motor Vehicles, depends on the age of the licensee. Under the current law, the duration is as follows:

- Persons less than 18 years old – expires on the person's 20<sup>th</sup> birthday.
- Persons 18-61 years old – expires on the person's fourth or subsequent birthday after the license is issued on which the person's age is evenly divisible by five (can be anywhere from 3 years and 1 day to 8 years after issuance).
- Persons 62 and older – expires on the persons birthday in the fifth year after issuance.

Currently, when the Division renews a drivers license, it expires five years after the expiration date of the renewed license, regardless of the licensee's age. The Division is not authorized to renew drivers licenses electronically.

**BILL ANALYSIS:** House Bill 267 would make the following changes to the duration of a first drivers license:

- Persons less than 18 years old – expires on the person's 21<sup>st</sup> birthday.
- Persons 18-38 years old – expires eight years after the date of issuance.
- Persons 38 and older – expires 5 years after the date of issuance.

House Bill 267 would also make the following changes pertaining to renewal of a drivers license:

- Renewal in person – duration after renewal is determined in the same manner as for first issuance.
- Electronic renewal – the bill authorizes the Division to waive the sign test and allow an applicant to renew a drivers license electronically for one 5-year period if the following conditions are met:
  - The person has no more than two reportable accidents in the last year.
  - The person has no restrictions, other than corrective lenses, in the last year.
  - The person has four or fewer drivers license points.
  - The person is at least 25, but less than 60, years old.
  - The person has had an eye exam in the last 12 months, and a licensed ophthalmologist or optometrist has submitted the results to the Division.

**EFFECTIVE DATE:** The bill would become effective January 1, 2006.



**Carla Farmer (Rep. Stiller)**

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@House/Transportation

**Subject:** Transportation Committee addition information on 8-Yr. Drivers License Bill

To: Members of the House Transportation Committee

From: Giles S. Perry, Committee Counsel

Re: Pending Legislation in Congress on Drivers Licenses and Lawful Presence in the US.

At the last House Transportation meeting, staff was requested to investigate legislation pending in Congress concerning requirements for proof of legal residence in the U.S. in order to obtain a State drivers license.

On February 10, 2005, the U.S. House passed H.R. 418, known as the "REAL ID Act of 2005" by a vote of 261 to 161. **This act, if enacted, would require States to require applicants for a drivers licenses to prove lawful presence in the U.S.**

The bill was sent to the U.S. Senate, where no action on the bill has been scheduled.

A complete summary of Title II of H.R. 418, from the Library of Congress "Thomas" Legislative Information Service, is included below.

**"Title II: Improved Security for Driver's Licenses and Personal Identification Cards** - (Sec. 202) Prohibits Federal agencies from accepting State issued driver's licenses or identification cards unless such documents are determined by the Secretary to meet minimum security requirements, including the incorporation of specified data, a common machine-readable technology, and certain anti-fraud security features.

Sets forth minimum issuance standards for such documents that require: (1) verification of presented information; (2) evidence that the applicant is lawfully present in the United States; and (3) issuance of temporary driver's licenses or identification cards to persons temporarily present that are valid only for their period of authorized stay (or for one year where the period of stay is indefinite).

3/21/2005

## VISITOR REGISTRATION SHEET

**HOUSE APPRO/SUBCOMMITTEE ON TRANSPORTATION**

**, 2005**

Name of Committee

Date \_\_\_\_\_

**VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK**

**NAME**

**FIRM OR AGENCY AND ADDRESS**[illegible]



## NC Department of Transportation Operations Summary

- Appropriated Spending - \$3.3 billion

(Governor's Budget Recommendations)

- Non-Appropriated Spending:

- Cash Management Initiatives:

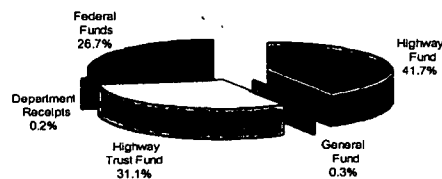
- SB 1005 Special Authority Projects - \$687 million

- (Beginning FY '02 - Finish FY '06)

- NC Moving Ahead! - \$700 million

- (Beginning FY '04 - Finish FY '07)

### NCDOT Appropriations 2004-05

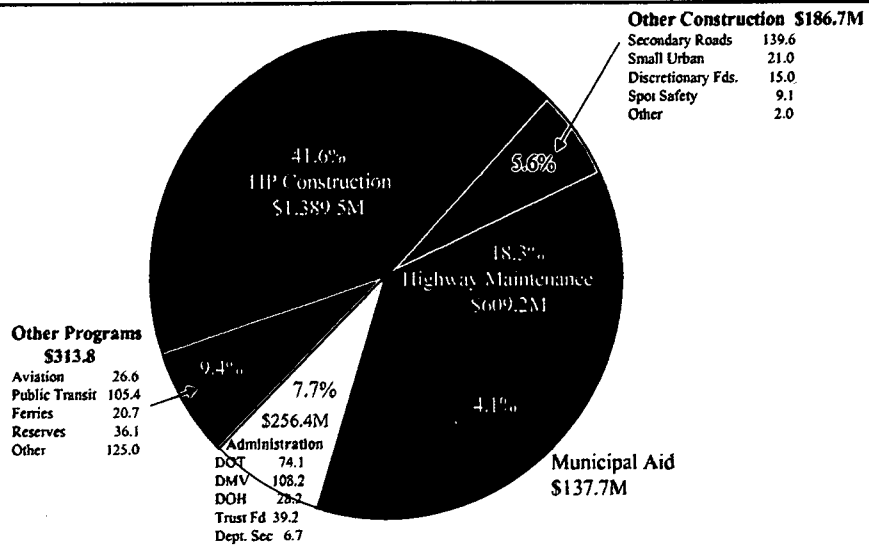


### North Carolina Transportation Program Revenues 2003-05 Dollars in Millions

|                                  | Authorized<br>2004-05 | % Change     | Governor's<br>Budget<br>2005-06 | % Change    | Governor's<br>Budget<br>2006-07 | % Change    |
|----------------------------------|-----------------------|--------------|---------------------------------|-------------|---------------------------------|-------------|
| Highway Fund                     | \$ 1,390.9            | 2.2%         | \$ 1,525.9                      | 9.7%        | \$ 1,516.6                      | -0.6%       |
| Highway Trust Fund               | 1,037.5               | 4.4%         | 1,076.2                         | 3.7%        | 1,100.3                         | 2.2%        |
| Federal Funds                    | 890.1                 | -10.7%       | 890.1                           | 0.0%        | 890.1                           | 0.0%        |
| Department Receipts/General Fund | 17.9                  | -1.1%        | 17.0                            | -5.0%       | 18.0                            | 5.9%        |
| <b>Total Revenues</b>            | <b>\$ 3,336.4</b>     | <b>-1.0%</b> | <b>\$ 3,509.2</b>               | <b>5.2%</b> | <b>\$ 3,525.0</b>               | <b>0.5%</b> |



## Projected Uses of NCDOT Appropriations 2004-05 Total Funding = \$3.3 Billion



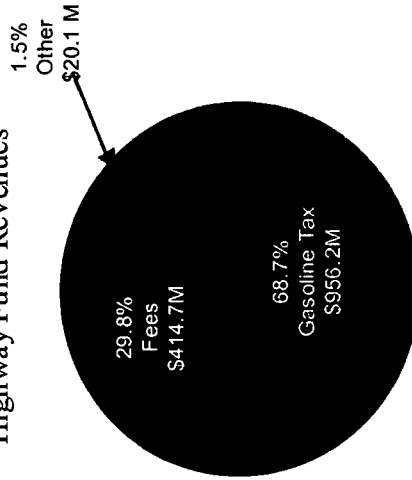
## Principle Differences Between Highway Fund and Highway Trust Fund

|                              | Highway Fund             | Highway Trust Fund     |
|------------------------------|--------------------------|------------------------|
| Major State Revenue Source   | Motor Fuels Taxes<br>69% | Highway Use Tax<br>59% |
| Biggest Program              | Maintenance<br>44%       | Construction<br>94%    |
| Primary Method of Allocation | Appropriation            | Statutory Formulas     |

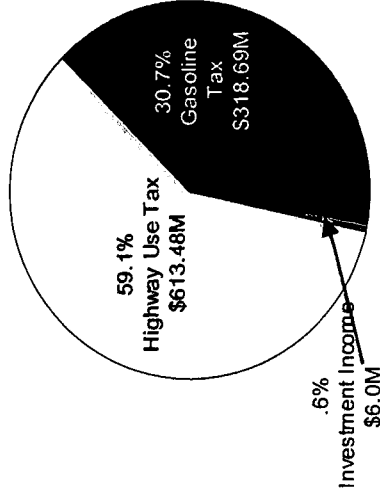
# Highway Fund & Highway Trust Fund

## 2004-05 Fund Sources

Highway Fund Revenues

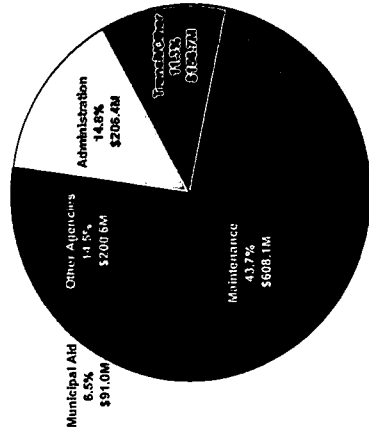


Highway Trust Fund Revenues

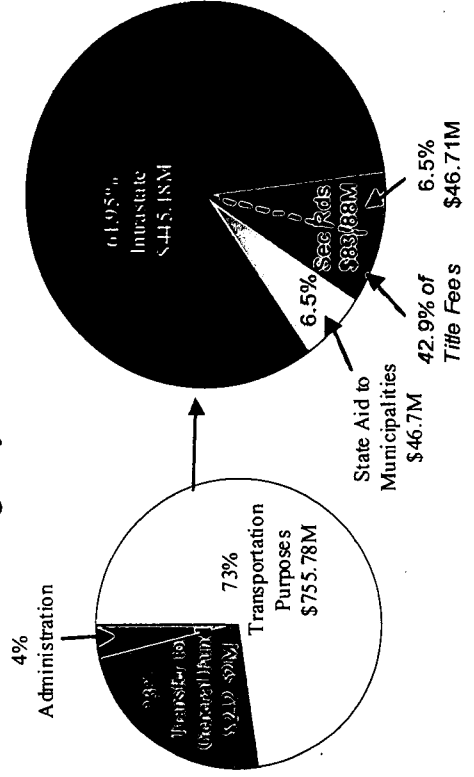


## 2004-05 Fund Uses

Highway Fund Uses



Highway Trust Fund Uses



# Highway Fund, Highway Trust Fund & Federal Funds (\$ Millions, 2004-2005)

Highway Fund  
\$1,391

|                          |
|--------------------------|
| Motor Fuels Tax<br>\$956 |
| Registrations \$284      |
| Licenses \$76            |
| Other \$75               |
| <b>\$1,152</b>           |

Funding:

Highway Trust Fund  
\$1,338

|                          |
|--------------------------|
| Motor Fuels Tax<br>\$319 |
| Highway Use Tax<br>\$614 |
| Title Fees & Other \$105 |
| Bond Proceeds \$300      |
| <b>\$795</b>             |

Federal Funds

|              |
|--------------|
| <b>\$890</b> |
|--------------|

|                              |
|------------------------------|
| General Fund Transfers \$444 |
| Highway Patrol 137           |
| Driver Ed 32                 |
| Other G.F. Agencies 16       |
| G.F. Rev. Source 16          |
| G.F. Revenue Source \$243    |

Spending:

|                    |
|--------------------|
| Public Trans.      |
| Rail               |
| Ferries            |
| Administration     |
| Hwy. Management    |
| Other Construction |
| Other              |
| \$80               |
| 16                 |
| 21                 |
| 74                 |
| 28                 |
| 47                 |
| 40                 |

|                             |
|-----------------------------|
| TIP \$555                   |
| Debt Service \$70           |
| Powell Bill/Secondary \$131 |
| Admin \$39                  |
| SB 1005 \$325               |
| Moving Ahead 400            |
| EEP 131                     |
| <b>\$243</b>                |

|                                                    |
|----------------------------------------------------|
| TIP \$827                                          |
| Other \$63<br>(CMAQ, PT, GHSP, DMV, P&R, Airports) |

Cash Management Package

952  
\$1.9  
1275



## 1996 Highway Bond Funds For Replenishment of Highway Trust Fund

|               |                |                |                |
|---------------|----------------|----------------|----------------|
| Amount Sold   | \$ 250,000,000 | \$ 400,000,000 | \$ 300,000,000 |
| Interest Rate | 4.7643%        | 3.8298%        | 3.5837%        |
| Premium       | \$ 177,819     | \$ 31,130,256  | \$ 23,519,799  |

### Refunding:

|               |              |
|---------------|--------------|
| Interest Rate | 2.9429%      |
| Total Savings | \$ 5,279,165 |



## Cash Initiatives as of February 2005

### Senate Bill 1005:

|                         | Appropriation | Obligated     | Spent         |
|-------------------------|---------------|---------------|---------------|
| Pavement Rehabilitation | \$ 470        | \$ 459        | \$ 393        |
| Preliminary Engineering | 45            | 29            | 4             |
| Traffic Signalization   | 45            | 39            | 32            |
| Small Urban             | 7             | 5             | 2             |
| Public Transportation   | 120           | 67            | 62            |
| Totals                  | <u>\$ 687</u> | <u>\$ 599</u> | <u>\$ 493</u> |

### Moving Ahead:

|                       |               |               |               |
|-----------------------|---------------|---------------|---------------|
| Construction          | \$ 630        | \$ 577        | \$ 227        |
| Public Transportation | 70            | 56            | 1             |
| Totals                | <u>\$ 700</u> | <u>\$ 633</u> | <u>\$ 228</u> |

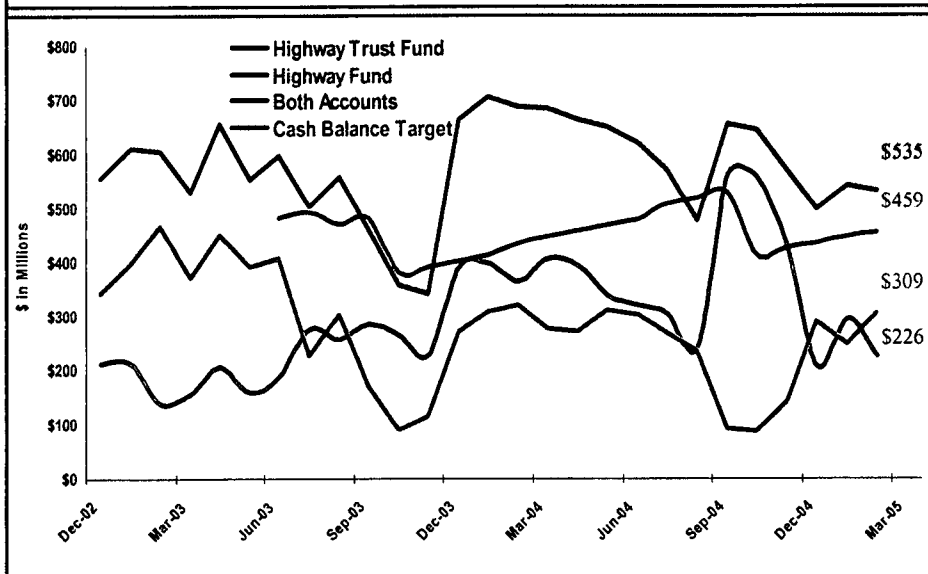


## Transportation Funds Cash Balances - February 2005

| \$ in Millions              | February<br>2005 | February<br>2004 | 3 Month<br>Average to<br>February<br>2005 | 3 Month<br>Average to<br>February<br>2004 |
|-----------------------------|------------------|------------------|-------------------------------------------|-------------------------------------------|
| Highway Fund                | \$309            | \$325            | \$283                                     | \$303                                     |
| % change from 12 months ago | -5%              |                  | -7%                                       |                                           |
| Highway Trust Fund          | \$226            | \$365            | \$243                                     | \$385                                     |
| % change from 12 months ago | -38%             |                  | -37%                                      |                                           |
| Total                       | \$535            | \$690            | \$526                                     | \$688                                     |



## Transportation Funds February 05 Balances and Target







## NCDOT Requirements Senate Bill 1005 Implementation

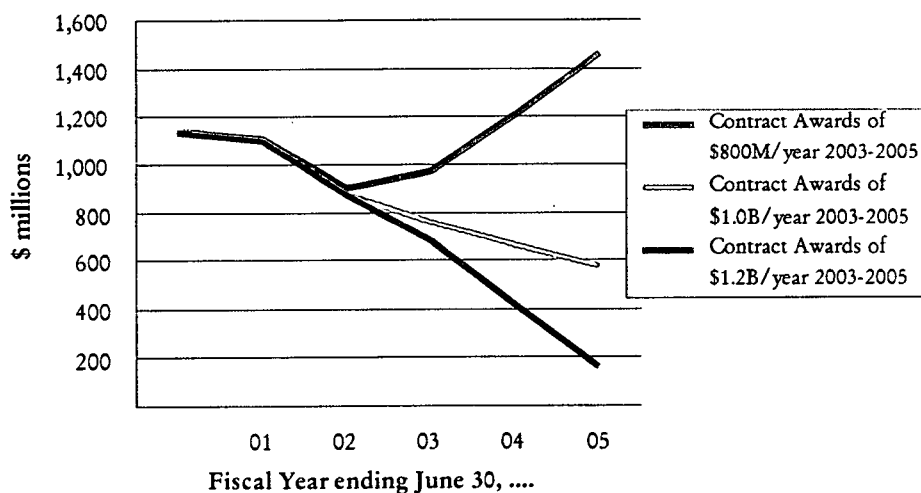
### DOT's Response to Cash Management Legislative Mandate

#### Management Controls and Tools

- Financial Planning Committee
- Cash Management Unit
- Forecasting Models



## Medium Term Forecast of Highway Trust Fund and Highway Fund Combined Cash Balances\*





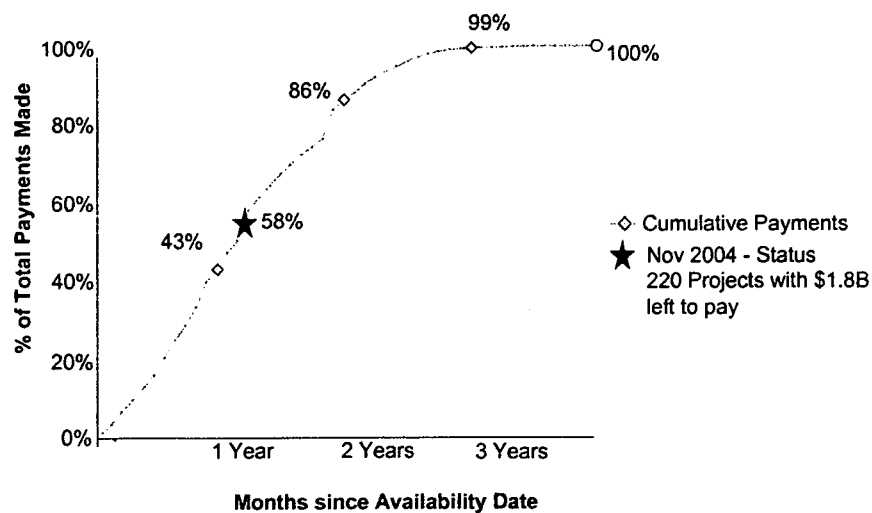
## 1998 -2003 Contract Awards

## 2004 -2007 Projected TIP Contract Values

| Year | TIP - Total \$ Amount | Resurfacing - Total \$ Amount | Senate Bill - Total \$ Amount | NC Moving Ahead - Total \$ Amount | Accum. \$ Totals |
|------|-----------------------|-------------------------------|-------------------------------|-----------------------------------|------------------|
| 1998 | 626,112,555           | 109,001,124                   | NA                            | NA                                | 735,113,679      |
| 1999 | 1,144,389,100         | 67,359,805                    | NA                            | NA                                | 1,211,748,904    |
| 2000 | 958,923,159           | 75,386,661                    | NA                            | NA                                | 1,034,309,819    |
| 2001 | 741,239,356           | 138,461,933                   | 115,812,351                   | NA                                | 995,513,641      |
| 2002 | 608,924,983           | 181,600,238                   | 133,770,268                   | NA                                | 924,295,489      |
| 2003 | 1,145,900,000         | 131,000,000                   | 73,300,000                    | 28,900,000                        | 1,378,000,000    |
| 2004 | 1,041,576,802         | 105,875,337                   | 34,825,563                    | 143,270,978                       | 1,325,548,680    |
| 2005 | 1,455,950,000         |                               |                               |                                   |                  |
| 2006 | 893,617,000           |                               |                               |                                   |                  |
| 2007 | 811,020,000           |                               |                               |                                   |                  |

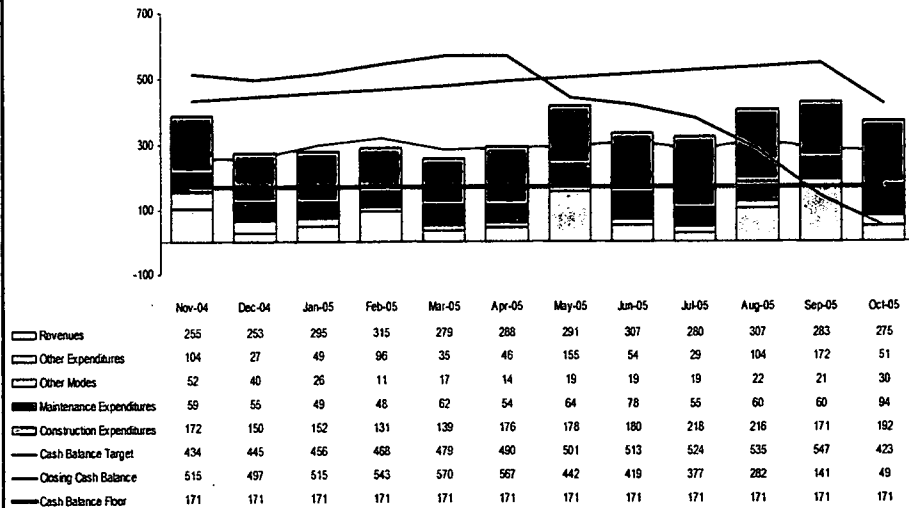


## Contract Payout Curve





## Projected 12 Month Revenue and Expenditure Summary Nov/2005 to Oct/2005



## Highway Fund & Highway Trust Fund OSBM Revenue Forecast

|                           | 2000-01<br>Actual | 2001-02<br>Actual | 2002-03<br>Actual | 2003-04<br>Actual | 2004-05<br>Forecast | 2005-06<br>Forecast | 2006-07<br>Forecast |
|---------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Highway Fund</b>       |                   |                   |                   |                   |                     |                     |                     |
| Motor Fuels               | 880.76            | 901.27            | 861.95            | 949.58            | 1,016.82            | 1,091.93            | 1,071.10            |
| DMV Licenses & Fees       | 364.31            | 379.67            | 379.61            | 402.36            | 414.27              | 429.96              | 437.51              |
| Investment Income         | 15.43             | 17.22             | 18.81             | 11.52             | 8.60                | 8.00                | 8.00                |
| <b>Total HF Revenue</b>   | <b>1,260.50</b>   | <b>1,298.16</b>   | <b>1,260.57</b>   | <b>1,363.46</b>   | <b>1,439.69</b>     | <b>1,525.89</b>     | <b>1,516.61</b>     |
| <b>% change</b>           | <b>8.2%</b>       | <b>3.0%</b>       | <b>-2.9%</b>      | <b>8.2%</b>       | <b>5.6%</b>         | <b>6.0%</b>         | <b>-0.6%</b>        |
| Memo: Feb '05 Actual YTD  |                   |                   |                   |                   | 2.3%                |                     |                     |
| <b>Highway Trust Fund</b> |                   |                   |                   |                   |                     |                     |                     |
| Motor Fuels               | 289.59            | 296.26            | 283.06            | 310.77            | 334.02              | 358.92              | 351.83              |
| Highway Use Tax           | 545.17            | 555.32            | 552.76            | 578.35            | 587.02              | 611.09              | 639.81              |
| DMV Titles, Reg. & Fees   | 90.65             | 90.73             | 90.85             | 95.91             | 97.16               | 99.68               | 102.19              |
| Investment Income         | 41.39             | 31.53             | 11.73             | 8.93              | 6.82                | 6.50                | 6.50                |
| <b>Total HTF Revenue</b>  | <b>966.80</b>     | <b>973.84</b>     | <b>938.40</b>     | <b>993.96</b>     | <b>1,025.02</b>     | <b>1,076.19</b>     | <b>1,100.33</b>     |
| <b>% change</b>           | <b>3.2%</b>       | <b>0.7%</b>       | <b>-3.6%</b>      | <b>5.9%</b>       | <b>3.1%</b>         | <b>5.0%</b>         | <b>2.2%</b>         |
| Memo: Feb '05 Actual YTD  |                   |                   |                   |                   | 2.1%                |                     |                     |

**Table 18**  
**Recommended Highway Fund Appropriation**  
**2005-07**

|                                           | 2004-05<br>Authorized   | 2005-06<br>Recommended  | 2006-07<br>Recommended  |
|-------------------------------------------|-------------------------|-------------------------|-------------------------|
| DOT-General Administration                | \$ 79,709,154           | \$ 82,604,119           | \$ 83,455,914           |
| Highway Division Administration           | 30,542,111              | 30,621,612              | 30,632,164              |
| Federal Aid Match - Planning and Research | 4,280,000               | 4,280,000               | 4,280,000               |
| <b>Construction Program</b>               |                         |                         |                         |
| State Secondary System                    | 91,000,000              | 93,370,000              | 95,980,000              |
| State Urban System                        | 14,000,000              | 14,000,000              | 14,000,000              |
| Discretionary Funds                       | 15,000,000              | 15,000,000              | 15,000,000              |
| Spot Safety Improvements                  | 9,100,000               | 9,100,000               | 9,100,000               |
| Access and Public Service Roads           | 2,000,000               | 2,000,000               | 2,000,000               |
| Small Urban Construction                  | 7,000,000               | -                       | -                       |
| Total Construction Program                | \$ 138,100,000          | \$ 133,470,000          | \$ 136,080,000          |
| <b>Maintenance Program</b>                |                         |                         |                         |
| Primary System                            | 124,750,498             | 124,750,498             | 124,750,498             |
| Secondary System                          | 214,243,652             | 214,243,652             | 214,243,652             |
| Urban System                              | 40,079,682              | 40,079,682              | 40,079,682              |
| Contract Resurfacing                      | 157,208,316             | 157,208,316             | 157,208,316             |
| General Maintenance Reserve               | 78,511,140              | 153,398,161             | 129,440,063             |
| Total Maintenance Program                 | \$ 614,793,288          | \$ 689,680,309          | \$ 665,722,211          |
| <b>Ferry Operations</b>                   | 21,264,811              | 20,264,811              | 20,264,811              |
| State Aid to Municipalities               | 91,000,000              | 93,370,000              | 95,980,000              |
| State Aid to Railroads                    | 15,531,153              | 17,781,153              | 20,299,903              |
| State Aid for Public Transportation       | 79,866,447              | 89,866,447              | 89,866,447              |
| Airports                                  | -                       | -                       | -                       |
| Asphalt Plant Cleanup                     | 425,000                 | 425,000                 | 425,000                 |
| Governor's Highway Safety Program         | 293,118                 | 293,118                 | 293,118                 |
| Division of Motor Vehicles                | 91,611,358              | 96,047,914              | 95,468,137              |
| <b>Total Department of Transportation</b> | <b>\$ 1,167,416,440</b> | <b>\$ 1,258,704,483</b> | <b>\$ 1,242,767,705</b> |
| <b>Transfers to Other State Agencies</b>  |                         |                         |                         |
| Agriculture                               | 3,897,946               | 4,115,930               | 4,234,921               |
| Revenue                                   | 4,318,518               | 4,873,784               | 4,877,768               |
| State Treasurer                           | 16,166,400              | 16,166,400              | 16,166,400              |
| DPI - Driver Education                    | 31,870,484              | 32,604,129              | 32,800,569              |
| CCPS - Highway Patrol                     | 156,340,038             | 184,495,510             | 188,275,171             |
| DENR - LUST Trust Fund                    | 5,853,536               | 6,010,288               | 6,337,313               |
| DHHS - Chemical Test                      | 541,886                 | 548,826                 | 547,503                 |
| Global Transpark                          | 1,600,000               | 1,600,000               | 1,600,000               |
| Total Transfers to Other State Agencies   | \$ 220,588,808          | \$ 250,412,865          | \$ 254,839,643          |
| <b>Reserves</b>                           |                         |                         |                         |
| Salary Adjustment                         | 650,000                 | 650,000                 | 650,000                 |
| Minority Contractor Development           | 150,000                 | 150,000                 | 150,000                 |
| State Fire Protection Grant               | 150,000                 | 150,000                 | 150,000                 |
| Stormwater Discharge Permit               | 500,000                 | 500,000                 | 500,000                 |
| Visitor Centers                           | 375,000                 | 375,000                 | 375,000                 |
| State Infrastructure Bank                 | 750,000                 | -                       | 750,000                 |
| Reserve for Legislative Increase          | -                       | 7,600,000               | 7,600,000               |
| Reserve for Retirement Adjustment         | -                       | 1,709,900               | 1,709,900               |
| Reserve for Health Insurance Adjustment   | -                       | 4,000,000               | 5,500,000               |
| Reserve for File Server Consolidation     | -                       | 1,000,000               | 1,000,000               |
| State Employee Reserve                    | 842,658                 | 842,658                 | 842,658                 |
| Employer's Contribution to Retirement     | 66,094                  | 354,094                 | 354,094                 |
| Employer's Contribution to Death Benefit  | (589,000)               | (589,000)               | (589,000)               |
| Total Reserves                            | \$ 2,894,752            | \$ 16,742,652           | \$ 18,992,652           |
| <b>Total Current Operations</b>           | <b>1,390,900,000</b>    | <b>1,525,860,000</b>    | <b>1,516,600,000</b>    |
| <b>Capital Improvements</b>               | <b>-</b>                | <b>-</b>                | <b>-</b>                |
| <b>Total Highway Fund Appropriation</b>   | <b>\$ 1,390,900,000</b> | <b>\$ 1,525,860,000</b> | <b>\$ 1,516,600,000</b> |

**Highway Trust Fund Revenue and Expenditure Projection: 2004-05 through 2009-10**  
**In Millions of \$**  
**Revised Revenue Forecast - 12/7/04**

|                          | <u>2004-05</u>       | <u>2005-06</u>       | <u>2006-07</u>       | <u>2007-08</u>       | <u>2008-09</u>       | <u>2009-10</u>       |
|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>AVAILABILITY:</b>     |                      |                      |                      |                      |                      |                      |
| <b>REVENUE:</b>          |                      |                      |                      |                      |                      |                      |
| GASOLINE TAX             | 334,020,000          | 358,920,000          | 351,830,000          | 346,466,000          | 362,177,000          | 377,029,000          |
| USE TAX                  | 587,020,000          | 611,090,000          | 639,810,000          | 708,829,000          | 741,435,000          | 775,541,000          |
| TITLE FEES               | 84,800,000           | 87,010,000           | 89,180,000           | 93,504,000           | 95,842,000           | 98,238,000           |
| MISC REG                 | 10,190,000           | 10,460,000           | 10,760,000           | 11,241,000           | 11,522,000           | 11,810,000           |
| LIEN RECORD              | 2,170,000            | 2,210,000            | 2,250,000            | 2,348,000            | 2,393,000            | 2,442,000            |
| INVESTMENT INCOME        | 6,820,000            | 6,500,000            | 6,500,000            | 6,525,000            | 6,811,000            | 7,101,000            |
| <b>TOTAL REVENUE</b>     | <b>1,025,020,000</b> | <b>1,076,190,000</b> | <b>1,100,330,000</b> | <b>1,168,911,000</b> | <b>1,220,180,000</b> | <b>1,272,161,000</b> |
| % Change from Prior Year | 3.1%                 | 5.0%                 | 2.2%                 | 6.2%                 | 4.4%                 | 4.3%                 |
| <b>ALLOCATIONS:</b>      |                      |                      |                      |                      |                      |                      |
| INTRASTATE               | 438,274,707          | 474,037,474          | 494,349,510          | 540,593,681          | 575,737,219          | 575,364,152          |
| URBAN LOOPS              | 177,220,039          | 191,681,013          | 199,894,353          | 218,593,570          | 232,804,154          | 232,653,301          |
| MUNICIPAL STREETS        | 45,985,240           | 49,737,588           | 51,868,794           | 56,720,886           | 60,408,263           | 60,369,120           |
| SECONDARY ROADS          | 82,328,097           | 87,027,588           | 90,088,794           | 96,794,029           | 101,483,406          | 102,471,120          |
| PROGRAM ADMIN            | 38,691,600           | 40,648,220           | 41,565,540           | 44,170,669           | 46,108,022           | 48,072,280           |
| GENERAL FUND             | 242,520,317          | 233,058,117          | 222,563,009          | 212,038,165          | 203,638,936          | 253,231,027          |
| <b>TOTAL ALLOCATION</b>  | <b>1,025,020,000</b> | <b>1,076,190,000</b> | <b>1,100,330,000</b> | <b>1,168,911,000</b> | <b>1,220,180,000</b> | <b>1,272,161,000</b> |

**NOTES:**

THE ALLOCATIONS TO THE GENERAL FUND FOR FY 2005-06 AND BEYOND INCLUDE THE REPAYMENT OF THE \$125,000,000 LOAN MADE TO THE GENERAL FUND IN FY 2002-03.

THE ALLOCATION TO THE GENERAL FUND FOR FY 2006 AND BEYOND INCLUDES AN EXTENSION OF THE \$80 MILLION AUTHORIZED BY A SPECIAL PROVISION BY THE GENERAL ASSEMBLY FOR FY 2002-2005.

**STATUTORY FORMULA ALLOCATIONS: (G.S. 136-176 (b))**

|                          |                                                                                                                                                |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>INTRASTATE</b>        | 61.95% of remaining revenue after deduction of \$15 title fee direct appropriation for Secondary Roads.                                        |
| <b>URBAN LOOPS</b>       | 25.05% of remaining revenue after deduction of \$15 title fee direct appropriation for Secondary Roads.                                        |
| <b>MUNICIPAL STREETS</b> | 6.5% of remaining revenue after deduction of \$15 title fee direct appropriation for Secondary Roads.                                          |
| <b>SECONDARY ROADS</b>   | 6.5 % of revenue plus direct appropriation of \$15 of each \$35 title fee.                                                                     |
| <b>PROGRAM ADMIN</b>     | 3.8% of remaining revenue after deductions for revenue generated from investments and \$15 title fee direct appropriation for Secondary Roads. |

# **Calculation of Transfers to the General Fund** **from the Highway Trust Fund** **State Fiscal Years 2003/04 through 2009/10**

| <u>Component of Transfer</u>                                                                                           | <u>FY 2003-04</u>  | <u>FY 2004-05</u>  | <u>FY 2005-06</u>  | <u>FY 2006-07</u>  | <u>FY 2007-08</u>  | <u>FY 2008-09</u>  | <u>FY 2009-10</u>  |
|------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Original Base Transfer                                                                                                 | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        |
| Non-Recurring Inflationary Adjustment                                                                                  | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         |
| Additional Funds from Elimination of Cap on Highway Use Tax for Luxury Vehicles                                        | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          |
| Increase on add'l funds from elimination of luxury tax based on annual increase in revenue estimate of highway use tax | 22,125             | 120,317            | 158,117            | 263,009            | 388,165            | 688,936            | 831,027            |
| Principal Repayment on \$125,000,000 Loan                                                                              |                    | (8,750,000)        | (16,250,000)       | (25,000,000)       | (33,750,000)       | (41,250,000)       |                    |
| Interest Repayment on \$125,000,000 Loan                                                                               |                    | (1,250,000)        | (3,250,000)        | (5,100,000)        | (7,000,000)        | (8,200,000)        |                    |
|                                                                                                                        | <u>252,422,125</u> | <u>242,520,317</u> | <u>233,058,117</u> | <u>222,563,009</u> | <u>212,038,165</u> | <u>203,638,936</u> | <u>253,231,027</u> |

**Notes:**

The allocation to the General Fund for FY 2006 and beyond includes an extension of the \$80 million authorized by a special provision by the General Assembly for FY 2002 - 2005

# Equity Allocations and Authorizations Per NCGS 136-17.2A(g)

Fiscal Years 1999/00 through 2003/04

Dollars in Millions

| Division | Equity Allocations | Board Authorizations | Over / Under Allocations from Prior Period | Authorizations as Percent of Allocation |
|----------|--------------------|----------------------|--------------------------------------------|-----------------------------------------|
| 1        | \$ 494.95          | \$ 433.54            | \$ 61.40                                   | -12.4%                                  |
| 2        | 380.37             | 227.78               | 152.59                                     | -40.1%                                  |
| 3        | 361.85             | 340.60               | 21.25                                      | -5.9%                                   |
| 4        | 356.52             | 412.62               | (56.10)                                    | 15.7%                                   |
| 5        | 567.73             | 879.09               | (311.35)                                   | 54.8%                                   |
| 6        | 446.72             | 408.46               | 38.26                                      | -8.6%                                   |
| 7        | 495.25             | 482.15               | 13.11                                      | -2.6%                                   |
| 8        | 473.26             | 497.23               | (23.96)                                    | 5.1%                                    |
| 9        | 368.03             | 405.46               | (37.43)                                    | 10.2%                                   |
| 10       | 527.33             | 596.18               | (68.85)                                    | 13.1%                                   |
| 11       | 314.72             | 382.91               | (68.19)                                    | 21.7%                                   |
| 12       | 335.86             | 349.51               | (13.65)                                    | 4.1%                                    |
| 13       | 407.51             | 390.50               | 17.02                                      | -4.2%                                   |
| 14       | 241.28             | 238.05               | 3.22                                       | -1.3%                                   |
|          | \$ 5,771.39        | \$ 6,044.08          | (272.69)                                   | 4.7%                                    |

| Division       | Board Authorizations<br>Fiscal Years 2000 through 2004 |             |  | TIP Plan<br>Fiscal Years 2005 through 2012<br>(Non-Inflated ) |             |  | Total Authorizations & TIP Plan<br>Fiscal Years 2000 through 2012 |               |             |               |              |               |
|----------------|--------------------------------------------------------|-------------|--|---------------------------------------------------------------|-------------|--|-------------------------------------------------------------------|---------------|-------------|---------------|--------------|---------------|
|                | Equity                                                 | Loops       |  | Equity                                                        | Loops       |  | Equity                                                            | % of<br>Total | Loops       | % of<br>Total | Total        | % of<br>Total |
| 1              | \$ 433.54                                              | \$ -        |  | \$ 710.81                                                     | \$ -        |  | \$ 1,144.36                                                       | 8.1%          | \$ -        | 0.0%          | \$ 1,144.36  | 6.9%          |
| 2              | 227.78                                                 | 1.20        |  | 698.83                                                        | 25.00       |  | 926.61                                                            | 6.6%          | 26.20       | 1.0%          | 952.81       | 5.7%          |
| 3              | 340.60                                                 | 164.51      |  | 562.81                                                        | 233.90      |  | 903.41                                                            | 6.4%          | 398.41      | 15.2%         | 1,301.83     | 7.8%          |
| 4              | 412.62                                                 | -           |  | 511.70                                                        | -           |  | 924.32                                                            | 6.6%          | -           | 0.0%          | 924.32       | 5.5%          |
| 5              | 879.09                                                 | 267.77      |  | 541.96                                                        | 200.00      |  | 1,421.05                                                          | 10.1%         | 467.77      | 17.8%         | 1,888.82     | 11.3%         |
| 6              | 408.46                                                 | 1.30        |  | 679.38                                                        | 258.13      |  | 1,087.84                                                          | 7.7%          | 259.43      | 9.9%          | 1,347.27     | 8.1%          |
| 7              | 482.15                                                 | 435.22      |  | 701.50                                                        | 157.23      |  | 1,183.65                                                          | 8.4%          | 592.45      | 22.5%         | 1,776.10     | 10.6%         |
| 8              | 497.23                                                 | -           |  | 579.55                                                        | -           |  | 1,076.78                                                          | 7.7%          | -           | 0.0%          | 1,076.78     | 6.4%          |
| 9              | 405.46                                                 | (25.55)     |  | 487.80                                                        | 181.98      |  | 893.26                                                            | 6.4%          | 156.43      | 5.9%          | 1,049.69     | 6.3%          |
| 10             | 596.18                                                 | 426.86      |  | 683.12                                                        | 212.20      |  | 1,279.31                                                          | 9.1%          | 639.06      | 24.3%         | 1,918.37     | 11.5%         |
| 11             | 382.91                                                 | -           |  | 403.55                                                        | -           |  | 786.46                                                            | 5.6%          | -           | 0.0%          | 786.46       | 4.7%          |
| 12             | 349.51                                                 | -           |  | 491.44                                                        | -           |  | 840.95                                                            | 6.0%          | -           | 0.0%          | 840.95       | 5.0%          |
| 13             | 390.50                                                 | 1.47        |  | 594.50                                                        | 88.02       |  | 985.00                                                            | 7.0%          | 89.49       | 3.4%          | 1,074.49     | 6.4%          |
| 14             | 238.05                                                 | -           |  | 374.87                                                        |             |  | 612.93                                                            | 4.4%          | -           | 0.0%          | 612.93       | 3.7%          |
| Division Total | \$ 6,044.08                                            | \$ 1,272.78 |  | \$ 8,021.84                                                   | \$ 1,356.47 |  | \$ 14,065.92                                                      |               | \$ 2,629.25 |               | \$ 16,695.16 |               |
| Statewide      | \$ 517.54                                              | \$ -        |  | \$ 1,183.97                                                   | \$ 4.80     |  | \$ 1,701.50                                                       |               | \$ 4.80     |               | \$ 1,706.30  | 9.3%          |
| TOTAL          | \$ 6,561.62                                            | \$ 1,272.78 |  | \$ 9,205.80                                                   | \$ 1,361.27 |  | \$ 15,767.42                                                      |               | \$ 2,634.05 |               | \$ 18,401.47 |               |

4:07 PM 3/14/2005

equity &amp; loops auth-prog 2000-2012(mar 11, 05)



# **DIVISIONAL/REGIONAL EQUITY PROJECTIONS** **Fiscal Years 1999/00 Projected through 2006/12 TIP**

Projected Program Allocations and  
 Programmed Amounts as of November 1, 2004  
 2005/06 through 2011/12  
 Dollars in Millions

| Program Allocations<br>2004/05<br>Dollars in Millions | Program Allocations |
|-------------------------------------------------------|---------------------|
| \$                                                    | 49                  |
|                                                       | 55                  |
|                                                       | 57                  |
|                                                       | 116                 |
|                                                       | 128                 |
|                                                       | 105                 |
|                                                       | 54                  |
|                                                       | 58                  |
|                                                       | 84                  |
|                                                       | 75                  |
|                                                       | 65                  |
|                                                       | 49                  |
|                                                       | 65                  |
|                                                       | 63                  |
| \$                                                    | 1,023               |

Actual Revenue Allocations and Authorizations  
 1999/00 through 2003/04  
 Dollars in Millions

| Revenues | Authorizations | Revenues less Authorizations |
|----------|----------------|------------------------------|
| \$       | 495            | \$ 61                        |
|          | 380            | 153                          |
|          | 362            | 21                           |
|          | 357            | (56)                         |
|          | 568            | (311)                        |
|          | 447            | 38                           |
|          | 495            | 13                           |
|          | 473            | (24)                         |
|          | 368            | (37)                         |
|          | 527            | (69)                         |
|          | 315            | (68)                         |
|          | 336            | (14)                         |
|          | 408            | 17                           |
|          | 241            | 3                            |
| \$       | 5,771          | \$ (273)                     |

| Division | Region    |
|----------|-----------|
| 1        | A 1 & 4   |
| 2        | B 2 & 3   |
| 3        | C 5 & 6   |
| 4        | D 7 & 9   |
| 5        | E 8 & 10  |
| 6        | F 11 & 12 |
| 7        | G 13 & 14 |

| Program Allocations | Equity Adjustments | Revised Program Allocation | Factored Programmed Amounts | Program Allocation less Programmed Amt. |
|---------------------|--------------------|----------------------------|-----------------------------|-----------------------------------------|
| \$                  | 662                | \$ 61                      | \$ 723                      | \$ (99)                                 |
|                     | 644                | 153                        | 797                         | (195)                                   |
|                     | 508                | 21                         | 527                         | (49)                                    |
|                     | 396                | (56)                       | 340                         | 38                                      |
|                     | 414                | (311)                      | 103                         | 305                                     |
|                     | 574                | 38                         | 612                         | (70)                                    |
|                     | 648                | 13                         | 661                         | (45)                                    |
|                     | 522                | (24)                       | 498                         | (2)                                     |
|                     | 404                | (37)                       | 367                         | 18                                      |
|                     | 608                | (69)                       | 539                         | 40                                      |
|                     | 338                | (68)                       | 270                         | 54                                      |
|                     | 442                | (14)                       | 428                         | (9)                                     |
|                     | 529                | 17                         | 546                         | (46)                                    |
|                     | 312                | 3                          | 315                         | (20)                                    |
| \$                  | 6,999              | (273)                      | 6,726                       | (83)                                    |

| Budget to Program Combined Difference Amount | Percent |
|----------------------------------------------|---------|
| \$ (38)                                      | 3.1%    |
| (43)                                         | 4.0%    |
| (28)                                         | 3.0%    |
| (18)                                         | 2.1%    |
| (6)                                          | 0.5%    |
| (32)                                         | 2.9%    |
| (35)                                         | 2.9%    |
| (26)                                         | 2.5%    |
| (20)                                         | 2.3%    |
| (15)                                         | 2.0%    |
| (22)                                         | 2.7%    |
| (29)                                         | 2.9%    |
| (16)                                         | 2.7%    |
| (356)                                        | 2.6%    |

**MINUTES**  
**HOUSE COMMITTEE ON TRANSPORTATION**

**March 30, 2005**

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, March 30, 2005, in Room 1228 of the Legislative Building at 11:00 A.M. Representative Lucy Allen presided. Members present were: Representatives Allred, Carney, and Stiller, Co-Chairs, Representative Crawford, Vice Chair, Representatives Blackwood, Cleveland, Cole, Daughtridge, Goodwin, Haire, Hilton, McComas, Moore, Rapp, Rayfield, Rhodes, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Paul Curry, Fred Hines, and Brad Barefoot, House Sergeants-at-Arms. A list of visitors is attached.

Representative Allen called the meeting to order and introduced the House pages: Downing McDade (Iredell County – Rep. Karen Ray), Ashley Fox (McDowell County – Rep. Phillip Frye), Jody Shearin and Lauren Stewart (both from Franklin County – Rep. Lucy Allen), along with the above mentioned House Sergeants-At-Arms. Jason Howard, a House page (Randolph County – Rep. Arlie Culp) videotaped the meeting as part of a school project.

The Presiding Chair recognized Mark Foster, Department of Transportation, who provided a presentation on the DOT budget to include an overview of revenues and expenditures and a cash management update (please see attached). As indicated during the March 2, 2005 meeting, there is a gap between the resources available and the needs in our state – over the next 25-year period it is estimated there is a need for \$80 billion and there will only be \$50 billion in resources. Mr. Foster indicated the Draft TIP Plan will be published an April 6<sup>th</sup>.

Representative Daughtridge asked the Department of Transportation (DOT) to provide a breakdown of the amount of revenue that comes in and the amount that is spent on each of the following categories: roads, aviation, rail and ferries. He would like to find out how much the airlines, ferries, and rails are putting the state in the red and the amount of revenue sources versus expenditures.

Representative Wilkins asked for the percent of projects completed out of the projects planned over the seven-year period.

Mr. Foster indicated the DOT would provide the Transportation Committee members with information pertaining to the two sets of data being requested.

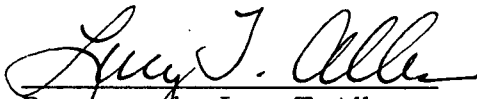
Mr. Foster indicated the equity formula was established in 1989 and amended in 1999, which was approved by the General Assembly. Spending is based on the following: 50% on the population, 25% on interstate roads that need to be completed, and 25% to be used for the fairness of everyone. The small construction budget (\$21 million) was given to the nine divisions equally.


Representative Starnes asked a question pertaining to discretionary funds. Mr. Foster indicated there are \$15 million in this fund. One third is used at the discretion of the Secretary of the DOT, and two thirds is utilized at the discretion of the legislature. Any project has to be approved by the Board of Transportation.

The next order of business was **HB-664 – A BILL TO BE ENTITLED AN ACT TO MAKE IT UNLAWFUL FOR AN ENGINEERING, CONSULTING, OR CONTRACTING FIRM EMPLOYEE, SUPERVISOR, OR OFFICER TO FALSIFY A DEPARTMENT OF TRANSPORTATION REQUIRED HIGHWAY INSPECTION OR TEST REPORT.** Representative Nelson Cole was recognized to explain the bill. This bill would broaden the current prohibition on falsification or direction of another to falsify a DOT required highway construction inspection or test report to make it apply to any person. Representative Cole presented a proposed committee substitute, and moved that the committee accept it for discussion. The motion passed. Representative Cole indicated the wording on line 14 would change to any person who directs, etc., rather than employee, supervisor, or officer of the DOT. Representative Bonner Stiller asked if the language should be changed from who knowingly falsifies to knowingly, willfully and intentionally falsifies, and indicated he would present an amendment to the proposed committee substitute to that effect. After discussion, he withdrew this request/proposed amendment. Representative Moore moved to give a favorable report to the proposed committee substitute, unfavorable as to the original bill.

Representative Lucy Allen, Presiding Chair, adjourned the meeting at 11:55 a.m.

Respectfully submitted,

  
Representative Lucy T. Allen  
Presiding Chair

  
Melissa Riddle  
Committee Assistant

Attachments:  
Agenda, Visitors Registration  
Handout, HB 664 & Bill Summary

## *AGENDA*

### HOUSE COMMITTEE MEETING ON TRANSPORTATION

March 30, 2005

11:00 A.M.

Room 1228 LB

Representative Lucy T. Allen, Presiding Chair  
Representative Cary Allred, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair

WELCOME AND OPENING REMARKS BY PRESIDING CHAIR

INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS

PRESENTATION

Mark Foster, Department of Transportation

AGENDA ITEMS:

HB 664 - Crime to Falsify Highway Inspection Reports -AB  
Representative Cole, Bill Sponsor

HB 666 - HOV Lane Penalties - AB  
Representative Cole, Bill Sponsor

HB 740 - Transit Drug Testing  
Representatives Coates & Cole, Bill Sponsors

ADJOURNMENT

## VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

March 30, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                |                   |
|----------------|-------------------|
| Steve Ghabel   | NCDOT             |
| Math Daughtrey | NC DOT            |
| Pat Clancy     | Speaker's Office  |
| Kyle Britton   | Charlotte Bobcats |
| Gail Grunius   | NCDOT             |
| Brian Yamamoto | NCDOT             |
| Scott McKelhan | NCPTA             |
| Betsy Bailey   | NCPTA             |
| John Phelps    | NCLM              |
| Warren Plunk   | OSBM              |
| Milton Alford  | OSBM              |

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

March 30, 2005

Name of Committee

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

|                 |                         |
|-----------------|-------------------------|
| Steve DeWitt    | NCDOT                   |
| Susan Coward    | NCDOT                   |
| BERRY JENKINS   | CAROLINA AGC            |
| Mike Osborne    | AGC                     |
| Mike Gun        | NC State AFL-CIO        |
| Hill Allen      | Tharrington Smith       |
| Portia Manley   | NCDOT/DMV               |
| Will Williamson | NCDOT/DMV               |
| Jeffrey Edwards | DOJ                     |
| [Signature]     | [Signature]             |
| Charlie Diehl   | NC Trucking Association |

# VISITOR REGISTRATION SHEET

## Transportation

Name of Committee

3/30/05

Date \_\_\_\_\_

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME

FIRM OR AGENCY

Reginald Westford

UTU

John G. Geyer

UTU

W. H. Thomsen

K. Castle

*Van Howard*

Page 4

Gen. Causby

NCMA

Germine Dorko ✓

Charlotte Chamber

Boyd Carls

City of Charlotte

*W. J. W. W. W.*

*Handwritten signature*

PGP

N. F. R.

John Ceynes

NCS G

Fern Shubert

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Jennifer Williamson

NC50

Arden Willis

NC SU

Chris Kullman

Walter Muller



North Carolina Department  
of Transportation

Financial Overview to House Transportation  
Committee

Mark Foster, Chief Financial Officer  
March 30, 2005



North Carolina Department  
of Transportation

- Overview of Revenues & Expenditures
- Cash Management Update





## NC Department of Transportation Operations Summary

- Appropriated Spending - \$3.3 billion

(Governor's Budget Recommendations)

- Non-Appropriated Spending:

- Cash Management Initiatives:

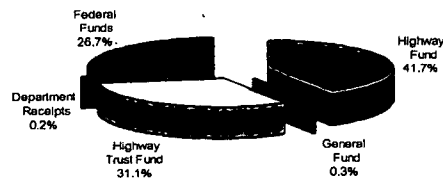
- SB 1005 Special Authority Projects - \$687 million

- (Beginning FY '02 - Finish FY '06)

- NC Moving Ahead! - \$700 million

- (Beginning FY '04 - Finish FY '07)

### NCDOT Appropriations 2004-05

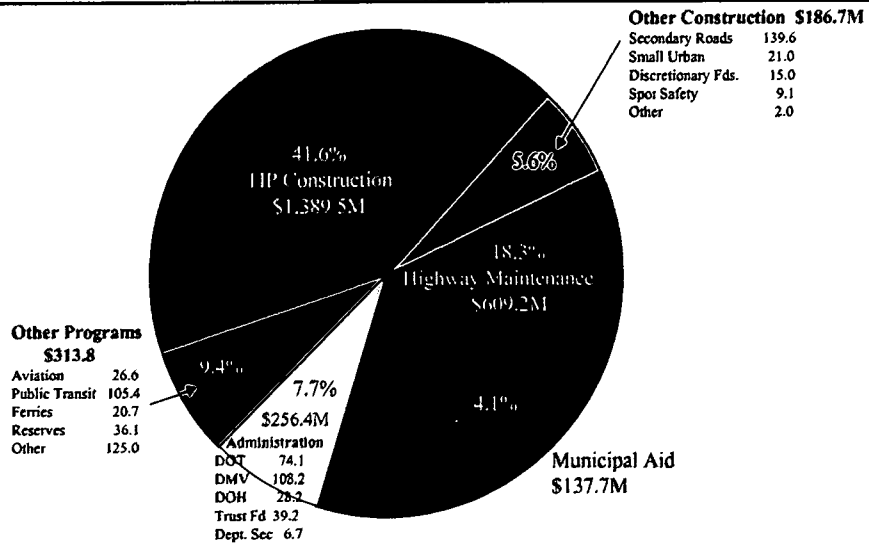


### North Carolina Transportation Program Revenues 2003-05 Dollars in Millions

|                                  | Authorized<br>2004-05 | % Change     | Governor's<br>Budget<br>2005-06 | % Change    | Governor's<br>Budget<br>2006-07 | % Change    |
|----------------------------------|-----------------------|--------------|---------------------------------|-------------|---------------------------------|-------------|
| Highway Fund                     | \$ 1,390.9            | 2.2%         | \$ 1,525.9                      | 9.7%        | \$ 1,516.6                      | -0.6%       |
| Highway Trust Fund               | 1,037.5               | 4.4%         | 1,076.2                         | 3.7%        | 1,100.3                         | 2.2%        |
| Federal Funds                    | 890.1                 | -10.7%       | 890.1                           | 0.0%        | 890.1                           | 0.0%        |
| Department Receipts/General Fund | 17.9                  | -1.1%        | 17.0                            | -5.0%       | 18.0                            | 5.9%        |
| <b>Total Revenues</b>            | <b>\$ 3,336.4</b>     | <b>-1.0%</b> | <b>\$ 3,509.2</b>               | <b>5.2%</b> | <b>\$ 3,525.0</b>               | <b>0.5%</b> |



## Projected Uses of NCDOT Appropriations 2004-05 Total Funding = \$3.3 Billion



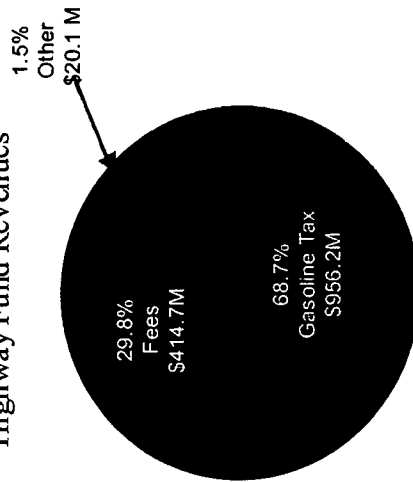
## Principle Differences Between Highway Fund and Highway Trust Fund

|                              | Highway Fund             | Highway Trust Fund     |
|------------------------------|--------------------------|------------------------|
| Major State Revenue Source   | Motor Fuels Taxes<br>69% | Highway Use Tax<br>59% |
| Biggest Program              | Maintenance<br>44%       | Construction<br>94%    |
| Primary Method of Allocation | Appropriation            | Statutory Formulas     |

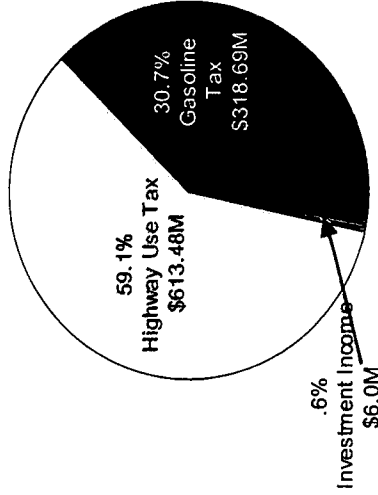
# Highway Fund & Highway Trust Fund

## 2004-05 Fund Sources

Highway Fund Revenues

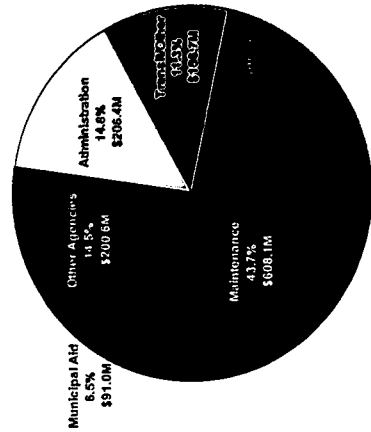


Highway Trust Fund Revenues

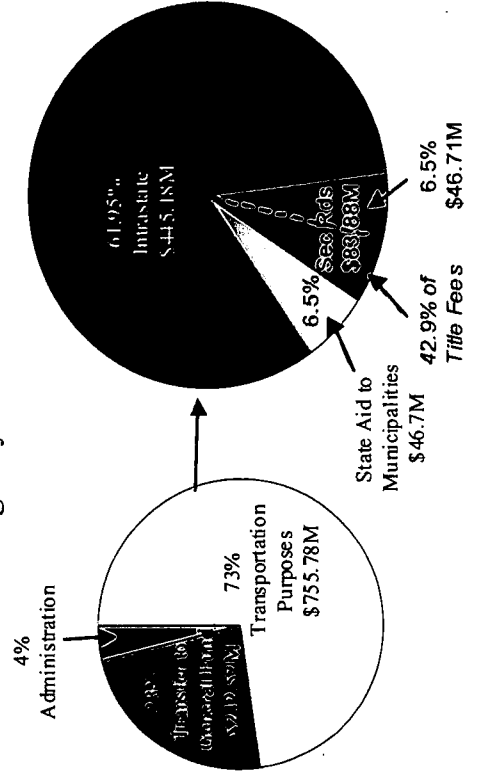


## 2004-05 Fund Uses

Highway Fund Uses



Highway Trust Fund Uses







## 1996 Highway Bond Funds For Replenishment of Highway Trust Fund

|               |                |                |                |
|---------------|----------------|----------------|----------------|
| Amount Sold   | \$ 250,000,000 | \$ 400,000,000 | \$ 300,000,000 |
| Interest Rate | 4.7643%        | 3.8298%        | 3.5837%        |
| Premium       | \$ 177,819     | \$ 31,130,256  | \$ 23,519,799  |

### Refunding:

|               |              |
|---------------|--------------|
| Interest Rate | 2.9429%      |
| Total Savings | \$ 5,279,165 |



## Cash Initiatives as of February 2005

### Senate Bill 1005:

|                         | Appropriation | Obligated     | Spent         |
|-------------------------|---------------|---------------|---------------|
| Pavement Rehabilitation | \$ 470        | \$ 459        | \$ 393        |
| Preliminary Engineering | 45            | 29            | 4             |
| Traffic Signalization   | 45            | 39            | 32            |
| Small Urban             | 7             | 5             | 2             |
| Public Transportation   | 120           | 67            | 62            |
| Totals                  | <u>\$ 687</u> | <u>\$ 599</u> | <u>\$ 493</u> |

### Moving Ahead:

|                       |               |               |               |
|-----------------------|---------------|---------------|---------------|
| Construction          | \$ 630        | \$ 577        | \$ 227        |
| Public Transportation | 70            | 56            | 1             |
| Totals                | <u>\$ 700</u> | <u>\$ 633</u> | <u>\$ 228</u> |

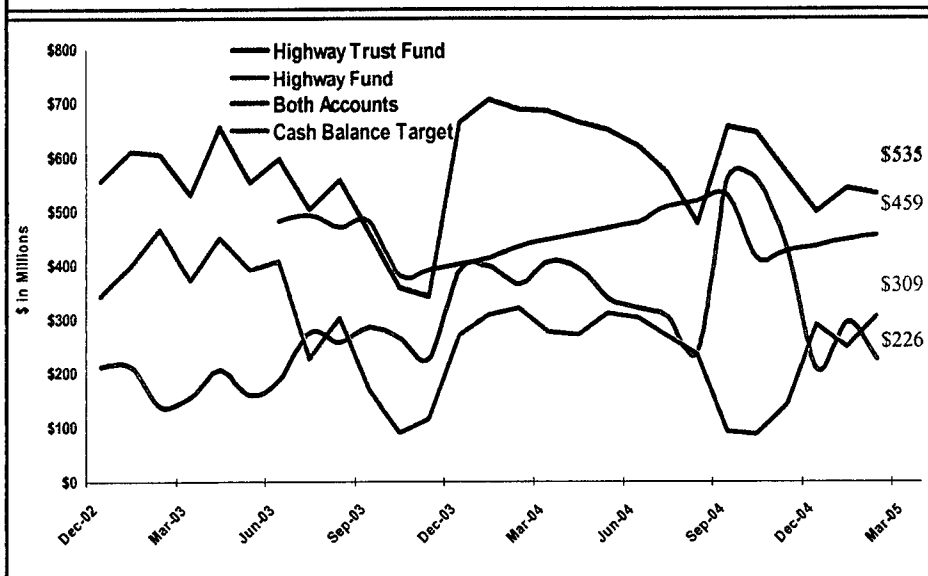


## Transportation Funds Cash Balances - February 2005

| \$ in Millions                                    | February<br>2005 | February<br>2004 | 3 Month<br>Average to<br>February<br>2005 | 3 Month<br>Average to<br>February<br>2004 |
|---------------------------------------------------|------------------|------------------|-------------------------------------------|-------------------------------------------|
| Highway Fund<br>% change from 12 months ago       | \$309<br>-5%     | \$325            | \$283<br>-7%                              | \$303                                     |
| Highway Trust Fund<br>% change from 12 months ago | \$226<br>-38%    | \$365            | \$243<br>-37%                             | \$385                                     |
| Total                                             | \$535            | \$690            | \$526                                     | \$688                                     |



## Transportation Funds February 05 Balances and Target





## NCDOT Requirements Senate Bill 1005 Implementation

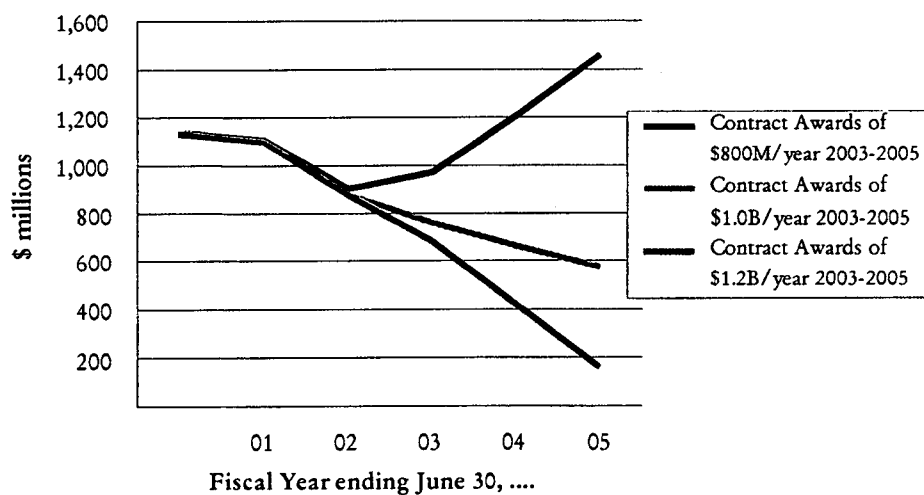
### DOT's Response to Cash Management Legislative Mandate

#### Management Controls and Tools

- Financial Planning Committee
- Cash Management Unit
- Forecasting Models



## Medium Term Forecast of Highway Trust Fund and Highway Fund Combined Cash Balances\*





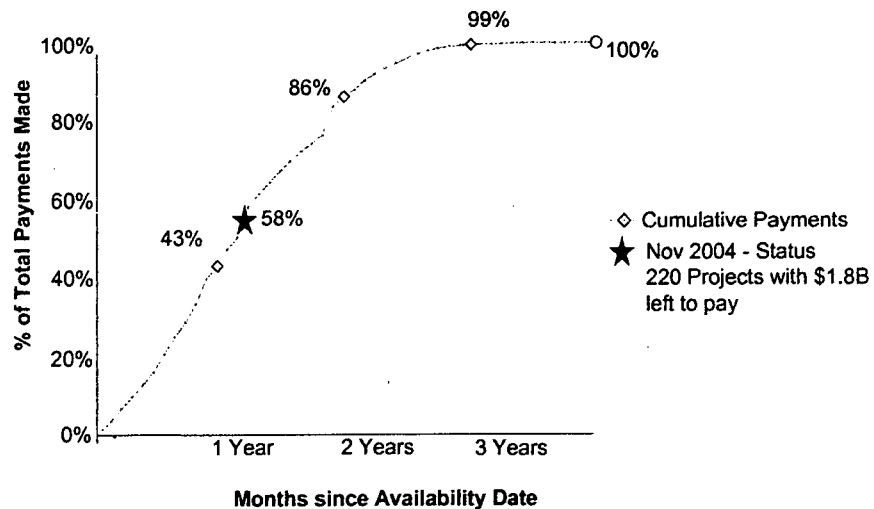
## 1998 -2003 Contract Awards

## 2004 -2007 Projected TIP Contract Values

| Year | TIP - Total \$ Amount | Resurfacing - Total \$ Amount | Senate Bill - Total \$ Amount | NC Moving Ahead - Total \$ Amount | Accum. \$ Totals |
|------|-----------------------|-------------------------------|-------------------------------|-----------------------------------|------------------|
| 1998 | 626,112,555           | 109,001,124                   | NA                            | NA                                | 735,113,679      |
| 1999 | 1,144,389,100         | 67,359,805                    | NA                            | NA                                | 1,211,748,904    |
| 2000 | 958,923,159           | 75,386,661                    | NA                            | NA                                | 1,034,309,819    |
| 2001 | 741,239,356           | 138,461,933                   | 115,812,351                   | NA                                | 995,513,641      |
| 2002 | 608,924,983           | 181,600,238                   | 133,770,268                   | NA                                | 924,295,489      |
| 2003 | 1,145,900,000         | 131,000,000                   | 73,300,000                    | 28,900,000                        | 1,378,000,000    |
| 2004 | 1,041,576,802         | 105,875,337                   | 34,825,563                    | 143,270,978                       | 1,325,548,680    |
| 2005 | 1,455,950,000         |                               |                               |                                   |                  |
| 2006 | 893,617,000           |                               |                               |                                   |                  |
| 2007 | 811,020,000           |                               |                               |                                   |                  |



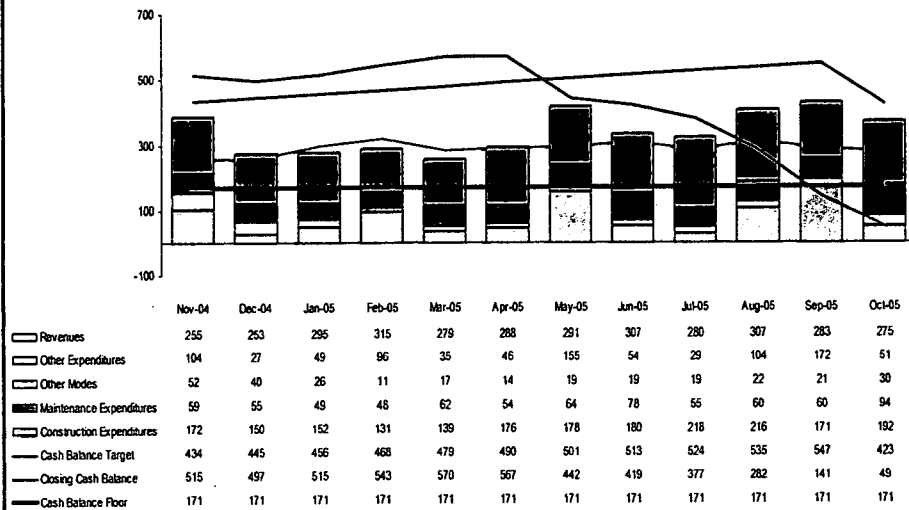
## Contract Payout Curve







## Projected 12 Month Revenue and Expenditure Summary Nov/2005 to Oct/2005



## Highway Fund & Highway Trust Fund OSBM Revenue Forecast

|                           | 2000-01<br>Actual | 2001-02<br>Actual | 2002-03<br>Actual | 2003-04<br>Actual | 2004-05<br>Forecast | 2005-06<br>Forecast | 2006-07<br>Forecast |
|---------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Highway Fund</b>       |                   |                   |                   |                   |                     |                     |                     |
| Motor Fuels               | 880.76            | 901.27            | 861.95            | 949.58            | 1,016.82            | 1,091.93            | 1,071.10            |
| DMV Licenses & Fees       | 364.31            | 379.67            | 379.81            | 402.36            | 414.27              | 425.96              | 437.51              |
| Investment Income         | 15.43             | 17.22             | 18.81             | 11.52             | 8.60                | 8.00                | 8.00                |
| <b>Total HF Revenue</b>   | <b>1,260.50</b>   | <b>1,298.16</b>   | <b>1,260.57</b>   | <b>1,363.46</b>   | <b>1,439.69</b>     | <b>1,525.89</b>     | <b>1,516.61</b>     |
| <b>% change</b>           | <b>8.2%</b>       | <b>3.0%</b>       | <b>-2.9%</b>      | <b>8.2%</b>       | <b>5.6%</b>         | <b>6.0%</b>         | <b>-0.6%</b>        |
| Memo: Feb '05 Actual YTD  |                   |                   |                   |                   | 2.3%                |                     |                     |
| <b>Highway Trust Fund</b> |                   |                   |                   |                   |                     |                     |                     |
| Motor Fuels               | 289.59            | 296.26            | 283.06            | 310.77            | 334.02              | 358.92              | 351.83              |
| Highway Use Tax           | 545.17            | 555.32            | 552.76            | 578.35            | 587.02              | 611.09              | 639.81              |
| DMV Titles, Reg. & Fees   | 90.65             | 90.73             | 90.85             | 95.91             | 97.16               | 99.68               | 102.19              |
| Investment Income         | 41.39             | 31.53             | 11.73             | 8.93              | 6.82                | 6.50                | 6.50                |
| <b>Total HTF Revenue</b>  | <b>966.80</b>     | <b>973.84</b>     | <b>938.40</b>     | <b>993.96</b>     | <b>1,025.02</b>     | <b>1,076.19</b>     | <b>1,100.33</b>     |
| <b>% change</b>           | <b>3.2%</b>       | <b>0.7%</b>       | <b>-3.6%</b>      | <b>5.9%</b>       | <b>3.1%</b>         | <b>5.0%</b>         | <b>2.2%</b>         |
| Memo: Feb '05 Actual YTD  |                   |                   |                   |                   | 2.1%                |                     |                     |

**Table 18**  
**Recommended Highway Fund Appropriation**  
**2005-07**

|                                                | 2004-05<br>Authorized   | 2005-06<br>Recommended  | 2006-07<br>Recommended  |
|------------------------------------------------|-------------------------|-------------------------|-------------------------|
| DOT-General Administration                     | \$ 79,709,154           | \$ 82,604,119           | \$ 83,455,914           |
| Highway Division Administration                | 30,542,111              | 30,621,612              | 30,632,164              |
| Federal Aid Match - Planning and Research      | 4,280,000               | 4,280,000               | 4,280,000               |
| <b>Construction Program</b>                    |                         |                         |                         |
| State Secondary System                         | 91,000,000              | 93,370,000              | 95,980,000              |
| State Urban System                             | 14,000,000              | 14,000,000              | 14,000,000              |
| Discretionary Funds                            | 15,000,000              | 15,000,000              | 15,000,000              |
| Spot Safety Improvements                       | 9,100,000               | 9,100,000               | 9,100,000               |
| Access and Public Service Roads                | 2,000,000               | 2,000,000               | 2,000,000               |
| Small Urban Construction                       | 7,000,000               | -                       | -                       |
| <b>Total Construction Program</b>              | <b>\$ 138,100,000</b>   | <b>\$ 133,470,000</b>   | <b>\$ 136,080,000</b>   |
| <b>Maintenance Program</b>                     |                         |                         |                         |
| Primary System                                 | 124,750,498             | 124,750,498             | 124,750,498             |
| Secondary System                               | 214,243,652             | 214,243,652             | 214,243,652             |
| Urban System                                   | 40,079,682              | 40,079,682              | 40,079,682              |
| Contract Resurfacing                           | 157,208,316             | 157,208,316             | 157,208,316             |
| General Maintenance Reserve                    | 78,511,140              | 153,398,161             | 129,440,063             |
| <b>Total Maintenance Program</b>               | <b>\$ 614,793,288</b>   | <b>\$ 689,680,309</b>   | <b>\$ 665,722,211</b>   |
| <b>Ferry Operations</b>                        | <b>21,264,811</b>       | <b>20,264,811</b>       | <b>20,264,811</b>       |
| State Aid to Municipalities                    | 91,000,000              | 93,370,000              | 95,980,000              |
| State Aid to Railroads                         | 15,531,153              | 17,781,153              | 20,299,903              |
| State Aid for Public Transportation            | 79,866,447              | 89,866,447              | 89,866,447              |
| Airports                                       | -                       | -                       | -                       |
| Asphalt Plant Cleanup                          | 425,000                 | 425,000                 | 425,000                 |
| Governor's Highway Safety Program              | 293,118                 | 293,118                 | 293,118                 |
| Division of Motor Vehicles                     | 91,611,358              | 96,047,914              | 95,468,137              |
| <b>Total Department of Transportation</b>      | <b>\$ 1,167,416,440</b> | <b>\$ 1,258,704,483</b> | <b>\$ 1,242,767,705</b> |
| <b>Transfers to Other State Agencies</b>       |                         |                         |                         |
| Agriculture                                    | 3,897,946               | 4,115,930               | 4,234,921               |
| Revenue                                        | 4,318,518               | 4,873,784               | 4,877,766               |
| State Treasurer                                | 16,166,400              | 16,166,400              | 16,166,400              |
| DPI - Driver Education                         | 31,870,484              | 32,804,129              | 32,800,569              |
| CCPS - Highway Patrol                          | 156,340,038             | 184,495,510             | 188,275,171             |
| DENR - LUST Trust Fund                         | 5,853,536               | 6,010,286               | 6,337,313               |
| DHHS - Chemical Test                           | 541,886                 | 546,826                 | 547,503                 |
| Global Transport                               | 1,600,000               | 1,600,000               | 1,600,000               |
| <b>Total Transfers to Other State Agencies</b> | <b>\$ 220,588,808</b>   | <b>\$ 250,412,865</b>   | <b>\$ 254,839,643</b>   |
| <b>Reserves</b>                                |                         |                         |                         |
| Salary Adjustment                              | 650,000                 | 650,000                 | 650,000                 |
| Minority Contractor Development                | 150,000                 | 150,000                 | 150,000                 |
| State Fire Protection Grant                    | 150,000                 | 150,000                 | 150,000                 |
| Stormwater Discharge Permit                    | 500,000                 | 500,000                 | 500,000                 |
| Visitor Centers                                | 375,000                 | 375,000                 | 375,000                 |
| State Infrastructure Bank                      | 750,000                 | -                       | 750,000                 |
| Reserve for Legislative Increase               | -                       | 7,600,000               | 7,600,000               |
| Reserve for Retirement Adjustment              | -                       | 1,709,900               | 1,709,900               |
| Reserve for Health Insurance Adjustment        | -                       | 4,000,000               | 5,500,000               |
| Reserve for File Server Consolidation          | -                       | 1,000,000               | 1,000,000               |
| State Employee Reserve                         | 842,658                 | 842,658                 | 842,658                 |
| Employer's Contribution to Retirement          | 66,094                  | 354,094                 | 354,094                 |
| Employer's Contribution to Death Benefit       | (589,000)               | (589,000)               | (589,000)               |
| <b>Total-Reserves</b>                          | <b>\$ 2,894,752</b>     | <b>\$ 16,742,652</b>    | <b>\$ 18,992,652</b>    |
| <b>Total Current Operations</b>                | <b>1,390,900,000</b>    | <b>1,525,860,000</b>    | <b>1,516,600,000</b>    |
| <b>Capital Improvements</b>                    | <b>-</b>                | <b>-</b>                | <b>-</b>                |
| <b>Total Highway Fund Appropriation</b>        | <b>\$ 1,390,900,000</b> | <b>\$ 1,525,860,000</b> | <b>\$ 1,516,600,000</b> |

**Highway Trust Fund Revenue and Expenditure Projection: 2004-05 through 2009-10**  
**In Millions of \$**  
**Revised Revenue Forecast - 12/7/04**

|                                 | <u>2004-05</u>       | <u>2005-06</u>       | <u>2006-07</u>       | <u>2007-08</u>       | <u>2008-09</u>       | <u>2009-10</u>       |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>AVAILABILITY:</b>            |                      |                      |                      |                      |                      |                      |
| <b>REVENUE:</b>                 |                      |                      |                      |                      |                      |                      |
| GASOLINE TAX                    | 334,020,000          | 358,920,000          | 351,830,000          | 346,466,000          | 362,177,000          | 377,029,000          |
| USE TAX                         | 587,020,000          | 611,090,000          | 639,810,000          | 708,829,000          | 741,435,000          | 775,541,000          |
| TITLE FEES                      | 84,800,000           | 87,010,000           | 89,180,000           | 93,504,000           | 95,842,000           | 98,238,000           |
| MISC REG                        | 10,190,000           | 10,460,000           | 10,760,000           | 11,241,000           | 11,522,000           | 11,810,000           |
| LIEN RECORD                     | 2,170,000            | 2,210,000            | 2,250,000            | 2,346,000            | 2,393,000            | 2,442,000            |
| INVESTMENT INCOME               | 6,820,000            | 6,500,000            | 6,500,000            | 6,525,000            | 6,811,000            | 7,101,000            |
| <b>TOTAL REVENUE</b>            | <b>1,025,020,000</b> | <b>1,076,190,000</b> | <b>1,100,330,000</b> | <b>1,168,911,000</b> | <b>1,220,180,000</b> | <b>1,272,161,000</b> |
| <b>% Change from Prior Year</b> | <b>3.1%</b>          | <b>5.0%</b>          | <b>2.2%</b>          | <b>6.2%</b>          | <b>4.4%</b>          | <b>4.3%</b>          |
| <b>ALLOCATIONS:</b>             |                      |                      |                      |                      |                      |                      |
| INTRASTATE                      | 438,274,707          | 474,037,474          | 494,349,510          | 540,593,681          | 575,737,219          | 575,364,152          |
| URBAN LOOPS                     | 177,220,039          | 191,681,013          | 199,894,353          | 218,593,570          | 232,804,154          | 232,653,301          |
| MUNICIPAL STREETS               | 45,985,240           | 49,737,588           | 51,868,794           | 56,720,886           | 60,408,263           | 60,369,120           |
| SECONDARY ROADS                 | 82,328,097           | 87,027,588           | 90,088,794           | 96,794,029           | 101,483,406          | 102,471,120          |
| PROGRAM ADMIN                   | 38,691,600           | 40,648,220           | 41,565,540           | 44,170,669           | 46,108,022           | 48,072,280           |
| GENERAL FUND                    | 242,520,317          | 233,058,117          | 222,563,009          | 212,038,165          | 203,638,936          | 253,231,027          |
| <b>TOTAL ALLOCATION</b>         | <b>1,025,020,000</b> | <b>1,076,190,000</b> | <b>1,100,330,000</b> | <b>1,168,911,000</b> | <b>1,220,180,000</b> | <b>1,272,161,000</b> |

**NOTES:**

THE ALLOCATIONS TO THE GENERAL FUND FOR FY 2005-06 AND BEYOND INCLUDE THE REPAYMENT OF THE \$125,000,000 LOAN MADE TO THE GENERAL FUND IN FY 2002-03.

THE ALLOCATION TO THE GENERAL FUND FOR FY 2006 AND BEYOND INCLUDES AN EXTENSION OF THE \$80 MILLION AUTHORIZED BY A SPECIAL PROVISION BY THE GENERAL ASSEMBLY FOR FY 2002-2005.

**STATUTORY FORMULA ALLOCATIONS: (G.S. 136-178 (b))**

|                          |                                                                                                                                                |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>INTRASTATE</b>        | 61.95% of remaining revenue after deduction of \$15 title fee direct appropriation for Secondary Roads.                                        |
| <b>URBAN LOOPS</b>       | 25.05% of remaining revenue after deduction of \$15 title fee direct appropriation for Secondary Roads.                                        |
| <b>MUNICIPAL STREETS</b> | 6.5% of remaining revenue after deduction of \$15 title fee direct appropriation for Secondary Roads.                                          |
| <b>SECONDARY ROADS</b>   | 6.5 % of revenue plus direct appropriation of \$15 of each \$35 title fee.                                                                     |
| <b>PROGRAM ADMIN</b>     | 3.8% of remaining revenue after deductions for revenue generated from investments and \$15 title fee direct appropriation for Secondary Roads. |



# Calculation of Transfers to the General Fund from the Highway Trust Fund State Fiscal Years 2003/04 through 2009/10

| <u>Component of Transfer</u>                                                                                                 | <u>FY 2003-04</u>  | <u>FY 2004-05</u>  | <u>FY 2005-06</u>  | <u>FY 2006-07</u>  | <u>FY 2007-08</u>  | <u>FY 2008-09</u>  | <u>FY 2009-10</u>  |
|------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Original Base Transfer                                                                                                       | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        | 170,000,000        |
| Non-Recurring Inflationary Adjustment                                                                                        | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         | 80,000,000         |
| Additional Funds from Elimination of Cap on<br>Highway Use Tax for Luxury Vehicles                                           | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          | 2,400,000          |
| Increase on add'l funds from elimination of<br>luxury tax based on annual increase in revenue<br>estimate of highway use tax | 22,125             | 120,317            | 158,117            | 263,009            | 388,165            | 688,936            | 831,027            |
| Principal Repayment on \$125,000,000 Loan                                                                                    |                    | (8,750,000)        | (16,250,000)       | (25,000,000)       | (33,750,000)       | (41,250,000)       |                    |
| Interest Repayment on \$125,000,000 Loan                                                                                     |                    | (1,250,000)        | (3,250,000)        | (5,100,000)        | (7,000,000)        | (8,200,000)        |                    |
|                                                                                                                              | <u>252,422,125</u> | <u>242,520,317</u> | <u>233,058,117</u> | <u>222,563,009</u> | <u>212,038,165</u> | <u>203,638,936</u> | <u>253,231,027</u> |

## Notes:

The allocation to the General Fund for FY 2006 and beyond includes an extension of the \$80 million authorized by a special provision by the General Assembly for FY 2002 - 2005

**Equity Allocations and Authorizations Per NCGS 136-17.2A(g)**  
**Fiscal Years 1999/00 through 2003/04**  
**Dollars in Millions**

| Division | Equity Allocations | Board Authorizations | Over / Under Allocations from Prior Period | Authorizations as Percent of Allocation |
|----------|--------------------|----------------------|--------------------------------------------|-----------------------------------------|
| 1        | \$ 494.95          | \$ 433.54            | \$ 61.40                                   | -12.4%                                  |
| 2        | 380.37             | 227.78               | 152.59                                     | -40.1%                                  |
| 3        | 361.85             | 340.60               | 21.25                                      | -5.9%                                   |
| 4        | 356.52             | 412.62               | (56.10)                                    | 15.7%                                   |
| 5        | 567.73             | 879.09               | (311.35)                                   | 54.8%                                   |
| 6        | 446.72             | 408.46               | 38.26                                      | -8.6%                                   |
| 7        | 495.25             | 482.15               | 13.11                                      | -2.6%                                   |
| 8        | 473.26             | 497.23               | (23.96)                                    | 5.1%                                    |
| 9        | 368.03             | 405.46               | (37.43)                                    | 10.2%                                   |
| 10       | 527.33             | 596.18               | (68.85)                                    | 13.1%                                   |
| 11       | 314.72             | 382.91               | (68.19)                                    | 21.7%                                   |
| 12       | 335.86             | 349.51               | (13.65)                                    | 4.1%                                    |
| 13       | 407.51             | 390.50               | 17.02                                      | -4.2%                                   |
| 14       | 241.28             | 238.05               | 3.22                                       | -1.3%                                   |
|          | \$ 5,771.39        | \$ 6,044.08          | (272.69)                                   | 4.7%                                    |

## DOLLARS IN MILLIONS

| Division       | Board Authorizations<br>Fiscal Years 2000 through 2004 |             |               | TIP Plan<br>Fiscal Years 2005 through 2012<br>(Non-Inflated ) |             |               | Total Authorizations & TIP Plan<br>Fiscal Years 2000 through 2012 |         |               |
|----------------|--------------------------------------------------------|-------------|---------------|---------------------------------------------------------------|-------------|---------------|-------------------------------------------------------------------|---------|---------------|
|                | Equity                                                 | Loops       | % of<br>Total | Equity                                                        | Loops       | % of<br>Total | Equity                                                            | Loops   | % of<br>Total |
| 1              | \$ 433.54                                              | \$ -        |               | \$ 710.81                                                     | \$ -        |               | \$ 1,144.36                                                       | \$ 8.1% |               |
| 2              | 227.78                                                 | 1.20        |               | 698.83                                                        | 25.00       |               | 926.61                                                            | 6.6%    |               |
| 3              | 340.60                                                 | 164.51      |               | 562.81                                                        | 233.90      |               | 903.41                                                            | 6.4%    |               |
| 4              | 412.62                                                 | -           |               | 511.70                                                        | -           |               | 924.32                                                            | 6.6%    |               |
| 5              | 879.09                                                 | 267.77      |               | 541.96                                                        | 200.00      |               | 1,421.05                                                          | 10.1%   |               |
| 6              | 408.46                                                 | 1.30        |               | 679.38                                                        | 258.13      |               | 1,087.84                                                          | 7.7%    |               |
| 7              | 482.15                                                 | 435.22      |               | 701.50                                                        | 157.23      |               | 1,183.65                                                          | 8.4%    |               |
| 8              | 497.23                                                 | -           |               | 579.55                                                        | -           |               | 1,076.78                                                          | 7.7%    |               |
| 9              | 405.46                                                 | (25.55)     |               | 487.80                                                        | 181.98      |               | 893.26                                                            | 6.4%    |               |
| 10             | 596.18                                                 | 426.86      |               | 683.12                                                        | 212.20      |               | 1,279.31                                                          | 9.1%    |               |
| 11             | 382.91                                                 | -           |               | 403.55                                                        | -           |               | 786.46                                                            | 5.6%    |               |
| 12             | 349.51                                                 | -           |               | 491.44                                                        | -           |               | 840.95                                                            | 6.0%    |               |
| 13             | 390.50                                                 | 1.47        |               | 594.50                                                        | 88.02       |               | 985.00                                                            | 7.0%    |               |
| 14             | 238.05                                                 | -           |               | 374.87                                                        | -           |               | 612.93                                                            | 4.4%    |               |
| Division Total | \$ 6,044.08                                            | \$ 1,272.78 |               | \$ 8,021.84                                                   | \$ 1,356.47 |               | \$ 14,065.92                                                      |         |               |
| Statewide      | \$ 517.54                                              | \$ -        |               | \$ 1,183.97                                                   | \$ 4.80     |               | \$ 1,701.50                                                       |         |               |
| TOTAL          | \$ 6,561.62                                            | \$ 1,272.78 |               | \$ 9,205.80                                                   | \$ 1,361.27 |               | \$ 15,767.42                                                      |         |               |
|                |                                                        |             |               |                                                               |             |               | \$ 2,629.25                                                       |         |               |
|                |                                                        |             |               |                                                               |             |               | \$ 4.80                                                           |         |               |
|                |                                                        |             |               |                                                               |             |               | \$ 2,634.05                                                       |         |               |
|                |                                                        |             |               |                                                               |             |               | \$ 16,695.16                                                      |         |               |
|                |                                                        |             |               |                                                               |             |               | \$ 1,706.30                                                       |         |               |
|                |                                                        |             |               |                                                               |             |               | \$ 18,401.47                                                      |         |               |

**NOTE: Authorizations include Preliminary Engineering; TIP plan includes only Right of Way and Construction.**

# **DIVISIONAL/REGIONAL EQUITY PROJECTIONS** **Fiscal Years 1999/00 Projected through 2006/12 TIP**

Projected Program Allocations and  
 Programmed Amounts as of November 1, 2004  
 2005/06 through 2011/12  
 Dollars in Millions

| Program Allocations<br>2004/05<br>Dollars in Millions | Program Allocations |
|-------------------------------------------------------|---------------------|
| \$                                                    | 49                  |
|                                                       | 55                  |
|                                                       | 57                  |
|                                                       | 116                 |
|                                                       | 128                 |
|                                                       | 105                 |
|                                                       | 54                  |
|                                                       | 58                  |
|                                                       | 84                  |
|                                                       | 75                  |
|                                                       | 65                  |
|                                                       | 49                  |
|                                                       | 65                  |
|                                                       | 63                  |
| \$                                                    | 1,023               |

Actual Revenue Allocations and Authorizations  
 1999/00 through 2003/04  
 Dollars in Millions

| Revenues | Authorizations | Revenues less Authorizations |
|----------|----------------|------------------------------|
| \$       | \$             | \$                           |
| 495      | 434            | 61                           |
| 380      | 228            | 153                          |
| 362      | 341            | 21                           |
| 357      | 413            | (56)                         |
| 568      | 879            | (311)                        |
| 447      | 408            | 38                           |
| 495      | 482            | 13                           |
| 473      | 497            | (24)                         |
| 368      | 405            | 37                           |
| 527      | 596            | (69)                         |
| 315      | 383            | 68                           |
| 336      | 350            | (14)                         |
| 408      | 390            | 17                           |
| 241      | 236            | 5                            |
| \$       | \$             | \$                           |
| 5,771    | 6,044          | (273)                        |

| Division | Region    |
|----------|-----------|
| 1        | A 1 & 4   |
| 2        | B 2 & 3   |
| 3        | C 5 & 6   |
| 4        | D 7 & 9   |
| 5        | E 8 & 10  |
| 6        | F 11 & 12 |
| 7        | G 13 & 14 |

| Program Allocations | Equity Adjustments | Revised Program Allocation | Factored Programmed Amounts | Program Allocation less Programmed Amt. |
|---------------------|--------------------|----------------------------|-----------------------------|-----------------------------------------|
| \$                  | \$                 | \$                         | \$                          | \$                                      |
| 662                 | 61                 | 723                        | 761                         | (99)                                    |
| 644                 | 153                | 797                        | 839                         | (195)                                   |
| 506                 | 21                 | 527                        | 555                         | (49)                                    |
| 396                 | (56)               | 340                        | 358                         | 38                                      |
| 414                 | (311)              | 103                        | 108                         | 305                                     |
| 574                 | 38                 | 612                        | 644                         | (70)                                    |
| 648                 | 13                 | 661                        | 696                         | (48)                                    |
| 522                 | (24)               | 498                        | 524                         | (2)                                     |
| 404                 | (37)               | 367                        | 386                         | 18                                      |
| 608                 | (69)               | 539                        | 568                         | 40                                      |
| 338                 | (68)               | 270                        | 284                         | 54                                      |
| 442                 | (14)               | 428                        | 451                         | (9)                                     |
| 529                 | 17                 | 546                        | 575                         | (46)                                    |
| 312                 | 3                  | 315                        | 332                         | (20)                                    |
| \$                  | \$                 | \$                         | \$                          | \$                                      |
| 6,999               | (273)              | 6,726                      | 7,082                       | (83)                                    |

| Budget to Program Combined Difference Amount | Percent |
|----------------------------------------------|---------|
| \$                                           | 3.1%    |
| (38)                                         | 4.0%    |
| (43)                                         | 3.0%    |
| (28)                                         | 2.1%    |
| (18)                                         | 0.5%    |
| (6)                                          | 2.9%    |
| (32)                                         | 2.9%    |
| (35)                                         | 2.5%    |
| (26)                                         | 2.3%    |
| (20)                                         | 2.3%    |
| (15)                                         | 2.0%    |
| (22)                                         | 2.7%    |
| (29)                                         | 2.9%    |
| (16)                                         | 2.7%    |
| (356)                                        | 2.6%    |

| Region    | Programmed Amounts |
|-----------|--------------------|
| A 1 & 4   | 1,119              |
| B 2 & 3   | 1,394              |
| C 5 & 6   | 715                |
| D 7 & 9   | 1,082              |
| E 8 & 10  | 1,092              |
| F 11 & 12 | 735                |
| G 13 & 14 | 907                |

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives L. Allen, Allred, Carney & Stiller (Chairs) for the Committee on  
**TRANSPORTATION.**

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- ☐ Committee Substitute for  
H.B. 664 A BILL TO BE ENTITLED AN ACT TO MAKE IT UNLAWFUL FOR AN  
ENGINEERING, CONSULTING, OR CONTRACTING FIRM EMPLOYEE,  
SUPERVISOR, OR OFFICER TO FALSIFY A DEPARTMENT OF TRANSPORTATION  
REQUIRED HIGHWAY INSPECTION OR TEST REPORT.
- ☐ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the  
Committee on Appropriations ☐ Finance ☐ ☐.
- ☒ With a favorable report as to the committee substitute bill, ☒ which changes the title,  
unfavorable as to the original bill.
- ☐ With a favorable report as to House committee substitute bill (#            ), ☐ which changes  
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 664\*  
PROPOSED COMMITTEE SUBSTITUTE H664-PCS50270-RW-3

Short Title: Crime to Falsify Highway Inspection Reports.-AB

(Public)

Sponsors:

Referred to:

March 16, 2005

A BILL TO BE ENTITLED

AN ACT TO MAKE IT UNLAWFUL FOR ANY PERSON TO FALSIFY, OR  
DIRECT ANOTHER TO FALSIFY, A HIGHWAY CONSTRUCTION  
INSPECTION REPORT OR TEST REPORT REQUIRED BY THE  
DEPARTMENT OF TRANSPORTATION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-13.2 reads as rewritten:

**"§ 136-13.2. Falsifying highway inspection reports.**

(a) ~~Any employee or agent employed by the Department of Transportation or by~~  
~~an engineering or consulting firm engaged by the Department of Transportation, person~~  
who knowingly falsifies any inspection report or test report required by the Department  
of Transportation in connection with the construction of highways, shall be guilty of a  
Class H felony.

(b) ~~Any employee, supervisor, or officer of the Department of Transportation~~  
~~person~~ who directs a subordinate under his direct or indirect supervision to falsify an  
inspection report or test report required by the Department of Transportation in  
connection with the construction of highways, shall be guilty of a Class H felony.

(c) Repealed by Session Laws 1979, c. 786, s. 2, effective May 8, 1979."

**SECTION 2.** This act becomes effective December 1, 2005, and applies to  
offenses committed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 664\*

Short Title: Crime to Falsify Highway Inspection Reports.-AB

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

March 16, 2005

A BILL TO BE ENTITLED

AN ACT TO MAKE IT UNLAWFUL FOR AN ENGINEERING, CONSULTING, OR  
CONTRACTING FIRM EMPLOYEE, SUPERVISOR, OR OFFICER TO  
FALSIFY A DEPARTMENT OF TRANSPORTATION REQUIRED HIGHWAY  
INSPECTION OR TEST REPORT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-13.2 reads as rewritten:

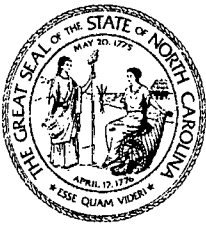
**"§ 136-13.2. Falsifying highway inspection reports.**

(a) ~~Any employee or agent employed by the Department of Transportation or by an engineering or consulting firm engaged by the Department of Transportation, person~~ who knowingly falsifies any inspection report or test report required by the Department of Transportation in connection with the construction of highways, shall be guilty of a Class H felony.

(b) Any employee, supervisor, or officer of the Department of Transportation or any employee, supervisor, or officer of an engineering, consulting, or contracting firm who directs a subordinate under his direct or indirect supervision to falsify an inspection report or test report required by the Department of Transportation in connection with the construction of highways, shall be guilty of a Class H felony.

(c) Repealed by Session Laws 1979, c. 786, s. 2, effective May 8, 1979."

**SECTION 2.** This act becomes effective December 1, 2005, and applies to offenses committed on or after that date.



# HOUSE BILL 664: Crime to Falsify Highway Inspection Report

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 30, 2005  
**Version:** H664-CSRW-3[v.1]

**Introduced by:** Rep. Cole  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 664 broadens the current prohibition on falsification or direction of another to falsify a DOT required highway construction inspection or test report to make it apply to any person.*

**CURRENT LAW:** Under current law it is a Class H felony for:

- (1) any employee or agent employed by DOT or by an engineering or consulting firm engaged by DOT, to knowingly falsify a highway construction inspection or test report, or for
- (2) any employee, supervisor or officer of DOT to direct a subordinate to falsify such a report.

**BILL ANALYSIS:** House Bill 664 extends the current prohibition on (1) knowing falsification of a DOT required highway construction inspection or test report, or (2) direction of a subordinate to falsify a report, to make it apply to **any person** who falsifies or directs the falsification of a report. Violation of this section constitutes a Class H felony.

House Bill 664 would become effective December 1, 2005 and apply to offenses on or after that date.

H664-SMRW-001

# ***AGENDA***

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

**April 6, 2005  
11:00 A.M.  
Room 1228 LB**

**Representative Cary Allred, Presiding Chair  
Representative Lucy T. Allen, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair**

### **OPENING REMARKS**

### **BILLS FOR CONSIDERATION\***

- HB 666 – HOV Lane Penalties. -AB -**  
Rep. Cole, bill sponsor - ~~DID~~ NOT TAKE UP -
- HB 670 – Commercial Drivers License Changes. -AB -**  
Rep. Cole, bill sponsor - ~~DID~~ NOT TAKE UP -
- HB 740 – Transit Drug Testing. –**  
Reps. Coates and Cole, bill sponsors
- HB 761 – Motor Carrier Amendments. -AB. –**  
Rep. Williams, bill sponsor - ~~DID~~ NOT TAKE UP -
- HB 813 – Prohibiting Solicitations on State Highways. –**  
Rep. Allred, bill sponsor
- HB 887 – Burlington Charter Amendment. –**  
Reps. Allred and Bordsen, bill sponsors

### **ADJOURNMENT**

**\* Bills are listed in numerical order and may not reflect Agenda order**

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

April 6, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, April 6, 2005 in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Allred, presiding Chair, Representatives L. Allen, Carney and Stiller, Chairs, Representatives Crawford, Saunders, Steen, Williams, and Wright, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Daughtridge, Dockham, Goodwin, Haire, Hill, McComas, Moore, Preston, Rapp, Rayfield, Rhodes, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry Staff Counsel, and Jean Allred, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, Walter Spell and Brad Barefoot, House Sergeants-at-Arms. House Pages assisting were LeKeisha Griffin from Wake County sponsored by Representative Nye and McKensie White from Dare County sponsored by Representative Owens.

Representative Allred called the meeting to order and special guests; Chief Mike Gauldin, City Attorney Bob Ward, Councilman Mark Jones, Mayor Steve Ross and City Manager Harold Owen from the City of Burlington were recognized and introduced to the committee. Next Representative Allred introduced the House Sergeants-at-Arms and the House Pages assisting with the meeting.

The first order of business was **HB-740 – A BILL TO BE ENTITLED AN ACT TO REQUIRE PUBLIC TRANSIT OPERATORS AND OTHER EMPLOYERS OF PERSONS WHO OPERATE COMMERCIAL MOTOR VEHICLES WHO ARE SUBJECT TO FEDERAL DRUG AND ALCOHOL TESTING TO REPORT TO THE DIVISION OF MOTOR VEHICLES ANY FEDERALLY REQUIRED POSITIVE DRUG AND ALCOHOL TEST RESULT, AND TO DISQUALIFY THOSE PERSONS FROM OPERATING A COMMERCIAL MOTOR VEHICLE OR OTHER PUBLIC TRANSIT VEHICLES UNTIL SUCCESSFUL COMPLETION OF TREATMENT** – sponsored by Representatives Coates and Cole. Representative Coates explained that the bill requires that employers of commercial truck drivers and transit employees in safety sensitive positions to report to DMV within five business days all positive federally required drug tests and if they did not do so they were subject to a penalty of \$500-\$1000. If the employee fails the testing, Federal law requires them to be sent to a substance abuse treatment program. When the employee completes the program, they are given a second chance. The DMV is required to disqualify those drivers, following an opportunity to appeal, from operating commercial motor vehicles until completion of treatment and the bill requires the DMV to retain a notation of the disqualification in its records for two (2) years following the end of

**HOUSE COMMITTEE ON TRANSPORTATION  
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the disqualification. Representative Saunders commented that HB-740 was a good bill, which closes loopholes and moved for a favorable report.

Discussion followed with Representative McComas asking the effect if drivers had additional DWI's from other states. Mr. Perry said that the commercial license would be revoked with more than one conviction. Representative Daughtridge commented that the bill could be a lot more drastic than it seems on the surface to the commercial drivers, bus drivers and pickup drivers and said he wanted to know what the associations that have these drivers think about the bill. Mr. Charlie Deal, President of NC Trucking Association, said that they had been in contact with the transit representatives on this bill and while they did not ask for the bill but had no opposition to it. Giles Perry, Committee Counsel, clarified that the bill applied only to commercial drivers not to pickup truck drivers.

Representatives Blackwood clarified that even if the commercial drivers license was suspended to drive a large truck they would still have a regular license. Representative Starnes said it was a good bill but wanted to hear some stats from DMV regarding the numbers this affected each year. Portia Marley, from NCDOT/DMV was recognized and told the committee at this time she would have to get back to them with the requested information.

Representative Rayfield asked to replace truck drivers and transit employees in sensitive positions to include all drivers but Representative Coates responded that she didn't think we wanted to do that in this bill because it was for commercial drivers who were already subject to being tested. Hearing no other discussion, Chairman Allred called for a vote on Representative Saunders' motion to give HB 740 a favorable report. The motion carried.

The next bill **HB 887-B BILL TO BE ENTITLED AN ACT AMENDING THE CHARTER OF THE CITY OF BURLINGTON TO ALLOW THE CITY TO IMPOSE CERTAIN RESTRICTIONS ON PERSONS SOLICITING ON STATE HIGHWAYS AND STREETS.** is a local bill, which was requested by the city of Burlington sponsored by Representatives Allred and Bordsen, and as tradition has it Chairman Allred turned the gavel over to Representative L. Allen. Representative Allen asked the bill sponsor, Representative Allred to comment on the bill. Representative Allred explained that the bill amends the Charter of the City of Burlington to allow the City to regulate solicitation along streets and highways. Representative Allred said there is a problem in Burlington with solicitors, sometimes from other states, who are hazards to themselves, especially on Huffman Mill Road and South Church Street, going out among the traffic annoying the drivers. Representative Allred said, we want to give the City of Burlington and any other city in the next bill the authority to regulate solicitation.

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Representative Bordsen, bill sponsor, pointed out that the bill was not to over regulate that the bill is for those soliciting from the roadside but it was a safety issue in the City especially at certain intersections. It not only was a concern of fear from being approached in the evenings but it was hazardous at certain intersections. She pointed out that the bill would give the City more control over solicitation but also more risk. She said if it became too broad the City subjects itself to a lawsuit. So the bill takes care of itself.

Discussion followed. Representative Sutton wanted to know if it would prohibit firemen, etc. from collecting funds and contributions. Representative Allred responded not unless the city wanted to regulate it. Representative Bordsen said maybe in some intersections but the better answer will come from the City of Burlington. Representative Daughtridge asked if we were restricting persons right on their own property just because it was next to the right of way. Mr. Perry said that could happen.

Bob Ward, City Attorney, City of Burlington addressed the committee stating that post 9-11, we experienced a tremendous increase of solicitation on the streets with 99% of solicitation occurring on state owned and controlled highways. The City is asking that they be given the authority to regulate and clarify areas that are unclear and even with the bill the members of council will have to decide the extent of the regulation. Solicitations are occurring in the median and the city has no intention to go outside of the right of way. They just want to make the streets safe where it is occurring.

Representative McComas proposed an amendment to take out the word "adjacent" and insert the words "right of way". Representative Haire asked if the city had any rules or requirements for colleges or clubs soliciting funds. Attorney Ward said that the city required clubs etc., to register so that they would know where they were but that they didn't prohibit soliciting. Mr. Ward assured the committee that the bill had some big time first amendment issues but when the City drafted the ordinances they would address the issues be sensitive to address them and adapt to case law. Representative Bordsen said that it was a reasonable time place and manner restriction. It is a safety issue that was being addressed not who is doing the soliciting.

Representative Saunders wanted an example of the solicitors. Representative Allred said people purported to be representing nonprofit organizations would go out walking down the middle of the street with buckets asking for money.

Representative Bordsen added to that giving the area of Huffman Mill Road off I-85 as an example. She said on a Sunday morning at this large massive intersection right off the interstate there can be as many as four groups walking up and down the

**HOUSE COMMITTEE ON TRANSPORTATION  
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middle of the road at the stoplights trying to get your attention to buy something, asking for money, for a contribution, or what ever. It is a nightmare to go through there, it is very distracting and if you have bad eyesight or it is dusk it can be very dangerous. So just to get them to a different place could make the City a safer place.

Representative Starnes commented that he understood what was trying to be regulated but said he still thought the bill was too broad. He mentioned church groups standing in driveways trying to solicit for car washes. Representative Allred pointed out that the City would respond to that. Representative Starnes insisted that they, the legislators, were being asked to change the law so the bill needs to be drafted so that they will not have to go down to City Hall to get a permit to stand in their own driveway. Representative Allred said HB-887 is only an amendment to the Burlington charter; it is a local bill not a statewide bill and that the statewide issue would be addressed in the next bill. Representative Allen asked Representative Starnes if he had an amendment to propose. He did not.

Representative Coates spoke up and said that she "believed what the Burlington people are asking for is to be able to amend their charter and that is all." She said, "we are not on the solicitation part of this bill; they, the Burlington people, will govern this, they are just asking that they be allowed to amend their charter."

Representative McComas moved to amend, page 1, line 10 and 11 by deleting the phrase or "adjacent to" and further amends on line 11 by adding after the word "highway" the phrase "of right of way" which was read to Committee by Mr. Perry. The Amendment was adopted. Representative Allred then made a motion as a member of the committee to give HB-887 a favorable report as amended, rolling it into a committee substitute bill, unfavorable as to the original bill.

Rep. Rayfield asked if this was not duplication of an authority that the city already has. Bob Ward, Burlington City Attorney said that this bill would clarify its rights and authority on State Highways.

Representative Allen called for a vote on Representative Allred's motion; the Ayes had it, the motion carried. HB-887 was given a favorable report as to the committee substitute bill, unfavorable as to the original bill.

Representative Allred resuming his position as Chair recognized Representative Wilkins to introduce Joe Weaver, his sixteen-year-old neighbor from Roxboro working with him as an intern for the week.

With Representative Allen again presiding, **HB-813 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE LOCAL GOVERNMENTS TO ENACT ORDINANCES TO RESTRICT OR PROHIBIT SOLICITATION ON STATE**



**HOUSE COMMITTEE ON TRANSPORTATION  
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**HIGHWAYS.** was before the Committee. Representative Allred asked that staff draw up an amendment similar to the amendment on HB-887 and moved for adoption. Mr. Perry read to amend the bill on page 1, line 7 inserting the phrase "in right of way" after the word highway. The amendment was adopted. Representative Allred explained that this bill was similar to the previous bill, HB-887, that had been discussed and told the committee that Bob Ward, Burlington City Attorney brought to his attention that all local government should have the authority to regulate solicitation on streets and highways.

Discussion followed with comments from Representatives Haire and Sutton. Representative Rapp asked if the NCLM had signed on to the bill. John Phelps, NCLM said that the League supports the bill.

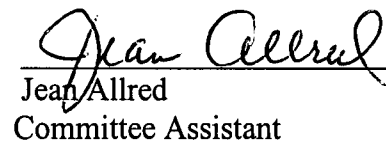
Representative Allred acting as a committee member, moved to give the bill a favorable report as amended, rolling it into a committee substitute bill, unfavorable as to the original bill. The motion passed.

The meeting adjourned at 11:55 A. M. without the following bills being considered:

HB 666 – HOV Lane Penalties. -AB - Rep. Cole, bill sponsor  
HB 670 – Commercial Drivers License Changes. -AB - Rep. Cole, bill sponsor  
HB 761 – Motor Carrier Amendments. -AB. – Rep. Williams, bill sponsor

Respectfully submitted,

  
Representative Cary Allred  
Presiding Chair

  
Jean Allred  
Committee Assistant

~~~~~  
Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 740** A BILL TO BE ENTITLED AN ACT TO REQUIRE PUBLIC TRANSIT OPERATORS AND OTHER EMPLOYERS OF PERSONS WHO OPERATE COMMERCIAL MOTOR VEHICLES WHO ARE SUBJECT TO FEDERAL DRUG AND ALCOHOL TESTING TO REPORT TO THE DIVISION OF MOTOR VEHICLES ANY FEDERALLY REQUIRED POSITIVE DRUG AND ALCOHOL TEST RESULT, AND TO DISQUALIFY THOSE PERSONS FROM OPERATING A COMMERCIAL MOTOR VEHICLE OR OTHER PUBLIC TRANSIT VEHICLES UNTIL SUCCESSFUL COMPLETION OF TREATMENT.

☒ With a favorable report.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 740

Short Title: Transit Drug Testing.

(Public)

Sponsors: Representatives Coates and Cole (Primary Sponsors).

Referred to: Transportation.

March 17, 2005

A BILL TO BE ENTITLED

AN ACT TO REQUIRE PUBLIC TRANSIT OPERATORS AND OTHER EMPLOYERS OF PERSONS WHO OPERATE COMMERCIAL MOTOR VEHICLES WHO ARE SUBJECT TO FEDERAL DRUG AND ALCOHOL TESTING TO REPORT TO THE DIVISION OF MOTOR VEHICLES ANY FEDERALLY REQUIRED POSITIVE DRUG AND ALCOHOL TEST RESULT, AND TO DISQUALIFY THOSE PERSONS FROM OPERATING A COMMERCIAL MOTOR VEHICLE OR OTHER PUBLIC TRANSIT VEHICLES UNTIL SUCCESSFUL COMPLETION OF TREATMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-37.19 reads as rewritten:

**"§ 20-37.19. Employer responsibilities.**

(a) Each employer shall require the applicant to provide the information specified in G.S. 20-37.18(c).

(b) No employer shall knowingly allow, permit, or authorize a driver to drive a commercial motor vehicle during any period:

(1) In which the driver has had his commercial driver license suspended, revoked, or cancelled by any state, is currently disqualified from driving a commercial vehicle, or is subject to an out-of-service order in any state; or

(2) In which the driver has more than one driver license.

(c) The employer of any employee who tests positive in a drug or alcohol test required under 49 C.F.R. Part 382 and 49 C.F.R. Part 655 shall notify the Division of Motor Vehicles in writing within five business days following the employer's receipt of confirmation of a positive drug test. The notification shall include the driver's name, address, drivers license number, social security number, and results of the drug or alcohol test.

**SECTION 2.** G.S. 20-17.4 is amended by adding a new subsection to read:

1       "(l) Disqualification for Testing Positive in a Drug or Alcohol Test. – Upon  
2 receipt of notice of a positive drug or alcohol test; pursuant to G.S. 20-37.19(c), the  
3 Division shall disqualify a driver from operating a commercial motor vehicle until  
4 receipt of proof of successful completion of assessment and treatment by a substance  
5 abuse professional in accordance with 49 C.F.R. § 382.503."

6               **SECTION 3.** Chapter 20 of the General Statutes is amended by adding a  
7 new section to read:

8 **"§ 20-37.20A. Driving record notation for testing positive in a drug or alcohol test.**

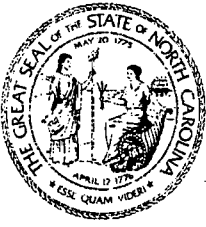
9       Upon receipt of notice pursuant to G.S. 20-37.19(c) of positive result in an alcohol  
10 or drug test of a person holding a commercial drivers license, and subject to any appeal  
11 of the disqualification pursuant to G.S. 20-37.20B, the Division shall place a notation on  
12 the driving record of the driver. A notation of a disqualification pursuant to  
13 G.S. 20-17.4(l) shall be retained on the record of a person for a period of two years  
14 following the end of any disqualification of that person."

15               **SECTION 4.** Chapter 20 of the General Statutes is amended by adding a  
16 new section to read:

17 **"§ 20-37.20B. Appeal of disqualification for testing positive in a drug or alcohol**  
18 **test.**

19       Following receipt of notice pursuant to G.S. 20-37.19(c) of a positive test in an  
20 alcohol or drug test, the Division shall notify the driver of the pending disqualification  
21 of the driver to operate a commercial vehicle and the driver's right to a hearing if  
22 requested within 20 days of the date of the notice. If the Division receives no request for  
23 a hearing, the disqualification shall become effective at the end of the 20-day period. If  
24 the driver requests a hearing, the disqualification shall be stayed pending outcome of the  
25 hearing. The hearing shall take place at the offices of the Division of Motor Vehicles in  
26 Raleigh. The hearing shall be limited to issues of testing procedure and protocol. A copy  
27 of a positive test result accompanied by certification by the testing officer of the  
28 accuracy of the laboratory protocols that resulted in the test result shall be prima facie  
29 evidence of a confirmed positive test result. The decision of the Division hearing officer  
30 may be appealed in accordance with the procedure of G.S. 20-19(c6)."

31               **SECTION 5.** This act becomes effective December 1, 2005.



# HOUSE BILL 740: Transit Drug Testing

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** March 30, 2005  
**Version:** 1<sup>st</sup> Edition

**Introduced by:** Rep. Coates and Cole  
**Summary by:** Giles S. Perry  
Committee Counsel

### **SUMMARY:** *House Bill 740 requires:*

- employers of commercial truck drivers and transit employees in safety sensitive positions to report to DMV all positive federally required drug or alcohol tests.*
- DMV to disqualify those drivers, following an opportunity to appeal, from operating commercial motor vehicles until completion of treatment, and*
- DMV to retain a notation of the disqualification in its records for two years following the end of the disqualification.*

### **BILL ANALYSIS:**

**Section 1** of the bill requires employers of truck drivers and transit employees in safety sensitive positions who are subject to federally required drug and alcohol tests, to report any positive drug test to DMV within five business days. The notification would be required to include the driver's name, address, drivers license number, social security number, and the drug or alcohol test results.

An employer violation of this section would constitute an infraction under G.S. 20-37.21(c), subject to a penalty of \$500-\$1000.

**Section 2** of the bill requires DMV, upon receipt of notice of a federally required truck or transit related positive drug or alcohol test result, to disqualify the driver from operating a commercial motor vehicle until receipt of proof of successful completion of assessment and treatment by a qualified substance abuse professional, in accordance with federal regulations.

**Section 3** of the bill requires DMV, upon receipt of a notice of a federally required positive drug or alcohol test result, to place a notation of disqualification to operate a commercial motor vehicle on the driving record of the person, and retain the notation for two years following the end of any disqualification.

### **Section 4** of the bill:

- requires DMV to notify any person disqualified from operating a commercial motor vehicle of the disqualification, and the driver's right to a hearing if requested within 20 days;

# HOUSE BILL 740

Page 2

- provides that if the driver requests a hearing, the disqualification would be stayed pending the outcome of the hearing.;
- provides that the hearing would be conducted by a DMV hearing officer, and limited to the issues of testing procedure and protocol;
- provides that a copy of the positive test result accompanied by certification by the testing officer shall be prima facie evidence of a confirmed positive test result; and
- provides that the decision of the DMV hearing officer could be appealed to Superior Court.

**Section 5** of the bill provides that it would become effective December 1, 2005.

H740-SMRW-001

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☐ Committee Substitute for

**HB 887** A BILL TO BE ENTITLED AN ACT AMENDING THE CHARTER OF THE  
CITY OF BURLINGTON TO ALLOW THE CITY TO IMPOSE CERTAIN RESTRICTIONS  
ON PERSONS SOLICITING ON STATE HIGHWAYS AND STREETS.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

1

HOUSE BILL 887

Short Title: Burlington Charter Amendment.

(Local)

Sponsors: Representatives Allred and Bordsen (Primary Sponsors).

Referred to: Local Government I.

March 24, 2005

A BILL TO BE ENTITLED

AN ACT AMENDING THE CHARTER OF THE CITY OF BURLINGTON TO  
ALLOW THE CITY TO IMPOSE CERTAIN RESTRICTIONS ON PERSONS  
SOLICITING ON STATE HIGHWAYS AND STREETS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Subchapter A of Chapter V of the Charter of the City of  
Burlington, being Chapter 119 of the 1961 Session Laws, is amended by adding the  
following new subsection to read:

"(e) Nothing in G.S. 20-175 shall prohibit the city council from adopting  
ordinances placing additional restrictions or prohibitions on persons standing on or  
adjacent to any street or highway within the city and soliciting or attempting to solicit  
employment, business, or contributions from the driver or occupant of any motor  
vehicle. The city may not adopt ordinances placing restrictions or prohibitions on the  
activities of licensees, employees, or contractors of the State Department of  
Transportation."

**SECTION 2.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

2

HOUSE BILL 887  
Committee Substitute Favorable 4/7/05

Short Title: Burlington Charter Amendment.

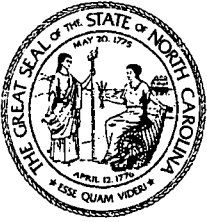
(Local)

Sponsors:

Referred to:

March 24, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE CHARTER OF THE CITY OF BURLINGTON TO  
3 ALLOW THE CITY TO IMPOSE CERTAIN RESTRICTIONS ON PERSONS  
4 SOLICITING ON STATE HIGHWAYS AND STREETS.  
5 The General Assembly of North Carolina enacts:  
6 SECTION 1. Subchapter A of Chapter V of the Charter of the City of  
7 Burlington, being Chapter 119 of the 1961 Session Laws, is amended by adding the  
8 following new subsection to read:  
9 "(e) Nothing in G.S. 20-175 shall prohibit the city council from adopting  
10 ordinances placing additional restrictions or prohibitions on persons standing on any  
11 street, highway, or right-of-way within the city and soliciting or attempting to solicit  
12 employment, business, or contributions from the driver or occupant of any motor  
13 vehicle. The city may not adopt ordinances placing restrictions or prohibitions on the  
14 activities of licensees, employees, or contractors of the State Department of  
15 Transportation."  
16 SECTION 2. This act is effective when it becomes law.



# HOUSE BILL 887: Burlington Charter Amendment

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** April 6, 2005  
**Version:** 1<sup>st</sup> Edition

**Introduced by:** Rep. Allred and Bordsen  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 887 amends the Charter of the City of Burlington to allow the City to regulate solicitation along streets and highways.*

**CURRENT LAW:** Under current G.S. 20-175, persons are prohibited from soliciting employment, business, or contributions by:

--standing in the main traveled portion, including the shoulders and medians, of any State highway or street, excluding sidewalks; or

--stopping motor vehicles and impeding traffic.

**BILL ANALYSIS:** House Bill 887 amend the Charter of the City of Burlington to authorize the city to enact ordinances restricting or prohibiting persons from standing adjacent to any street or highway in the City while soliciting, or attempting to solicit, any employment, business, or contributions from the driver or occupants of any vehicle.

Any ordinance adopted by Burlington pursuant to this section could not restrict activities of licensees, employees, or contractors of DOT.

House Bill 887 would become effective when it becomes law.

## BACKGROUND:

### § 20-175. Pedestrians soliciting rides, employment, business or funds upon highways or streets.

(a) No person shall stand in any portion of the State highways, except upon the shoulders thereof, for the purpose of soliciting a ride from the driver of any motor vehicle.

(b) No person shall stand or loiter in the main traveled portion, including the shoulders and median, of any State highway or street, excluding sidewalks, or stop any motor vehicle for the purpose of soliciting employment, business or contributions from the driver or occupant of any motor vehicle that impedes the normal movement of traffic on the public highways or streets: Provided that the provisions of this subsection shall not apply to licensees, employees or contractors of the Department of Transportation or of any municipality engaged in construction or maintenance or in making traffic or engineering surveys.

(c) Repealed by Session Laws 1973, c. 1330, s. 39. (1937, c. 407, s. 136; 1965, c. 673; 1973, c. 507, s. 5; c. 1330, s. 39; 1977, c. 464, s. 34.)

H887-SMRW-001

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☐ Committee Substitute for

**HB 813** A BILL TO BE ENTITLED AN ACT TO AUTHORIZE LOCAL  
GOVERNMENTS TO ENACT ORDINANCES TO RESTRICT OR PROHIBIT  
SOLICITATION ON STATE HIGHWAYS.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 813

Short Title: Prohibiting Solicitations on State Highways.

(Public)

Sponsors: Representative Allred.

Referred to: Rules, Calendar, and Operations of the House.

March 21, 2005

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE LOCAL GOVERNMENTS TO ENACT ORDINANCES  
TO RESTRICT OR PROHIBIT SOLICITATION ON STATE HIGHWAYS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-175 is amended by adding a new subsection to read:

"(d) Local governments may enact ordinances restricting or prohibiting a person from standing adjacent to any street or highway while soliciting, or attempting to solicit, any employment, business, or contributions from the driver or occupants of any vehicle. This subsection does not permit additional restrictions or prohibitions on the activities of licensees, employees, or contractors of the Department of Transportation or of any municipality engaged in construction or maintenance or in making traffic or engineering surveys."

**SECTION 2.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

2

HOUSE BILL 813  
Committee Substitute Favorable 4/7/05

Short Title: Prohibiting Solicitations on State Highways.

(Public)

Sponsors:

Referred to:

March 21, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE LOCAL GOVERNMENTS TO ENACT ORDINANCES  
3 TO RESTRICT OR PROHIBIT SOLICITATION ON STATE HIGHWAYS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 20-175 is amended by adding a new subsection to read:

6 "(d) Local governments may enact ordinances restricting or prohibiting a person  
7 from standing on any street, highway, or right-of-way while soliciting, or attempting to  
8 solicit, any employment, business, or contributions from the driver or occupants of any  
9 vehicle. This subsection does not permit additional restrictions or prohibitions on the  
10 activities of licensees, employees, or contractors of the Department of Transportation or  
11 of any municipality engaged in construction or maintenance or in making traffic or  
12 engineering surveys."

13 SECTION 2. This act is effective when it becomes law.



# HOUSE BILL 813: Prohibiting Solicitations on State Highways

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** April 6, 2005  
**Version:** 1<sup>st</sup> Edition

**Introduced by:** Rep. Allred  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 813 authorizes local governments to regulate solicitation along streets and highways.*

**CURRENT LAW:** Under current G.S. 20-175, persons are prohibited from soliciting employment, business, or contributions by:

--standing in the main traveled portion, including the shoulders and medians, of any State highway or street, excluding sidewalks; or

--stopping motor vehicles and impeding traffic.

**BILL ANALYSIS:** House Bill 813 authorizes local governments to enact ordinances restricting or prohibiting persons from standing adjacent to any street or highway while soliciting, or attempting to solicit, any employment, business, or contributions from the driver or occupants of any vehicle.

City ordinances enacted pursuant to this section could not restrict activities of licensees, employees, or contractors of DOT, or of any municipality engaged in construction or maintenance or making traffic or engineering surveys.

House Bill 813 would become effective when it becomes law.

## BACKGROUND:

### § 20-175. Pedestrians soliciting rides, employment, business or funds upon highways or streets.

(a) No person shall stand in any portion of the State highways, except upon the shoulders thereof, for the purpose of soliciting a ride from the driver of any motor vehicle.

(b) No person shall stand or loiter in the main traveled portion, including the shoulders and median, of any State highway or street, excluding sidewalks, or stop any motor vehicle for the purpose of soliciting employment, business or contributions from the driver or occupant of any motor vehicle that impedes the normal movement of traffic on the public highways or streets: Provided that the provisions of this subsection shall not apply to licensees, employees or contractors of the Department of Transportation or of any municipality engaged in construction or maintenance or in making traffic or engineering surveys.

(c) Repealed by Session Laws 1973, c. 1330, s. 39. (1937, c. 407, s. 136; 1965, c. 673; 1973, c. 507, s. 5; c. 1330, s. 39; 1977, c. 464, s. 34.)

H813-SMRW-001

# VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Wednesday, April 6, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Mike Guldin	City of Burlington P.O. Box 1358 Burlington, NC 27216
Bob Ward	City of Burlington P.O. Box 1358 Burlington, NC 27216
Mark Jones	City of Burlington P.O. Box 1358 Burlington, NC 27216
Steve Ross	City of BURLINGTON P.O. Box 1358 BURLINGTON, NC 27215
Harold Drew	City of Burlington P.O. Box 1358 Burlington, NC 27215
John Phelps	NCLM
Betsy Bailey	NCPA
Susan Coward	NC DOT
Mitch Alford	OSBM
Warren Plesh	OSBM
Matt Osborne	AOC

## VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Name of Committee

Wednesday, April 6, 2005

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

FKAT S.G. MASSEY

NCSHP.

Pontia Hanley

NC DOT/DMV

Earl Sear

WCSR

Colleen Kochanek

Holt York



## TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting

Wednesday, April 6, 2005

<u>Page Name</u>	<u>County</u>	<u>Sponsor</u>
LEKEISHA GRIFFIN	WAKE	NIFF
McKENNIE WHITE	DARE	DWENS

<u>Sergeant-at-Arms</u>
Dusty Rhodes
Walter Spell
BRAD BAKER

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

**April 13, 2005**

The HOUSE COMMITTEE ON TRANSPORTATION met on April 13, 2005, in Room 1228 of the Legislative Building at 11:05 A.M. The following were present: Representative Carney, presiding Chair, Representatives Allred, L. Allen, and Stiller, Chairs, Representatives Crawford, Saunders, Steen, Williams, and Wright, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtride, Dockham, Goodwin, Haire, Hill, Hilton, McComas, Moore, Preston, Rapp, Rayfield, Rhodes, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Jean Allred, Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, Walter Spell, and Brad Barefoot, House Sergeants-at-Arms. Pages assisting were Jody Owens, sponsored by Representative Phillip Frye of Mitchell County, and Alisha Graham, sponsored by Representative Lorene Coates of Rowan County. A list of visitors is attached.

Representative Carney called the meeting to order and introduced the House Sergeants-at-Arms and the House Pages.

The first order of business was **HB 761 – AN ACT TO AMEND THE MOTOR CARRIER SAFETY STATUTES**. Representative Arthur Williams, primary sponsor, explained the bill. He stated that it was an agency bill and that he is running it at the request of the Highway Patrol to comply with federal regulations. The bill amends the statute governing the penalty for failure of a motor carrier to comply with registration and insurance verification requirements of state law. Representative Allred moved that the bill be given a favorable report. The motion passed.

Next, the primary sponsor, Representative Nelson Cole, was asked to explain **HB 666 – AN ACT TO AMEND THE PENALTIES FOR VIOLATION OF HIGH OCCUPANCY VEHICLE LANE RESTRICTIONS**. Representative Cole explained that the bill would amend the penalty for violating the restrictions on traveling in high occupancy lanes and transitway lanes. Representative Daughtride suggested an amendment. The presiding chair called on Ms. Gail Grimes with the Department of Transportation to clarify some concerns of committee members. After discussion, the amendment passed. Representative Daughtride made a motion to roll the amendment into the original bill, with a favorable report as to the committee substitute, unfavorable as to original bill. The motion passed.

Representative Carney asked Representative Nelson Cole to explain the final bill on the agenda, which was **HB 665 – AN ACT TO AMEND THE LAWS GOVERNING HOUSEMOVERS**. Representative Cole explained the bill. Several questions were raised by committee members. Ms. Tammy Denning with the Department of

Minutes of House TRANSPORTATION Committee

Page 2

April 13, 2005

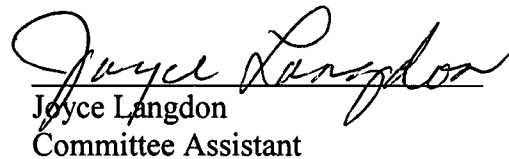
Transportation was recognized to respond to the questions. Representative Wright moved for a favorable report. The motion passed.

Representative Becky Carney, Presiding Chair, adjourned the meeting at 11:52 A.M.

Respectfully submitted,



Representative Becky Carney  
Presiding Chair



Joyce Langdon  
Committee Assistant

Attachments:

Agenda

HB 761 with summary

HB 666 with summary

HB 665 with summary

Visitors Registration

# **AGENDA**

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

April 13, 2005

11:00 A.M.

Room 1228 LB

Representative Becky Carney, Presiding Chair

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Bonner Stiller, Chair

### **OPENING REMARKS**

### **BILLS FOR CONSIDERATION**

**HB 665 - AMEND HOUSE MOVER LAWS. - Rep. Cole**

**HB 666 - HOV LANE PENALTIES - Rep. Cole**

**HB 670 - COMMERCIAL DRIVERS LICENSE CHANGES - Rep. Cole**

**HB 761 - MOTOR CARRIER AMENDMENT - Rep. Williams**

### **ADJOURNMENT**

## VISITOR REGISTRATION SHEET

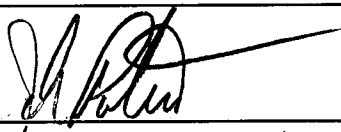
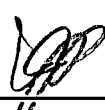

HOUSE COMMITTEE ON TRANSPORTATION

April 13, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Gail Gurnies	NCDOT
BRIAN YAMAMOTO	NCDOT
Charlie Dish	NC Trucking Assoc.
Virgil McBride	LI
Gene Cauby	NCMAA
	
Steve Woodson	NC Farm Bureau
Lee Hodge	KCLH
Mike Aelford	OSBM
Warren 	OSBM
Tammy C. Denning	NCDOT

## VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

April 13, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Wile McCarson	NC DMV / COL
Portia Mares	NC DOT / DMV
Robbie Quinn	NC DMV / COL
Deborah W. Jones	NC DMV / DMV
Chris M. Hartley	US DOT FHCSA
John Cyrus	NCSG
Molly Ryan	NCSBA
Talkeeta Paddy	AC
Katherine Joyce	NCSA
Speedy Roadrunner	Roadrunner Express
Jim F	AAA Carolinas

# VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

April 13, 2005

Name of Committee

**Date**

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

**FIRM OR AGENCY AND ADDRESS**

Stephanie Dorko

Charlotte Chamber

Charlie Bledsoe

## NC House moves

CASANDRA SKINNER

NCAPS

CJ Cawden

NCSHP

Juroszk

SA

TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting: 4-13-05

<u>Page Name</u>	<u>County</u>	<u>Sponsor</u>
Jody Owens	Mitchell	frye
Alisha Graham	Rowan	coates

<u>Sergeant-at-Arms</u>
Dusty Rhodes
WALTER SPELL
BRAD BARRETT



**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

**H**

**1**

**HOUSE BILL 761**

Short Title: Motor Carrier Amendments.-AB

(Public)

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Sponsors: Representative Williams.

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Referred to: Transportation.

---

March 17, 2005

1                                   A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE MOTOR CARRIER SAFETY STATUTES.  
3 The General Assembly of North Carolina enacts:

4                   **SECTION 1.** G.S. 20-382.2(b) reads as rewritten:

5           "(b) Payment. – When the Department of Crime Control and Public Safety finds  
6 that a for-hire motor vehicle is operated in this State in violation of the registration and  
7 insurance verification requirements of this Part, the motor vehicle ~~may not be driven for~~  
8 ~~a purpose other than to park the motor vehicle until~~ shall be placed out of service until  
9 the motor carrier is in compliance and the penalty imposed under this section is paid  
10 unless the officer that imposes the penalty determines that operation of the motor  
11 vehicle will not jeopardize collection of the penalty. A motor carrier that denies liability  
12 for a penalty imposed under this section may pay the penalty under protest and apply to  
13 the Department of Crime Control and Public Safety for a hearing."

14           **SECTION 2.** This act is effective when it becomes law.



# HOUSE BILL 761: Motor Carrier Amendments-AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** April 13, 2005  
**Version:** 1<sup>st</sup> Edition

**Introduced by:** Rep. Williams  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 761 amends the statute governing the penalty for failure of a motor carrier to comply with registration and insurance verification requirements of State law.*

**CURRENT LAW:** Current law states that if the Department of Crime Control and Public Safety finds a for-hire motor carrier is being operated in violation of State registration and insurance verification requirements, the vehicle "*may not be driven for a purpose other than to park the motor vehicle*" until the penalty imposed for the violation is paid, unless the officer finds that the continued operation of the vehicle will not jeopardize collection of the penalty.

**BILL ANALYSIS:** House Bill 761 provides that a for-hire motor carrier found to be in violation of the State registration and insurance requirements be "*placed out of service*" until the penalty imposed for the violation is paid, unless the officer finds that the continued operation of the vehicle will not jeopardize collection of the penalty.

House Bill 761 would become effective when it becomes law.

H761-SMRW-001

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **L. Allen, Allred, Carney, and Stiller**, (Chairs) for the Committee on  
**TRANSPORTATION.**

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- ☐ Committee Substitute for  
H.B. 761 A BILL TO BE ENTITLED AN ACT TO AMEND THE MOTOR CARRIER  
SAFETY STATUTES.
- ☒ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the  
Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report as to the committee substitute bill (# ), ☐ which changes the  
title, unfavorable as to (the original bill) (Committee Substitute Bill # ), (and  
recommendation that the committee substitute bill # ) be re-referred to the Committee  
on .)
- ☐ With a favorable report as to House committee substitute bill (# ), ☐ which changes  
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 666\*

Short Title: HOV Lane Penalties.-AB

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

March 16, 2005

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE PENALTIES FOR VIOLATION OF HIGH  
OCCUPANCY VEHICLE LANE RESTRICTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-146.2 reads as rewritten:

**"§ 20-146.2. Rush hour traffic lanes authorized.**

(a) HOV Lanes. – The Department of Transportation may designate one or more travel lanes as high occupancy vehicle (HOV) lanes on streets and highways on the State Highway System and cities may designate one or more travel lanes as high occupancy vehicle (HOV) lanes on streets on the Municipal Street System. HOV lanes shall be reserved for vehicles with a specified number of passengers as determined by the Department of Transportation or the city having jurisdiction over the street or highway. When HOV lanes have been designated, and have been appropriately marked with signs or other markers, they shall be reserved for privately or publicly operated buses, and automobiles or other vehicles containing the specified number of persons. Where access restrictions are applied on HOV lanes through designated signing and pavement markings, vehicles shall only cross into or out of an HOV lane at designated openings. A motor vehicle shall not travel in a designated HOV lane if the motor vehicle has more than three axles, regardless of the number of occupants. HOV lane restrictions shall not apply to motorcycles or vehicles designed to transport 15 or more passengers, regardless of the actual number of occupants. HOV lane restrictions shall not apply to emergency vehicles. As used in this subsection, the term "emergency vehicle" means any law enforcement, fire, police, or other government vehicle, and any public and privately owned ambulance or emergency service vehicle, when responding to an emergency.

(a1) Transitway Lanes. – The Department of Transportation may designate one or more travel lanes as a transitway on streets and highways on the State Highway System and cities may designate one or more travel lanes as a transitway on streets on the Municipal Street System. Transitways shall be reserved for public transportation

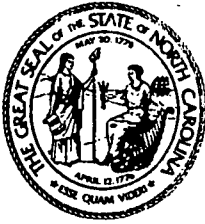
1 vehicles as determined by the Department of Transportation or the city having  
2 jurisdiction over the street or highway. When transitways have been designated, and  
3 they have been appropriately marked with signs or other markers, they shall be reserved  
4 for privately or publicly operated transportation vehicles as determined by the  
5 Department or the city having jurisdiction.

6 (b) Temporary Peak Traffic Shoulder Lanes. – The Department of Transportation  
7 may modify, upgrade, and designate shoulders of controlled access facilities and  
8 partially controlled access facilities as temporary travel lanes during peak traffic  
9 periods. When these shoulders have been appropriately marked, it shall be unlawful to  
10 use these shoulders for stopping or emergency parking. Emergency parking areas shall  
11 be designated at other appropriate areas, off these shoulders, when available.

12 (c) Directional Flow Peak Traffic Lanes. – The Department of Transportation  
13 may designate travel lanes for the directional flow of peak traffic on streets and  
14 highways on the State Highway System and cities may designate travel lanes for the  
15 directional flow of peak traffic on streets on the Municipal Street System. These travel  
16 lanes may be designated for time periods by the agency controlling the streets and  
17 highways.

18 (d) Violation of designated HOV and transitway lane restrictions as provided in  
19 subsection (a) or (a1) of this section is an infraction punishable by a penalty of one  
20 hundred dollars (\$100.00) and two drivers license points."

21 **SECTION 2.** This act becomes effective December 1, 2005, and applies to  
22 offenses committed on or after that date.



# HOUSE BILL 666: HOV Lane Penalties - AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** April 6, 2005  
**Version:** First Edition

**Introduced by:** Representative Cole  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 666 would amend the penalty for violating the restrictions on traveling in high occupancy vehicle lanes and transitway lanes.*

**CURRENT LAW:** G.S. 20-146.2 authorizes the Department of Transportation (for State Highway System) and cities (for Municipal Street System) to designate travel lanes as high occupancy vehicle (HOV) lanes or transitway lanes. HOV lanes are reserved for vehicles containing a specified number of persons, and others are prohibited from using the lanes. Transitway lanes are reserved for public transportation vehicles, and others are prohibited from using the lanes.

Since no penalty is specified in the current statute, the penalties under G.S. 20-176 apply. Under that provision, violation of HOV and transitway lane restrictions is an infraction, punishable by a fine of not more than \$100. In addition, it would be a moving violation, and the driver would be assessed two drivers license points under the schedule of point values set out in G.S. 20-16.

**BILL ANALYSIS:** House Bill 666 would add language to G.S. 20-146.2 specifying the penalty for violating the restrictions on HOV lanes and transitway lanes. Violation would be an infraction with a penalty of \$100 and two drivers license points.

**EFFECTIVE DATE:** The act would be effective December 1, 2005, and would apply to offenses committed on or after that date.

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, and Stiller, (Chairs) for the Committee on  
**TRANSPORTATION.**

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☐ Committee Substitute for

H.B. 666 A BILL TO BE ENTITLED AN ACT TO AMEND THE PENALTIES FOR  
VIOLATION OF HIGH OCCUPANCY VEHICLE LANE RESTRICTIONS.

- ☐ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the  
Committee on Appropriations ☐ Finance ☐ ☐.
- ☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.
- ☐ With a favorable report as to House committee substitute bill (#        ), ☐ which changes  
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 665\*

Short Title: Amend House Mover Laws.-AB

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

March 16, 2005

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAWS GOVERNING HOUSEMOVERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-356 reads as rewritten:

**"§ 20-356. Definitions.**

"Person" as used in this Article shall mean an individual, corporation, partnership, association or any other business entity. The word "house" as used in this Article shall mean a dwelling, building, or other structure in excess of ~~14~~15 feet in width; provided that neither mobile homes, nor modular homes or portions thereof, are within this definition when being transported from the manufacturer or from a licensed retail dealer location to the first set-up site. The word "Department" as used in this Article shall mean the North Carolina Department of Transportation."

**SECTION 2.** G.S. 20-358 reads as rewritten:

**"§ 20-358. Qualifications to become licensed.**

The Department shall issue annual printed licenses to applicants meeting the following conditions:

- (1) The applicant must be at least 18 years of age; present acceptable evidence of good character and show sufficient housemoving experience on the application form furnished by the Department. Proof of creditable housemoving experience must be furnished at the time of application for those applicants not previously licensed by the Department. Housemoving experience means extensive and responsible training gained by the applicant while engaged actively and directly on a full-time basis in the moving of houses and structures on public roads and highways with at least 24 months experience. Examples of the capacity in which a person may work in gaining experience include the following in building moving operations:

- a. Moving superintendent,
- b. Moving foreman, and



c. General mechanic and helper in the housemoving profession or trade.

(2) Repealed by Session Laws 1981, c. 818, s. 3.

(3) The applicant must furnish proof that all of the vehicles, excluding "beams and dollies" and "hauling units," to be used in the movement of buildings, structures, or other extraordinary objects wider than 14 15 feet have met the requirements of G.S. 20-183.2 pertaining to the equipment inspection of motor vehicles; provided that the "beams and dollies" and "hauling units" are excluded from inspection under G.S. 20-183.2 and, further, are not required to be equipped with brakes.

(4) The applicant must exhibit his federal employer's identification number.

(5) The applicant must pay an annual license fee of one hundred dollars (\$100.00)."

**SECTION 3.** G.S. 20-359 reads as rewritten:

**"§ 20-359. Effective period of license.**

A license issued hereunder shall be effective ~~for a period of one year~~ from date of issuance and expire on July 31 of each year and shall be renewable on an annual basis."

**SECTION 4.** G.S. 20-360 reads as rewritten:

**"§ 20-360. Requirements for permit.**

(a) Persons licensed as professional housemovers shall also be required to secure a permit from the Department for every move undertaken on the State Highway System of roads; that permit shall be issued by the Department after determining that the applicant is (i) properly licensed, (ii) furnished special surety bonds as required by the Department, and (iii) complying with such other regulations as required by the Department.

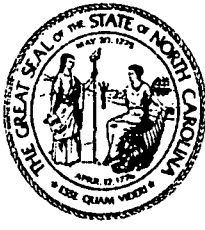
(b) It shall be the duty of the applicant to see that the "beams and dollies" and "hauling units" used shall be constructed with proper material in a suitable manner and utilized so as to provide for the safety of the general public and the structure being relocated. Any violation of this duty may result in suspension or revocation of his license by the Department.

(c) A license shall not be required for ~~individuals~~ an individual owner of a towing vehicle moving their own buildings from or to property owned individually by those persons; however, a permit will be required for all moves.

(d) Licensed housemovers shall furnish front and rear certified escort vehicles on all moves, one or both of which may be a marked police, sheriff or State Highway Patrol vehicle as determined by the issuing agent, or one or two ~~private properly equipped certified~~ equipped certified escort vehicles ~~equipped with flashing amber lights~~ depending on the number of law-enforcement vehicles escorting the move; escort vehicles shall operate where possible at a distance of 300 feet from the structure being moved; that this interval will be closed in cities and other congested areas to protect other traffic from the swing of the load at corners and ~~turns and~~ turns, and the ~~private-certified~~ certified escort vehicles shall comply with all restrictions as provided on the permit secured for

1 movement of the structure. ~~burn their headlights and be equipped with red flags on each~~  
2 ~~side at the front; in addition, the private escort vehicles shall be equipped with a sign~~  
3 ~~across the front or rear bumper bearing the legend "Wide Load" or "Oversized Load~~  
4 ~~Following" or "Oversized Load Ahead," whichever is appropriate, with black letters at~~  
5 ~~least 10 inches high on a yellow background."~~

6       **SECTION 5.** This act becomes effective July 1, 2005.



# HOUSE BILL 665: Amend House Movers Laws. - AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** April 13, 2005  
**Version:** First Edition

**Introduced by:** Representative Cole  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 665 would amend the laws relating to professional housemovers.*

**CURRENT LAW:** Article 16 of Chapter 20 of the General Statutes sets out requirements for professional housemovers in North Carolina. Professional housemovers must be licensed by the Department of Transportation, and they must secure permits from the Department for every move undertaken on State roads.

**BILL ANALYSIS:** House Bill 665 amends the professional housemovers laws as follows:

**Section 1.** Section 1 of the bill would change the definition of house to mean a dwelling, building, or structure in excess of 15 feet, instead of the current 14 feet.

Mobile homes and modular homes are not included in the definition of house when they are being transported from the manufacturer to the first set-up site. The bill would add that those structures are also excluded from the definition of house when they are being transported from a licensed retail dealer location to the first set-up site.

**Section 2.** One of the requirements for licensure as a housemover is that the applicant has sufficient housemoving experience. Section 2 of the bill would specify that proof of housemoving experience must be furnished at the time of application for applicants who have not been previously licensed.

**Section 3.** A license is currently effective for one year from the date of issuance. Section 3 of the bill would provide that a license is effective from the date of issuance and expires on July 31 of each year. Licenses would still be renewable on an annual basis thereafter.

**Section 4.** A license is not required for individuals moving their own buildings to or from their own property. Section 4 of the bill would specify that this exemption applies to individuals who own their own towing vehicles and are moving their own buildings to or from their own property.

The bill would also require that escort vehicles furnished by the housemover be certified escort vehicles, and instead of specifying how the escort vehicles shall be equipped, any restrictions would be as provided on the permit issued for the move.

**EFFECTIVE DATE:** The act would be effective July 1, 2005.

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **L. Allen, Allred, Carney, and Stiller**, (Chairs) for the Committee on  
**TRANSPORTATION.**

---

☐ Committee Substitute for

H.B. 665 A BILL TO BE ENTITLED AN ACT TO AMEND THE LAWS GOVERNING  
HOUSEMOVERS

☒ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations ☐ Finance ☐ .

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the  
Committee on Appropriations ☐ Finance ☐ .

☐ With a favorable report as to the committee substitute bill (# ), ☐ which changes the  
title, unfavorable as to (the original bill) (Committee Substitute Bill # ), (and  
recommendation that the committee substitute bill # ) be re-referred to the Committee  
on .)

☐ With a favorable report as to House committee substitute bill (# ), ☐ which changes  
the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

**MINUTES**  
**HOUSE COMMITTEE ON TRANSPORTATION**  
**April 20, 2005**

The HOUSE COMMITTEE ON TRANSPORTATION met on April 20, 2005 in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Stiller, presiding Chair, Representatives Allred, L. Allen, and Carney, Co-Chairs, Representatives Crawford, Saunders, Steen, Williams, and Wright, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Haire, Hilton, McComas, Moore, Preston, Rapp, Rayfield, Rhodes, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. .

Due to a constituent meeting Rep. Stiller was running late and Rep. Allen started the meeting by introducing the House Sergeants-at-Arms and the House Pages assisting with the meeting.

The first order of business was **HB-267 – A BILL TO BE ENTITLED AN ACT TO AUTHORIZE EIGHT-YEAR DRIVERS LICENSES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.**

This bill was brought back from sub-committee and Rep. Saunders, sub-committee chair, made a report on the bill. A PCS was adopted for discussion purposes. Rep. Allred sent forth an amendment to change the age from 38 to 65 on page one lines 25 and 27. This amendment failed. The original PCS passed and the bill will be reported out of committee unfavorable to the original bill, favorable to the PCS and re-refer to Transportation/Appropriations.


Next, **HB –1052 – A BILL TO BE ENTITLED AN ACT TO PERMIT TRASH TRUCKS WHILE COLLECTING GARBAGE TO STOP ON THE PAVEMENT OF HIGHWAYS OUTSIDE MUNICIPAL LIMITS IN BRUNSWICK COUNTY.**

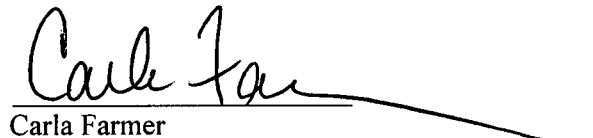
Rep. Stiller was recognized to explain the bill. After a short discussion the bill passed with a favorable report.

HB 670 – Commercial Drivers Licenses Changes and HB 1125- Driver License- Anti-littering Pledge were both postponed to a later meeting.

The meeting adjourned at 11:50.

Respectfully submitted,

  
Representative Bonner Stiller  
Presiding Chair

  
Carla Farmer

Visitors List Attached  
Agenda  
Committee Reports

# VISITOR REGISTRATION SHEET

Transportation  
Name of Committee

April 20, 2005  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Beau Mills	NC Metropolitan Coalition
Keith Holliday	MAYOR, City of Greensboro
Glenn Landrum	US
Milce Causey	Causey + Associates
Willie Riddick	DOT
Portia Morley	NC DOT / DMV

**NORTH CAROLINA HOUSE OF REPRESENTATIVES**

**COMMITTEE MEETING NOTICE**

**AND**

**BILL SPONSOR NOTIFICATION**

**2005-2006 SESSION**

You are hereby notified that the **Committee on Transportation** will meet as follows:

**DAY & DATE:    Wednesday, April 20, 2005**

**TIME:                11:00 AM**

**LOCATION:          Room 1228**

The following bills will be considered (Bill # & Short Title & Bill Sponsor):

**HB 267 – 8 Year Drivers License/Internet DL Renewal – Rep. Sutton**

**HB 67 – Commercial Drivers License Changes – Rep. Cole**

**HB 1052 – Brunswick/Trash Truck Stopped on Highway – Rep. Stiller**

**HB 1125- Drivers License – Anti-littering Pledge – Rep. Grady**

Representative Bonner Stiller, Presiding

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Becky Carney, Chair

I hereby certify this notice was filed by the committee assistant at the following offices  
at **10:00 AM** on **April 15, 2005**.

\_\_\_\_Principal Clerk  
\_\_\_\_Reading Clerk - House Chamber

Carla Farmer (Committee Assistant)

# **AGENDA**

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

April 20, 2005

11:00 A.M.

Room 1228 LB

Representative Bonner Stiller, Presiding Chair

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Becky Carney, Chair

### **OPENING REMARKS**

### **BILLS FOR CONSIDERATION**

HB 267 – 8 YEAR DRIVERS LICENSE/INTERNET DL RENEWAL – Rep. Sutton  
Subcommittee recommendations

HB 670 – COMMERCIAL DRIVERS LICENSE CHANGES – Rep. Cole

HB 1052 – BRUNSWICK/TRASH TRUCKS STOPPED ON HIGHWAY – Rep. Stiller

HB 1125 – DRIVERS LICENSE – ANTILITTERING PLEDGE – Rep. Grady

### **ADJOURNMENT**



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 267\*  
PROPOSED COMMITTEE SUBSTITUTE H267-CSSU-2 [v.2]

4/13/2005 2:41:04 PM

Short Title: 8-Year Drivers License/Internet DL Renewal.

(Public)

Sponsors:

Referred to:

February 17, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE EIGHT-YEAR DRIVERS LICENSES AND INTERNET  
3 RENEWAL OF DRIVERS LICENSES, AS RECOMMENDED BY THE JOINT  
4 LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 20-7(f) reads as rewritten:

7 "(f) Duration and Renewal of Licenses. — ~~Expiration and Temporary License.~~  
8 ~~The first drivers license the Division issues to a person expires on the person's fourth or~~  
9 ~~subsequent birthday that occurs after the license is issued and on which the individual's~~  
10 ~~age is evenly divisible by five, unless this subsection sets a different expiration date. A~~  
11 ~~first drivers license may be issued for a shorter duration if the Division determines that a~~  
12 ~~license of shorter duration should be issued when the applicant holds a visa of limited~~  
13 ~~duration issued by the United States Department of State. The first drivers license the~~  
14 ~~Division issues to a person who is at least 17 years old but is less than 18 years old~~  
15 ~~expires on the person's twentieth birthday. The first drivers license the Division issues~~  
16 ~~to a person who is at least 62 years old expires on the person's birthday in the fifth year~~  
17 ~~after the license is issued, whether or not the person's age on that birthday is evenly~~  
18 ~~divisible by five.~~

19 Drivers licenses shall be issued and renewed pursuant to the provisions of this  
20 subsection.

- 21 (1) Duration of license for persons under age 18. — A full provisional  
22 license issued to a person under the age of 18 shall expire on the  
23 person's 21st birthday.  
24 (2) Duration of license for persons at least 18 years of age or older. — A  
25 drivers license issued to a person at least 18 years old but less than 38  
26 years old expires eight years after the date of issuance. A drivers  
27 license issued to a person at least 38 years old expires five years after  
28 the date of issuance.

1           (3) Internet renewal of license authorized for certain persons. – The  
2 Division is authorized to renew a drivers license electronically in  
3 accordance with this subdivision. The Division may waive the sign  
4 tests for applicants renewing electronically. A person who holds a  
5 commercial drivers license and is required by federal regulations to be  
6 retested shall not renew electronically. A person may renew his or her  
7 drivers license electronically for one five-year period at the time of  
8 each expiration of a license issued in a drivers license office if all of  
9 the following apply:

- 10           a. The person has no more than two reportable accidents on his or  
11 her drivers license record in the previous year.  
12           b. The person has no restrictions other than a restriction for  
13 corrective lenses on his or her drivers license record in the  
14 previous year.  
15           c. The person has four or fewer drivers license points.  
16           d. The person is at least 25 years old and less than 60 years old.  
17           e. The person has obtained an eye examination by a licensed  
18 ophthalmologist or licensed optometrist within 12 months prior  
19 to the date of electronic renewal, and the results of the  
20 examination are submitted to the Division by the  
21 ophthalmologist or optometrist to the Division at the time of the  
22 application for the electronic renewal.

23           (4) Duration of license. – A drivers license that was issued by the Division  
24 and is renewed by the Division expires five years at the end of the  
25 period provided by this subsection after the expiration date of the  
26 license that is renewed unless the Division determines that a license of  
27 shorter duration should be issued when the applicant holds a visa of  
28 limited duration from the United States Department of State renewed.  
29 A person may apply to the Division to renew a license during the 180  
30 day period before the license expires. The Division may not accept an  
31 application for renewal made before the 180 day period begins.

32           (5) Duration of license for certain visa holders. – Any drivers license  
33 issued or renewed by the Division to an applicant who holds a visa of  
34 limited duration from the United States Department of Homeland  
35 Security shall only be for the duration of the visa.

36           (6) Renewal by mail. – The Division may renew by mail a drivers license  
37 issued by the Division to a person who meets any of the following  
38 descriptions:

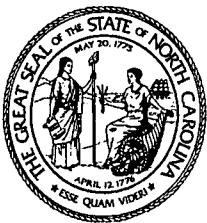
- 39           (1)a. Is serving on active duty in the armed forces of the United  
40 States and is stationed outside this State.  
41           (2)b. Is a resident of this State and has been residing outside the State  
42 for at least 30 continuous days.

43 When renewing a license by mail, the Division may waive the  
44 examination that would otherwise be required for the renewal and may

1 impose any conditions it finds advisable. A license renewed by mail is  
2 a temporary license that expires 60 days after the person to whom it is  
3 issued returns to this State.

4 (7) License to be sent by mail. – The Division shall issue a temporary  
5 driving certificate valid for ten days to the applicant. The temporary  
6 driving certificate shall only be valid for driving purposes, and shall  
7 not be valid for identification purposes. The Division shall produce the  
8 applicant's drivers license at a central location and send it to the  
9 applicant by first class mail at the address provided by the applicant."

10 **SECTION 2.** This act becomes effective July 1, 2006.



# HOUSE BILL 267: 8-Year Drivers License/Internet DL Renewal

## BILL ANALYSIS

**Committee:** House Transportation

**Date:** April 20, 2005

**Version:** PCS - H267-CSSU-2[v.2]

**Introduced by:** Representative Sutton

**Summary by:** Wendy Graf Ray

Committee Counsel

**SUMMARY:** *House Bill 267 would authorize the Division of Motor Vehicles to issue eight-year drivers licenses and to electronically renew drivers licenses under certain circumstances.*

**CURRENT LAW:** The duration of a first drivers license, issued by the Division of Motor Vehicles, depends on the age of the licensee. Under the current law, the duration is as follows:

- Persons less than 18 years old – expires on the person's 20<sup>th</sup> birthday.
- Persons 18-61 years old – expires on the person's fourth or subsequent birthday after the license is issued on which the person's age is evenly divisible by five (can be anywhere from 3 years and 1 day to 8 years after issuance).
- Persons 62 and older – expires on the persons birthday in the fifth year after issuance.

Currently, when the Division renews a drivers license, it expires five years after the expiration date of the renewed license, regardless of the licensee's age. The Division is not authorized to renew drivers licenses electronically. The Division is also authorized, but not required, to issue drivers licenses of shorter duration than otherwise set out by statute when the applicant holds a visa of limited duration.

**BILL ANALYSIS:** House Bill 267 would make the following changes to the law pertaining to how drivers licenses are issued and renewed:

### Duration of license.

- Persons less than 18 years old – would expire on the person's 21<sup>st</sup> birthday.
- Persons 18-38 years old – would expire eight years after the date of issuance.
- Persons 38 and older – would expire 5 years after the date of issuance.

### Renewal of license.

- Renewal in person – duration after renewal would be determined in the same manner as for first issuance.
- Electronic renewal – the bill would authorize the Division to waive the sign test and allow an applicant to renew a drivers license electronically for one 5-year period if the following conditions are met:
  - The person has no more than two reportable accidents in the last year.
  - The person has no restrictions, other than corrective lenses, in the last year.
  - The person has four or fewer drivers license points.
  - The person is at least 25, but less than 60, years old.
  - The person has had an eye exam in the last 12 months, and a licensed ophthalmologist or optometrist has submitted the results to the Division.

# HOUSE BILL 267

Page 2

Duration of license for visa holders. The bill would require that when the Division issues or renews a drivers license to a person who holds a visa of limited duration, the license shall only be for the duration of the visa.

License to be mailed to applicant. The bill would also require the Division to issue a temporary driving certificate to an applicant for a drivers license. The certificate would be valid for ten days and would not be valid for identification purposes. The drivers license would be mailed to the applicant at his or her address from a central location.

**EFFECTIVE DATE:** The bill would become effective January 1, 2006.

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 267** A BILL TO BE ENTITLED AN ACT TO AUTHORIZE EIGHT-YEAR  
DRIVERS LICENSES AND INTERNET RENEWAL OF DRIVERS LICENSES, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill,  
and recommendation that the committee substitute bill # be re-referred to the  
APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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HOUSE BILL 1052

Short Title: Brunswick – Trash Trucks Stopped on Highways.

(Local)

Sponsors: Representative Stiller.

Referred to: Transportation.

March 31, 2005

A BILL TO BE ENTITLED

AN ACT TO PERMIT TRASH TRUCKS WHILE COLLECTING GARBAGE TO  
STOP ON THE PAVEMENT OF HIGHWAYS OUTSIDE MUNICIPAL LIMITS  
IN BRUNSWICK COUNTY.

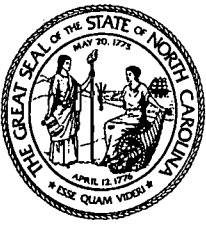
The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-161(a) reads as rewritten:

"(a) No person shall park or leave standing any vehicle, whether attended or  
unattended, upon the paved or main-traveled portion of any highway or highway bridge  
outside municipal corporate limits unless the vehicle is disabled to such an extent that it  
is impossible to avoid stopping and temporarily leaving the vehicle upon the paved or  
main traveled portion of the highway or highway bridge. This subsection shall not apply  
to a vehicle stopped on the highway while it is collecting garbage, as defined in  
G.S. 20-118(c)(5)g."

**SECTION 2.** This act applies to Brunswick County only.

**SECTION 3.** This act is effective when it becomes law.



# HOUSE BILL 1052: Brunswick Trash Trucks Stopped on Highways

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** April 20, 2005  
**Version:** 1<sup>st</sup> Edition

**Introduced by:** Rep. Stiller  
**Summary by:** Committee Counsel

**SUMMARY:** *House Bill 1052 authorizes vehicles collecting garbage in Brunswick County to stop on a highway while collecting garbage.*

**CURRENT LAW:** Under current law, it is unlawful to park or leave standing any vehicle on a highway or highway bridge outside a municipality. (G.S. 20-161(a)).

**BILL ANALYSIS:** House Bill 1052 amends the current law to authorize vehicles collecting garbage in Brunswick County to stop on a highway while collecting garbage. "Garbage", as defined in G.S. 20-118(c)(5)g., excludes hazardous waste.

House Bill 1052 would become effective when it becomes law.

H1052-SMRW-001



**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 1052** A BILL TO BE ENTITLED AN ACT TO PERMIT TRASH TRUCKS  
WHILE COLLECTING GARBAGE TO STOP ON THE PAVEMENT OF HIGHWAYS  
OUTSIDE MUNICIPAL LIMITS IN BRUNSWICK COUNTY.

☒ With a favorable report.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.

# MINUTES

## HOUSE COMMITTEE ON TRANSPORTATION

**April 27, 2005**

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, April 27, 2005, in Room 1228 of the Legislative Building at 11:00 A.M. Representative Lucy Allen presided. Members present were: Representatives Allred, Carney, and Stiller, Co-Chairs; Representatives Crawford, Saunders, Steen, Williams and Wright, Vice Chairs; Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Haire, Hill, Hilton, Moore, Preston, Rapp, Rayfield, Rhodes, Starnes, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Brad Barefoot, Martha Parrish, and Dusty Rhodes, House Sergeants-at-Arms. A list of visitors is attached.

Representative Allen called the meeting to order and introduced the House pages: Jonathan Furnas (Rowan County – Rep. Lorene Coates), Thomas R. Harper & Bradley Harper (Nash County – Rep. Lucy Allen & Speaker Black), Caitlin Sexton (Johnston County – Rep. Linda Colman), Ariane Belisle (Ottawa, Canada – Speaker Jim Black), Britomarte Strickler (Durham County – Rep. Paul Luebke), along with the above mentioned House Sergeants-At-Arms.

Representative Nelson Cole was recognized, and he gave a brief overview of transportation in the State of North Carolina. The State is now looking at a shortfall of funding over the next 25 years in the amount of one billion dollars. The biggest issues facing transportation today are keeping roads safe and the maintenance of roads.

The first order of business was **HB 669 – A BILL TO BE ENTITLED AN ACT TO AMEND THE LAW CONCERNING OVERSIZE AND OVERWEIGHT VEHICLES**. Representative Nelson Cole, primary sponsor, presented a proposed committee substitute. Upon motion made by Representative Becky Carney, the committee adopted the proposed committee substitute for discussion. This bill would make changes to statutes concerning oversize and overweight vehicles and would become effective on July 1, 2005. It addresses many of the problems encountered with oversize and overweight vehicles on our roads today; in addition it provides for civil penalties and the parking of those vehicles until such time as they have been brought into regulation to travel on North Carolina roads. Maintenance is a serious problem today and takes a large part of the transportation budget.

Tammy Denning, with the Department of Transportation, was recognized to answer questions and she indicated if anyone violates a permit received from the DOT, they could be cited accordingly. She also indicated one of the biggest problems the DOT faces is the damage to roads and highways caused by heavy loads.

Representative Daughtridge presented an amendment as follows: Amend the bill on page 2 by deleting Section 2 (lines 7-16) and by renumbering the remaining sections. Discussion ensued on the amendment.

Bob Slocum, Forestry Association, was recognized and indicated this section has a dramatic impact on the forestry industry if the overhang is limited to 14 feet. Landowners lose because wood gets essentially left in the woods, and the industry would have to have more trucks hauling to obtain the same amount of wood to the same place. It is a competitiveness issue and would have an economic effect on landowners and the forestry industry. He is not aware of safety problems or issues with the current law.

Charlie Diehl, NC Trucking Association, indicated the Trucking Association is in support of the bill and did not have a position on the amendment.

Representative Allred offered a perfecting amendment as follows: To amend the bill on page 2 line 16 by rewriting the line to read: "vehicle, with the exception of vehicles transporting forestry products". Charlie Diehl, NC Trucking Association, indicated the association did not have a problem with the perfecting amendment. Representative Allen moved to accept the perfecting amendment. The motion passed. Representative Stiller moved to roll the amendment into a proposed committee substitute, with a favorable report to the committee substitute, unfavorable as to the original bill. The motion passed.

The next order of business was **HB 750, A BILL TO BE ENTITLED AN ACT RELATING TO THE IMPROVEMENT OF SECONDARY ROADS**. Upon motion made by Representative Wright, the committee adopted a proposed committee substitute for consideration. Representative Nelson Cole, primary sponsor, was recognized to explain the proposed committee substitute. This bill would make changes to the allocation of State secondary road improvement funds.

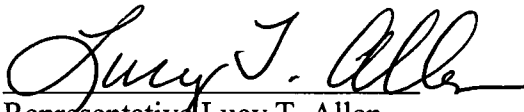
Lacy Love, with the Department of Transportation, was recognized to provide comments. Mr. Love indicated the emphasis and focus of this bill is to have money available for roads that can be paved and addressed right-of-way issues.

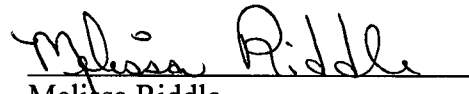
Representative Allred wanted an analysis on a projection of what this will do for counties as compared to what it is now doing, and moved to displace the bill until a fiscal analysis is received. Division was called. The motion to displace HB 750 failed with a vote of 10 in favor – 11 opposed. Representative Haire moved for a favorable report to the proposed committee substitute, unfavorable as to the original bill. The motion passed.

House TRANSPORTATION Committee Minutes  
Wednesday, April 27, 2005 - Page three

Due to time constraints, no other bills were taken up in the Transportation Committee, and Representative Lucy Allen, Presiding Chair, adjourned the meeting at 11:50 a.m.

Respectfully submitted,

  
Representative Lucy T. Allen  
Presiding Chair

  
Melissa Riddle  
Committee Assistant

Attachments:

Agenda  
Visitors Registration  
HB 669 & Amendments  
HB 750  
Bill Summaries

## *AGENDA*

### HOUSE COMMITTEE MEETING ON TRANSPORTATION

April 27, 2005

11:00 A.M.

Room 1228 LB

Representative Lucy T. Allen, Presiding Chair  
Representatives Cary Allred, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair

WELCOME AND OPENING REMARKS BY PRESIDING CHAIR

INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS

#### AGENDA ITEMS:

HB 669 - Oversize/Overweight Vehicle Changes - AB  
Representative Cole, Bill Sponsor

HB 750 - Secondary Road Construction - AB  
Representative Cole, Bill Sponsor

HB 786 - MV Dealer Technical Corrections - AB  
Representative Cole, Bill Sponsor

HB 1266 - DOT Relocation Assistance Change  
Representative Cole, Bill Sponsor

HB 747 - Defining State Roads - AB  
Representative Cole, Bill Sponsor

ADJOURNMENT

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

April 27, 2005

Name of Committee

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Bob Schauf	NC Forestry Assoc
Gene Cauby	NC 1714
KLM Brude	WCHA
Charlie Diehl	NC Trucking Assoc.
Joey Gardner	NC DMV License + Theft
Beth Hathcock	Attorney General's Office - DMV Section
Paul Hoffman	Thorn Tree
John Long	Martin's Marina
Lucy Love	NC DOT
Tammy C. Denning	NC DOT
Mark Nichols	NC SHD

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

April 27, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Beau Mills	NC Metropolitan Council
Warren Plank	OSBM
Mitch Alfred	OSBM
Mac Barclay	NC Aggregate
Russ Dubisly	CCPS
John Phelps	NCLM
Colleen Kochanek	Holt York McDavis High
Erin Kinney	NCCorrelation Network
John Williamson	NC DOT
Betsy Bailey	NCPRA
Mark Osborne Bob	AOC

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

April 27, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Bob Stoen	NC Forestry Assoc.
Letty	Fraser
Mary Thomas	REB/C
Jim	Boe & Assoc.
SUSAN Coward	NC DOT
Doug Duncan	DUNCAN TREE FARM, LLC
BRAD LOVIN	NC MANUFACTURED HOUSING ASSOC.
Marth Harris	Institute of Govt.
Portia Menly	DMV-NC DOT
Steve Woodson	NC Farm Bureau
Jim Lowry	NC Utility Contractors Assn



## VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

April 27, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Larry C. C. C.	NCSHP
PG	P ~
Sandy Sands	DCSR
Ken Leonard	DCSR
Kim Crawford	TTA
Jayce P. W. W.	
Julie Worton	NCPC
Eddie Colwell	NCSA
Marc Spencer	Individual

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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HOUSE BILL 669\*  
Committee Substitute Favorable 4/28/05

Short Title: Oversize/Overweight Vehicle Changes.-AB

(Public)

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Sponsors:

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Referred to:

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March 16, 2005

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAW CONCERNING OVERSIZE AND OVERWEIGHT  
VEHICLES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G. S. 20-96 reads as rewritten:

**"§ 20-96. Detaining property-hauling vehicles or vehicles regulated by the Motor  
Carrier Safety Regulation Unit until fines or penalties and taxes are  
collected.**

(a) Authority to Detain Vehicles. – A law enforcement officer may seize and  
detain the following property-hauling vehicles operating on the highways of the State:

- (1) A property-hauling vehicle with an overload in violation of  
G.S. 20-88(k) and G.S. 20-118.
- (2) A property-hauling vehicle that does not have a proper registration  
plate as required under G.S. 20-118.3.
- (3) A property-hauling vehicle that is owned by a person liable for any  
overload penalties or assessments due and unpaid for more than 30  
days.
- (4) A property-hauling vehicle that is owned by a person liable for any  
taxes or penalties under Article 36B of Chapter 105 of the General  
Statutes.
- (5) Any commercial vehicle operating under the authority of a motor  
carrier when the motor carrier has been assessed a fine pursuant to  
G.S. 20-17.7 and that fine has not been paid.
- (6) A property-hauling vehicle operating in violation of G.S. 20-119.

The officer may detain the vehicle until the delinquent fines or penalties and taxes  
are paid and, in the case of a vehicle that does not have the proper registration plate,  
until the proper registration plate is secured.

(b) Storage; Liability. – When necessary, an officer who detains a vehicle under  
this section may have the vehicle stored. The motor carrier under whose authority the

1 vehicle is being operated or the owner of a vehicle that is detained or stored under this  
2 section is responsible for the care of any property being hauled by the vehicle and for  
3 any storage charges. The State shall not be liable for damage to the vehicle or loss of the  
4 property being hauled."

5 **SECTION 2.** G.S. 20-117 reads as rewritten:

6 "**§ 20-117. Flag or light at end of load.**

7 Whenever the load on any vehicle shall extend more than four feet beyond the rear  
8 of the bed or body thereof, there shall be displayed at the end of such load, in such  
9 position as to be clearly visible at all times from the rear of such load, a red or orange  
10 flag not less than 12 inches both in length and width, except that from sunset to sunrise  
11 there shall be displayed at the end of any such load a red or amber light plainly visible  
12 under normal atmospheric conditions at least 200 feet from the rear of such vehicle. At  
13 no time shall a load extend more than 14 feet beyond the rear of the bed or body of the  
14 vehicle, with the exception of vehicles transporting forestry products."

15 **SECTION 3.** G.S. 20-118(e) reads as rewritten:

16 "(e) Penalties. –

- 17 (1) Except as provided in subdivision (2) of this subsection, for each  
18 violation of the single-axle or tandem-axle weight limits set in  
19 subdivision (b)(1), (b)(2), or (b)(4) of this section or axle weights  
20 authorized by special permit according to G.S. 20-119(a), the  
21 Department of ~~Transportation~~ Crime Control and Public Safety shall  
22 assess a civil penalty against the owner or registrant of the vehicle in  
23 accordance with the following schedule: for the first 1,000 pounds or  
24 any part thereof, four cents (4¢) per pound; for the next 1,000 pounds  
25 or any part thereof, six cents (6¢) per pound; and for each additional  
26 pound, ten cents (10¢) per pound. These penalties apply separately to  
27 each weight limit violated. In all cases of violation of the weight  
28 limitation, the penalty shall be computed and assessed on each pound  
29 of weight in excess of the maximum permitted.
- 30 (2) The penalty for a violation of the single-axle or tandem-axle weight  
31 limits by a vehicle that is transporting an item listed in subdivision  
32 (c)(5) of this section is one-half of the amount it would otherwise be  
33 under subdivision (1) of this subsection.
- 34 (3) If an axle-group weight of a vehicle exceeds the weight limit set in  
35 subdivision (b)(3) of this section plus any tolerance allowed in  
36 subsection (h) of this section or axle-group weights or gross weights  
37 authorized by special permit under G.S. 20-119(a), the Department of  
38 ~~Transportation~~ Crime Control and Public Safety shall assess a civil  
39 penalty against the owner or registrant of the motor vehicle. The  
40 penalty shall be assessed on the number of pounds by which the  
41 axle-group weight exceeds the limit set in subdivision (b)(3), as  
42 follows: for the first 2,000 pounds or any part thereof, two cents (2¢)  
43 per pound; for the next 3,000 pounds or any part thereof, four cents  
44 (4¢) per pound; for each pound in excess of 5,000 pounds, ten cents

(10¢) per pound. Tolerance pounds in excess of the limit set in subdivision (b)(3) are subject to the penalty if the vehicle exceeds the tolerance allowed in subsection (h) of this section. These penalties apply separately to each axle-group weight limit violated.

(4) The penalty for a violation of an axle-group weight limit by a vehicle that is transporting an item listed in subdivision (c)(5) of this section is one-half of the amount it would otherwise be under subdivision (3) of this subsection.

(5) A violation of a weight limit in this section or of a permitted weight under G.S. 20-119 is not punishable under G.S. 20-176.

(6) The penalty for violating the gross weight or axle-group weight by a dump truck or dump trailer vehicle transporting bulk soil, bulk rock, sand, sand rock, or asphalt millings intrastate from a site that does not have a certified scale for weighing the vehicle is one-half of the amount it otherwise would be under subdivisions (1) and (3) of this subsection."

**SECTION 4.** G.S. 20-119 reads as rewritten:

**"§ 20-119. Special permits for vehicles of excessive size, size or weight; weight, or number of units; fees.**

(a) The Department of Transportation may, in ~~their~~its discretion, upon application, for good cause being shown therefor, issue a special permit in writing authorizing the applicant to operate or move a vehicle of a size or weight ~~or number of units~~ exceeding a maximum specified in this Article upon any highway under the jurisdiction and for the maintenance of which the body granting the permit is responsible. However, the Department is not authorized to issue any permit to operate or move over the State highways twin trailers, commonly referred to as double bottom trailers. Every such permit shall be carried in the vehicle to which it refers and shall be open to inspection by any peace officer. The authorities in any incorporated city or town may grant permits in writing and for good cause shown, authorizing the applicant to move a vehicle over the streets of such city or town, the size or weight exceeding the maximum expressed in this Article. The Department of Transportation shall issue rules to implement this ~~section~~section, ~~but no rule shall provide that the permits issued pursuant to this section may be invalidated by law enforcement personnel.~~

(b) Upon the issuance of a special permit for an oversize or overweight vehicle by the Department of Transportation in accordance with this section, the applicant shall pay to the Department for a single trip permit a fee of twelve dollars (\$12.00) for each dimension over lawful dimensions, including height, length, width, and weight up to 132,000 pounds. For overweight vehicles, the applicant shall pay to the Department for a single trip permit in addition to the fee imposed by the previous sentence a fee of three dollars (\$3.00) per 1,000 pounds over 132,000 pounds.

Upon the issuance of an annual permit for a single vehicle, the applicant shall pay a fee in accordance with the following schedule:

Commodity:	Annual Fee:
Annual Permit to Move House Trailers	\$200.00

1           Annual Permit to Move Other Commodities                                 \$100.00

2           In addition to the fees set out in this subsection, applications for permits that require  
3 an engineering study for pavement or structures or other special conditions or  
4 considerations shall be accompanied by a nonrefundable application fee of one hundred  
5 dollars (\$100.00).

6           This subsection does not apply to farm equipment or machinery being used at the  
7 time for agricultural purposes, nor to the moving of a house as provided for by the  
8 license and permit requirements of Article 16 of this Chapter. Fees will not be assessed  
9 for permits for oversize and overweight vehicles issued to any agency of the United  
10 States Government or the State of North Carolina, its agencies, institutions,  
11 subdivisions, or municipalities if the vehicle is registered in the name of the agency.

12          (b1) Neither the Department nor the Board may require review or renewal of  
13 annual permits, with or without fee, more than once per calendar year.

14          (c) Nothing in this section shall require the Department of Transportation to issue  
15 any permit for any load.

16          (d) For each violation of any of the terms or conditions of a special permit issued  
17 or where a permit is required but not obtained under this section the Department of  
18 Transportation- Crime Control and Public Safety may assess a separate civil penalty for  
19 each violation against the registered owner of the vehicle as follows:

20           (1) A fine of five hundred dollars (\$500.00) for any of the following:  
21 operating without the issuance of a permit, moving a load off the route  
22 specified in the permit, falsifying information to obtain a permit,  
23 failing to comply with dimension restrictions of a permit, or failing to  
24 comply with escort vehicle requirements the number of properly  
25 certified escort vehicles required.

26           (2) A fine of two hundred fifty dollars (\$250.00) for moving loads beyond  
27 the distance allowances of an annual permit covering the movement of  
28 house trailers from the retailer's premises or for operating in violation  
29 of time of travel restrictions.

30           (3) A fine of one hundred dollars (\$100.00) for any other violation of the  
31 permit conditions or requirements imposed by applicable regulations.

32          The Department of Transportation may refuse to issue additional permits or suspend  
33 existing permits if there are repeated violations of subdivision (1) or (2) of this  
34 subsection. In addition to the penalties provided by this subsection, a civil penalty in  
35 accordance with G.S. 20-118(e)(1) and (3) may be assessed if a vehicle is operating  
36 without the issuance of a required permit, operating off permitted route of travel,  
37 operating without the proper number of certified escorts, fails to comply with travel  
38 restrictions of the permit or operating with improper license. Fees assessed for permit  
39 violations under this subsection shall not exceed a maximum of twenty-five thousand  
40 dollars (\$25,000).

41          (e) It is the intent of the General Assembly that the permit fees provided in  
42 G.S. 20-119 shall be adjusted periodically to assure that the revenue generated by the  
43 fees is equal to the cost to the Department of administering the Oversize/Overweight  
44 Permit Unit Program within the Division of Highways. At least every two years, the

1 Department shall review and compare the revenue generated by the permit fees and the  
2 cost of administering the program, and shall report to the Joint Legislative  
3 Transportation Oversight Committee created in G.S.120-70.50 its recommendations for  
4 adjustments to the permit fees to bring the revenues and the costs into alignment.

5 (f) The Department of Transportation shall issue rules to establish an escort  
6 driver training and certification program for escort vehicles accompanying  
7 oversize/overweight loads. Any driver operating a vehicle escorting an  
8 oversize/overweight load shall meet any training requirements and obtain certification  
9 under the rules issued pursuant to this subsection. These rules may provide for  
10 reciprocity with other states having similar escort certification programs. Certification  
11 credentials for the driver of an escort vehicle shall be carried in the vehicle and be  
12 readily available for inspection by law enforcement personnel. The escort and training  
13 certification requirements of this subsection shall not apply to the transportation of  
14 agricultural machinery until October 1, 2004. The Department of Transportation shall  
15 develop and implement an in-house training program for agricultural machinery escorts  
16 by September 1, 2004.

17 (g) The Department of Transportation shall issue annual overwidth permits for  
18 vehicles carrying agricultural equipment or machinery from the dealer to the farm or  
19 from the farm to the dealer that do not exceed 14 feet in width. These permits shall be  
20 valid for unlimited movement without escorts on all State highways where the  
21 overwidth vehicles do not exceed posted bridge and load limits.

22 (h) No law enforcement officer shall issue a citation to a person for a violation of  
23 this section if the officer is able to determine by electronic means that the person has a  
24 permit valid at the time of the violation but does not have the permit in his or her  
25 possession. Any person issued a citation pursuant to this section who does not have the  
26 permit in his or her possession at the time of the issuance of the citation shall not be  
27 responsible for a violation, and the Department of Crime Control and Public Safety may  
28 not impose any fines under this section if the person submits evidence to the  
29 Department of the existence of a permit valid at the time of the violation within 30 days  
30 of the date of the violation."

31 **SECTION 5.** This act becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 669\*  
PROPOSED COMMITTEE SUBSTITUTE H669-CSSU-9 [v.1]

4/26/2005 3:25:27 PM

Short Title: Oversize/Overweight Vehicle Changes.-AB

(Public)

Sponsors:

Referred to:

March 16, 2005

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE LAW CONCERNING OVERSIZE AND OVERWEIGHT  
VEHICLES.

The General Assembly of North Carolina enacts:

SECTION 1. G. S. 20-96 reads as rewritten:

"§ 20-96. **Detaining property-hauling vehicles or vehicles regulated by the Motor Carrier Safety Regulation Unit until fines or penalties and taxes are collected.**

(a) Authority to Detain Vehicles. – A law enforcement officer may seize and detain the following property-hauling vehicles operating on the highways of the State:

- (1) A property-hauling vehicle with an overload in violation of G.S. 20-88(k) and G.S. 20-118.
- (2) A property-hauling vehicle that does not have a proper registration plate as required under G.S. 20-118.3.
- (3) A property-hauling vehicle that is owned by a person liable for any overload penalties or assessments due and unpaid for more than 30 days.
- (4) A property-hauling vehicle that is owned by a person liable for any taxes or penalties under Article 36B of Chapter 105 of the General Statutes.
- (5) Any commercial vehicle operating under the authority of a motor carrier when the motor carrier has been assessed a fine pursuant to G.S. 20-17.7 and that fine has not been paid.
- (6) A property-hauling vehicle operating in violation of G.S. 20-119.

The officer may detain the vehicle until the delinquent fines or penalties and taxes are paid and, in the case of a vehicle that does not have the proper registration plate, until the proper registration plate is secured.

(b) Storage; Liability. –When necessary, an officer who detains a vehicle under this section may have the vehicle stored. The motor carrier under whose authority the vehicle is being operated or the owner of a vehicle that is detained or stored under this section is responsible for the care of any property being hauled by the vehicle and for any storage charges. The State shall not be liable for damage to the vehicle or loss of the property being hauled."

SECTION 2. G.S. 20-117 reads as rewritten:

**"§ 20-117. Flag or light at end of load.**

Whenever the load on any vehicle shall extend more than four feet beyond the rear of the bed or body thereof, there shall be displayed at the end of such load, in such position as to be clearly visible at all times from the rear of such load, a red or orange flag not less than 12 inches both in length and width, except that from sunset to sunrise there shall be displayed at the end of any such load a red or amber light plainly visible under normal atmospheric conditions at least 200 feet from the rear of such vehicle. At no time shall a load extend more than 14 feet beyond the rear of the bed or body of the vehicle."

SECTION 3. G.S. 20-118(e) reads as rewritten:

"(e) Penalties. –

- (1) Except as provided in subdivision (2) of this subsection, for each violation of the single-axle or tandem-axle weight limits set in subdivision (b)(1), (b)(2), or (b)(4) of this section or axle weights authorized by special permit according to G.S. 20-119(a), the Department of Transportation– Crime Control and Public Safety shall assess a civil penalty against the owner or registrant of the vehicle in accordance with the following schedule: for the first 1,000 pounds or any part thereof, four cents (4¢) per pound; for the next 1,000 pounds or any part thereof, six cents (6¢) per pound; and for each additional pound, ten cents (10¢) per pound. These penalties apply separately to each weight limit violated. In all cases of violation of the weight limitation, the penalty shall be computed and assessed on each pound of weight in excess of the maximum permitted.
- (2) The penalty for a violation of the single-axle or tandem-axle weight limits by a vehicle that is transporting an item listed in subdivision (c)(5) of this section is one-half of the amount it would otherwise be under subdivision (1) of this subsection.
- (3) If an axle-group weight of a vehicle exceeds the weight limit set in subdivision (b)(3) of this section plus any tolerance allowed in subsection (h) of this section or axle-group weights or gross weights authorized by special permit under G.S. 20-119(a), the Department of Transportation– Crime Control and Public Safety shall assess a civil penalty against the owner or registrant of the motor vehicle. The penalty shall be assessed on the number of pounds by which the axle-group weight exceeds the limit set in subdivision (b)(3), as follows: for the first 2,000 pounds or any part thereof, two cents (2¢)



per pound; for the next 3,000 pounds or any part thereof, four cents (4¢) per pound; for each pound in excess of 5,000 pounds, ten cents (10¢) per pound. Tolerance pounds in excess of the limit set in subdivision (b)(3) are subject to the penalty if the vehicle exceeds the tolerance allowed in subsection (h) of this section. These penalties apply separately to each axle-group weight limit violated.

(4) The penalty for a violation of an axle-group weight limit by a vehicle that is transporting an item listed in subdivision (c)(5) of this section is one-half of the amount it would otherwise be under subdivision (3) of this subsection.

(5) A violation of a weight limit in this section or of a permitted weight under G.S. 20-119 is not punishable under G.S. 20-176.

(6) The penalty for violating the gross weight or axle-group weight by a dump truck or dump trailer vehicle transporting bulk soil, bulk rock, sand, sand rock, or asphalt millings intrastate from a site that does not have a certified scale for weighing the vehicle is one-half of the amount it otherwise would be under subdivisions (1) and (3) of this subsection."

SECTION 4. G.S. 20-119 reads as rewritten:

"§ 20-119. Special permits for vehicles of excessive size, or weight; weight, or number of units; fees.

(a) The Department of Transportation may, in ~~their~~its discretion, upon application, for good cause being shown therefor, issue a special permit in writing authorizing the applicant to operate or move a vehicle of a size or weight ~~or number of units~~ exceeding a maximum specified in this Article upon any highway under the jurisdiction and for the maintenance of which the body granting the permit is responsible. However, the Department is not authorized to issue any permit to operate or move over the State highways twin trailers, commonly referred to as double bottom trailers. Every such permit shall be carried in the vehicle to which it refers and shall be open to inspection by any peace officer. The authorities in any incorporated city or town may grant permits in writing and for good cause shown, authorizing the applicant to move a vehicle over the streets of such city or town, the size or weight exceeding the maximum expressed in this Article. The Department of Transportation shall issue rules to implement this ~~section~~section, ~~but no rule shall provide that the permits issued pursuant to this section may be invalidated by law enforcement personnel.~~

(b) Upon the issuance of a special permit for an oversize or overweight vehicle by the Department of Transportation in accordance with this section, the applicant shall pay to the Department for a single trip permit a fee of twelve dollars (\$12.00) for each dimension over lawful dimensions, including height, length, width, and weight up to 132,000 pounds. For overweight vehicles, the applicant shall pay to the Department for a single trip permit in addition to the fee imposed by the previous sentence a fee of three dollars (\$3.00) per 1,000 pounds over 132,000 pounds.

Upon the issuance of an annual permit for a single vehicle, the applicant shall pay a fee in accordance with the following schedule:

Commodity:

Annual Fee:

Annual Permit to Move House Trailers

\$200.00

Annual Permit to Move Other Commodities

\$100.00

In addition to the fees set out in this subsection, applications for permits that require an engineering study for pavement or structures or other special conditions or considerations shall be accompanied by a nonrefundable application fee of one hundred dollars (\$100.00).

This subsection does not apply to farm equipment or machinery being used at the time for agricultural purposes, nor to the moving of a house as provided for by the license and permit requirements of Article 16 of this Chapter. Fees will not be assessed for permits for oversize and overweight vehicles issued to any agency of the United States Government or the State of North Carolina, its agencies, institutions, subdivisions, or municipalities if the vehicle is registered in the name of the agency.

(b1) Neither the Department nor the Board may require review or renewal of annual permits, with or without fee, more than once per calendar year.

(c) Nothing in this section shall require the Department of Transportation to issue any permit for any load.

(d) For each violation of any of the terms or conditions of a special permit issued or where a permit is required but not obtained under this section the Department of ~~Transportation~~ Crime Control and Public Safety may assess a ~~separate~~ civil penalty for each violation against the registered owner of the vehicle as follows:

(1) A fine of five hundred dollars (\$500.00) for any of the following: operating without the issuance of a permit, moving a load off the route specified in the permit, falsifying information to obtain a permit, failing to comply with dimension restrictions of a permit, or failing to comply with ~~escort vehicle requirements~~ the number of properly certified escort vehicles required.

(2) A fine of two hundred fifty dollars (\$250.00) for moving loads beyond the distance allowances of an annual permit covering the movement of house trailers from the retailer's premises or for operating in violation of time of travel restrictions.

(3) A fine of one hundred dollars (\$100.00) for any other violation of the permit conditions or requirements imposed by applicable regulations.

The Department of Transportation may refuse to issue additional permits or suspend existing permits if there are repeated violations of subdivision (1) or (2) of this subsection. In addition to the penalties provided by this subsection, a civil penalty in accordance with G.S. 20-118(e)(1) and (3) may be assessed if a vehicle is operating without the issuance of a required permit, operating off permitted route of travel, operating without the proper number of certified escorts, fails to comply with travel restrictions of the permit or operating with improper license. Fees assessed for permit violations under this subsection shall not exceed a maximum of twenty-five thousand dollars (\$25,000).

(e) It is the intent of the General Assembly that the permit fees provided in G.S. 20-119 shall be adjusted periodically to assure that the revenue generated by the

1 fees is equal to the cost to the Department of administering the Oversize/Overweight  
2 Permit Unit Program within the Division of Highways. At least every two years, the  
3 Department shall review and compare the revenue generated by the permit fees and the  
4 cost of administering the program, and shall report to the Joint Legislative  
5 Transportation Oversight Committee created in G.S.120-70.50 its recommendations for  
6 adjustments to the permit fees to bring the revenues and the costs into alignment.

7 (f) The Department of Transportation shall issue rules to establish an escort  
8 driver training and certification program for escort vehicles accompanying  
9 oversize/overweight loads. Any driver operating a vehicle escorting an  
10 oversize/overweight load shall meet any training requirements and obtain certification  
11 under the rules issued pursuant to this subsection. These rules may provide for  
12 reciprocity with other states having similar escort certification programs. Certification  
13 credentials for the driver of an escort vehicle shall be carried in the vehicle and be  
14 readily available for inspection by law enforcement personnel. The escort and training  
15 certification requirements of this subsection shall not apply to the transportation of  
16 agricultural machinery until October 1, 2004. The Department of Transportation shall  
17 develop and implement an in-house training program for agricultural machinery escorts  
18 by September 1, 2004.

19 (g) The Department of Transportation shall issue annual overwidth permits for  
20 vehicles carrying agricultural equipment or machinery from the dealer to the farm or  
21 from the farm to the dealer that do not exceed 14 feet in width. These permits shall be  
22 valid for unlimited movement without escorts on all State highways where the  
23 overwidth vehicles do not exceed posted bridge and load limits.

24 (h) No law enforcement officer shall issue a citation to a person for a violation of  
25 this section if the officer is able to determine by electronic means that the person has a  
26 permit valid at the time of the violation but does not have the permit in his or her  
27 possession. Any person issued a citation pursuant to this section who does not have the  
28 permit in his or her possession at the time of the issuance of the citation shall not be  
29 responsible for a violation, and the Department of Crime Control and Public Safety may  
30 not impose any fines under this section if the person submits evidence to the  
31 Department of the existence of a permit valid at the time of the violation within 30 days  
32 of the date of the violation."

33 **SECTION 5.** This act becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 669\*

Short Title: Oversize/Overweight Vehicle Changes.-AB

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

March 16, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE LAW CONCERNING OVERSIZE AND OVERWEIGHT  
3 VEHICLES.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G. S. 20-96 reads as rewritten:

6 "**§ 20-96. Detaining property-hauling vehicles or vehicles regulated by the Motor**  
7 **Carrier Safety Regulation Unit until fines or penalties and taxes are**  
8 **collected.**

9 (a) Authority to Detain Vehicles. – A law enforcement officer may seize and  
10 detain the following property-hauling vehicles operating on the highways of the State:

- 11 (1) A property-hauling vehicle with an overload in violation of  
12 G.S. 20-88(k) and G.S. 20-118.  
13 (2) A property-hauling vehicle that does not have a proper registration  
14 plate as required under G.S. 20-118.3.  
15 (3) A property-hauling vehicle that is owned by a person liable for any  
16 overload penalties or assessments due and unpaid for more than 30  
17 days.  
18 (4) A property-hauling vehicle that is owned by a person liable for any  
19 taxes or penalties under Article 36B of Chapter 105 of the General  
20 Statutes.  
21 (5) Any commercial vehicle operating under the authority of a motor  
22 carrier when the motor carrier has been assessed a fine pursuant to  
23 G.S. 20-17.7 and that fine has not been paid.  
24 (6) A property-hauling vehicle with an oversize or overweight load in  
25 violation of G.S. 20-119.

26 The officer may detain the vehicle until the delinquent fines or penalties and taxes  
27 are paid and, in the case of a vehicle that does not have the proper registration plate,  
28 until the proper registration plate is secured.

(b) Storage; Liability. –When necessary, an officer who detains a vehicle under this section may have the vehicle stored. The motor carrier under whose authority the vehicle is being operated or the owner of a vehicle that is detained or stored under this section is responsible for the care of any property being hauled by the vehicle and for any storage charges. The State shall not be liable for damage to the vehicle or loss of the property being hauled."

SECTION 2. G.S. 20-117 reads as rewritten:

"§ 20-117. Flag or light at end of load.

Whenever the load on any vehicle shall extend more than four feet and not to exceed 14 feet beyond the rear of the bed or body thereof, there shall be displayed at the end of such load, in such position as to be clearly visible at all times from the rear of such load, a red or orange flag not less than 12 inches both in length and width, except that from sunset to sunrise there shall be displayed at the end of any such load a red or amber light plainly visible under normal atmospheric conditions at least 200 feet from the rear of such vehicle."

SECTION 3. G.S. 20-118(e) reads as rewritten:

"(e) Penalties. –

- (1) Except as provided in subdivision (2) of this subsection, for each violation of the single-axle or tandem-axle weight limits set in subdivision (b)(1), (b)(2), or (b)(4) of this section or axle weights authorized by special permit according to G.S. 20-119(a), the Department of ~~Transportation~~ Crime Control and Public Safety shall assess a civil penalty against the owner or registrant of the vehicle in accordance with the following schedule: for the first 1,000 pounds or any part thereof, four cents (4¢) per pound; for the next 1,000 pounds or any part thereof, six cents (6¢) per pound; and for each additional pound, ten cents (10¢) per pound. These penalties apply separately to each weight limit violated. In all cases of violation of the weight limitation, the penalty shall be computed and assessed on each pound of weight in excess of the maximum permitted.
- (2) The penalty for a violation of the single-axle or tandem-axle weight limits by a vehicle that is transporting an item listed in subdivision (c)(5) of this section is one-half of the amount it would otherwise be under subdivision (1) of this subsection.
- (3) If an axle-group weight of a vehicle exceeds the weight limit set in subdivision (b)(3) of this section plus any tolerance allowed in subsection (h) of this section or axle weights authorized by special permit according to G.S. 20-119(a), the Department of ~~Transportation~~ Crime Control and Public Safety shall assess a civil penalty against the owner or registrant of the motor vehicle. The penalty shall be assessed on the number of pounds by which the axle-group weight exceeds the limit set in subdivision (b)(3), as follows: for the first 2,000 pounds or any part thereof, two cents (2¢) per pound; for the next 3,000 pounds or any part thereof, four cents (4¢) per pound; for each pound in excess

of 5,000 pounds, ten cents (10¢) per pound. Tolerance pounds in excess of the limit set in subdivision (b)(3) are subject to the penalty if the vehicle exceeds the tolerance allowed in subsection (h) of this section. These penalties apply separately to each axle-group weight limit violated.

(4) The penalty for a violation of an axle-group weight limit by a vehicle that is transporting an item listed in subdivision (c)(5) of this section is one-half of the amount it would otherwise be under subdivision (3) of this subsection.

(5) A violation of a weight limit in this section is not punishable under G.S. 20-176.

(6) The penalty for violating the gross weight or axle-group weight by a dump truck or dump trailer vehicle transporting bulk soil, bulk rock, sand, sand rock, or asphalt millings intrastate from a site that does not have a certified scale for weighing the vehicle is one-half of the amount it otherwise would be under subdivisions (1) and (3) of this subsection."

**SECTION 4.** G.S. 20-119 reads as rewritten:

**"§ 20-119. Special permits for vehicles of excessive size, or weight; weight, or number of units; fees.**

(a) The Department of Transportation may, in their discretion, upon application, for good cause being shown therefor, issue a special permit in writing authorizing the applicant to operate or move a vehicle of a size or weight ~~or number of units~~ exceeding a maximum specified in this Article upon any highway under the jurisdiction and for the maintenance of which the body granting the permit is responsible. However, the Department is not authorized to issue any permit to operate or move over the State highways twin trailers, commonly referred to as double bottom trailers. Every such permit shall be carried in the vehicle to which it refers and shall be open to inspection by any peace officer. The authorities in any incorporated city or town may grant permits in writing and for good cause shown, authorizing the applicant to move a vehicle over the streets of such city or town, the size or weight exceeding the maximum expressed in this Article. The Department of Transportation shall issue rules to implement this ~~section. section, but no rule shall provide that the permits issued pursuant to this section may be invalidated by law enforcement personnel.~~

(b) Upon the issuance of a special permit for an oversize or overweight vehicle by the Department of Transportation in accordance with this section, the applicant shall pay to the Department for a single trip permit a fee of twelve dollars (\$12.00) for each dimension over lawful dimensions, including height, length, width, and weight up to 132,000 pounds. For overweight vehicles, the applicant shall pay to the Department for a single trip permit in addition to the fee imposed by the previous sentence a fee of three dollars (\$3.00) per 1,000 pounds over 132,000 pounds.

Upon the issuance of an annual permit for a single vehicle, the applicant shall pay a fee in accordance with the following schedule:

Commodity:

Annual Fee:

1 Annual Permit to Move House Trailers \$200.00

2 Annual Permit to Move Other Commodities \$100.00

3 In addition to the fees set out in this subsection, applications for permits that require  
4 an engineering study for pavement or structures or other special conditions or  
5 considerations shall be accompanied by a nonrefundable application fee of one hundred  
6 dollars (\$100.00).

7 This subsection does not apply to farm equipment or machinery being used at the  
8 time for agricultural purposes, nor to the moving of a house as provided for by the  
9 license and permit requirements of Article 16 of this Chapter. Fees will not be assessed  
10 for permits for oversize and overweight vehicles issued to any agency of the United  
11 States Government or the State of North Carolina, its agencies, institutions,  
12 subdivisions, or municipalities if the vehicle is registered in the name of the agency.

13 (b1) Neither the Department nor the Board may require review or renewal of  
14 annual permits, with or without fee, more than once per calendar year.

15 (c) Nothing in this section shall require the Department of Transportation to issue  
16 any permit for any load.

17 (d) For each violation of any of the terms or conditions of a special permit issued  
18 or qualifying for issuance under this section the Department of ~~Transportation- Crime~~  
19 Control and Public Safety may assess a ~~separate~~ civil penalty for each violation against  
20 the registered owner of the vehicle as follows:

21 (1) A fine of five hundred dollars (\$500.00) for any of the following:  
22 operating without the issuance of a permit, moving a load off the route  
23 specified in the permit, falsifying information to obtain a permit,  
24 failing to comply with dimension restrictions of a permit, or failing to  
25 comply with ~~escort vehicle requirements~~. the number of properly  
26 certified escort vehicles required.

27 (2) A fine of two hundred fifty dollars (\$250.00) for moving loads beyond  
28 the distance allowances of an annual permit covering the movement of  
29 house trailers from the retailer's premises or for operating in violation  
30 of time of travel restrictions.

31 (3) A fine of one hundred dollars (\$100.00) for any other violation of the  
32 permit conditions ~~or requirements imposed by applicable regulations~~.  
33 for each violation of the applicable Federal Motor Carrier Regulations  
34 as contained in 49 C.F.R. §§ 390-397.

35 The Department of Transportation may refuse to issue additional permits or suspend  
36 existing permits if there are repeated violations of subdivision (1) or (2) of this  
37 subsection. In addition to the penalties provided by this subsection, a civil penalty in  
38 accordance with G.S. 20-118(e)(1) and (3) may be assessed if a vehicle is operating  
39 without the issuance of a required permit, operating off permitted route of travel,  
40 operating without the proper number of certified escorts, fails to comply with travel  
41 restrictions of the permit or operating with improper license. Fees assessed for permit  
42 violations under this subsection shall not exceed a maximum of ten thousand dollars  
43 (\$10,000).

1 (e) It is the intent of the General Assembly that the permit fees provided in  
2 G.S. 20-119 shall be adjusted periodically to assure that the revenue generated by the  
3 fees is equal to the cost to the Department of administering the Oversize/Overweight  
4 Permit Unit Program within the Division of Highways. At least every two years, the  
5 Department shall review and compare the revenue generated by the permit fees and the  
6 cost of administering the program, and shall report to the Joint Legislative  
7 Transportation Oversight Committee created in G.S.120-70.50 its recommendations for  
8 adjustments to the permit fees to bring the revenues and the costs into alignment.

9 (f) The Department of Transportation shall issue rules to establish an escort  
10 driver training and certification program for escort vehicles accompanying  
11 oversize/overweight loads. Any driver operating a vehicle escorting an  
12 oversize/overweight load shall meet any training requirements and obtain certification  
13 under the rules issued pursuant to this subsection. These rules may provide for  
14 reciprocity with other states having similar escort certification programs. Certification  
15 credentials for the driver of an escort vehicle shall be carried in the vehicle and be  
16 readily available for inspection by law enforcement personnel. The escort and training  
17 certification requirements of this subsection shall not apply to the transportation of  
18 agricultural machinery until October 1, 2004. The Department of Transportation shall  
19 develop and implement an in-house training program for agricultural machinery escorts  
20 by September 1, 2004.

21 (g) The Department of Transportation shall issue annual overwidth permits for  
22 vehicles carrying agricultural equipment or machinery from the dealer to the farm or  
23 from the farm to the dealer that do not exceed 14 feet in width. These permits shall be  
24 valid for unlimited movement without escorts on all State highways where the  
25 overwidth vehicles do not exceed posted bridge and load limits.

26 (h) No law enforcement officer shall issue a citation to a person for a violation of  
27 this section if the officer is able to determine by electronic means that the person has a  
28 permit valid at the time of the violation but does not have the permit in his or her  
29 possession. Any person issued a citation pursuant to this section who does not have the  
30 permit in his or her possession at the time of the issuance of the citation shall not be  
31 responsible for a violation, and the Department of Crime Control and Public Safety may  
32 not impose any fines under this section if the person submits evidence to the  
33 Department of the existence of a permit valid at the time of the violation within 30 days  
34 of the date of the violation."

35 **SECTION 5.** This act becomes effective July 1, 2005.



NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. \_\_\_\_\_

H. B. No. 669

DATE \_\_\_\_\_

S. B. No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

COMMITTEE SUBSTITUTE X

(to be filled in by  
Principal Clerk)

Rep.) Daughtridge  
Sen.)

1 moves to amend the bill on page 2, line 37-16

2 ( ) WHICH CHANGES THE TITLE

3 by deleting the Section;

4  
5 and by renumbering the remaining sections.

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SIGNED R. D. Daughtridge

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. \_\_\_\_\_

H. B. No. 669

DATE \_\_\_\_\_

S. B. No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

COMMITTEE SUBSTITUTE \_\_\_\_\_

(to be filled in by  
Principal Clerk)

Rep. ) Allred  
Sen. ) \_\_\_\_\_

1 moves to amend the bill on page 2, line 16

2 ( ) WHICH CHANGES THE TITLE

3 by rewriting the line to read:

4 \_\_\_\_\_

5 "vehicle, with the exuption of vehicles transporting  
6 ~~forestry products~~ forestry products."

7 \_\_\_\_\_

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12 \_\_\_\_\_

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14 \_\_\_\_\_

15 \_\_\_\_\_

16 \_\_\_\_\_

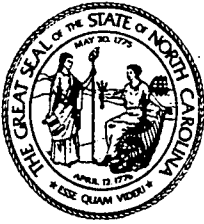
17 \_\_\_\_\_

18 \_\_\_\_\_

19 \_\_\_\_\_

SIGNED \_\_\_\_\_

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



# HOUSE BILL 669: Oversize/Overweight Vehicle Changes.-AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Cole  
**Version:** First Edition  
H669-CSSU-9[v.1]

**Date:** April 27, 2005  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 669 would make changes to statutes concerning oversize and overweight vehicles.*

### BILL ANALYSIS:

**Section 1.** This section would authorize law enforcement officers to seize and detain property-hauling vehicles that are operating in violation of G.S. 20-119, which provides for special permits for vehicles that exceed size and weight limits allowed by law. An officer would be able to detain the vehicle until applicable penalties are paid.

**Section 2.** G.S. 20-117 requires that a flag or light (during hours of darkness) be displayed at the end of a load that extends more than 4 feet from the rear of the bed or body of a vehicle. Section 2 of the bill would specify that a load may not extend more than 14 feet from the end of the bed or body of the vehicle.

**Section 3.** G.S. 20-118(e) sets out civil penalties for violating vehicle weight limits allowed by law. This section would make those penalties also applicable to violations of weight limits authorized by special permits issued by the Department.

**Section 4.** This section would clarify that civil penalties assessed for violations of special permit conditions may also be assessed when a permit is required but has not been obtained. It would also authorize the Department to assess the penalties provided for violation of weight limits under G.S. 20-118 for violation of certain special permit conditions, in addition to the penalties specifically authorized for violation of special permit conditions under G.S. 20-119. However, penalties would not be allowed to exceed a maximum of \$25,000.

**EFFECTIVE DATE:** The bill would become effective July 1, 2005.

H0669e1-SMSU-CSSU-9v1

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☐ Committee Substitute for

**HB 669** A BILL TO BE ENTITLED AN ACT TO AMEND THE LAW CONCERNING  
OVERSIZE AND OVERWEIGHT VEHICLES.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

2

HOUSE BILL 750\*  
Committee Substitute Favorable 4/28/05

Short Title: Secondary Road Construction.-AB

(Public)

Sponsors:

Referred to:

March 17, 2005

A BILL TO BE ENTITLED

AN ACT RELATING TO THE IMPROVEMENT OF SECONDARY ROADS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-44.2A reads as rewritten:

"§ 136-44.2A. **Secondary road ~~construction~~ improvement program.**

There shall be annually allocated ~~out of from~~ the State Highway Fund to the Department of Transportation for secondary road ~~construction~~ improvement programs developed pursuant to G.S. 136-44.7 and 136-44.8, a sum equal to that allocation made from the Highway Fund under G.S. 136-41.1(a). In addition, as provided in G.S. 136-176(b)(4) and G.S. 20-85(b), revenue is annually allocated from the Highway Trust Fund for secondary road construction. Of the funds allocated from the Highway ~~Fund and the Highway Trust Fund~~, the sum of sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated among the counties in accordance with G.S. 136-44.5(b). All funds allocated from the Highway Fund for secondary road ~~construction~~ improvements in excess of that amount shall be allocated among the counties in accordance with G.S. 136-44.5(c). All funds allocated from the Highway Trust Fund for secondary road improvement programs shall be allocated in accordance with G.S. 136-182."

**SECTION 2.** G.S. 136-44.5 reads as rewritten:

"§ 136-44.5. **Secondary roads; mileage study; allocation of funds.**

(a) Before July 1, in each calendar year, the Department of Transportation shall make a study of all ~~state-maintained~~ State-maintained unpaved and paved secondary roads in the State. The study shall ~~determine~~ determine:

(1) ~~the~~ The number of miles of unpaved ~~state-maintained~~ State-maintained roads in each ~~county~~ county eligible for paving and the total number of miles that are ineligible;

(2) The total number of miles of unpaved ~~state-maintained~~ State-maintained roads in the State, ~~the number of miles of unpaved state-maintained roads in each county that have a traffic vehicular~~

equivalent of at least 50 vehicles a day, and the total number of miles of unpaved state-maintained roads in the State that have a traffic vehicular equivalent of at least 50 vehicles a day. State eligible for paving and the total number of miles that are ineligible; and

(3) The total number of paved State-maintained roads in each county, and the total number of miles of paved State-maintained roads in the State.

In this subsection, (i) ineligible unpaved mileage is defined as the number of miles of unpaved roads that have unavailable rights-of-way or for which environmental permits cannot be approved to allow for paving, and (ii) eligible unpaved mileage is defined as the number of miles of unpaved roads that have not been previously approved for paving by any funding source or has the potential to be programmed for paving when rights-of-way or environmental permits are secured. Except for federal-aid programs, the Department shall allocate all secondary road ~~construction-improvement~~ funds on the basis of a formula using the study figures.

(b) The first sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated as follows: Each county shall receive a percentage of these funds, the percentage to be determined as a factor of the number of miles of paved and unpaved ~~state-maintained~~ State-maintained secondary roads in the county divided by the total number of miles of unpaved ~~state-maintained~~ State-maintained secondary roads in the ~~State~~ State, excluding those unpaved secondary roads that have been determined to be eligible for paving as defined in subsection (a) of this section. Beginning in fiscal year 2010-2011, allocations pursuant to this subsection shall be based on the total number of secondary miles in a county in proportion to the total State-maintained secondary road mileage.

(c) Funds allocated for secondary road construction in excess of sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated to each county based on the percentage proportion that the number of miles in the county of ~~state-maintained~~ State-maintained unpaved secondary roads with a traffic vehicular equivalent of at least 50 vehicles a day bears to the total number of miles in the ~~State~~ State of ~~state-maintained~~ State-maintained unpaved secondary roads with a traffic vehicular equivalent of at least 50 vehicles a day roads. In a county that has roads with eligible miles, these funds shall only be used for paving unpaved secondary road miles in that county. In a county where there are no roads eligible to be paved as defined in subsection (a) of this section, the funds may be used for improvements on the paved and unpaved secondary roads in that county. Beginning in fiscal year 2010-2011, allocations pursuant to this subsection shall be based on the total number of secondary miles in a county in proportion to the total State-maintained secondary road mileage.

(d) Copies of the Department study of unpaved and paved ~~state-maintained~~ State-maintained secondary roads and copies of the individual county allocations shall be made available to newspapers having general circulation in each county."

SECTION 3. G.S. 136-182 reads as rewritten:

"§ 136-182. **Supplement for secondary road ~~construction-improvement~~.**

Funds are allocated from the Trust Fund to increase allocations for secondary road ~~construction-improvement~~ made under G.S. 136-44.2A so that all State-maintained

1 unpaved secondary roads with a traffic vehicular equivalent of at least 50 vehicles a day  
2 eligible for paving pursuant to G.S. 136-44.5(a) can be paved by the 2009-2010 fiscal  
3 year. ~~If all the State-maintained roads in a county have been paved under G.S. 136-44.7,~~  
4 ~~except those that have unavailable rights of way or for which environmental permits~~  
5 ~~cannot be approved to allow for paving, then the funds may be used for safety~~  
6 ~~improvements on the paved or unpaved secondary roads in that county.~~

7 Allocations of these funds shall be based on the percentage proportion of the number  
8 of miles in the county of State-maintained unpaved secondary roads that are eligible to  
9 be paved under G.S. 136-44.5(a) bears to the total number of miles in the State of  
10 State-maintained unpaved secondary roads that are eligible to be paved.

11 As an exception to the formula for the allocation of these funds, the Department  
12 may, beginning in the 2006-2007 fiscal year and until the 2009-2010 fiscal year, set  
13 aside up to five million dollars (\$5,000,000) to pay for the paving of any unpaved  
14 secondary road that had previously been determined to be ineligible for paving.

15 Beginning in fiscal year 2010-2011, allocations from the Trust Fund shall be based  
16 on the total number of secondary miles in a county in proportion to the total  
17 State-maintained secondary road mileage."

18 **SECTION 4.** This act becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 750\*  
PROPOSED COMMITTEE SUBSTITUTE H750-CSRW-16 [v.4]

4/26/2005 5:35:34 PM

Short Title: Secondary Road Construction.-AB

(Public)

Sponsors:

Referred to:

March 17, 2005

A BILL TO BE ENTITLED

AN ACT RELATING TO THE IMPROVEMENT OF SECONDARY ROADS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-44.2A reads as rewritten:

"§ 136-44.2A. Secondary road construction-improvement program.

There shall be annually allocated ~~out of from~~ the State Highway Fund to the Department of Transportation for secondary road ~~construction-improvement~~ programs developed pursuant to G.S. 136-44.7 and 136-44.8, a sum equal to that allocation made from the Highway Fund under G.S. 136-41.1(a). In addition, as provided in G.S. 136-176(b)(4) and G.S. 20-85(b), revenue is annually allocated from the Highway Trust Fund for secondary road construction. Of the funds allocated from the Highway ~~Fund and the Highway Trust Fund~~, the sum of sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated among the counties in accordance with G.S. 136-44.5(b). All funds allocated from the Highway Fund for secondary road ~~construction-improvements~~ in excess of that amount shall be allocated among the counties in accordance with G.S. 136-44.5(c). All funds allocated from the Highway Trust Fund for secondary road improvement programs shall be allocated in accordance with G.S. 136-182."

SECTION 2. G.S. 136-44.5 reads as rewritten:

"§ 136-44.5. Secondary roads; mileage study; allocation of funds.

(a) Before July 1, in each calendar year, the Department of Transportation shall make a study of all ~~state-maintained~~ State-maintained ~~unpaved and paved~~ secondary roads in the State. The study shall ~~determine~~ determine:

(1) ~~the~~ The number of miles of unpaved ~~state-maintained~~ State-maintained roads in each ~~county~~, county eligible for paving and the total number of miles that are ineligible;

(2) The total number of miles of unpaved state-maintained State-maintained roads in the State, the number of miles of unpaved



1 ~~state-maintained roads in each county that have a traffic vehicular~~  
2 ~~equivalent of at least 50 vehicles a day, and the total number of miles~~  
3 ~~of unpaved state-maintained roads in the State that have a traffic~~  
4 ~~vehicular equivalent of at least 50 vehicles a day. State eligible for~~  
5 ~~paving and the total number of miles that are ineligible; and~~

6 (3) The total number of paved State-maintained roads in each county, and  
7 the total number of miles of paved State-maintained roads in the State.

8 In this subsection, (i) ineligible unpaved mileage is defined as the number of miles  
9 of unpaved roads that have unavailable rights-of-way or for which environmental  
10 permits cannot be approved to allow for paving, and (ii) eligible unpaved mileage is  
11 defined as the number of miles of unpaved roads that have not been previously  
12 approved for paving by any funding source or has the potential to be programmed for  
13 paving when rights-of-way or environmental permits are secured. Except for federal-aid  
14 programs, the Department shall allocate all secondary road construction-improvement  
15 funds on the basis of a formula using the study figures.

16 (b) The first sixty-eight million six hundred seventy thousand dollars  
17 (\$68,670,000) shall be allocated as follows: Each county shall receive a percentage of  
18 these funds, the percentage to be determined as a factor of the number of miles of paved  
19 and unpaved state-maintained State-maintained secondary roads in the county divided  
20 by the total number of miles of unpaved state-maintained State-maintained secondary  
21 roads in the State.State, excluding those unpaved secondary roads that have been  
22 determined to be eligible for paving as defined in subsection (a) of this section.  
23 Beginning in fiscal year 2010-2011, allocations pursuant to this subsection shall be  
24 based on the total number of secondary miles in a county in proportion to the total  
25 State-maintained secondary road mileage.

26 (c) Funds allocated for secondary road construction in excess of sixty-eight  
27 million six hundred seventy thousand dollars (\$68,670,000) shall be allocated to each  
28 county based on the percentage proportion that the number of miles in the county of  
29 state-maintained State-maintained unpaved secondary roads with a traffic vehicular  
30 equivalent of at least 50 vehicles a day bears to the total number of miles in the State  
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32 vehicular equivalent of at least 50 vehicles a day.roads. In a county that has roads with  
33 eligible miles, these funds shall only be used for paving unpaved secondary road miles  
34 in that county. In a county where there are no roads eligible to be paved as defined in  
35 subsection (a) of this section, the funds may be used for improvements on the paved and  
36 unpaved secondary roads in that county. Beginning in fiscal year 2010-2011, allocations  
37 pursuant to this subsection shall be based on the total number of secondary miles in a  
38 county in proportion to the total State-maintained secondary road mileage.

39 (d) Copies of the Department study of unpaved and paved state-maintained  
40 State-maintained secondary roads and copies of the individual county allocations shall  
41 be made available to newspapers having general circulation in each county."

42 **SECTION 3. G.S. 136-182 reads as rewritten:**

43 **"§ 136-182. Supplement for secondary road construction-improvement.**

1 Funds are allocated from the Trust Fund to increase allocations for secondary road  
2 ~~construction-improvement~~ made under G.S. 136-44.2A so that all State-maintained  
3 unpaved secondary roads ~~with a traffic vehicular equivalent of at least 50 vehicles a day~~  
4 eligible for paving pursuant to G.S. 136-44.5(a) can be paved by the 2009-2010 fiscal  
5 year. If all the State-maintained roads in a county have been paved under G.S. 136-44.7,  
6 ~~except those that have unavailable rights-of-way or for which environmental permits~~  
7 ~~cannot be approved to allow for paving, then the funds may be used for safety~~  
8 ~~improvements on the paved or unpaved secondary roads in that county.~~

9 Allocations of these funds shall be based on the percentage proportion of the number  
10 of miles in the county of State-maintained unpaved secondary roads that are eligible to  
11 be paved under G.S. 136-44.5(a) bears to the total number of miles in the State of  
12 State-maintained unpaved secondary roads that are eligible to be paved.

13 As an exception to the formula for the allocation of these funds, the Department  
14 may, beginning in the 2006-2007 fiscal year and until the 2009-2010 fiscal year, set  
15 aside up to five million dollars (\$5,000,000) to pay for the paving of any unpaved  
16 secondary road that had previously been determined to be ineligible for paving.

17 Beginning in fiscal year 2010-2011, allocations from the Trust Fund shall be based  
18 on the total number of secondary miles in a county in proportion to the total  
19 State-maintained secondary road mileage."

20 **SECTION 4.** This act becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 750\*

Short Title: Secondary Road Construction.-AB

(Public)

Sponsors: Representatives Cole, Coates (Primary Sponsors); and Brown.

Referred to: Transportation.

March 17, 2005

A BILL TO BE ENTITLED

AN ACT RELATING TO THE IMPROVEMENT OF SECONDARY ROADS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-44.2A reads as rewritten:

**"§ 136-44.2A. Secondary road ~~construction-improvement~~ program.**

There shall be annually allocated ~~out of from~~ the State Highway Fund to the Department of Transportation for secondary road ~~construction-improvement~~ programs developed pursuant to G.S. 136-44.7 and 136-44.8, a sum equal to that allocation made from the Highway Fund under G.S. 136-41.1(a). In addition, as provided in G.S. 136-176(b)(4) and G.S. 20-85(b), revenue is annually allocated from the Highway Trust Fund for secondary road construction. Of the funds allocated from the Highway ~~Fund and the Highway Trust Fund~~, the sum of sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated among the counties in accordance with G.S. 136-44.5(b). All funds allocated from the Highway Fund for secondary road ~~construction-improvements~~ in excess of that amount shall be allocated among the counties in accordance with G.S. 136-44.5(c). All funds allocated from the Highway Trust Fund for secondary road improvement programs shall be allocated in accordance with G.S. 136-182."

**SECTION 2.** G.S. 136-44.5 reads as rewritten:

**"§ 136-44.5. Secondary roads; mileage study; allocation of funds.**

(a) Before July 1, in each calendar year, the Department of Transportation shall make a study of all ~~state-maintained~~ State-maintained ~~unpaved and paved~~ secondary roads in the ~~State-State~~. The ~~unpaved road~~ study ~~shall-shall~~:

(1) ~~determine~~ Determine the number of miles of unpaved ~~state-maintained~~ State-maintained roads in each ~~county~~, county eligible for paving and the total number of miles that are ineligible;

(2) The total number of miles of unpaved ~~state-maintained~~ State-maintained roads in the ~~State~~, ~~the number of miles of unpaved~~ state-maintained roads in each county that have a traffic vehicular

equivalent of at least 50 vehicles a day, and the total number of miles of unpaved state-maintained roads in the State that have a traffic vehicular equivalent of at least 50 vehicles a day. State eligible for paving and the total number of miles that are ineligible; and

(3) The total number of paved State-maintained roads in each county, and the total number of miles of paved State-maintained roads in the State.

In this subsection, (i) ineligible unpaved mileage is defined as the number of miles of unpaved roads that have unavailable rights-of-way or for which environmental permits cannot be approved to allow for paving, and (ii) eligible unpaved mileage is defined as the number of miles of unpaved roads that have not been previously approved for paving by any funding source or has the potential to be programmed for paving when rights-of-way or environmental permits are secured. Except for federal-aid programs, the Department shall allocate all secondary road ~~construction-improvement~~ funds on the basis of a formula using the study figures.

(b) The first sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated as follows: Each county shall receive a percentage of these funds, the percentage to be determined as a factor of the number of miles of paved and unpaved state-maintained-State-maintained secondary roads in the county divided by the total number of miles of unpaved ~~state-maintained-State-maintained~~ secondary roads in the State-State, excluding those unpaved secondary roads which have been determined to be eligible for paving as defined in subsection (a) of this section.

(c) Funds allocated for secondary road construction in excess of sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated to each county based on the percentage proportion that the number of miles in the county of ~~state-maintained-State-maintained~~ unpaved secondary roads with a traffic vehicular equivalent of at least 50 vehicles a day bears to the total number of miles in the State-State of ~~state-maintained-State-maintained~~ unpaved secondary roads with a traffic vehicular equivalent of at least 50 vehicles a day-roads. In a county that has roads with eligible miles, these funds shall only be used for paving unpaved secondary road miles in that county. In a county in which there are no roads eligible to be paved as defined in subsection (a) of this section, the funds may be used for improvements on the paved and unpaved secondary roads in that county.

(d) Copies of the Department study of unpaved and paved ~~state-maintained-State-maintained~~ secondary roads and copies of the individual county allocations shall be made available to newspapers having general circulation in each county."

SECTION 3. G.S. 136-182 reads as rewritten:

"§ 136-182. **Supplement for secondary road ~~construction-improvement~~.**

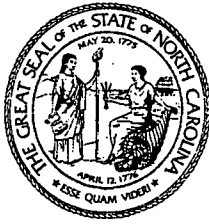
Funds are allocated from the Trust Fund to increase allocations for secondary road ~~construction-improvement~~ made under G.S. 136-44.2A so that all State-maintained unpaved secondary roads with a traffic vehicular equivalent of at least 50 vehicles a day eligible for paving pursuant to G.S. 136-44.5(a) can be paved by the 2009-2010 fiscal year. If all the State-maintained roads in a county have been paved under G.S. 136-44.7, except those that have unavailable rights-of-way or for which environmental permits

1 cannot be approved to allow for paving, then the funds may be used for safety  
2 improvements on the paved or unpaved secondary roads in that county.

3 Beginning in fiscal year 2010-2011, allocations from the Trust Fund shall be based  
4 on the total number of secondary miles in a county in proportion to the total  
5 State-maintained secondary road mileage. Allocations of these funds shall be based on  
6 the percentage proportion of the number of miles in the county of State-maintained  
7 unpaved secondary roads which are eligible to be paved under G.S. 136-44.5(a) bears to  
8 the total number of miles in the State of State-maintained unpaved secondary roads that  
9 are eligible to be paved.

10 As an exception to the formula for the allocation of these funds, the Department  
11 may, beginning in the 2006-2007 fiscal year and until the 2009-2010 fiscal year, set  
12 aside up to five million dollars (\$5,000,000) to pay for the paving of any unpaved  
13 secondary road that had previously been determined to be ineligible for paving."

14 **SECTION 4.** This act becomes effective July 1, 2005.



# HOUSE BILL 750: Secondary Road Construction.-AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Reps. Cole, Coates  
**Version:** H750-CSRW-16

**Date:** April 27, 2005  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 750 makes changes to the allocation of State secondary road improvement funds.*

## BILL ANALYSIS:

**Section 1** of the bill makes clarifying changes to the introductory language governing allocation of secondary road funds.

### Section 2 of the bill:

- changes how the DOT secondary road study is conducted each year to require DOT to determine the number of miles in each county and statewide that are eligible and ineligible for paving, and the total number of miles in each county and statewide that are paved.
- defines the secondary roads "ineligible" to be paved as roads for which right of way or environmental permits cannot be obtained.
- provides that the first \$68.670 million allocated from the Highway Fund to secondary road improvement shall be allocated to counties based on a percentage of funds determined as a factor of the number of paved and unpaid miles of State-maintained secondary roads in the county divided by the total number of miles of unpaved State secondary roads, excluding those unpaved secondary road miles that are eligible to be paved.
- provides that funds from the Highway Fund for improving secondary roads in excess of the first \$68.670 million shall be allocated to each county based on a percentage proportion that the miles of unpaved State secondary roads in the county bears to the total number of unpaved State secondary road miles. Eliminates the current restriction to roads with at least 50 vehicles/day.
- provides that in any county that has no eligible unpaved State secondary road miles, the funds may be used to improve paved and unpaved secondary roads.
- provides that beginning in 2010, the Highway Fund secondary road allocation is to be based on the miles of secondary roads in a county in proportion to the total State-maintained secondary road mileage.

**Section 3** of the bill makes the following changes to the Highway Trust Fund supplement for secondary roads:

- authorizes use of the funds on all unpaved State secondary roads (currently limited to roads with at least 50 vehicles per day).

# House Bill 750

Page 2

- provides a \$5 million set aside for ineligible secondary mileage that become eligible, effective 2006-2010.
- provides that beginning in 2010, the Highway Trust Fund secondary road allocation is to be based on the miles of secondary roads in a county in proportion to the total State-maintained secondary road mileage.

**EFFECTIVE DATE:** This act becomes effective July 1, 2005.

H0750e1-SMRW-CSRW-16

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 750** A BILL TO BE ENTITLED AN ACT RELATING TO THE IMPROVEMENT  
OF SECONDARY ROADS.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.



## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

May 4, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, May 4, 2005 in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Allred, presiding Chair, Representatives L. Allen, Carney and Stiller, Chairs, Representatives Crawford, Saunders, Steen, and Williams, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Daughtridge, Dockham, Goodwin, Haire, Hill, Hilton, McComas, Preston, Rapp, Rhodes, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry Staff Counsel, and Jean Allred, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, James Worth and Martha Parrish, House Sergeants-at-Arms. House Pages assisting were Christian Leonard from Franklin County sponsored by Representative Crawford and Cameron Harwick from Rowan County sponsored by Representative Coates.

Representative Allred called the meeting to order and introduced the House Sergeants-at-Arms and the House Pages assisting with the meeting.

The first order of business was **HB-1266 – A BILL TO BE ENTITLED AN ACT TO INCREASE THE AMOUNT THE DEPARTMENT OF TRANSPORTATION WILL PAY AS RELOCATION ASSISTANCE FOR REASONABLE EXPENSES FOR SEARCHING FOR A REPLACEMENT BUSINESS OR FARM, AS REQUIRED BY FEDERAL REGULATION.** -

sponsored by Representative Cole. Representative Cole explained that HB 1266 was an agency bill which increases the amount DOT and other State agencies must pay as relocation assistance for reasonable expenses for searching for a replacement business or farm, as required by new federal regulations. The House Bill conforms State law to the new federal regulation by increasing from \$1000 to \$2500 the maximum amount the State must pay for reasonable expenses. After a brief discussion Representative Saunders moved to give the bill a favorable report. The motion carried.

Next up was **HB-786 – A BILL TO BE ENTITLED AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE MOTOR VEHICLE DEALERS LICENSING ACT.** – sponsored by Representative Cole. Representative Williams moved to adopt a proposed committee substitute for discussion, which was adopted and Representative Cole explained that the bill was requested by the Department of Motor Vehicles. Under the bill the Division would stagger the expiration dates in the same way it staggers expiration dates for dealer license plates and only the name of the licensee's would be required to be posted at the business or in advertisements.

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
MAY 4, 2005  
PAGE 2**

Discussion followed. Representative Starnes moved to give the Committee Substitute a favorable report, unfavorable as to the original bill. The motion passed.

**HB-670 – A BILL TO BE ENTITLED AN ACT TO AMEND THE LAWS GOVERNING COMMERCIAL DRIVERS LICENSES.** Sponsored by Representative Cole was next for consideration. HB-670 makes various changes to North Carolina law applicable to commercial drivers licenses in order to comply with federal law and regulations. Again Representative Cole explained that the proposed committee substitute that is before us is an agency bill brought to us by DOT. Representative McComas moved for adoption of the PCS, the motion carried. Discussion followed. Representative Coates moved to give HB-670 a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill. The motion carried.

Next **HB-943 – AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY THE COSTS OF NONBETTERMENT RELOCATION OF SOME WATER AND SEWER LINES.** – sponsored by Representative Almond was considered. Representative Stiller made a motion to adopt the Proposed Committee Substitute. Representative Almond explained that when DOT does a widening project and has to move the utilities, it pays for the project if the area has a population of 5,500 or less. HB-943 would require DOT to pay the cost of relocation water and sewer lines when the lines have to be moved due to a DOT construction project and the lines are owned by a municipality with a population of 25,000 or less. According to a recent fiscal note, if enacted the bill would cost between one and five million dollars a year to implement.

Representative Sutton said this was a hot issue over the years and he wanted to hear from the Department of Transportation. Chairman Allred called on Steve Dewitt, DOT, for comments. He said the department was concerned about the added cost to the department stating that current fiscal notes were between one to five million possibly more per year. Representative Sutton said that the issue had been debated as long as he had been on the Transportation Committee and had been defeated every time. He asked the bill sponsor if he would be interested in cutting down the 25,000 to a more reasonable number he might be able to support the bill. Discussion followed. Representative Sutton moved that the bill be displaced, get a new fiscal note and give everybody an opportunity to discuss it further. Motion carried.


**HB-1280 – A BILL TO BE ENTITLED AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO REPORT TO THE GENERAL ASSEMBLY ON STRATEGIES TO BEST UTILIZE FEDERAL FUNDS FOR RAIL IMPROVEMENTS SUCH AS THE WALLACE TO CASTLE HAYNE RAIL CORRIDOR.** was next on the agenda. Representative Carney moved to

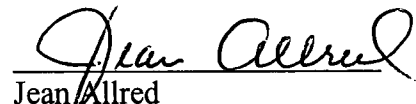
**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
MAY 4, 2005  
PAGE 3**

adopt the proposed committee substitute. Representative Pate recognized Pat Simmons, Director, NCDOT Rail Division and explained that submitted to the House Interim Committee on Expanding Rail Service in the fall of 2004, there were over 100 resolutions from cities, towns, and organizations supporting upgrading and expanding passenger, freight, commuter and short line rail service in North Carolina. Many rail corridors have been allowed to go down over the past several years, one of which is the Wallace to Castle Hayne link of the CSX line in eastern North Carolina and if reestablished, is a direct link to the port at Wilmington. He said there is discussion in the U.S. Congress about Surface Transportation Program and what this would do is direct the Department of Transportation to report to the General Assembly within 60 days on outlining strategies and how to best utilize federal funds. Representative McComas moved to give HB-1280 a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill. The motion passed.

The meeting adjourned at 11:55 A.M. without the following bill being considered:  
HB 747 – Defining State Roads.-AB Rep. – Rep. Cole, bill sponsor.

Respectfully submitted,

  
Representative Cary Allred  
Presiding Chair

  
Jean Allred  
Committee Assistant

~~~~~  
Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

# ***AGENDA***

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

**May 4, 2005  
11:00 A.M.  
Room 1228 LB**

**Representative Cary Allred, Presiding Chair  
Representative Lucy T. Allen, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair**

### **OPENING REMARKS**

### **BILLS FOR CONSIDERATION\***

**HB 670 - Commercial Drivers License Changes. - AB - Rep. Cole**

**HB 747 - Defining State Roads. - AB - Reps. Cole and Coates - DID NOT TAKE UP**

**HB 786 - MV Dealer Technical Corrections. - AB - Rep. Cole**

**HB 943 - Nonbetterment Relocation of Utility Lines. - Reps. Almond, Goodwin, and Kiser**

**HB 1266 - DOT Relocation Assistance Change. - Rep. Cole**

**HB 1280 - DOT Report/Federal Rail Assistance to NC. - Reps. Pate, Rapp, Justice, and Wright**

### **ADJOURNMENT**

**\* Bills are listed in numerical order and may not reflect Agenda order**

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 670** A BILL TO BE ENTITLED AN ACT TO AMEND THE LAWS GOVERNING  
COMMERCIAL DRIVERS LICENSES.

☒ With a favorable report as to the committee substitute bill, which changes the title,  
unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 670\*

Short Title: Commercial Drivers License Changes.-AB

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

March 16, 2005

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE LAWS GOVERNING COMMERCIAL DRIVERS  
LICENSES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-4.01(4a) reads as rewritten:

"(4a) Conviction. – A conviction for an offense committed in North Carolina or another state:

- a. In-State. When referring to an offense committed in North Carolina, the term means any of the following:
  1. A final conviction of a criminal offense, including a no contest plea.
  2. A determination that a person is responsible for an infraction, including a no contest plea.
  3. An unvacated forfeiture of cash in the full amount of a bond required by Article 26 of Chapter 15A of the General Statutes.
  4. A third or subsequent prayer for judgment continued within any five-year period.
  5. For purposes of disqualification of a commercial drivers license only, any prayer for judgment continued if the offender holds a commercial drivers license or if the offense occurs in a commercial motor vehicle.
- b. Out-of-State. When referring to an offense committed outside North Carolina, the term means any of the following:
  1. An unvacated adjudication of guilt.
  2. A determination that a person has violated or failed to comply with the law in a court of original jurisdiction or an authorized administrative tribunal.

3. An unvacated forfeiture of bail or collateral deposited to secure the person's appearance in court.
4. A violation of a condition of release without bail, regardless of whether or not the penalty is rebated, suspended, or probated.
5. A final conviction of a criminal offense, including a no contest plea when the offense occurs in a commercial motor vehicle or the offender holds a commercial drivers license.

**SECTION 2.** G.S. 20-4.01(12b) reads as rewritten:

"(12b) Gross Vehicle Weight Rating (GVWR). – The value specified by the manufacturer as the maximum loaded weight a vehicle is capable of safely hauling. The GVWR of a combination vehicle is the GVWR of the power unit plus the GVWR of the towed unit or units. When a vehicle is determined by an enforcement officer to be structurally altered in any way from the manufacturer's original design in an attempt to increase the hauling capacity of the vehicle, the GVWR of that vehicle shall be deemed to be the greater of the license weight or the total weight of the vehicle or combination of vehicles for the purpose of enforcing this Chapter. For the purpose of classification of commercial drivers license and skills testing, the manufacturer's GVWR shall be used."

**SECTION 3.** G.S. 20-15 reads as rewritten:

**"§ 20-15. Authority of Division to cancel license.**

(a) The Division shall have authority to cancel any driver's license upon determining that the licensee was not entitled to the issuance thereof hereunder, or that said licensee failed to give the required or correct information in his application, or committed fraud in making such application.

(b) Upon such cancellation, the licensee must surrender the license so cancelled to the Division.

(c) Any person whose license is canceled under this section for failure to give the required or correct information, or for committing fraud, in an application for a commercial drivers license shall be prohibited from reapplying for a commercial drivers license for a period of 60 days from the date of cancellation."

**SECTION 4.** G.S. 20-17.4 reads as rewritten:

**"§ 20-17.4. Disqualification to drive a commercial motor vehicle.**

(a) One Year. – Any of the following disqualifies a person from driving a commercial motor vehicle for one year if committed by a person holding a commercial drivers license, or, when applicable, committed while operating a commercial motor vehicle by a person who does not hold a commercial drivers license:

- (1) A first conviction of G.S. 20-138.1, driving while impaired, for a holder of a commercial drivers license that occurred while the person was driving a motor vehicle that is not a commercial motor vehicle.

- (2) A first conviction of G.S. 20-138.2, driving a commercial motor vehicle while impaired.
- (3) A first conviction of G.S. 20-166. ~~G.S. 20-166, hit and run, involving a commercial motor vehicle driven by the person.~~
- (4) A first conviction of a felony in the commission of which a commercial motor vehicle was used or the first conviction of a felony in which any motor vehicle is used by a holder of a commercial drivers license.
- (5) Refusal to submit to a chemical test when charged with an implied-consent offense, as defined in G.S. 20-16.2. ~~G.S. 20-16.2, that occurred while the person was driving a commercial motor vehicle.~~
- (6) A second or subsequent conviction, as defined in G.S. 20-138.2A(d), of driving a commercial motor vehicle after consuming alcohol under G.S. 20-138.2A.
- (7) A civil license revocation under G.S. 20-16.5, or a substantially similar revocation obtained in another jurisdiction, arising out of a charge that occurred while the person was operating a commercial motor vehicle.
- (8) A first conviction of vehicular homicide under G.S. 20-141.4 or vehicular manslaughter under G.S. 14-1.8 occurring while the person was operating a commercial motor vehicle.
- (9) Driving a commercial motor vehicle during a period when the person's commercial drivers license is revoked, suspended, cancelled, or the driver is otherwise disqualified from operating a commercial motor vehicle.

(a1) Ten-Day Disqualification. – A person who is convicted for a first offense of driving a commercial motor vehicle after consuming alcohol under G.S. 20-138.2A is disqualified from driving a commercial motor vehicle for 10 days.

(b) Modified Life. – A person who has been disqualified from driving a commercial motor vehicle for a conviction or refusal described in subsection (a) who, as the result of a separate incident, is subsequently convicted of an offense or commits an act requiring disqualification under subsection (a) is disqualified for life. The Division may adopt guidelines, including conditions, under which a disqualification for life under this subsection may be reduced to 10 years.

(b1) Life Without Reduction. – A person is disqualified from driving a commercial motor vehicle for life, without the possibility of reinstatement after 10 years, if that person is convicted of a third or subsequent violation of G.S. 20-138.2, a fourth or subsequent violation of G.S. 20-138.2A, or if the person refuses to submit to a chemical test a third time when charged with an implied-consent offense, as defined in G.S. 20-16.2, that occurred while the person was driving a commercial motor vehicle.

(c) Life. – A person is disqualified from driving a commercial motor vehicle for life if that person uses a commercial motor vehicle in the commission of any felony involving the manufacture, distribution, or dispensing of a controlled substance, or possession with intent to manufacture, distribute, or dispense a controlled substance.



1 (d) Less Than a Year. – A person is disqualified from driving a commercial  
2 motor vehicle for 60 days if that person is convicted of two serious traffic violations, or  
3 120 days if convicted of three or more serious traffic violations, committed in a  
4 commercial motor vehicle arising from separate incidents occurring within a three-year  
5 period. This disqualification shall be in addition to, and shall be served at the end of,  
6 any other prior disqualification. For purposes of this subsection, a "serious violation"  
7 includes violations of G.S. 20-140(f) and G.S. 20-141(j3).

8 (e) Three Years. – A person is disqualified from driving a commercial motor  
9 vehicle for three years if that person is convicted of an offense or commits an act  
10 requiring disqualification under subsection (a) and the offense or act occurred while the  
11 person was transporting a hazardous material that required the motor vehicle driven to  
12 be placarded.

13 (f) Revocation Period. – A person is disqualified from driving a commercial  
14 motor vehicle for the period during which the person's regular or commercial drivers  
15 license is ~~revoked~~ revoked, suspended or cancelled.

16 (g) Violation of Out-of-Service Order. – Any person convicted for violating an  
17 out-of-service order, except as described in subsection (h) of this section, shall be  
18 disqualified as follows:

19 (1) A person is disqualified from driving a commercial vehicle for a  
20 period of 90 days if convicted of a first violation of an out-of-service  
21 order.

22 (2) A person is disqualified for a period of one year if convicted of a  
23 second violation of an out-of-service order during any 10-year period,  
24 arising from separate incidents.

25 (3) A person is disqualified for a period of three years if convicted of a  
26 third or subsequent violation of an out-of-service order during any  
27 10-year period, arising from separate incidents.

28 (h) Violation of Out-of-Service Order; Special Rule for Hazardous Materials and  
29 Passenger Offenses. – Any person convicted for violating an out-of-service order while  
30 transporting hazardous materials or while operating a commercial vehicle designed or  
31 used to transport more than 15 passengers, including the driver, shall be disqualified as  
32 follows:

33 (1) A person is disqualified for a period of 180 days if convicted of a first  
34 violation of an out-of-service order.

35 (2) A person is disqualified for a period of three years if convicted of a  
36 second or subsequent violation of an out-of-service order during any  
37 10-year period, arising from separate incidents.

38 (i) Disqualification for Out-of-State Violations. – The Division shall withdraw  
39 the privilege to operate a commercial vehicle of any resident of this State or person  
40 transferring to this State upon receiving notice of the person's conviction or  
41 Administrative Per Se Notice in another state for an offense that, if committed in this  
42 State, would be grounds for ~~disqualification~~ disqualification, even if the offense  
43 occurred in another jurisdiction prior to being licensed in this State where no action had  
44 been taken at that time in the other jurisdiction. The period of disqualification shall be

1 the same as if the offense occurred in this State. The period of disqualification shall be  
2 the same as if the offense occurred in this State.

3 (j) Disqualification of Persons Without Commercial Drivers Licenses. – Any  
4 person convicted of an offense that requires disqualification under this section, but who  
5 does not hold a commercial drivers license, shall be disqualified from operating a  
6 commercial vehicle in the same manner as if the person held a valid commercial drivers  
7 license.

8 (k) Disqualification for Railroad Grade Crossing Offenses. – Any person  
9 convicted of a violation of G.S. 20-142.1 through G.S. 20-142.5, when the driver is  
10 operating a commercial motor vehicle, shall be disqualified from driving a commercial  
11 motor vehicle as follows:

12 (1) A person is disqualified for a period of 60 days if convicted of a first  
13 violation of a railroad grade crossing offense listed in this subsection.

14 (2) A person is disqualified for a period of 120 days if convicted during  
15 any three-year period of a second violation of any combination of  
16 railroad grade crossing offenses listed in this subsection.

17 (3) A person is disqualified for a period of one year if convicted during  
18 any three-year period of a third or subsequent violation of any  
19 combination of railroad grade crossing offenses listed in this  
20 subsection.

21 (l) Disqualifications of Drivers to Constitute an Imminent Hazard. – The  
22 division shall withdraw the privilege to operate a commercial motor vehicle for any  
23 resident of this State for a period of 30 days in accordance with 49 C.F.R. § 383.52."

24 **SECTION 5.** G.S. 20-36 reads as rewritten:

25 **"§ 20-36. Ten-year-old convictions not considered.**

26 ~~Except for a second or subsequent conviction for violating G.S. 20-138.2, a third or~~  
27 ~~subsequent violation of G.S. 20-138.2A, or a second failure to submit to a chemical test~~  
28 ~~when charged with an implied consent offense, as defined in G.S. 20-16.2, that occurred~~  
29 ~~while the person was driving a commercial motor vehicle, Except for offenses occurring~~  
30 ~~in a commercial motor vehicle, or a second failure to submit to a chemical test when~~  
31 ~~charged with an implied-consent offense, as defined in G.S. 20-16.2, that occurred~~  
32 ~~while the person was driving a commercial motor vehicle, no conviction of any other~~  
33 ~~violation of the motor vehicle laws shall be considered by the Division in determining~~  
34 ~~whether any person's driving privilege shall be suspended or revoked or in determining~~  
35 ~~the appropriate period of suspension or revocation after 10 years has elapsed from the~~  
36 ~~date of that conviction- conviction, except for offenses occurring in a commercial motor~~  
37 ~~vehicle."~~

38 **SECTION 6.** G.S. 20-37.13 reads as rewritten:

39 **"§ 20-37.13. Commercial drivers license qualification standards.**

40 (a) No person shall be issued a commercial drivers license unless he:

41 (1) Is a resident of this State;

42 (2) Is 21 years of age;

43 (3) Has passed a knowledge test and a skills test for driving a commercial  
44 motor vehicle that comply with minimum federal standards established

1 by federal regulation enumerated in 49 C.F.R., Part 383, Subparts F, G  
2 and H; and

3 (4) Has satisfied all other requirements of the Commercial Motor Vehicle  
4 Safety Act in addition to other requirements of this Chapter or federal  
5 regulation.

6 (5) For the purpose of skills testing and determining commercial drivers  
7 license classification only the manufacturer's GVWR shall be used.

8 The tests shall be prescribed and conducted by the Division. Provided, a person who  
9 is at least 18 years of age may be issued a commercial drivers license if he is exempt  
10 from, or not subject to, the age requirements of the federal Motor Carrier Safety  
11 Regulations contained in 49 C.F.R., Part 391, as adopted by the Division.

12 (b) The Division may permit a person, including an agency of this or another  
13 state, an employer, a private driver training facility, or an agency of local government,  
14 to administer the skills test specified by this section, provided:

15 (1) The test is the same as that administered by the Division; and

16 (2) The third party has entered into an agreement with the Division which  
17 complies with the requirements of 49 C.F.R. § 383.75. The Division  
18 may charge a fee to applicants for third-party testing authority in order  
19 to investigate the applicants' qualifications and to monitor their  
20 program as required by federal law.

21 (c) Prior to October 1, 1992, the Division may waive the skills test for applicants  
22 licensed at the time they apply for a commercial drivers license if:

23 (1) For an application submitted by April 1, 1992, the applicant has not,  
24 and certifies that he has not, at any time during the two years  
25 immediately preceding the date of application done any of the  
26 following and for an application submitted after April 1, 1992, the  
27 applicant has not, and certifies that he has not, at any time during the  
28 two years preceding April 1, 1992:

29 a. Had more than one drivers license, except during the 10-day  
30 period beginning on the date he is issued a drivers license, or  
31 unless, prior to December 31, 1989, he was required to have  
32 more than one license by a State law enacted prior to June 1,  
33 1986;

34 b. Had any drivers license or driving privilege suspended,  
35 revoked, or cancelled;

36 c. Had any convictions involving any kind of motor vehicle for  
37 the offenses listed in G.S. 20-17 or had any convictions for the  
38 offenses listed in G.S. 20-17.4;

39 d. Been convicted of a violation of State or local laws relating to  
40 motor vehicle traffic control, other than a parking violation,  
41 which violation arose in connection with any reportable traffic  
42 accident; or

43 e. Refused to take a chemical test when charged with an implied  
44 consent offense, as defined in G.S. 20-16.2; and

(2) The applicant certifies, and provides satisfactory evidence, that he is regularly employed in a job requiring the operation of a commercial motor vehicle, and he either:

a. Has previously taken and successfully completed a skills test that was administered by a state with a classified licensing and testing system and the test was behind the wheel in a vehicle representative of the class and, if applicable, the type of commercial motor vehicle for which the applicant seeks to be licensed; or

b. Has operated for the relevant two-year period under subpart (1)a. of this subsection, a vehicle representative of the class and, if applicable, the type of commercial motor vehicle for which the applicant seeks to be licensed.

(d) A commercial drivers license or learner's permit shall not be issued to a person while he is subject to a disqualification from driving a commercial motor vehicle, or while his drivers license is suspended, revoked, or cancelled in any state; nor shall a commercial drivers license be issued unless the person who has applied for the license first surrenders all other drivers licenses issued by the Division or by another state. If a person surrenders a drivers license issued by another state, the Division must return the license to the issuing state for cancellation.

(e) A commercial driver learner's permit may be issued to an individual who holds a regular Class C drivers license and has passed the knowledge test for the class and type of commercial motor vehicle the individual will be driving. The permit is valid for a period not to exceed six months and may be renewed or reissued only once within a two-year period. The fee for a commercial driver learner's permit is the same as the fee set by G.S. 20-7 for a regular learner's permit. G.S. 20-7(m) governs the issuance of a restricted instruction permit for a prospective school bus driver."

SECTION 7. G.S. 20-37.16 reads as rewritten:

"§ 20-37.16. Content of license; classifications and endorsements; fees.

(a) A commercial drivers license must be marked "Commercial Drivers License" or "CDL" and must contain the information required by G.S. 20-7 for a regular drivers license.

(b) The classes of commercial drivers licenses are:

(1) Class A CDL – A Class A commercial drivers license authorizes the holder to drive any Class A motor vehicle.

(2) Class B CDL – A Class B commercial drivers license authorizes the holder to drive any Class B motor vehicle.

(3) Class C CDL – A Class C commercial drivers license authorizes the holder to drive any Class C motor vehicle.

(c) Endorsements. – The endorsements required to drive certain motor vehicles are as follows:

Endorsement

H

Vehicles That Can Be Driven

Vehicles, regardless of size or class, except tank vehicles, when transporting hazardous materials that require the

|   |   |                                                |
|---|---|------------------------------------------------|
| 1 |   | vehicle to be placarded                        |
| 2 | M | Motorcycles                                    |
| 3 | N | Tank vehicles not carrying hazardous materials |
| 4 | P | Vehicles carrying passengers                   |
| 5 | S | School bus                                     |
| 6 | T | Double trailers                                |
| 7 | X | Tank vehicles carrying hazardous materials     |

8     To qualify for any of the above endorsements, an applicant shall pass a knowledge  
9 test. To obtain an H or an X endorsement, an applicant must take a test. This  
10 requirement applies when a person first obtains an H or an X endorsement and each  
11 time a person renews an H or an X endorsement. An applicant who has an H or an X  
12 endorsement issued by another state who applies for an H or an X endorsement must  
13 take a test unless the person has passed a test that covers the information set out in 49  
14 C.F.R. § 383.121 within the preceding two years.

15     (c1) The test for an S endorsement shall be waived by the Division for an  
16 applicant who is currently licensed, has experience driving a school bus, has a good  
17 driving record, and meets the requirements of this subsection. An applicant for a waiver  
18 under this subsection shall verify that, during the two-year period immediately prior to  
19 application for an S endorsement, the applicant met all of the following requirements:

- 20         (1) The applicant held a valid commercial drivers license with a passenger  
21             vehicle endorsement to operate a school bus representative of the  
22             group the applicant will be driving.
- 23         (2) The applicant did not have the applicant's drivers license or  
24             commercial drivers license suspended, revoked, or cancelled, or the  
25             applicant was not disqualified from operating a commercial motor  
26             vehicle.
- 27         (3) The applicant was not convicted of a State law offense that  
28             corresponds to the list of disqualifying offenses in 49 C.F.R. §  
29             383.51(b) while operating a commercial motor vehicle or of any  
30             offense in a noncommercial motor vehicle that would be a  
31             disqualifying offense under 49 C.F.R. § 383.51(b) if committed in a  
32             commercial motor vehicle.
- 33         (4) The applicant was not convicted of more than one of the serious traffic  
34             violations listed and defined in G.S. 20-4.01(41a) while operating any  
35             type of motor vehicle.
- 36         (5) The applicant was not convicted of a violation of State or local law  
37             relating to motor vehicle traffic control, other than a parking violation,  
38             arising in connection with any traffic accident.
- 39         (6) The applicant was not convicted of any motor vehicle traffic violation  
40             that resulted in an accident.
- 41         (7) The applicant was regularly employed as a school bus driver, operated  
42             a school bus representative of the group the applicant seeks to drive,  
43             and provides evidence of that employment.

(d) The fee for a Class A, B, or C commercial drivers license is ten dollars (\$10.00) for each year of the period for which the license is issued. The fee for each endorsement is one dollar and twenty-five cents (\$1.25) for each year of the period for which the endorsement is issued. The fees required under this section do not apply to employees of the Driver License Section of the Division who are designated by the Commissioner.

(e) The requirements for a commercial drivers license do not apply to vehicles used for personal use such as recreational vehicles. A commercial drivers license is also waived for the following classes of vehicles as permitted by regulation of the United States Department of Transportation:

(1) Vehicles owned or operated by the Department of Defense, including the National Guard, while they are driven by active duty military personnel, or members of the National Guard when on active duty, in the pursuit of military purposes.

(2) Any vehicle when used as firefighting or emergency equipment for the purpose of preserving life or property or to execute emergency governmental functions.

(3) A farm vehicle that meets all of the following criteria:

a. Is controlled and operated by the farmer or the farmer's employee and used exclusively for farm use.

b. Is used to transport either agricultural products, farm machinery, or farm supplies, both to or from a farm.

c. Is not used in the operations of a for-hire motor carrier.

d. Is used within 150 miles of the farmer's farm.

A farm vehicle includes a forestry vehicle that meets the listed criteria when applied to the forestry operation.

(f) For the purposes of this section, the term "school bus" has the same meaning as in 49 C.F.R. § 383.5."

**SECTION 8.** G.S. 20-37.21 reads as rewritten:

**"§ 20-37.21. Penalties.**

(a) Any person who drives a commercial motor vehicle in violation of G.S. 20-37.12 shall be guilty of a Class 3 misdemeanor and, upon conviction, shall be fined not less than two hundred fifty dollars (\$250.00) for a first offense and not less than five hundred dollars (\$500.00) for a second or subsequent offense. In addition, upon conviction, the person shall be subject to a civil penalty of not less than one thousand one hundred dollars (\$1,100) for the first offense and not more than two thousand seven hundred fifty dollars (\$2,750) for a second or subsequent offense.

(b) Any person who violates G.S. 20-37.18 shall have committed an infraction and, upon being found responsible, shall pay a penalty of not less than one hundred dollars (\$100.00) nor more than five hundred dollars (\$500.00).

(c) Any employer who violates G.S. 20-37.19 shall have committed an infraction and, upon being found responsible, shall pay a penalty of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000). In addition, upon

conviction, the employer shall be subject to a civil penalty of not less than two thousand seven hundred fifty dollars (\$2,750) nor more than eleven thousand dollars (\$11,000).

(d) An employer who knowingly allows, requires, permits, or otherwise authorizes an employee to violate any railroad grade requirements contained in G.S. 20-142.1 through G.S. 20-142.5 shall pay a civil penalty of not more than ten thousand dollars (\$10,000)."

**SECTION 9.** G.S. 20-142.1 reads as rewritten:

**"§ 20-142.1. Obedience to railroad signal.**

(a) Whenever any person driving a vehicle approaches a railroad grade crossing under any of the circumstances stated in this section, the driver of the vehicle shall stop within 50 feet, but not less than 15 feet from the nearest rail of the railroad and shall not proceed until he can do so safely. These requirements apply when:

- (1) A clearly visible electrical or mechanical signal device gives warning of the immediate approach of a railroad train;
- (2) A crossing gate is lowered or when a human flagman gives or continues to give a signal of the approach or passage of a railroad train;
- (3) A railroad train approaching within approximately 1500 feet of the highway crossing emits a signal audible from that distance, and the railroad train is an immediate hazard because of its speed or nearness to the crossing; or
- (4) An approaching railroad train is plainly visible and is in hazardous proximity to the crossing.

(b) No person shall drive any vehicle through, around, or under any crossing gate or barrier at a railroad crossing while the gate or barrier is closed or is being opened or closed, nor shall any pedestrian pass through, around, over, or under any crossing gate or barrier at a railroad crossing while the gate or barrier is closed or is being opened or closed.

(c) When stopping as required at a railroad crossing, the driver shall keep as far to the right of the highway as possible and shall not form two lanes of traffic unless the roadway is marked for four or more lanes of traffic.

(d) Any person who violates any provisions of this section shall be guilty of an infraction and punished in accordance with G.S. 20-176. Violation of this section shall not constitute negligence per se.

(e) An employer who knowingly allows, requires, permits, or otherwise authorizes a driver to violate this section shall be guilty of an infraction. Such employer will also be subject to a civil penalty under G.S. 20-37.21."

**SECTION 10.** G.S. 20-142.2 reads as rewritten:

**"§ 20-142.2. Vehicles stop at certain grade crossing.**

The Department of Transportation may designate particularly dangerous highway crossings of railroads and erect stop signs at those crossings. When a stop sign is erected at a highway crossing of a railroad, the driver of any vehicle shall stop within 50 feet but not less than 15 feet from the nearest rail of such grade crossing and shall proceed only upon exercising due care. Any person who violates this section shall be guilty of an

1 infraction and punished in accordance with G.S. 20-176. Violation of this section shall  
2 not constitute negligence per se. An employer who knowingly allows, requires, permits,  
3 or otherwise authorizes a driver to violate this section shall be guilty of an infraction.  
4 Such employer will also be subject to a civil penalty under G.S. 20-37.21."

5 **SECTION 11.** G.S. 20-142.3 reads as rewritten:

6 **"§ 20-142.3. Certain vehicles must stop at railroad grade crossing.**

7 (a) Before crossing at grade any track or tracks of a railroad, the driver of any  
8 school bus, any activity bus, any motor vehicle carrying passengers for compensation,  
9 any commercial motor vehicle listed in 49 C.F.R. § 392.10, and any motor vehicle with  
10 a capacity of 16 or more persons shall stop the vehicle within 50 feet but not less than  
11 15 feet from the nearest rail of the railroad. While stopped, the driver shall listen and  
12 look in both directions along the track for any approaching train and shall not proceed  
13 until the driver can do so safely. Upon proceeding, the driver of the vehicle shall cross  
14 the track in a gear that allows the driver to cross the track without changing gears and  
15 the driver shall not change gears while crossing the track or tracks.

16 (b) Except for school buses and activity buses, the provisions of this section shall  
17 not require the driver of a vehicle to stop:

18 (1) At railroad tracks used exclusively for industrial switching purposes  
19 within a business district.

20 (2) At a railroad grade crossing which a police officer or crossing flagman  
21 directs traffic to proceed.

22 (3) At a railroad grade crossing protected by a gate or flashing signal  
23 designed to stop traffic upon the approach of a train, when the gate or  
24 flashing signal does not indicate the approach of a train.

25 (4) At an abandoned railroad grade crossing which is marked with a sign  
26 indicating that the rail line is abandoned.

27 (5) At an industrial or spur line railroad grade crossing marked with a sign  
28 reading "Exempt" erected by or with the consent of the appropriate  
29 State or local authority.

30 (c) A person violating the provisions of this section shall be guilty of an  
31 infraction and punished in accordance with G.S. 20-176. Violation of this section shall  
32 not constitute negligence per se.

33 (d), (e) Repealed by Session Laws 2001-487, s. 50(g).

34 (e) An employer who knowingly allows, requires, permits, or otherwise  
35 authorizes a driver to violate this section shall be guilty of an infraction. Such employer  
36 will also be subject to a civil penalty under G.S. 20-37.21."

37 **SECTION 12.** G.S. 20-142.4 reads as rewritten:

38 **"§ 20-142.4. Moving heavy equipment at railroad grade crossing.**

39 (a) No person shall operate or move any crawler-type tractor, crane, or roller or  
40 any equipment or structure having a normal operating speed of five or less miles per  
41 hour upon or across any tracks at a railroad crossing without first complying with this  
42 section.



(b) Notice of any intended crossing described in subsection (a) of this section shall be given to a superintendent of the railroad and a reasonable time be given to the railroad to provide protection at the crossing.

(c) Before making any crossing described in subsection (a) of this section, the person operating or moving the vehicle or equipment shall:

(1) Stop the vehicle or equipment not less than 15 feet nor more than 50 feet from the nearest rail of the railroad;

(2) While stopped, shall listen and look both directions along the track for any approaching train and for signals indicating the approach of a train; and

(3) Shall not proceed until the crossing can be made safely.

(d) No crossing described in subsection (a) of this section shall be made when warning is given by automatic signal or crossing gates or a flagman or otherwise of the immediate approach of a railroad train or car.

(e) Subsection (c) of this section shall not apply at any railroad crossing where State or local authorities have determined that trains are not operating during certain periods or seasons of the year and have erected an official sign carrying the legend "Exempt".

(f) Any person who violates any provision of this section shall be guilty of an infraction and punished in accordance with G.S. 20-176. Violation of this section shall not constitute negligence per se.

(g) An employer who knowingly allows, requires, permits, or otherwise authorizes a driver to violate this section shall be guilty of an infraction. Such employer will also be subject to a civil penalty under G.S. 20-37.21."

**SECTION 13.** G.S. 20-142.5 reads as rewritten:

**"§ 20-142.5. Stop when traffic obstructed.**

No driver shall enter an intersection or a marked crosswalk or drive onto any railroad grade crossing unless there is sufficient space on the other side of the intersection, crosswalk, or railroad grade crossing to accommodate the vehicle he is operating without obstructing the passage of other vehicles, pedestrians, or railroad trains, notwithstanding the indication of any traffic control signal to proceed. Any person who violates any provision of this section shall be guilty of an infraction and punished in accordance with G.S. 20-176. Violation of this section shall not constitute negligence per se.

An employer who knowingly allows, requires, permits, or otherwise authorizes a driver to violate this section shall be guilty of an infraction. Such employer will also be subject to a civil penalty under G.S. 20-37.21."

**SECTION 14.** This act becomes effective December 1, 2005, and applies to offenses committed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 670\*  
PROPOSED COMMITTEE SUBSTITUTE H670-CSRW-11 [v.5]

5/3/2005 2:53:28 PM

Short Title: CDL/Federal Compliance.-AB

(Public)

Sponsors:

Referred to:

March 16, 2005

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE LAWS GOVERNING COMMERCIAL DRIVERS  
LICENSES IN ORDER TO COMPLY WITH FEDERAL LAW.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-4.01(4a) reads as rewritten:

"(4a) Conviction. – A conviction for an offense committed in North Carolina or another state:

- a. In-State. When referring to an offense committed in North Carolina, the term means any of the following:
  1. A final conviction of a criminal offense, including a no contest plea.
  2. A determination that a person is responsible for an infraction, including a no contest plea.
  3. An unvacated forfeiture of cash in the full amount of a bond required by Article 26 of Chapter 15A of the General Statutes.
  4. A third or subsequent prayer for judgment continued within any five-year period.
  5. For purposes of disqualification of a commercial drivers license only, any prayer for judgment continued if the offender holds a commercial drivers license or if the offense occurs in a commercial motor vehicle.
- b. Out-of-State. When referring to an offense committed outside North Carolina, the term means any of the following:
  1. An unvacated adjudication of guilt.
  2. A determination that a person has violated or failed to comply with the law in a court of original jurisdiction or an authorized administrative tribunal.

3. An unvacated forfeiture of bail or collateral deposited to secure the person's appearance in court.
4. A violation of a condition of release without bail, regardless of whether or not the penalty is rebated, suspended, or probated.
5. A final conviction of a criminal offense, including a no contest plea.

**SECTION 2.** G.S. 20-4.01(12b) reads as rewritten:

"(12b) Gross Vehicle Weight Rating (GVWR). – The value specified by the manufacturer as the maximum loaded weight a vehicle is capable of safely hauling. The GVWR of a combination vehicle is the GVWR of the power unit plus the GVWR of the towed unit or units. When a vehicle is determined by an enforcement officer to be structurally altered in any way from the manufacturer's original design in an attempt to increase the hauling capacity of the vehicle, the GVWR of that vehicle shall be deemed to be the greater of the license weight or the total weight of the vehicle or combination of vehicles for the purpose of enforcing this Chapter. For the purpose of classification of commercial drivers license and skills testing, the manufacturer's GVWR shall be used."

**SECTION 3.** G.S. 20-4.01(41a) reads as rewritten:

(41a) Serious Traffic Violation. – A conviction of one of the following offenses when operating a commercial or other motor vehicle:

- a. Excessive speeding, involving a single charge of any speed 15 miles per hour or more above the posted speed limit.
- b. Careless and reckless driving.
- c. A violation of any State or local law relating to motor vehicle traffic control, other than a parking violation, arising in connection with a fatal accident.
- d. Improper or erratic lane changes.
- e. Following the vehicle ahead too closely.
- f. Driving a commercial motor vehicle without obtaining a commercial drivers license.
- g. Driving a commercial motor vehicle without a commercial drivers license in the driver's possession.
- h. Driving a commercial motor vehicle without the proper class of commercial drivers license or endorsements for the specific vehicle group being operated or for the passenger or type of cargo being transported.

**SECTION 4.** G.S. 20-7(a) reads as rewritten:

"(a) License Required. – To drive a motor vehicle on a highway, a person must be licensed by the Division under this Article or Article 2C of this Chapter to drive the vehicle and must carry the license while driving the vehicle. The Division issues regular

1 drivers licenses under this Article and issues commercial drivers licenses under Article  
2 2C.

3 A license authorizes the holder of the license to drive any vehicle included in the  
4 class of the license and any vehicle included in a lesser class of license, except a vehicle  
5 for which an endorsement is required. To drive a vehicle for which an endorsement is  
6 required, a person must obtain both a license and an endorsement for the vehicle. A  
7 regular drivers license is considered a lesser class of license than its commercial  
8 counterpart.

9 The classes of regular drivers licenses and the motor vehicles that can be driven with  
10 each class of license are:

11 (1) Class A. – A Class A license authorizes the holder to drive any of the  
12 following:

13 a. A Class A motor vehicle that is exempt under G.S. 20-37.16  
14 from the commercial drivers license requirements.

15 b. A Class A motor vehicle that has a combined GVWR of less  
16 than 26,001 pounds and includes as part of the combination a  
17 towed unit that has a GVWR of at least 10,001 pounds.

18 (2) Class B. – A Class B license authorizes the holder to drive any Class B  
19 motor vehicle that is exempt under G.S. 20-37.16 from the commercial  
20 drivers license requirements.

21 (3) Class C. – A Class C license authorizes the holder to drive any of the  
22 following:

23 a. A Class C motor vehicle that is not a commercial motor vehicle.

24 b. When operated by a volunteer member of a fire department, a  
25 rescue squad, or an emergency medical service (EMS) in the  
26 performance of duty, a Class A or Class B fire-fighting, rescue,  
27 or EMS motor vehicle or a combination of these vehicles.

28 The Commissioner may assign a unique motor vehicle to a class that is different  
29 from the class in which it would otherwise belong.

30 A person holding a commercial drivers license issued by another jurisdiction must  
31 apply for a transfer and obtain a North Carolina issued commercial drivers license  
32 within 30 days of becoming a resident. Any other A-new resident of North Carolina who  
33 has a drivers license issued by another jurisdiction must obtain a license from the  
34 Division within 60 days after becoming a resident."

35 SECTION 5. G.S. 20-15 reads as rewritten:

36 "**§ 20-15. Authority of Division to cancel ~~license~~ license or endorsement.**

37 (a) The Division shall have authority to cancel any driver's license upon  
38 determining that the licensee was not entitled to the issuance thereof hereunder, or that  
39 said licensee failed to give the required or correct information in his application, or  
40 committed fraud in making such application.

41 (b) Upon such cancellation, the licensee must surrender the license so cancelled  
42 to the Division.

43 (c) Any person whose license is canceled under this section for failure to give the  
44 required or correct information, or for committing fraud, in an application for a

commercial drivers license shall be prohibited from reapplying for a commercial drivers license for a period of 60 days from the date of cancellation.

(d) The Division shall have authority to revoke an H endorsement of a commercial drivers license holder if the person with the endorsement is determined by the federal Transportation Security Administration to constitute a security threat, as specified in 49 C.F.R. 1572.5(d)(4). "

SECTION 6. G.S. 20-17.4 reads as rewritten:

**"§ 20-17.4. Disqualification to drive a commercial motor vehicle.**

(a) One Year. – Any of the following disqualifies a person from driving a commercial motor vehicle for one year if committed by a person holding a commercial drivers license, or, when applicable, committed while operating a commercial motor vehicle by a person who does not hold a commercial drivers license:

- (1) A first conviction of G.S. 20-138.1, driving while impaired, for a holder of a commercial drivers license that occurred while the person was driving a motor vehicle that is not a commercial motor vehicle.
- (2) A first conviction of G.S. 20-138.2, driving a commercial motor vehicle while impaired.
- (3) A first conviction of G.S. 20-166, hit and run, ~~run, involving a commercial motor vehicle driven by the person.~~
- (4) A first conviction of a felony in the commission of which a commercial motor vehicle was used or the first conviction of a felony in which any motor vehicle is used by a holder of a commercial drivers license.
- (5) Refusal to submit to a chemical test when charged with an implied-consent offense, as defined in G.S. 20-16.2, ~~G.S. 20-16.2, that occurred while the person was driving a commercial motor vehicle.~~
- (6) A second or subsequent conviction, as defined in G.S. 20-138.2A(d), of driving a commercial motor vehicle after consuming alcohol under G.S. 20-138.2A.
- (7) A civil license revocation under G.S. 20-16.5, or a substantially similar revocation obtained in another jurisdiction, arising out of a charge that occurred while the person was operating a commercial motor vehicle.
- (8) A first conviction of vehicular homicide under G.S. 20-141.4 or vehicular manslaughter under G.S. 14-18 occurring while the person was operating a commercial motor vehicle.
- (9) Driving a commercial motor vehicle during a period when the person's commercial drivers license is revoked, suspended, cancelled, or the driver is otherwise disqualified from operating a commercial motor vehicle.

(a1) Ten-Day Disqualification. – A person who is convicted for a first offense of driving a commercial motor vehicle after consuming alcohol under G.S. 20-138.2A is disqualified from driving a commercial motor vehicle for 10 days.

(b) Modified Life. – A person who has been disqualified from driving a commercial motor vehicle for a conviction or refusal described in subsection (a) who, as

the result of a separate incident, is subsequently convicted of an offense or commits an act requiring disqualification under subsection (a) is disqualified for life. The Division may adopt guidelines, including conditions, under which a disqualification for life under this subsection may be reduced to 10 years.

(b1) Life Without Reduction. – A person is disqualified from driving a commercial motor vehicle for life, without the possibility of reinstatement after 10 years, if that person is convicted of a third or subsequent violation of G.S. 20-138.2, a fourth or subsequent violation of G.S. 20-138.2A, or if the person refuses to submit to a chemical test a third time when charged with an implied-consent offense, as defined in G.S. 20-16.2, that occurred while the person was driving a commercial motor vehicle.

(c) Life. – A person is disqualified from driving a commercial motor vehicle for life if that person uses a commercial motor vehicle in the commission of any felony involving the manufacture, distribution, or dispensing of a controlled substance, or possession with intent to manufacture, distribute, or dispense a controlled substance.

(d) Less Than a Year. – A person is disqualified from driving a commercial motor vehicle for 60 days if that person is convicted of two serious traffic violations, or 120 days if convicted of three or more serious traffic violations, committed in a commercial motor vehicle arising from separate incidents occurring within a three-year period. This disqualification shall be in addition to, and shall be served at the end of, any other prior disqualification. For purposes of this subsection, a "serious violation" includes violations of G.S. 20-140(f) and G.S. 20-141(j3).

(e) Three Years. – A person is disqualified from driving a commercial motor vehicle for three years if that person is convicted of an offense or commits an act requiring disqualification under subsection (a) and the offense or act occurred while the person was transporting a hazardous material that required the motor vehicle driven to be placarded.

(f) Revocation Period. – A person is disqualified from driving a commercial motor vehicle for the period during which the person's regular or commercial drivers license is ~~revoked~~ revoked, suspended or cancelled.

(g) Violation of Out-of-Service Order. – Any person convicted for violating an out-of-service order, except as described in subsection (h) of this section, shall be disqualified as follows:

(1) A person is disqualified from driving a commercial vehicle for a period of 90 days if convicted of a first violation of an out-of-service order.

(2) A person is disqualified for a period of one year if convicted of a second violation of an out-of-service order during any 10-year period, arising from separate incidents.

(3) A person is disqualified for a period of three years if convicted of a third or subsequent violation of an out-of-service order during any 10-year period, arising from separate incidents.

(h) Violation of Out-of-Service Order; Special Rule for Hazardous Materials and Passenger Offenses. – Any person convicted for violating an out-of-service order while transporting hazardous materials or while operating a commercial vehicle designed or

used to transport more than 15 passengers, including the driver, shall be disqualified as follows:

(1) A person is disqualified for a period of 180 days if convicted of a first violation of an out-of-service order.

(2) A person is disqualified for a period of three years if convicted of a second or subsequent violation of an out-of-service order during any 10-year period, arising from separate incidents.

(i) Disqualification for Out-of-State Violations. – The Division shall withdraw the privilege to operate a commercial vehicle of any resident of this State or person transferring to this State upon receiving notice of the person's conviction or Administrative Per Se Notice in another state for an offense that, if committed in this State, would be grounds for~~disqualification~~disqualification, even if the offense occurred in another jurisdiction prior to being licensed in this State where no action had been taken at that time in the other jurisdiction. The period of disqualification shall be the same as if the offense occurred in this State.

(j) Disqualification of Persons Without Commercial Drivers Licenses. – Any person convicted of an offense that requires disqualification under this section, but who does not hold a commercial drivers license, shall be disqualified from operating a commercial vehicle in the same manner as if the person held a valid commercial drivers license.

(k) Disqualification for Railroad Grade Crossing Offenses. – Any person convicted of a violation of G.S. 20-142.1 through G.S. 20-142.5, when the driver is operating a commercial motor vehicle, shall be disqualified from driving a commercial motor vehicle as follows:

(1) A person is disqualified for a period of 60 days if convicted of a first violation of a railroad grade crossing offense listed in this subsection.

(2) A person is disqualified for a period of 120 days if convicted during any three-year period of a second violation of any combination of railroad grade crossing offenses listed in this subsection.

(3) A person is disqualified for a period of one year if convicted during any three-year period of a third or subsequent violation of any combination of railroad grade crossing offenses listed in this subsection.

(l) Disqualifications of Drivers Who are Determined to Constitute an Imminent Hazard. – The Division shall withdraw the privilege to operate a commercial motor vehicle for any resident of this State for a period of 30 days in accordance with 49 C.F.R. § 383.52."

**SECTION 7. G.S. 20-36 reads as rewritten:**

**"§ 20-36. Ten-year-old convictions not considered.**

~~Except for a second or subsequent conviction for violating G.S. 20-138.2, a third or subsequent violation of G.S. 20-138.2A, or a second failure to submit to a chemical test when charged with an implied consent offense, as defined in G.S. 20-16.2, that occurred while the person was driving a commercial motor vehicle, Except for offenses occurring in a commercial motor vehicle, or a second failure to submit to a chemical test when~~

1 charged with an implied-consent offense, as defined in G.S. 20-16.2, that occurred  
2 while the person was driving a commercial motor vehicle, no conviction of any other  
3 violation of the motor vehicle laws shall be considered by the Division in determining  
4 whether any person's driving privilege shall be suspended or revoked or in determining  
5 the appropriate period of suspension or revocation after 10 years has elapsed from the  
6 date of that conviction."

7 **SECTION 8.** G.S. 20-37.13 reads as rewritten:

8 **"§ 20-37.13. Commercial drivers license qualification standards.**

9 (a) No person shall be issued a commercial drivers license unless he:

10 (1) Is a resident of this State;

11 (2) Is 21 years of age;

12 (3) Has passed a knowledge test and a skills test for driving a commercial  
13 motor vehicle that comply with minimum federal standards established  
14 by federal regulation enumerated in 49 C.F.R., Part 383, Subparts E, G  
15 and H; and

16 (4) Has satisfied all other requirements of the Commercial Motor Vehicle  
17 Safety Act in addition to other requirements of this Chapter or federal  
18 regulation.

19 (5) For the purpose of skills testing and determining commercial drivers  
20 license classification only the manufacturer's GVWR shall be used.

21 The tests shall be prescribed and conducted by the Division. Provided, a person who  
22 is at least 18 years of age may be issued a commercial drivers license if he is exempt  
23 from, or not subject to, the age requirements of the federal Motor Carrier Safety  
24 Regulations contained in 49 C.F.R., Part 391, as adopted by the Division.

25 (b) The Division may permit a person, including an agency of this or another  
26 state, an employer, a private driver training facility, or an agency of local government,  
27 to administer the skills test specified by this section, provided:

28 (1) The test is the same as that administered by the Division; and

29 (2) The third party has entered into an agreement with the Division which  
30 complies with the requirements of 49 C.F.R. § 383.75. The Division  
31 may charge a fee to applicants for third-party testing authority in order  
32 to investigate the applicants' qualifications and to monitor their  
33 program as required by federal law.

34 (c) Prior to October 1, 1992, the Division may waive the skills test for applicants  
35 licensed at the time they apply for a commercial drivers license if:

36 (1) For an application submitted by April 1, 1992, the applicant has not,  
37 and certifies that he has not, at any time during the two years  
38 immediately preceding the date of application done any of the  
39 following and for an application submitted after April 1, 1992, the  
40 applicant has not, and certifies that he has not, at any time during the  
41 two years preceding April 1, 1992:

42 a. Had more than one drivers license, except during the 10-day  
43 period beginning on the date he is issued a drivers license, or  
44 unless, prior to December 31, 1989, he was required to have



- 1 more than one license by a State law enacted prior to June 1,  
2 1986;
- 3 b. Had any drivers license or driving privilege suspended,  
4 revoked, or cancelled;
- 5 c. Had any convictions involving any kind of motor vehicle for  
6 the offenses listed in G.S. 20-17 or had any convictions for the  
7 offenses listed in G.S. 20-17.4;
- 8 d. Been convicted of a violation of State or local laws relating to  
9 motor vehicle traffic control, other than a parking violation,  
10 which violation arose in connection with any reportable traffic  
11 accident; or
- 12 e. Refused to take a chemical test when charged with an implied  
13 consent offense, as defined in G.S. 20-16.2; and
- 14 (2) The applicant certifies, and provides satisfactory evidence, that he is  
15 regularly employed in a job requiring the operation of a commercial  
16 motor vehicle, and he either:
- 17 a. Has previously taken and successfully completed a skills test  
18 that was administered by a state with a classified licensing and  
19 testing system and the test was behind the wheel in a vehicle  
20 representative of the class and, if applicable, the type of  
21 commercial motor vehicle for which the applicant seeks to be  
22 licensed; or
- 23 b. Has operated for the relevant two-year period under subpart  
24 (1)a. of this subsection, a vehicle representative of the class and,  
25 if applicable, the type of commercial motor vehicle for which  
26 the applicant seeks to be licensed.

27 (d) A commercial drivers license or learner's permit shall not be issued to a  
28 person while he is subject to a disqualification from driving a commercial motor  
29 vehicle, or while his drivers license is suspended, revoked, or cancelled in any state; nor  
30 shall a commercial drivers license be issued unless the person who has applied for the  
31 license first surrenders all other drivers licenses issued by the Division or by another  
32 state. If a person surrenders a drivers license issued by another state, the Division must  
33 return the license to the issuing state for cancellation.

34 (e) A commercial driver learner's permit may be issued to an individual who  
35 holds a regular Class C drivers license and has passed the knowledge test for the class  
36 and type of commercial motor vehicle the individual will be driving. The permit is valid  
37 for a period not to exceed six months and may be renewed or reissued only once within  
38 a two-year period. The fee for a commercial driver learner's permit is the same as the  
39 fee set by G.S. 20-7 for a regular learner's permit. G.S. 20-7(m) governs the issuance of  
40 a restricted instruction permit for a prospective school bus driver."

41 **SECTION 9.** G.S. 20-37.16 reads as rewritten:

42 "**§ 20-37.16. Content of license; classifications and endorsements; fees.**

(a) A commercial drivers license must be marked "Commercial Drivers License" or "CDL" and must contain the information required by G.S. 20-7 for a regular drivers license.

(b) The classes of commercial drivers licenses are:

- (1) Class A CDL – A Class A commercial drivers license authorizes the holder to drive any Class A motor vehicle.
- (2) Class B CDL – A Class B commercial drivers license authorizes the holder to drive any Class B motor vehicle.
- (3) Class C CDL – A Class C commercial drivers license authorizes the holder to drive any Class C motor vehicle.

(c) Endorsements. – The endorsements required to drive certain motor vehicles are as follows:

| <u>Endorsement</u> | <u>Vehicles That Can Be Driven</u>                                                                                                          |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| H                  | Vehicles, regardless of size or class, except tank vehicles, when transporting hazardous materials that require the vehicle to be placarded |
| M                  | Motorcycles                                                                                                                                 |
| N                  | Tank vehicles not carrying hazardous materials                                                                                              |
| P                  | Vehicles carrying passengers                                                                                                                |
| S                  | School bus                                                                                                                                  |
| T                  | Double trailers                                                                                                                             |
| X                  | Tank vehicles carrying hazardous materials                                                                                                  |

To qualify for any of the above endorsements, an applicant shall pass a knowledge test. To obtain an H or an X endorsement, an applicant must take a test. This requirement applies when a person first obtains an H or an X endorsement and each time a person renews an H or an X endorsement. An applicant who has an H or an X endorsement issued by another state who applies for an H or an X endorsement must take a test unless the person has passed a test that covers the information set out in 49 C.F.R. § 383.121 within the preceding two years.

(c1) The test for an S endorsement shall be waived by the Division for an applicant who is currently licensed, has experience driving a school bus, has a good driving record, and meets the requirements of this subsection. An applicant for a waiver under this subsection shall verify that, during the two-year period immediately prior to application for an S endorsement, the applicant met all of the following requirements:

- (1) The applicant held a valid commercial drivers license with a passenger vehicle endorsement to operate a school bus representative of the group the applicant will be driving.
- (2) The applicant did not have the applicant's drivers license or commercial drivers license suspended, revoked, or cancelled, or the applicant was not disqualified from operating a commercial motor vehicle.
- (3) The applicant was not convicted of a State law offense that corresponds to the list of disqualifying offenses in 49 C.F.R. § 383.51(b) while operating a commercial motor vehicle or of any

1 offense in a noncommercial motor vehicle that would be a  
2 disqualifying offense under 49 C.F.R. § 383.51(b) if committed in a  
3 commercial motor vehicle.

4 (4) The applicant was not convicted of more than one of the serious traffic  
5 violations listed and defined in G.S. 20-4.01(41a) while operating any  
6 type of motor vehicle.

7 (5) The applicant was not convicted of a violation of State or local law  
8 relating to motor vehicle traffic control, other than a parking violation,  
9 arising in connection with any traffic accident.

10 (6) The applicant was not convicted of any motor vehicle traffic violation  
11 that resulted in an accident.

12 (7) The applicant was regularly employed as a school bus driver, operated  
13 a school bus representative of the group the applicant seeks to drive,  
14 and provides evidence of that employment.

15 (d) The fee for a Class A, B, or C commercial drivers license is ten dollars  
16 (\$10.00) for each year of the period for which the license is issued. The fee for each  
17 endorsement is one dollar and twenty-five cents (\$1.25) for each year of the period for  
18 which the endorsement is issued. The fees required under this section do not apply to  
19 employees of the Driver License Section of the Division who are designated by the  
20 Commissioner.

21 (e) The requirements for a commercial drivers license do not apply to vehicles  
22 used for personal use such as recreational vehicles. A commercial drivers license is also  
23 waived for the following classes of vehicles as permitted by regulation of the United  
24 States Department of Transportation:

25 (1) Vehicles owned or operated by the Department of Defense, including  
26 the National Guard, while they are driven by active duty military  
27 personnel, or members of the National Guard when on active duty, in  
28 the pursuit of military purposes.

29 (2) Any vehicle when used as firefighting or emergency equipment for the  
30 purpose of preserving life or property or to execute emergency  
31 governmental functions.

32 (3) A farm vehicle that meets all of the following criteria:

33 a. Is controlled and operated by the farmer or the farmer's  
34 employee and used exclusively for farm use.

35 b. Is used to transport either agricultural products, farm  
36 machinery, or farm supplies, both to or from a farm.

37 c. Is not used in the operations of a for-hire motor carrier.

38 d. Is used within 150 miles of the farmer's farm.

39 A farm vehicle includes a forestry vehicle that meets the listed criteria  
40 when applied to the forestry operation.

41 (f) For the purposes of this section, the term "school bus" has the same meaning  
42 as in 49 C.F.R. § 383.5."

43 **SECTION 10.** G.S. 20-37.21 reads as rewritten:

44 **"§ 20-37.21. Penalties.**

(a) Any person who drives a commercial motor vehicle in violation of G.S. 20-37.12 shall be guilty of a Class 3 misdemeanor and, upon conviction, shall be fined not less than two hundred fifty dollars (\$250.00) for a first offense and not less than five hundred dollars (\$500.00) for a second or subsequent offense. In addition, upon conviction, the person shall be subject to a civil penalty of not less than one thousand one hundred dollars (\$1,100) for the first offense and not more than two thousand seven hundred fifty dollars (\$2,750) for a second or subsequent offense.

(b) Any person who violates G.S. 20-37.18 shall have committed an infraction and, upon being found responsible, shall pay a penalty of not less than one hundred dollars (\$100.00) nor more than five hundred dollars (\$500.00).

(c) Any employer who violates G.S. 20-37.19 shall have committed an infraction and, upon being found responsible, shall pay a penalty of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000). In addition, upon conviction, the employer shall be subject to a civil penalty of not less than two thousand seven hundred fifty dollars (\$2,750) nor more than eleven thousand dollars (\$11,000).

(d) An employer who knowingly allows, requires, permits, or otherwise authorizes an employee to violate any railroad grade requirements contained in G.S. 20-142.1 through G.S. 20-142.5 shall pay a civil penalty of not more than ten thousand dollars (\$10,000)."

**SECTION 11.** G.S. 20-141(j3) reads as rewritten:

"(j3) A person is guilty of a Class 2 misdemeanor if the person drives a commercial motor vehicle carrying a load that is subject to the permit requirements of G.S. 20-119 upon a highway or any public vehicular area at a speed ~~in excess of~~ 15 miles per hour or more above either:

(1) The posted speed; or

(2) The restricted speed, if any, of the permit, or if no permit was obtained, the speed that would be applicable to the load if a permit had been obtained."

**SECTION 12.** G.S. 20-142.1 reads as rewritten:

**"§ 20-142.1. Obedience to railroad signal.**

(a) Whenever any person driving a vehicle approaches a railroad grade crossing under any of the circumstances stated in this section, the driver of the vehicle shall stop within 50 feet, but not less than 15 feet from the nearest rail of the railroad and shall not proceed until he can do so safely. These requirements apply when:

(1) A clearly visible electrical or mechanical signal device gives warning of the immediate approach of a railroad train;

(2) A crossing gate is lowered or when a human flagman gives or continues to give a signal of the approach or passage of a railroad train;

(3) A railroad train approaching within approximately 1500 feet of the highway crossing emits a signal audible from that distance, and the railroad train is an immediate hazard because of its speed or nearness to the crossing; or

(4) An approaching railroad train is plainly visible and is in hazardous proximity to the crossing.

(b) No person shall drive any vehicle through, around, or under any crossing gate or barrier at a railroad crossing while the gate or barrier is closed or is being opened or closed, nor shall any pedestrian pass through, around, over, or under any crossing gate or barrier at a railroad crossing while the gate or barrier is closed or is being opened or closed.

(c) When stopping as required at a railroad crossing, the driver shall keep as far to the right of the highway as possible and shall not form two lanes of traffic unless the roadway is marked for four or more lanes of traffic.

(d) Any person who violates any provisions of this section shall be guilty of an infraction and punished in accordance with G.S. 20-176. Violation of this section shall not constitute negligence per se.

(e) An employer who knowingly allows, requires, permits, or otherwise authorizes a driver of a commercial motor vehicle to violate this section shall be guilty of an infraction. Such employer will also be subject to a civil penalty under G.S. 20-37.21."

**SECTION 13.** G.S. 20-142.2 reads as rewritten:

**"§ 20-142.2. Vehicles stop at certain grade crossing.**

The Department of Transportation may designate particularly dangerous highway crossings of railroads and erect stop signs at those crossings. When a stop sign is erected at a highway crossing of a railroad, the driver of any vehicle shall stop within 50 feet but not less than 15 feet from the nearest rail of such grade crossing and shall proceed only upon exercising due care. Any person who violates this section shall be guilty of an infraction and punished in accordance with G.S. 20-176. Violation of this section shall not constitute negligence per se. An employer who knowingly allows, requires, permits, or otherwise authorizes a driver of a commercial motor vehicle to violate this section shall be guilty of an infraction. Such employer will also be subject to a civil penalty under G.S. 20-37.21."

**SECTION 14.** G.S. 20-142.3 reads as rewritten:

**"§ 20-142.3. Certain vehicles must stop at railroad grade crossing.**

(a) Before crossing at grade any track or tracks of a railroad, the driver of any school bus, any activity bus, any motor vehicle carrying passengers for compensation, any commercial motor vehicle listed in 49 C.F.R. § 392.10, and any motor vehicle with a capacity of 16 or more persons shall stop the vehicle within 50 feet but not less than 15 feet from the nearest rail of the railroad. While stopped, the driver shall listen and look in both directions along the track for any approaching train and shall not proceed until the driver can do so safely. Upon proceeding, the driver of the vehicle shall cross the track in a gear that allows the driver to cross the track without changing gears and the driver shall not change gears while crossing the track or tracks.

(b) Except for school buses and activity buses, the provisions of this section shall not require the driver of a vehicle to stop:

(1) At railroad tracks used exclusively for industrial switching purposes within a business district.

(2) At a railroad grade crossing which a police officer or crossing flagman directs traffic to proceed.

(3) At a railroad grade crossing protected by a gate or flashing signal designed to stop traffic upon the approach of a train, when the gate or flashing signal does not indicate the approach of a train.

(4) At an abandoned railroad grade crossing which is marked with a sign indicating that the rail line is abandoned.

(5) At an industrial or spur line railroad grade crossing marked with a sign reading "Exempt" erected by or with the consent of the appropriate State or local authority.

(c) A person violating the provisions of this section shall be guilty of an infraction and punished in accordance with G.S. 20-176. Violation of this section shall not constitute negligence per se.

(d), (e) Repealed by Session Laws 2001-487, s. 50(g).

(e) An employer who knowingly allows, requires, permits, or otherwise authorizes a driver of a commercial motor vehicle to violate this section shall be guilty of an infraction. Such employer will also be subject to a civil penalty under G.S. 20-37.21."

**SECTION 15.** G.S. 20-142.4 reads as rewritten:

**"§ 20-142.4. Moving heavy equipment at railroad grade crossing.**

(a) No person shall operate or move any crawler-type tractor, crane, or roller or any equipment or structure having a normal operating speed of five or less miles per hour upon or across any tracks at a railroad crossing without first complying with this section.

(b) Notice of any intended crossing described in subsection (a) of this section shall be given to a superintendent of the railroad and a reasonable time be given to the railroad to provide protection at the crossing.

(c) Before making any crossing described in subsection (a) of this section, the person operating or moving the vehicle or equipment shall:

(1) Stop the vehicle or equipment not less than 15 feet nor more than 50 feet from the nearest rail of the railroad;

(2) While stopped, shall listen and look both directions along the track for any approaching train and for signals indicating the approach of a train; and

(3) Shall not proceed until the crossing can be made safely.

(d) No crossing described in subsection (a) of this section shall be made when warning is given by automatic signal or crossing gates or a flagman or otherwise of the immediate approach of a railroad train or car.

(e) Subsection (c) of this section shall not apply at any railroad crossing where State or local authorities have determined that trains are not operating during certain periods or seasons of the year and have erected an official sign carrying the legend "Exempt".

1 (f) Any person who violates any provision of this section shall be guilty of an  
2 infraction and punished in accordance with G.S. 20-176. Violation of this section shall  
3 not constitute negligence per se.

4 (g) An employer who knowingly allows, requires, permits, or otherwise  
5 authorizes a driver of a commercial motor vehicle to violate this section shall be guilty  
6 of an infraction. Such employer will also be subject to a civil penalty under  
7 G.S. 20-37.21."

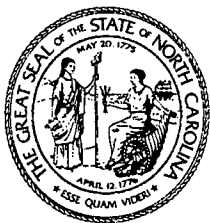
8 **SECTION 16.** G.S. 20-142.5 reads as rewritten:

9 **"§ 20-142.5. Stop when traffic obstructed.**

10 No driver shall enter an intersection or a marked crosswalk or drive onto any  
11 railroad grade crossing unless there is sufficient space on the other side of the  
12 intersection, crosswalk, or railroad grade crossing to accommodate the vehicle he is  
13 operating without obstructing the passage of other vehicles, pedestrians, or railroad  
14 trains, notwithstanding the indication of any traffic control signal to proceed. Any  
15 person who violates any provision of this section shall be guilty of an infraction and  
16 punished in accordance with G.S. 20-176. Violation of this section shall not constitute  
17 negligence per se.

18 An employer who knowingly allows, requires, permits, or otherwise authorizes a  
19 driver of a commercial motor vehicle to violate this section shall be guilty of an  
20 infraction. Such employer will also be subject to a civil penalty under G.S. 20-37.21."

21 **SECTION 17.** This act becomes effective September 30, 2005, and applies  
22 to offenses committed on or after that date.



# HOUSE BILL 670: CDL/Federal Compliance-AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Date:** May 4, 2005  
**Version:** H670-CSRW-11[v.5]

**Introduced by:** Rep. Cole  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 670 makes various changes to North Carolina law applicable to commercial drivers licenses in order to comply with federal law and regulations.*

## BACKGROUND:

The 1999 federal Motor Carrier Safety Improvement Act made numerous changes to the Commercial Drivers License program, and gave states 3 years to implement conforming changes to their laws. By September 30, 2005, all states are required to be in compliance with the Act and federal regulations promulgated pursuant to it, or be subject to losing 5% of their federal aid highway funds.

House Bill 670 makes changes to NC law to comply with this federal mandate.

## BILL ANALYSIS:

**Section 1** of the bill amends the definition of "Conviction" in State law to specify that, for purposes of disqualification of a commercial drivers license:

-- any PJC (prayer for judgment continued) granted for an offense occurring in NC constitutes a conviction, if the offender holds a commercial drivers license, or if the offense occurs in a commercial motor vehicle; and

--any final conviction, including a no contest plea, for an offense occurring out of state constitutes a conviction, if the offender holds a commercial drivers license, or if the offense occurs in a commercial motor vehicle.

**Section 2** of the bill amends the definition of "Gross Vehicle Weight Rating (GVWR) " in State law to provide that for purposes of commercial drivers license and skills testing, the manufacturer's GVRW shall be used.

**Section 3** of the bill amends the definition of "Serious Traffic Violation" in State law (used for CDL disqualification) to include the listed offenses when operating any motor vehicle.

**Section 4** of the bill provides that a person holding a CDL in another jurisdiction must apply for a transfer and obtain a NC issued CDL within 30 days of becoming a resident.



# HOUSE BILL 670

Page 2

**Section 5** of the bill grants DMV the authority to:

- provide that any person whose license is canceled for failure to give correct information, or for committing fraud in a CDL application, shall be prohibited from reapplying for a CDL for 60 days; and
- revoke an "H" (hazardous materials) CDL endorsement if the federal Transportation Security Administration determines that the holder is a security threat.

**Section 6** of the bill adds a requirement of a one-year disqualification to drive a commercial motor vehicle for:

- first conviction of impaired driving of a vehicle that is not a commercial vehicle by a CDL holder.
- first conviction of hit and run while driving any vehicle.
- first conviction of a felony in which any motor vehicle was used by a CDL holder
- refusal to submit to a chemical test when charged with an implied consent offense while driving any vehicle.
- a civil revocation under G.S. 20-16.5, or a substantially similar revocation obtained in another jurisdiction, arising out of a charge that occurred while the person was operating a commercial motor vehicle.
- a first conviction of vehicular homicide or vehicular manslaughter occurring while a person was operating a commercial motor vehicle.
- driving a commercial motor vehicle during a period when a person's CDL is revoked, suspended or cancelled, or the driver is disqualified from operating a commercial motor vehicle.

Section 6 also provides:

- that a 60- or 120-day disqualification for serious traffic violations is in addition to, and shall be served at the end of, any other prior disqualifications.
- for disqualification to operate a commercial motor vehicle for an offense occurring in another jurisdiction, even if the offense occurred prior to a person being licensed in NC, and even if no action was taken in the other jurisdiction.
- for a 30-day disqualification of a driver determined to be an "imminent hazard" as defined in 49 CFR 383.5.

**Section 7** of the bill provides that convictions more than 10 years old for offenses in a commercial motor vehicle, and a second failure to submit to a chemical test when charged with an implied consent offense that occurred while a person was driving a commercial motor vehicle, shall be considered by DMV in determining whether a driving privilege should be suspended or revoked.

**Section 8** of the bill amends the commercial drivers license qualifications standards to:

- require knowledge and skills tests as provided in 49 CFR Part 383, Subpart F.

# HOUSE BILL 670

Page 3

--specify that the GVWR (gross vehicle weight rating) of a vehicle (not license or other weight rating) shall be used for skills testing for a commercial drivers license.

**Section 9** of the bill clarifies that a person applying for any commercial driver license endorsement must pass a knowledge test.

**Section 10** of the bill increases the civil penalties for violation of G.S. 20-37.12 (CDL license requirements), G.S. 20-37.18 (CDL notification requirements), G.S. 20-37.19 (CDL employer requirements), and G.S. 20-142.1 through G.S. 20-142.5 (RR crossing statutes).

**Section 11** of the bill amends the State speeding statute to provide that it is a Class 2 misdemeanor for a person to drive a commercial motor vehicle with a load subject to an oversize or overweight permit 15 mph or more over the posted speed limit.

**Sections 12-16** of the bill extends application of five railroad crossing offenses to employers of commercial motor vehicle drivers, by providing that any employer who knowingly allows, requires, permits, or otherwise authorizes a driver of a commercial motor vehicle to violate one of these five statutes is guilty of an infraction (with a penalty of not more than \$100) , and subject to a civil penalty (of not more than \$11,000).

**Section 17** of the bill provides that it would become effective September 30, 2005, and apply to offenses occurring on or after that date.

H670-SMRW-001

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 786** A BILL TO BE ENTITLED AN ACT TO MAKE TECHNICAL  
CORRECTIONS TO THE MOTOR VEHICLE DEALERS LICENSING ACT.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

**H**

**1**

**HOUSE BILL 786\***

Short Title: MV Dealer Technical Corrections.-AB

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

March 17, 2005

A BILL TO BE ENTITLED  
AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE MOTOR VEHICLE  
DEALERS LICENSING ACT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-287(a) reads as rewritten:

"(a) License Required. – It shall be unlawful for any new motor vehicle dealer, used motor vehicle dealer, motor vehicle sales representative, manufacturer, factory branch, factory representative, distributor, distributor branch, distributor representative, or wholesaler to engage in business in this State without first obtaining a license as provided in this Article. If any motor vehicle dealer acts as a motor vehicle sales representative, the dealer shall obtain a motor vehicle sales representative's license in addition to a motor vehicle dealer's license. A sales representative may have only one license. The license shall show the name of each the dealer or wholesaler employing the sales representative. The following license holders may operate as a motor vehicle dealer without obtaining a motor vehicle dealer's license or paying an additional fee: a manufacturer, a factory branch, a distributor, and a distributor branch. Any of these license holders who operates as a motor vehicle dealer may sell motor vehicles at retail only at an established salesroom."

**SECTION 2.** G.S. 20-288(c) reads as rewritten:

"(c) **(Effective until January 1, 2006)** All licenses that are granted shall expire unless sooner revoked or suspended, on June 30 of the year following date of issue.

(c) **(Effective January 1, 2006)** All licenses that are granted shall expire on the last day of the month one year from the date issued unless sooner revoked or suspended. The Division shall vary the expiration dates of all licenses that are granted so that an equal number of licenses expire at the end of each month, quarter, or other period consisting of one or more months to coincide with G.S. 20-79(c)."

**SECTION 3.** G.S. 20-290 reads as rewritten:

"§ 20-290. Licenses to specify places of business; display of license and list of salesmen; advertising.

1 (a) The license of a motor vehicle dealer shall list each of the dealer's established  
2 salesrooms in this State. A license of a manufacturer, factory branch, distributor,  
3 distributor branch, or wholesaler shall list each of the license holder's places of business  
4 in this State. A license shall be conspicuously displayed at each place of business. In the  
5 event the location of a business changes, the Division shall endorse the change of  
6 location on the license, without charge.

7 (b) Each dealer shall keep a current list of his licensed salesmen, showing the  
8 ~~names, addresses, and serial numbers of their licenses,~~ name of each licensed salesman,  
9 posted in a conspicuous place in each place of business.

10 (c) Whenever any licensee places an advertisement in any newspaper or  
11 publication, the ~~type and serial number of license~~ licensee's name shall appear ~~therein~~ in  
12 the advertisement."

13 **SECTION 4.** G.S. 20-291 reads as rewritten:

14 **"§ 20-291. Representatives to carry license and display it on request; license to**  
15 **name employer.**

16 Every person to whom a sales representative, factory representative, or distributor  
17 representative license is issued shall carry the license when engaged in business, and  
18 shall display it upon request. The license shall state the name of the representative's  
19 employer. If the representative changes employers, the representative shall immediately  
20 apply to the Division for a license that states the name of the representative's new  
21 employer. The fee for issuing a license stating the name of a new employer is ~~one-half~~  
22 the fee set in G.S. 20-289 for an annual license."

23 **SECTION 5.** This act becomes effective January 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 786\*  
PROPOSED COMMITTEE SUBSTITUTE H786-CSSU-10 [v.1]

4/26/2005 4:53:43 PM

Short Title: MV Dealer Technical Corrections.-AB

(Public)

Sponsors:

Referred to:

March 17, 2005

A BILL TO BE ENTITLED

AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE MOTOR VEHICLE  
DEALERS LICENSING ACT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-287(a) reads as rewritten:

"(a) License Required. – It shall be unlawful for any new motor vehicle dealer, used motor vehicle dealer, motor vehicle sales representative, manufacturer, factory branch, factory representative, distributor, distributor branch, distributor representative, or wholesaler to engage in business in this State without first obtaining a license as provided in this Article. If any motor vehicle dealer acts as a motor vehicle sales representative, the dealer shall obtain a motor vehicle sales representative's license in addition to a motor vehicle dealer's license. A sales representative may have only one license. The license shall show the name of each the dealer or wholesaler employing the sales representative. The following license holders may operate as a motor vehicle dealer without obtaining a motor vehicle dealer's license or paying an additional fee: a manufacturer, a factory branch, a distributor, and a distributor branch. Any of these license holders who operates as a motor vehicle dealer may sell motor vehicles at retail only at an established salesroom."

**SECTION 2.** G.S. 20-288(c) reads as rewritten:

"(c) **(Effective until January 1, 2006)** All licenses that are granted shall expire unless sooner revoked or suspended, on June 30 of the year following date of issue.

(c) **(Effective January 1, 2006)** All licenses that are granted shall ~~expire~~ be for a period of one year from the date issued unless sooner revoked or suspended. The Division shall vary the expiration dates of all licenses that are granted so that an equal number of licenses expire at the end of each month, quarter, or other period consisting of one or more months to coincide with G.S. 20-79(c)."

**SECTION 3.** G.S. 20-290 reads as rewritten:

1    **"§ 20-290. Licenses to specify places of business; display of license and list of**  
2       **salesmen; advertising.**

3       (a)    The license of a motor vehicle dealer shall list each of the dealer's established  
4       salesrooms in this State. A license of a manufacturer, factory branch, distributor,  
5       distributor branch, or wholesaler shall list each of the license holder's places of business  
6       in this State. A license shall be conspicuously displayed at each place of business. In the  
7       event the location of a business changes, the Division shall endorse the change of  
8       location on the license, without charge.

9       (b)    Each dealer shall keep a current list of his licensed salesmen, showing the  
10      ~~names, addresses, and serial numbers of their licenses,~~ name of each licensed salesman,  
11      posted in a conspicuous place in each place of business.

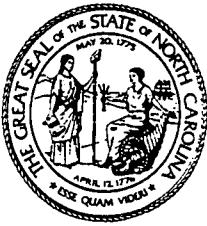
12      (c)    Whenever any licensee places an advertisement in any newspaper or  
13      publication, ~~the type and serial number of license~~ licensee's name shall appear ~~therein in~~  
14      the advertisement."

15           **SECTION 4. G.S. 20-291 reads as rewritten:**

16    **"§ 20-291. Representatives to carry license and display it on request; license to**  
17       **name employer.**

18       Every person to whom a sales representative, factory representative, or distributor  
19       representative license is issued shall carry the license when engaged in business, and  
20       shall display it upon request. The license shall state the name of the representative's  
21       employer. If the representative changes employers, the representative shall immediately  
22       apply to the Division for a license that states the name of the representative's new  
23       employer. The fee for issuing a license stating the name of a new employer is ~~one-half~~  
24       the fee set in G.S. 20-289 for an annual license."

25           **SECTION 5. This act becomes effective January 1, 2006.**



# HOUSE BILL 786: MV Dealer Technical Corrections.-AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Cole  
**Version:** First Edition  
H786-CSSU-10[v.1]

**Date:** May 4, 2005  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 786 would make technical changes to the Motor Vehicle Dealers and Manufacturers Licensing Law.*

### CURRENT LAW AND BILL ANALYSIS:

Expiration of license. Under the current law, any new motor vehicle dealer, used motor vehicle dealer, motor vehicle sales representative, manufacturer, factory branch, factory representative, distributor, distributor branch, distributor representative, or wholesaler must obtain a license to engage in business in North Carolina. Until January 1, 2006, licenses expire on June 30<sup>th</sup> of the year after the license is issued. After January 1, 2006, licenses will expire one year from the date of issuance.

Under House Bill 786, licenses would be issued for a period of one year, but the Division would stagger the expiration dates in the same way it staggers expiration dates for dealer license plates.

Licensee information displayed. Under the current law, a motor vehicle dealer is required to keep a list of his licensed salesmen in a conspicuous place at his business. The list must include the names, addresses, and license serial numbers of the salesmen. In addition, when a licensee advertises, the type and serial number of his license must appear in the ad.

Under House Bill 786, only the licensee's name must be posted in a business or appear in an advertisement, without additional identifying information.

License fee when changing employers. Under the current law, a sales representative, factory representative, or distributor representative license must include the name of the representative's employer. When the representative changes employers, he or she must apply for a new license with the correct employer name. The fee for the new license is half of the annual licensing fee.

Under House Bill 786, the fee for the new license with the new employer name would be the same as the annual licensing fee (\$10).

**EFFECTIVE DATE:** The bill would be effective January 1, 2006.

H0786e1-SMSU



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 943

Short Title: Nonbetterment Relocation of Utility Lines.

(Public)

Sponsors: Representatives Almond, Goodwin, Kiser (Primary Sponsors); Culp and LaRoque.

Referred to: Transportation.

March 29, 2005

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY  
THE COSTS OF NONBETTERMENT RELOCATION OF SOME WATER AND  
SEWER LINES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-27.1 reads as rewritten:

**"§ 136-27.1. Relocation of water and sewer lines of municipalities and nonprofit water or sewer corporations or associations.**

The Department of Transportation shall pay the nonbetterment cost for the relocation of water and sewer lines, located within the existing State highway right-of-way, that are necessary to be relocated for a State highway improvement project and that are owned by: (i) a municipality with a population of ~~5,500~~25,000 or less according to the latest decennial census; (ii) a nonprofit water or sewer association or corporation; (iii) any water or sewer system organized pursuant to Chapter 162A of the General Statutes; (iv) a rural water system operated by county as an enterprise system; (v) any sanitary district organized pursuant to Part 2 of Article 2 of Chapter 130A of the General Statutes; or (vi) constructed by a water or sewer system organized pursuant to Chapter 162A of the General Statutes and then sold or transferred to a municipality with a population of greater than 5,500 according to the latest decennial census."

**SECTION 2.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 943  
PROPOSED COMMITTEE SUBSTITUTE H943-CSSU-11 [v.1]

5/3/2005 1:21:46 PM

Short Title: Nonbetterment Relocation of Utility Lines.

(Public)

Sponsors:

Referred to:

March 29, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY  
3 THE COSTS OF NONBETTERMENT RELOCATION OF SOME WATER AND  
4 SEWER LINES.

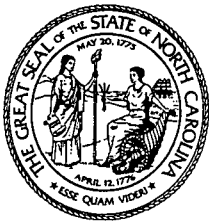
5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 136-27.1 reads as rewritten:

7 "§ 136-27.1. Relocation of water and sewer lines of municipalities and nonprofit  
8 water or sewer corporations or associations.

9 The Department of Transportation shall pay the nonbetterment cost for the  
10 relocation of water and sewer lines, located within the existing State highway  
11 right-of-way, that are necessary to be relocated for a State highway improvement  
12 project and that ~~are owned by~~ are: (i) owned by a municipality with a population of  
13 ~~5,500~~ 25,000 or less according to the latest decennial census; (ii) owned by a nonprofit  
14 water or sewer association or corporation; (iii) owned by any water or sewer system  
15 organized pursuant to Chapter 162A of the General Statutes; (iv) owned by a rural water  
16 system operated by county as an enterprise system; (v) owned by any sanitary district  
17 organized pursuant to Part 2 of Article 2 of Chapter 130A of the General Statutes; or  
18 (vi) constructed by a water or sewer system organized pursuant to Chapter 162A of the  
19 General Statutes and then sold or transferred to a municipality with a population of  
20 greater than 5,500 according to the latest decennial census."

21 SECTION 2. This act is effective when it becomes law.



# HOUSE BILL 943: Nonbetterment Relocation of Utility Lines

## BILL ANALYSIS

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|                   |                                                    |                       |                                               |
|-------------------|----------------------------------------------------|-----------------------|-----------------------------------------------|
| <b>Committee:</b> | House Transportation                               | <b>Introduced by:</b> | Representatives Almond,<br>Goodwin, and Kiser |
| <b>Date:</b>      | May 4, 2005                                        | <b>Summary by:</b>    | Wendy Graf Ray                                |
| <b>Version:</b>   | Proposed Committee Substitute<br>H943-CSSU-11[v.1] |                       | Committee Counsel                             |

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**SUMMARY:** *House Bill 943 would require DOT to pay the cost of relocating water and sewer lines when the lines have to be moved due to a DOT construction project and the lines are owned by a municipality with a population of 25,000 or less.*

**CURRENT LAW:** Under the current law, the Department of Transportation is authorized to allow entities that provide water or sewer services to locate their utility lines on DOT-owned right of way. Nonbetterment relocation cost refers to the cost of moving those lines due to DOT construction. DOT rules provide that the cost must be paid by the entity that owns the water or sewer lines. However, G.S. 136-27.1 provides some exceptions to that rule. G.S. 136-27.1 requires DOT to pay the nonbetterment cost to move water and sewer lines due to a DOT construction project when the lines are:

- Owned by a municipality with a population of 5,500 or less;
- Owned by a nonprofit water or sewer association or corporation;
- Owned by a water or sewer system organized under Chapter 162A;
- Owned by a rural water system operated by county as an enterprise system;
- Owned by a sanitary district organized under Part 2 of Article 2 of Chapter 130A; or
- Constructed by a water or sewer system organized under Chapter 162A and then sold or transferred to a municipality with a population of greater than 5, 500.

**BILL ANALYSIS:** House Bill 943 would amend G.S. 136-27.1 to require DOT to pay nonbetterment costs to move water and sewer lines when the lines are owned by a municipality with a population of 25,000 or less (instead of 5,500 or less).

**EFFECTIVE DATE:** The bill would be effective when it becomes law.

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1266** A BILL TO BE ENTITLED AN ACT TO INCREASE THE AMOUNT  
THE DEPARTMENT OF TRANSPORTATION WILL PAY AS RELOCATION ASSISTANCE  
FOR REASONABLE EXPENSES FOR SEARCHING FOR A REPLACEMENT BUSINESS  
OR FARM, AS REQUIRED BY FEDERAL REGULATION.

☒ With a favorable report.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

**H**

**1**

**HOUSE BILL 1266**

Short Title: DOT Relocation Assistance Change.

(Public)

Sponsors: Representatives Cole; and Faison.

Referred to: Transportation.

April 18, 2005

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE AMOUNT THE DEPARTMENT OF  
TRANSPORTATION WILL PAY AS RELOCATION ASSISTANCE FOR  
REASONABLE EXPENSES FOR SEARCHING FOR A REPLACEMENT  
BUSINESS OR FARM, AS REQUIRED BY FEDERAL REGULATION.

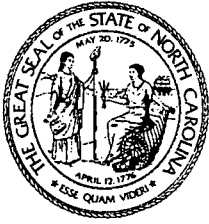
The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 133-8(a) reads as rewritten:

"(a) Whenever the acquisition of real property for a program or project undertaken by an agency will result in the displacement of any person, such agency shall make a payment to any displaced person, upon application as approved by the head of the agency for:

- (1) Actual reasonable expenses in moving himself, his family, business, farm operation, or other personal property;
- (2) Actual direct losses of tangible personal property as a result of moving or discontinuing a business or farm operation, but not to exceed an amount equal to the reasonable expenses that would have been required to relocate such property, as determined by the relocation officer; and
- (3) Actual reasonable expenses in searching for a replacement business or farm in accordance with criteria established by the lead agency, but not to exceed ~~one thousand dollars (\$1,000);~~ two thousand five hundred dollars (\$2,500); and
- (4) Actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, in accordance with criteria to be established by the lead agency, but not to exceed ten thousand dollars (\$10,000)."

**SECTION 2.** This act is effective when it becomes law.



# HOUSE BILL 1266: DOT Relocation Assistance Change

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Cole  
**Version:** First Edition

**Date:** May 4, 2005  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 1266 increases the amount DOT and other State agencies must pay as relocation assistance for reasonable expenses for searching for a replacement business or farm, as required by new federal regulations.*

**CURRENT LAW:** Current State law, enacted in 1971, requires DOT and other State agencies to pay relocation assistance to person displaced by a State project. This law was enacted in response to federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which requires States to pay relocation assistance to persons dislocated by federally funded projects. As a part of relocation assistance, the State is currently required to pay up to \$1000 in reasonable expenses for searching for a replacement business or farm. A recently adopted federal regulation (49 C.F.R. 24.301(g)(17)) requires States to pay up to \$2500 in reasonable expenses for searching for a replacement business or farm for any federally funded State project.

**BILL ANALYSIS:** House Bill conforms State law to the new federal regulation by increasing from \$1000 to \$2500 the maximum amount the State must pay for reasonable expenses for searching for a replacement business or farm.

**EFFECTIVE DATE:** This act is effective when it becomes law.

H1266e1-SMRW

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☐ Committee Substitute for

**HB 1280**

A BILL TO BE ENTITLED AN ACT TO DIRECT THE  
DEPARTMENT OF TRANSPORTATION TO REPORT TO THE GENERAL ASSEMBLY ON  
STRATEGIES TO BEST UTILIZE FEDERAL FUNDS FOR RAIL IMPROVEMENTS SUCH  
AS THE WALLACE TO CASTLE HAYNE RAIL CORRIDOR.

☒ With a favorable report as to the committee substitute bill, which changes the title,  
unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 2005**

**H**

**1**

**HOUSE BILL 1280**

Short Title: DOT Report/Federal Rail Assistance to NC.

(Public)

Sponsors: Representatives Pate, Rapp, Justice, Wright (Primary Sponsors); Bell, Dollar, Frye, McComas, Tucker, and Wilson.

Referred to: Transportation.

April 19, 2005

**A BILL TO BE ENTITLED**

**AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO REPORT TO THE GENERAL ASSEMBLY ON STRATEGIES TO BEST UTILIZE FEDERAL FUNDS FOR RAIL IMPROVEMENTS SUCH AS THE WALLACE TO CASTLE HAYNE RAIL CORRIDOR.**

Whereas, expanding and upgrading passenger, freight, commuter, and short line rail service is important to the economy of North Carolina; and

Whereas, the Citizens of this State have stated their support for expanded passenger rail service through resolutions from over 100 cities, towns, and organizations submitted to the House Interim Committee on Expanding Rail Service in the fall of 2004; and

Whereas, the Congress is debating reauthorization of the federal Surface Transportation Program; and

Whereas, the Congress is considering new and innovative means of financing construction of transportation infrastructure, including highways, transit, intermodal and rail projects; and

Whereas, the Congress is debating reform of the National Railroad Passenger Corporation, known as Amtrak, and the result may be more responsibilities for rail transferred to the states; and

Whereas, it is in the best interest of the State of North Carolina to respond in a timely way to these proposed changes as they impact our transportation programs and economic development opportunities; and

Whereas, many rail corridors in the State, such as the Wallace to Castle Hayne rail corridor, are in need of restoration and improvement; Now, therefore, The General Assembly of North Carolina enacts:

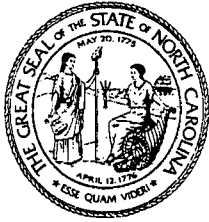
**SECTION 1.** The Department of Transportation is directed, no more than 60 days following enactment of reauthorization of the federal Surface Transportation Program, to develop and report its recommendations on strategies, using funds available



1 to the Department, to provide matching funds so the State can leverage the maximum  
2 federal and private participation in funding rail corridor improvements, such as the  
3 restoration of the rail corridor from Wallace to Castle Hayne.

4         **SECTION 2.** The Department shall submit its report to the Joint  
5 Appropriations Subcommittee on Transportation, or if the General Assembly is not in  
6 session, to the Joint Legislative Transportation Oversight Committee.

7         **SECTION 3.** This act is effective when it becomes law.



# HOUSE BILL 1280: DOT Report/Federal Rail Assistance

## *BILL ANALYSIS*

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|                       |                      |                    |                   |
|-----------------------|----------------------|--------------------|-------------------|
| <b>Committee:</b>     | House Transportation | <b>Date:</b>       | May 4, 2005       |
| <b>Introduced by:</b> | Rep. Pate            | <b>Summary by:</b> | Giles S. Perry    |
| <b>Version:</b>       | H1280-CSRW-20[v.1]   |                    | Committee Counsel |

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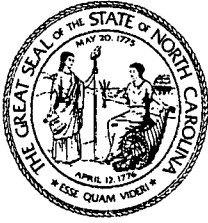
**SUMMARY:** *House Bill 1280 directs the Department of Transportation to report to the General Assembly on how to best utilize federal funds for rail improvements.*

**BILL ANALYSIS:** House Bill 1280 directs the Department of Transportation to:

- develop and report its recommendations on strategies, using funds available to the Department, to provide matching funds so the State can leverage the maximum federal and private participation in funding needed rail initiatives, such as the restoration of the rail corridor from Wallace to Castle Hayne, and service to the western and southeastern parts of the State.
- submit its report to the Joint Appropriations Subcommittee on Transportation, or if the General Assembly is not in session, to the Joint Legislative Transportation Oversight Committee, no more than 60 days following enactment of reauthorization of the federal Surface Transportation Program.

**EFFECTIVE DATE:** This act is effective when it becomes law.

*H1280-SMRW-CSRW-20*



# HOUSE BILL 1280: DOT Report/Federal Rail Assistance

## *BILL ANALYSIS*

**Committee:** House Transportation  
**Introduced by:** Rep. Pate  
**Version:** H1280-CSRW-20[v.1]

**Date:** May 4, 2005  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 1280 directs the Department of Transportation to report to the General Assembly on how to best utilize federal funds for rail improvements.*

**BILL ANALYSIS:** House Bill 1280 directs the Department of Transportation to:

- develop and report its recommendations on strategies, using funds available to the Department, to provide matching funds so the State can leverage the maximum federal and private participation in funding needed rail initiatives, such as the restoration of the rail corridor from Wallace to Castle Hayne, and service to the western and southeastern parts of the State.
- submit its report to the Joint Appropriations Subcommittee on Transportation, or if the General Assembly is not in session, to the Joint Legislative Transportation Oversight Committee, no more than 60 days following enactment of reauthorization of the federal Surface Transportation Program.

**EFFECTIVE DATE:** This act is effective when it becomes law.

H1280-SMRW-CSRW-20

Comparison of Amtrak legislation and other passenger rail initiatives in the 109<sup>th</sup> Congress

| Major Issue Area                                         | POTUS                                                                                                                                                                 | House T&I                                                                                 | Amtrak                                                                                                                                                                                                                   |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Federal Funds                                            | "Such sums as may be necessary" contingent upon reforms being implemented.                                                                                            | Up to \$2B annually in 2006-2008. Funds set aside for retirement and commuter operations. | \$1.82B in FY 2006. No subsequent amounts identified but hopes only \$800M in 2011.                                                                                                                                      |
| Amtrak Restructuring                                     | Amtrak split into 3 entities: an operating company, a capital management company, and an oversight company. Northeast Corridor given to an interstate compact.        | No provision.                                                                             | Amtrak remains one company.                                                                                                                                                                                              |
| State Matching Contribution for Certain Capital Projects | Zero in year two<br>20 percent in year three<br>40 percent in year four<br>50 percent in year five/thereafter.                                                        | No provision.                                                                             | 20 percent state match generally.                                                                                                                                                                                        |
| Limit on Long-distance Train Operating Subsidies         | No federal subsidies for trains with operating losses over 40 cents per mile in year two, 20 cpm in year three, 10 cpm in year four an no subsidy in/after year five. | No provision.                                                                             | Amtrak to develop performance thresholds for long-distance trains and give states opportunities to fund gap between revenues and thresholds to avoid shutdowns. Full recovery of avoidable costs from states by FY 2011. |
| Competition for Routes                                   | Operating company must sign contracts for all routes by end of year one, and all routes open to competition by end of year five.                                      | No provision.                                                                             | Pilot project for competition on one state-supported route by FY 2007. Level playing field (see below).                                                                                                                  |

## Comparison of Amtrak legislation and other passenger rail initiatives in the 109<sup>th</sup> Congress

| Major Issue Area | POTUS                                                                                                                                                                                   | House T&I     | Amtrak                                                                                                                                                                                                                                  |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Labor Issues     | Current employees going with oversight company retain "only such rights and benefits as the corporation may determine." Authorizes buyouts of current employees at up to \$50,000 each. | No provision. | Make all intercity passenger rail operators subject to the same labor law, and take Amtrak out of the Railroad Retirement system and into Social Security with 401(k)s. Provides that Amtrak labor contracts expire at expiration date. |

### Other:

- Senator Lott announced he "intends to draft an Amtrak reauthorization bill and move it to the Senate floor by summer."
- In testimony before the Senate's Commerce, Science and Transportation Committee the Administration, the USDOT Inspector General and Amtrak all attest to the importance of States in intercity passenger rail development and of the need for the federal government to partner with States on capital investments.
- Polarity among authorizers means the future of Amtrak becomes an appropriations issue by default. Funding is in place through September 30, 2005, but this funding is under pressure from the marketplace and from the added costs to address the Acela brake issue.
- Senators Talent and Wyden introduced the Build America Bonds Act, which would provide \$50B in tax credit bonds to build highways, transit systems, railroads, airports, ports, and inland waterway.
- RIDE-21 introduced by Representative Don Young provides \$12B in tax credit bonds for high-speed rail infrastructure.
- The House adopted Surface Transportation Program reauthorization (Transportation Equity Act: A Legacy for Users) includes \$100M annually for high-speed rail development.

# VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Wednesday, May 4, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                |                                           |
|----------------|-------------------------------------------|
| Debbie Jones   | DOT / DMV                                 |
| Robbie Quinn   | DOT / DMV                                 |
| David HINNANT  | NCDOT                                     |
| STEVE VARNEDOE | NCDOT                                     |
| Steve DeWitt   | NCDOT                                     |
| Kathy Hawkins  | Progres Energy                            |
| Jim Blackburn  | NC Association of<br>County Commissioners |
| Mike Osborne   | AOC                                       |
| Lucy Lane      | NCDOT                                     |
| Betsy Bailey   | NCPTA                                     |
| John Phelps    | NCLM                                      |
| Mac Boxley     | MC Aggregator                             |
| Gene Causby    | NCA                                       |

## VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Wednesday, May 4, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|               |                       |
|---------------|-----------------------|
| Waxen Plouk   | OSBM                  |
| May Thomsen   | REBIC                 |
| Pat Simmons   | NCDOT                 |
| Paul Worley   | NCDOT                 |
| Erin Kinney   | IX Connection Network |
| Chad Hinton   | Civitas Institute     |
| John Dillard  | CSX Transportation    |
| Angie Harris  | Maupin Taylor         |
| Portia Manley | NCDOT / DMV           |
| Jay Gardner   | NC DOT AMV            |
| Beth Hathcock | NC DOJ / DMV          |

## VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Name of Committee

Wednesday, May 4, 2005

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                  |                                   |
|------------------|-----------------------------------|
| Wayne Gottis     | NC State Ports Authority          |
| Kathleen Edwards | UNC-CH Legis. Reporting Service   |
| Beau Mills       | NC Metropolitan Coalition / NC LM |
| Doug Allison     | NC DOT                            |
| Tammy C. Denning | NC DOT                            |
| Steve Woodson    | NC Farm Bureau                    |
| Charlie Diehl    | NC Trucking Association           |
| CHRIS HARTLEY    | US DOT FMCSA                      |
| Byrd Canale      | City of Charlotte                 |
| Kevin G. Leonard | WCSR                              |
| Paula A. Hoef    | El Pueblo                         |



## VISITOR REGISTRATION SHEET

## HOUSE TRANSPORTATION

Name of Committee

Wednesday, May 4, 2005

**Date**

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

**FIRM OR AGENCY AND ADDRESS**[illegible]

## TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting

Wednesday, May 4, 2005

| <u>Page Name</u> | <u>County</u> | <u>Sponsor</u> |
|------------------|---------------|----------------|
| Christa Leonard  | Franklin      | Jim Crawford   |
| cameron Harwick  | Rowan         | lorene coyer   |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |

| <u>Sergeant-at-Arms</u> |
|-------------------------|
| Dusty Rhodes            |
| James North             |
| Martha Parnish          |
|                         |

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

May 11, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on May 11, 2005, in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Carney, presiding Chair, Representatives Allred and L. Allen, Chairs, Representatives Crawford, Saunders, and Williams, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Haire, Hill, Hilton, Rhodes, Starnes, Sutton, and Wilkins. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Joyce Langdon and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, Bill Sullivan, and Jesse Barefoot, House Sergeants-at-Arms. Pages assisting were Jessica Whelthe, sponsored by Representative Langdon of Johnston County, and Jonathan Mestas, sponsored by Representative Eddins of Wake County.

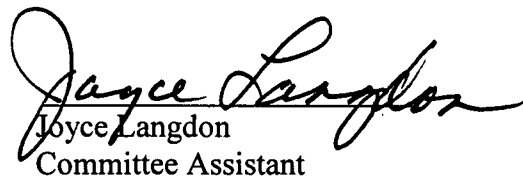
Representative Carney called the meeting to order and introduced the House Sergeants-at-Arms and the House Pages assisting with the meeting.

As Presiding Chair, Representative Carney announced that all bills on the agenda had been pulled by the bill sponsors and would not be heard at this meeting.

The meeting adjourned at 11:05 A.M.

Respectfully submitted,

  
Representative Becky Carney  
Presiding Chair

  
Joyce Langdon  
Committee Assistant

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Attachments:  
Agenda  
Visitors Registration

# **AGENDA**

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

May 11, 2005  
11:00 A.M.  
Room 1228 LB

Representative Becky Carney, Presiding Chair  
Representative Lucy T. Allen, Chair  
Representative Cary Allred, Chair  
Representative Bonner Stiller, Chair

### **WELCOME AND OPENING REMARKS**

### **INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS STAFF**

### **BILLS FOR CONSIDERATION**

**HB 254 - GARVEE Bond Issuance - Rep. Crawford**

**HB 747 - Defining State Roads.-AB - - Reps. Cole and Coates**

**HB 1356 - Highway Trust Fund-Need Based Projects - Rep. McMahan**

**HB 1544 - Nonresident CDL/Training Changes - Rep. Lewis**

### **ADJOURNMENT**

# VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

May 11, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                |                          |
|----------------|--------------------------|
| Charlie Diehl  | NC Trucking Association  |
| Peter B. Bink  | Town of Oak Island       |
| Warren Plank   | OSBM                     |
| Mike Alford    | OSBM                     |
| Dwaine Buckner | Governors Office         |
| JBF            | AAA Carolinas            |
| Jan Slagle     | Jacksonville Mayor       |
| Stu Slagle     | Citizen Jacksonville     |
| Craig Deal     | NCDENR                   |
| Book Trout     | Mayor Town of High Falls |
| John Phelps    | NCLM                     |
| Joe Shearon    | Town of Louisburg NC     |

# VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

May 11, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                 |                   |
|-----------------|-------------------|
| KARL PERAZZI    | TOWN OF LOUISBURG |
| LOIS B. WHEELER | "                 |
| Emma B. Stewart | " "               |
| Sandra Long     | Martin Marietta   |
| John Long       | Martin Marietta   |
| B. J. Mon       | Town of Valdese   |
| Jim Holtz       | Town of Valdese   |
|                 |                   |
|                 |                   |
|                 |                   |
|                 |                   |
|                 |                   |

## VISITOR REGISTRAT ON SHEET

## TRANSPORTATION

Name of Committee

MAY 11, 2005

Date \_\_\_\_\_

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME

FIRM OR AGENCY

Thos. Green

John G. Lonsburn

Long. 9. Kph

James Lewis

J. Alan Peoples

Town of TAYLOR

Mae Boxley

# NC Aggregates

Will Williamson

PC DMV.

ADICKES

Rep. Coates office

CARL B. MUNRO

FOX FIRE VILLAGE

Chad Hinton

Civitas Institute

## Hot Road Eaters

Cassidy S.

Kare Patti's

we state Part Author 2

Elizabeth Dalton

NCCB1

Pinto Macé

N/C DUT / Dmu

С. Горюхи

1. Species of *Manicaria* -

COBBLE  
N. Cairns

NEOT

TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting: May 11, 2005

| <u>Page Name</u> | <u>County</u> | <u>Sponsor</u> |
|------------------|---------------|----------------|
| Jessica WhelHe   | Johnston      | Langdon        |
| Jonathan Mestas  | Wake          | Rep. Eddins    |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |

| <u>Sergeant-at-Arms</u> |
|-------------------------|
| Bill Sullivan           |
| Jesse Bandfoot          |
| Dusty Rhodes            |
|                         |



## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

May 18, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on May 18, 2005, in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Carney, presiding Chair, Representatives Allred, L. Allen, and Stiller, Chairs, Representatives Crawford, Saunders, Steen, and Williams, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Hill, Hilton, McComas, Moore, Preston, Rayfield, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Jean Allred, Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, Martha Parrish, and Brad Barefoot, House Sergeants-at-Arms. Pages assisting were Chelsea King and Jenna Halford, both sponsored by Representative Mitch Gillespie of Rowan County. A list of visitors is attached.

Representative Carney called the meeting to order and introduced the House Sergeants-at-Arms and the House Pages. She announced that the Committee was down to one bill, as the bill sponsors had pulled the others on the agenda.

The remaining bill before the Committee was **HB 943 - NONBETTERMENT RELOCATION OF UTILITY LINES**. A motion was made and passed that the Committee adopt the proposed substitute for discussion. The primary sponsor, Representative David Almond, explained the bill. He said that the bill was designed to help small towns cope with the cost of relocating utilities on state right of ways. Currently, if a town has a population of 5,500 or more, they have to pay for the relocation of utility lines. The purpose of this committee substitute is to raise this limit to 10,500. According to the fiscal note, it is not very exacting—it only estimates what it would cost the state. It would add about 39 municipalities to be exempt from having to pay for the relocation costs, which would add an estimated \$400,000 up to \$3 million.

Representative Sutton asked Staff if the number “10,500” on Line 19 should be changed. Wendy Graf-Ray stated that that has to do with water and sewer systems that are organized systems pursuant to Chapter 152-A instead of all municipalities.

Representative Saunders asked Staff if DOT pays for this, where do the funds come from? Steve DeWitt from the North Carolina Department of Transportation responded that funds would come from the highway fund for project improvement, which would generally be the Highway Trust Fund.

Much discussion ensued concerning the moving of water and sewer lines, expenses, and coverage of same.

Minutes House Committee on Transportation

Page 2

May 18, 2005

Representative Almond had asked staff to do some checking. Various grant programs that the state gives back to smaller communities are through the Department of Economic and Natural Resources and through the Rural Economic Development Center. Over the past five fiscal years, there has been an average of \$313 million that the state has given back to some of these smaller communities to help them with various projects

Representative Starnes asked Mr. DeWitt who pays the expense for moving a water or sewer line in an unincorporated area? Steve DeWitt of DOT said that these are basically covered by non-profit organizations.

Representative Starnes asked if a highway project causes the county to have to move one of their water lines, does the county or DOT pay? Steve DeWitt of DOT said that if the relocation is necessary as part of construction work, DOT would pay.

Representative Starnes asked about natural gas lines. Mr. DeWitt stated that if the natural gas lines were on the DOT right-of-way encroachment, the Utility Company would be expected to move them.

Representative McComas asked how did we arrive at 5,500 or 10,500? What happens insofar as small towns not incorporated? Giles Perry (Staff) stated that he did not know how the 5,500 was arrived at. DOT only covers the cost of moving for listed types of water and sewer systems that are in the statute. It depends on what system it falls into.

Representative McComas asked who pays relocation for a small community of 5,600 not incorporated. Giles Perry (Staff) responded that if they have a water or sewer system that is listed as one of those in the statutes as an exception, DOT would pay. If unincorporated, it would depend on what kind of system.

Representative McComas asked the bill sponsor, Representative Almond, if he would entertain a motion to send this to Transportation Oversight in the interim to study this issue? Representative Almond said that he would entertain such a motion, but it was up to the Chair.

Representative McComas suggested that it be turned into a study bill for Transportation Oversight subcommittee.

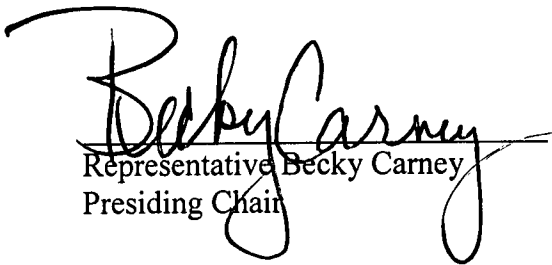
Presiding Chair, Representative Carney, stated that this committee could not refer it to Transportation Oversight. The committee could turn it into a study bill and it could be reported to Transportation Oversight.

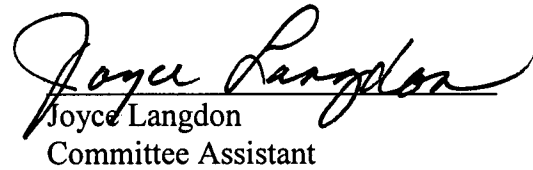
Minutes House Committee on Transportation  
Page 3  
May 18, 2005

Representative Carney stated that we have a motion to refer this to a study committee.  
The motion passed.

Representative Carney, presiding chair, adjourned the meeting at 11:50 a.m.

Respectfully submitted,

  
Representative Becky Carney  
Presiding Chair

  
Joyce Langdon  
Committee Assistant

Attachments:

Agenda  
House Bill 943  
Proposed Committee Substitute 943 and  
Fiscal Analysis Memorandum

# **AGENDA**

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

May 18, 2005

11:00 A.M.

Room 1228 LB

Representative Becky Carney, Presiding Chair

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Bonner Stiller, Chair

### **WELCOME AND OPENING REMARKS**

### **INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS STAFF**

### **BILLS FOR CONSIDERATION**

**HB 254 - GARVEE Bond Issuance - Rep. Crawford**

**HB 747 - Defining State Roads.-AB - - Reps. Cole and Coates**

**HB 943 - Nonbetterment Relocations of Utility Lines**

**HB 1356 - Highway Trust Fund-Need Based Projects - Rep. McMahan**

**HB 1544 - Nonresident CDL/Training Changes - Rep. Lewis**

### **ADJOURNMENT**

## VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

May 18, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                 |                         |
|-----------------|-------------------------|
| Holly Howington | intern, Rep Eddins      |
| Charlie Diehl   | NC Trucking Association |
| David Meredith  | NE state Grange         |
| Karen Johnson   | Smith Anderson          |
| Steve DeWitt    | NCDOT                   |
| David Hinnant   | NCDOT                   |
| Paula A. Wolf   | El Pueblo               |
| Erin Kinney     | NC Conservation Network |
| Calvin Leggett  | NCDOT                   |
| MARK FOSTER     | NCDOT                   |
| Bob William     | Public Staff - NCEC     |

## VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

May 18, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                  |                                 |
|------------------|---------------------------------|
| Kathleen Edwards | UNC-CH Legis. Reporting Service |
| Steve Morston    | NCLM                            |
| Sandra Long      | Marti Marotta                   |
| John Long        | Marti Marotta                   |
| Ryland Pond      | Intern - Rep. Carney            |
| Elizabeth Jaffin | NCCB                            |
| Clark Leonard    | Intern - Clark Leonard          |
| Wili Williamson  | NC DMV                          |
| John Phelps      | NCLM                            |
| Beau Mills       | NC Metropolitan Coalition       |
| Kathy Hawley     | Progress Energy                 |

## VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

May 18, 2005

Name of Committee

**Date**

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

**FIRM OR AGENCY AND ADDRESS**

Warren Plunk

ASBM

*[Signature]*

NCRB - VKWH

*[Handwritten signature]*

AA Carolinos

TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting: May 18, 2005

| <u>Page Name</u> | <u>County</u> | <u>Sponsor</u> |
|------------------|---------------|----------------|
| Chelsea King     | McDowell      | Rep. Gillespie |
| Jenna Halford    | McDowell      | Rep. Gillespie |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |
|                  |               |                |

| <u>Sergeant-at-Arms</u> |
|-------------------------|
| DUSTY RHODES            |
| MARTHA PARRISH          |
| BRAD BAREFOOT           |
|                         |



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 943

Short Title: Nonbetterment Relocation of Utility Lines. (Public)

Sponsors: Representatives Almond, Goodwin, Kiser (Primary Sponsors); Culp and LaRoque.

Referred to: Transportation.

March 29, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY  
3 THE COSTS OF NONBETTERMENT RELOCATION OF SOME WATER AND  
4 SEWER LINES.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 136-27.1 reads as rewritten:

7 "§ 136-27.1. Relocation of water and sewer lines of municipalities and nonprofit  
8 water or sewer corporations or associations.

9 The Department of Transportation shall pay the nonbetterment cost for the  
10 relocation of water and sewer lines, located within the existing State highway  
11 right-of-way, that are necessary to be relocated for a State highway improvement  
12 project and that are owned by: (i) a municipality with a population of ~~5,500~~25,000 or  
13 less according to the latest decennial census; (ii) a nonprofit water or sewer association  
14 or corporation; (iii) any water or sewer system organized pursuant to Chapter 162A of  
15 the General Statutes; (iv) a rural water system operated by county as an enterprise  
16 system; (v) any sanitary district organized pursuant to Part 2 of Article 2 of Chapter  
17 130A of the General Statutes; or (vi) constructed by a water or sewer system organized  
18 pursuant to Chapter 162A of the General Statutes and then sold or transferred to a  
19 municipality with a population of greater than 5,500 according to the latest decennial  
20 census."

21 SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

D

HOUSE BILL 943

PROPOSED COMMITTEE SUBSTITUTE H943-CSLK-19 [v.1]

5/10/2005 9:52:52 AM

Short Title: Nonbetterment Relocation of Utility Lines.

(Public)

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Sponsors:

---

Referred to:

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March 29, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY  
3 THE COSTS OF NONBETTERMENT RELOCATION OF SOME WATER AND  
4 SEWER LINES.

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10 relocation of water and sewer lines, located within the existing State highway  
11 right-of-way, that are necessary to be relocated for a State highway improvement  
12 project and that are owned by: (i) a municipality with a population of ~~5,500~~10,500 or  
13 less according to the latest decennial census; (ii) a nonprofit water or sewer association  
14 or corporation; (iii) any water or sewer system organized pursuant to Chapter 162A of  
15 the General Statutes; (iv) a rural water system operated by county as an enterprise  
16 system; (v) any sanitary district organized pursuant to Part 2 of Article 2 of Chapter  
17 130A of the General Statutes; or (vi) constructed by a water or sewer system organized  
18 pursuant to Chapter 162A of the General Statutes and then sold or transferred to a  
19 municipality with a population of greater than 5,500 according to the latest decennial  
20 census."

21 SECTION 2. This act is effective when it becomes law.

# GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2005

## FISCAL ANALYSIS MEMORANDUM

[This confidential fiscal memorandum is a fiscal analysis of a draft bill, amendment, committee substitute, or conference committee report that has not been formally introduced or adopted on the chamber floor or in committee. **This is not an official fiscal note.** If upon introduction of the bill you determine that a formal fiscal note is needed, please make a fiscal note request to the Fiscal Research Division, and one will be provided under the rules of the House and the Senate.]

**DATE:** May 17, 2005

**TO:** Representative Almond

**FROM:** Evan Rodewald  
Fiscal Research Division

**RE:** PCS for H0943, Nonbetterment Relocation of Utility Lines

### FISCAL IMPACT

Yes (x)

No ( )

No Estimate Available ( )

(\$ millions)

FY 2005-06

FY 2006-07

FY 2007-08

FY 2008-09

FY 2009-10

#### REVENUES

#### EXPENDITURES

\$0.4 to \$3.0

\$0.4 to \$3.0

\$0.4 to \$3.0

\$0.4 to \$3.0

\$0.4 to \$3.0

#### POSITIONS:

#### PRINCIPAL DEPARTMENT(S) &

#### PROGRAM(S) AFFECTED:

Improvement Program (TIP)

North Carolina Department of Transportation (NCDOT), Transportation

**EFFECTIVE DATE:** When the bill becomes law.

**BILL SUMMARY:** The proposed committee substitute (PCS) for House Bill 943 would increase the number of municipalities exempted from paying costs of moving water and sewer lines due to State highway construction. Currently, State law requires that NCDOT pay the relocation costs for water and sewer utilities owned by municipalities with a population of 5,500 or less. The PCS would raise the population threshold to 10,500, which would increase the number of exempt municipalities from 456 to 495, or 39 additional municipalities.

**ASSUMPTIONS AND METHODOLOGY:** NCDOT estimates that it spends roughly \$4.0 million annually as a result of the current exemption. NCDOT has no way of accurately estimating the impact of changing the exemption threshold. Reviewing the details of each TIP project in each of the 39 municipalities affected by this legislation would take a great deal of time and effort, and would still not provide an accurate estimate; many projects in the TIP do not yet have complete designs or right-of-way plans.

However, I believe that the increase in relocation costs would probably be greater than the nine percent increase in the number of exempted municipalities; the 39 additional municipalities (population from 5501 to 10,500) are larger than those municipalities currently exempted, have more utility infrastructure, more potential for expensive complications in moving utility lines, more service taps along a given corridor, more conflicts with other utilities, more potential for interruption of service, and more traffic control issues. For these reasons, NCDOT utility and construction officials believe that exempting these larger municipalities would increase the \$4.0 million annual cost of moving water and sewer lines by 50%, and also believe the costs could be higher. This \$2.0 million figure is more of an educated guess than an estimate. I roughly estimate the costs at between \$0.4 million and \$3.0 million annually. These figures do not include inflation.

**SOURCES OF DATA:** NCDOT

**TECHNICAL CONSIDERATIONS:** Please note that I haven't seen a copy of the proposed committee substitute. I am basing this rough analysis on my understanding of what the PCS includes.

Please let me know if you have any questions.

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

May 25, 2005

The **HOUSE COMMITTEE ON TRANSPORTATION** met on May 25, 2005 in Room 1228 of the Legislative Building at 11:00 am. The following were present: Presiding Chair Bonner Stiller, Co-Chairs Allen and Carney, Vice Chair Wright, and Representatives Cleveland, Coates, Cole, Daughtridge, Goodwin, Haire, Moore, Preston, Rayfield, Sutton, and Wilkins. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and committee assistants Carla Farmer, Melissa Riddle and Joyce Langdon. Pages were not present due to the session being held in Edenton, NC.


Chairman Stiller called the meeting to order and Rep. Gulley was asked to explain **HB 1026 A BILL TO BE ENTITLED AN ACT TO PERMIT LEFT TURNS ON RED AT CERTAIN INTERSECTIONS IN RALEIGH**. A PCS was adopted for discussion purposes. A representative from the National Organization of the Blind spoke in opposition of the bill due to the large number of sight-impaired individuals in the area. After some discussion, a motion was made that the PCS receive a favorable report, unfavorable as to the original bill and the motion carried.

Rep. Crawford explained **HB 254 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE STATE TREASURER TO ISSUE "GARVEE" GRANT ANTICIPATION REVENUE VEHICLE BONDS ON BEHALF OF THE DEPARTMENT OF TRANSPORTATION AND TO DIRECT THE SECRETARY OF THE DEPARTMENT OF TRANSPORTATION AND THE STATE TREASURER TO DEVELOP AN IMPLEMENTATION PLAN FOR ISSUANCE OF THE BONDS, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE**. A PCS was adopted for discussion purposes. Mark Foster, Financial Officer for DOT answered several questions on this bill. A motion was made that the PCS receive a favorable report, unfavorable to the original bill and the motion carried with a re-refer to the committee on Finance.

Rep. Cole explained **HB 747 A BILL TO BE ENTITLED AN AT TO CLARIFY THE DEFINITIONS OF THE STATE ROAD SYSTEMS AND TO REQUIRE ANNUAL WORK PLANS FOR MAINTENANCE OF STATE STREETS AND HIGHWAYS WITHIN MUNICIPALITIES.** A PCS was adopted for discussion purposes and an amendment was made on lines 12-14. Steve Andrews, Chief Engineer for the DOT answered several questions and after much discussion a motion was made to award the PCS as amended with a favorable report, unfavorable as to the original bill and the motion carried.

The meeting adjourned at 11:50.

Respectfully Submitted,

  
Representative Bonner Stiller  
Presiding Chair

  
Carla Farmer  
Committee Assistant

Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

**NORTH CAROLINA HOUSE OF REPRESENTATIVES**

**COMMITTEE MEETING NOTICE**

**AND**

**BILL SPONSOR NOTIFICATION**

**2005-2006 SESSION**

You are hereby notified that the **Committee on Transportation** will meet as follows:

**DAY & DATE:**    **Wednesday, May 25, 2005**

**TIME:**                **4:00 PM**

**LOCATION:**        **Room 1228**

The following bills will be considered (Bill # & Short Title & Bill Sponsor):

**HB 254 -   GARVEE Bond Issuance - Rep. Crawford**

**HB 1026 -   Left Turn on Red - Raleigh - Rep. Gulley**

Representative Bonner Stiller, Presiding

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Becky Carney, Chair

I hereby certify this notice was filed by the committee assistant at the following offices  
at **10:00 AM** on **May 20th, 2005**.

\_\_\_\_Principal Clerk  
\_\_\_\_Reading Clerk - House Chamber

Carla Farmer (Committee Assistant)

# AGENDA

## HOUSE COMMITTEE ON TRANSPORTATION

May 25, 2005  
4:00 PM  
Room 1228 LB

Representative Bonner Stiller, Presiding Chair  
Representative Lucy T. Allen, Chair  
Representative Cary Allred, Chair  
Representative Becky Carney, Chair

### OPENING REMARKS

### BILLS FOR CONSIDERATION

HB 254 – GARVEE Bond Insurance – Representative Crawford

HB 1026 – Left Turn On Red – Rep. Gulley

### ADJOURNMENT



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 1026

Short Title: Left Turn on Red – Raleigh. (Local)

Sponsors: Representatives Gulley; Blackwood, Blust, Cleveland, Dollar, McMahan, Rhodes, Stam, Walend, and Womble.

Referred to: Transportation.

March 31, 2005

A BILL TO BE ENTITLED  
AN ACT TO PERMIT LEFT TURNS ON RED AT CERTAIN INTERSECTIONS IN  
RALEIGH.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-158(b) reads as rewritten:

"(b) Control of Vehicles at Intersections. –

(1) When a stop sign has been erected or installed at an intersection, it shall be unlawful for the driver of any vehicle to fail to stop in obedience thereto and yield the right-of-way to vehicles operating on the designated main-traveled or through highway. When stop signs have been erected at three or more entrances to an intersection, the driver, after stopping in obedience thereto, may proceed with caution.

(2) ~~Vehicles facing a red light controlling traffic passing straight through an intersection from a steady or strobe beam stoplight shall not enter the intersection while the steady or strobe beam stoplight is emitting a red light controlling traffic passing straight through an intersection; provided that, where prohibited by an appropriate sign vehicular traffic facing a red light controlling traffic passing straight through an intersection, after coming to a complete stop at the intersection, may enter the intersection to make a right turn but such~~ When a steady or strobe beam stoplight is emitting a red light controlling traffic passing through an intersection, an approaching vehicle facing the red light shall come to a stop and shall not enter the intersection. After coming to a complete stop and unless prohibited by an appropriate sign, that approaching vehicle may turn under one of the following conditions:

a. That vehicle may make a right turn. The turning vehicle shall yield the right-of-way to pedestrians and to other traffic using the intersection.

b. If that vehicle is in the leftmost lane of travel on a one-way street that intersects with another one-way street with traffic traveling from the turning driver's right to the turning driver's left, then that vehicle may enter the intersection and make a left turn into the extreme left-hand lane lawfully available to traffic. The turning vehicle shall yield the right-of-way to pedestrians and to other traffic using the intersection.

(2a) When ~~the~~ a stoplight is emitting a steady yellow circular light on a traffic signal controlling traffic passing straight through an intersection or a steady yellow arrow light on a traffic signal controlling traffic turning at an intersection, vehicles facing the yellow light are warned that the related green light is being terminated or a red light will be immediately forthcoming. When the stoplight is emitting a steady green light, vehicles may proceed with due care through the intersection subject to the rights of pedestrians and other vehicles as may otherwise be provided by law.

(3) When a flashing red light has been erected or installed at an intersection, approaching vehicles facing the red light shall stop and yield the right-of-way to vehicles in or approaching the intersection. The right to proceed shall be subject to the rules applicable to making a stop at a stop sign.

(4) When a flashing yellow light has been erected or installed at an intersection, approaching vehicles facing the yellow flashing light may proceed through the intersection with caution, yielding the right-of-way to vehicles in or approaching the intersection.

(5) When a stop sign, stoplight, flashing light, or other traffic-control device authorized by subsection (a) of this section requires a vehicle to stop at an intersection, the driver shall stop at (i) an appropriately marked stop line, or if none, (ii) before entering a marked crosswalk, or if none, (iii) before entering the intersection at the point nearest the intersecting street where the driver has a view of approaching traffic on the intersecting street."

**SECTION 2.** The Department of Transportation shall collect data regarding pedestrians who are involved in accidents at intersections because of a driver's failure to yield the right-of-way while turning right at a red light. The data shall include information regarding the number of disabled pedestrians, including individuals with visual or mobility-related disabilities, who are involved in right turn on red accidents. The Department shall report the data to the Joint Legislative Transportation Oversight Committee beginning January 1, 2006. The Transportation Oversight Committee shall make recommendations to the 2008 Regular Session of the 2007 General Assembly regarding the appropriate number of drivers license points that should be assessed against a driver who fails to yield to a pedestrian while turning right at a red light.

The Transportation Oversight Committee may study whether to allow vehicles to make a left turn on a red light. If the Committee studies the issue of left turn

1 on red, it shall consult with representatives of disabled individuals and shall take into  
2 consideration any increased risk to pedestrians that allowing left turn on red may create.

3 **SECTION 3.** The Department of Transportation, as part of any regularly  
4 scheduled updates, shall revise the written portion of the drivers license examination  
5 and any publications related to obtaining a drivers license to reflect the changes in  
6 Sections 1 and 2 of this act.

7 **SECTION 4.** The Department of Transportation, counties, and  
8 municipalities are encouraged to provide public service announcements on television  
9 and radio informing the public of the provisions of this act. The public service  
10 announcements should be scheduled to occur during times most likely to reach a broad  
11 audience.

12 **SECTION 5.** This act shall apply only to the following intersections in the  
13 City of Raleigh:

14 Salisbury and Jones Streets

15 Salisbury and Lane Streets

16 Wilmington and Jones Streets

17 Wilmington and Lane Streets.

18 **SECTION 6.** This act becomes effective December 1, 2005, and expires on  
19 July 1, 2008.

Fav. Rep.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 1026  
PROPOSED COMMITTEE SUBSTITUTE H1026-CSSU-17 [v.6]

5/25/2005 2:13:09 PM

Short Title: Left Turn on Red – Raleigh.

(Public)

Sponsors:

Referred to:

March 31, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO PERMIT LEFT TURNS ON RED AT CERTAIN INTERSECTIONS IN  
3 RALEIGH.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 20-158(b)(2) reads as rewritten:

6 "(b) Control of Vehicles at Intersections. –

7 ...

8 (2) ~~Approaching with traffic signal traffic signal the approaching~~

9 a. When a ~~steady or strobe beam stoplight~~ steady-beam traffic  
10 signal is emitting a red light controlling traffic passing through  
11 approaching an intersection, an approaching vehicle facing the  
12 red light shall come to a stop and shall not enter the  
13 intersection. After coming to a complete stop and unless  
14 prohibited by an appropriate sign, that approaching vehicle may  
15 make a right turn.

16 a1. When a vehicle stops at a traffic signal as required under  
17 sub-subdivision a. of this subdivision, after coming to a  
18 complete stop and unless prohibited by an appropriate sign, if  
19 that vehicle is in the leftmost lane of travel on a one-way street  
20 that intersects with another one-way street with traffic traveling  
21 from the turning driver's right to the turning driver's left, then  
22 that vehicle may enter the intersection and make a left turn into  
23 the extreme left-hand lane lawfully available to traffic. This  
24 sub-subdivision shall apply only to the following intersections  
25 in the City of Raleigh:

26 1. Salisbury and Jones Streets.

27 2. Salisbury and Lane Streets.

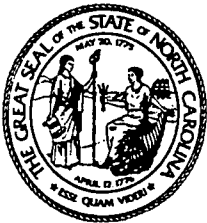
28 3. Wilmington and Jones Streets.

4. Wilmington and Lane Streets.

- b. Any vehicle that turns ~~right~~ under this subdivision shall yield the right-of-way to:
1. Other traffic and pedestrians using the intersection; and
  2. Pedestrians who are moving towards the intersection, who are in reasonably close proximity to the intersection, and who are preparing to cross in front of the traffic that is required to stop at the red light.
- c. Failure to yield to a pedestrian under this subdivision shall be an infraction, and the court may assess a penalty of not more than five hundred dollars (\$500.00) and not less than one hundred dollars (\$100.00).
- d. The Department of Transportation shall collect data regarding the number of individuals who are found responsible for violations failing to yield the right-of-way while turning right at a red light in violation of sub-subdivision b. of this subdivision and the number of pedestrians who are involved in accidents at intersections because of a driver's failure to yield the right-of-way while turning right at a red light. The data shall include information regarding the number of disabled pedestrians, including individuals with visual or mobility-related disabilities, who are involved in right turn on red accidents. The Department shall report the data annually to the Joint Legislative Transportation Oversight Committee beginning January 1, 2006.

... "

**SECTION 2.** This act becomes effective December 1, 2005, and expires on July 1, 2008.



## HOUSE BILL 1026: Left Turn on Red – Raleigh

### BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Gulley  
**Version:** PCS to First Edition  
H1026-CSSU-17

**Date:** May 25, 2005  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 1026 would permit left turns on red at four intersections in Raleigh. The act would sunset on July 1, 2008.*

**CURRENT LAW:** At present, a right turn on red is allowed in North Carolina, except where prohibited by a sign. A driver must first stop at the red light, and then must yield the right-of-way to other traffic and pedestrians. Left turns on red are prohibited.

A violation of the right turn on red statute is an infraction punishable by a penalty of not more than \$500 and not less than \$100. Three drivers license points would be assessed for failure to yield the right-of-way, and four points would be assessed for failure to yield to a pedestrian. Only one insurance point would be assessed.

**BILL ANALYSIS:** The bill would amend G.S. 20-158(b)(2) to allow drivers to make a left turn after stopping at a red light, unless prohibited by a sign at that intersection, at four intersections. Those intersections are the four surrounding the Legislative Building in downtown Raleigh. The driver of a vehicle in the leftmost lane of a one-way street would be allowed to turn left into the leftmost lane lawfully available to traffic. The street onto which the left turn is made would also have to be a one-way street with traffic traveling from the turning driver's right to the driver's left. The driver would be required to yield to traffic and pedestrians, and failure to do so would be an infraction with the same penalties as failure to yield when turning right on red.

**EFFECTIVE DATE:** The bill would become effective December 1, 2005, and would expire on July 1, 2008.

H1026e1-SMSU-CSSU-17

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1026** A BILL TO BE ENTITLED AN ACT TO PERMIT LEFT TURNS ON  
RED AT CERTAIN INTERSECTIONS IN RALEIGH.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 254\*

Short Title: GARVEE Bond Issuance.

(Public)

Sponsors: Representatives Crawford; Coates, Cole, McAllister, Saunders, and Sutton.

Referred to: Transportation.

February 16, 2005

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE STATE TREASURER TO ISSUE "GARVEE" GRANT ANTICIPATION REVENUE VEHICLE BONDS ON BEHALF OF THE DEPARTMENT OF TRANSPORTATION AND TO DIRECT THE SECRETARY OF THE DEPARTMENT OF TRANSPORTATION AND THE STATE TREASURER TO DEVELOP AN IMPLEMENTATION PLAN FOR ISSUANCE OF THE BONDS, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Secretary of the Department of Transportation and the State Treasurer shall jointly form a committee to develop a plan to implement the provisions of this act. The plan shall address all financial, legal, and practical issues involved in issuing "GARVEE" bonds. The two Departments shall jointly submit their implementation plan to the cochairs of the Transportation Appropriations Subcommittee and the cochairs of the Joint Legislative Transportation Oversight Committee by March 1, 2006.

**SECTION 2.** G.S. 136-18 is amended by adding a new subdivision to read:

"(12b) To issue "GARVEE" bonds (Grant Anticipation Revenue Vehicles) or other eligible debt financing instruments to finance federal-aid highway projects using federal funds to pay a portion of principal, interest, and related bond issuance costs, as authorized by 23 U.S.C. § 122, as amended (the National Highway System Designation Act of 1995, Pub. L. 104-59). These bonds shall be issued by the State Treasurer on behalf of the Department. The State Treasurer shall develop and adopt appropriate debt instruments, consistent with the terms of the State and Local Government Revenue Bond Act, Article 5 of Chapter 159 of the General Statutes, for use under this subdivision. Prior to issuance of any "GARVEE" or other eligible debt instrument



1           using federal funds to pay a portion of principal, interest, and related  
2           bond issuance costs, the State Treasurer shall determine (i) that the  
3           principal and interest of such debt does not exceed the total amount of  
4           federal transportation funds authorized to the State in the prior federal  
5           fiscal year; and (ii) that the principal and interest of such debt does not  
6           exceed fifteen percent (15%) of the expected federal revenue shown  
7           for the seven-year period in the most recently adopted Transportation  
8           Improvement Program."

9           **SECTION 3.** Section 2 of this act becomes effective July 1, 2006. The  
10 remainder of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 254\*  
PROPOSED COMMITTEE SUBSTITUTE H254-CSRW-2 [v.2]

5/24/2005 2:14:31 PM

Short Title: GARVEE Bond Issuance.

(Public)

Sponsors:

Referred to:

February 16, 2005

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE STATE TREASURER TO ISSUE "GARVEE"  
GRANT ANTICIPATION REVENUE VEHICLE BONDS ON BEHALF OF THE  
DEPARTMENT OF TRANSPORTATION AND TO DIRECT THE SECRETARY  
OF THE DEPARTMENT OF TRANSPORTATION AND THE STATE  
TREASURER TO DEVELOP AN IMPLEMENTATION PLAN FOR ISSUANCE  
OF THE BONDS, AS RECOMMENDED BY THE JOINT LEGISLATIVE  
TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

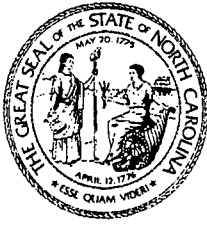
**SECTION 1.** The Secretary of the Department of Transportation and the State Treasurer shall jointly form a committee to develop a plan to implement the provisions of this act. The plan shall address all financial, legal, and practical issues involved in issuing "GARVEE" bonds. The two Departments shall jointly submit their implementation plan to the cochair of the Transportation Appropriations Subcommittee and the cochair of the Joint Legislative Transportation Oversight Committee by December 1, 2005.

**SECTION 2.** G.S. 136-18 is amended by adding a new subdivision to read:

"(12b) To issue "GARVEE" bonds (Grant Anticipation Revenue Vehicles) or other eligible debt financing instruments to finance federal-aid highway projects using federal funds to pay a portion of principal, interest, and related bond issuance costs, as authorized by 23 U.S.C. § 122, as amended (the National Highway System Designation Act of 1995, Pub. L. 104-59). These bonds shall be issued by the State Treasurer on behalf of the Department. The State Treasurer shall develop and adopt appropriate debt instruments, consistent with the terms of the State and Local Government Revenue Bond Act, Article 5 of Chapter 159 of the General Statutes, for use under this subdivision. Prior to issuance of any "GARVEE" or other eligible debt instrument

1        using federal funds to pay a portion of principal, interest, and related  
2        bond issuance costs, the State Treasurer shall determine (i) that the  
3        total outstanding principal of such debt does not exceed the total  
4        amount of federal transportation funds authorized to the State in the  
5        prior federal fiscal year; or (ii) that the maximum annual principal and  
6        interest of such debt does not exceed fifteen percent (15%) of the  
7        expected average annual federal revenue shown for the seven-year  
8        period in the most recently adopted Transportation Improvement  
9        Program. Notes issued under the provisions of this subdivision may  
10       not be deemed to constitute a debt or liability of the State or of any  
11       political subdivision thereof, or a pledge of the full faith and credit of  
12       the State or of any political subdivision thereof, but shall be payable  
13       solely from the funds and revenues pledged therefore. All the notes  
14       shall contain on their face a statement to the effect that the State of  
15       North Carolina shall not be obligated to pay the principal, or the  
16       interest on the notes, except from the federal transportation fund  
17       revenues as shall be provided by the documents governing the revenue  
18       note issuance, and that neither the faith and credit nor the taxing power  
19       of the State of North Carolina or of any of its political subdivisions is  
20       pledged to the payment of the principal or interest on the notes. The  
21       issuance of notes under this part shall not directly or indirectly or  
22       contingently obligate the State or any of its political subdivisions to  
23       levy or to pledge any form of taxation whatever or to make any  
24       appropriation for their payment."

25        **SECTION 3.** Section 2 of this act becomes effective February 1, 2006. The  
26        remainder of this act is effective when it becomes law.



## HOUSE BILL 254: GARVEE Bond Issuance

### BILL ANALYSIS

|                       |                      |                    |                   |
|-----------------------|----------------------|--------------------|-------------------|
| <b>Committee:</b>     | House Transportation | <b>Date:</b>       | May 11, 2005      |
| <b>Introduced by:</b> | Rep. Crawford        | <b>Summary by:</b> | Giles S. Perry    |
| <b>Version:</b>       | H254-CSRW-2          |                    | Committee Counsel |

**SUMMARY:** *House Bill 254 directs DOT and the State Treasurer to develop an implementation plan for the issuance of GARVEE bonds, and authorizes the State Treasurer to issue GARVEE bonds on behalf of DOT.*

### BILL ANALYSIS:

Section 1 of the bill directs the Secretary of Transportation and the State Treasurer to form a committee to plan for implementation of the act and submit a report to the co-chairs of the Transportation Appropriations Subcommittee, and the co-chairs of the Joint Legislative Transportation Oversight Committee by December 1, 2005.

Section 2 of the bill authorizes the Department of Transportation to issue GARVEE bonds or other eligible debt financing instruments to finance Federal-aid highway projects.

The **committee substitute** added language to this section specifying that the GARVEE bonds shall not constitute a debt or liability of the State, or a pledge of the full faith and credit of the State, but shall be payable solely from the funds pledged.

**BACKGROUND:** GARVEE bonds are Grant Anticipation Revenue Vehicles, authorized by federal law, that use anticipated future federal highway funds to finance highway project construction.

**EFFECTIVE DATE:** The authority to issue GARVEE bonds would become effective February 1, 2006. The implementation plan would be due prior to that, on December 1, 2005.

H0254e1-SMRW-CSRW-2

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 254** A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE STATE TREASURER TO ISSUE "GARVEE" GRANT ANTICIPATION REVENUE VEHICLE BONDS ON BEHALF OF THE DEPARTMENT OF TRANSPORTATION AND TO DIRECT THE SECRETARY OF THE DEPARTMENT OF TRANSPORTATION AND THE STATE TREASURER TO DEVELOP AN IMPLEMENTATION PLAN FOR ISSUANCE OF THE BONDS, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill, and recommendation that the committee substitute bill # be re-referred to the Committee on Finance.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on \_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

H

1

**HOUSE BILL 747\***

Short Title: Defining State Roads.-AB (Public)

Sponsors: Representatives Cole and Coates (Primary Sponsors).

Referred to: Transportation.

March 17, 2005

A BILL TO BE ENTITLED  
AN ACT TO CLARIFY THE DEFINITIONS OF THE STATE ROAD SYSTEMS.  
The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-44.2 reads as rewritten:

**"§ 136-44.2. Budget and appropriations.**

The Director of the Budget shall include in the "Current Operations Appropriations Bill" an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, ~~urban,~~ and State parks road systems. The ~~primary~~ system shall include all portions of the State highway system ~~located outside municipal corporate limits which that~~ are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system ~~located outside municipal corporate limits~~ that is not a part of the State primary system. ~~The State urban system shall include all portions of the State highway system located within municipal corporate limits.~~ The State parks system shall include all State parks roads and parking lots ~~which that~~ are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.

Other program categories for which appropriations are requested, such as, but not limited to, maintenance, channelization and traffic control, bridge maintenance, public service and access road construction, and ferry operations shall be enumerated in the budget.

The Department of Transportation shall have all powers necessary to comply fully with provisions of present and future federal-aid acts. No federally eligible construction project may be funded entirely with State funds unless the Department of Transportation has first consulted with the Joint Legislative Commission on Governmental Operations. For purposes of this section, "federally eligible construction project" means any construction project except secondary road projects developed pursuant to G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not federal funds are actually available.

The "Current Operations Appropriations Bill" shall also contain the proposed appropriations of State funds for use in each county for maintenance and construction of secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated for secondary roads shall not be transferred nor used except for the construction and maintenance of secondary roads in the county for which they are allocated pursuant to G.S. 136-44.5 and 136-44.6.

If the unreserved credit balance in the Highway Fund on the last day of a fiscal year is greater than the amount estimated for that date in the Current Operations Appropriations Act for the following fiscal year, the excess shall be used in accordance with this paragraph. The Director of the Budget may allocate part or all of the excess among reserves for access and public roads, for unforeseen events requiring prompt action, or for other urgent needs. The amount not allocated to any of these reserves by the Director of the Budget shall be credited to a reserve for maintenance. The Board of Transportation shall report monthly to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division on the use of funds in the maintenance reserve.

The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day. The Department of Transportation shall provide for this funding by allocating and reserving up to one hundred thousand dollars (\$100,000) before any other allocations from the appropriations for State maintenance for primary, secondary, and urban road systems are made, based upon the same proportion as is appropriated to each system."

**SECTION 2.** This act becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

D

HOUSE BILL 747\*

PROPOSED COMMITTEE SUBSTITUTE H747-CSRW-19 [v.2]

5/25/2005 2:34:10 PM

Short Title: Defining State Roads.-AB

(Public)

Sponsors:

Referred to:

March 17, 2005

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE DEFINITIONS OF THE STATE ROAD SYSTEMS  
AND TO REQUIRE ANNUAL WORK PLANS FOR MAINTENANCE OF  
STATE STREETS AND HIGHWAYS WITHIN MUNICIPALITIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-44.2 reads as rewritten:

**"§ 136-44.2. Budget and appropriations.**

The Director of the Budget shall include in the "Current Operations Appropriations Bill" an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, ~~urban~~, and State parks road systems. The State primary system shall include all portions of the State highway system ~~located outside municipal corporate limits which~~ that are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system ~~located outside municipal corporate limits~~ that is not a part of the State primary system. ~~The State urban system shall include all portions of the State highway system located within municipal corporate limits.~~ The State parks system shall include all State parks roads and parking lots ~~which~~ that are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.



1 Other program categories for which appropriations are requested, such as, but not  
2 limited to, maintenance, channelization and traffic control, bridge maintenance, public  
3 service and access road construction, and ferry operations shall be enumerated in the  
4 budget.

5 The Department of Transportation shall have all powers necessary to comply fully  
6 with provisions of present and future federal-aid acts. No federally eligible construction  
7 project may be funded entirely with State funds unless the Department of Transportation  
8 has first consulted with the Joint Legislative Commission on Governmental Operations.  
9 For purposes of this section, "federally eligible construction project" means any  
10 construction project except secondary road projects developed pursuant to  
11 G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether  
12 or not federal funds are actually available.

13 The "Current Operations Appropriations Bill" shall also contain the proposed  
14 appropriations of State funds for use in each county for maintenance and construction of  
15 secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State  
16 funds appropriated for secondary roads shall not be transferred nor used except for the  
17 construction and maintenance of secondary roads in the county for which they are  
18 allocated pursuant to G.S. 136-44.5 and 136-44.6.

19 If the unreserved credit balance in the Highway Fund on the last day of a fiscal year  
20 is greater than the amount estimated for that date in the Current Operations  
21 Appropriations Act for the following fiscal year, the excess shall be used in accordance  
22 with this paragraph. The Director of the Budget may allocate part or all of the excess  
23 among reserves for access and public roads, for unforeseen events requiring prompt  
24 action, or for other urgent needs. The amount not allocated to any of these reserves by  
25 the Director of the Budget shall be credited to a reserve for maintenance. The Board of  
26 Transportation shall report monthly to the Joint Legislative Transportation Oversight  
27 Committee and the Fiscal Research Division on the use of funds in the maintenance  
28 reserve.

29 The Department of Transportation may provide for costs incurred or accrued for  
30 traffic control measures to be taken by the Department at major events which involve a  
31 high degree of traffic concentration on State highways, and which cannot be funded  
32 from regular budgeted items. This authorization applies only to events which are  
33 expected to generate 30,000 vehicles or more per day. The Department of  
34 Transportation shall provide for this funding by allocating and reserving up to one  
35 hundred thousand dollars (\$100,000) before any other allocations from the  
36 appropriations for State maintenance for ~~primary, secondary, and urban~~ primary and  
37 secondary road systems are made, based upon the same proportion as is appropriated to  
38 each system.

39 **SECTION 2.** G.S. 136-66.1 reads as rewritten:

40 **"§ 136-66.1. Responsibility for streets inside municipalities.**

41 Responsibility for streets and highways inside the corporate limits of municipalities  
42 is hereby defined as follows:

- 43 (1) The State Highway System. – The State highway system inside the  
44 corporate limits of municipalities shall consist of a system of major

1 streets and highways necessary to move volumes of traffic efficiently  
2 and effectively from points beyond the corporate limits of the  
3 municipalities through the municipalities and to major business,  
4 industrial, governmental and institutional destinations located inside  
5 the municipalities. The Department of Transportation shall be  
6 responsible for the maintenance, repair, improvement, widening,  
7 construction and reconstruction of this system. These streets and  
8 highways within corporate limits are of primary benefit to the State in  
9 developing a statewide coordinated system of primary and secondary  
10 streets and highways. Each Highway Division shall develop an annual  
11 work plan for maintenance and contract resurfacing, within their  
12 respective Division, consistent with the needs, in as much as possible,  
13 as identified in the report developed in accordance with G.S. 136-44.3.  
14 In developing the annual work plan, the Highway Division shall give  
15 consideration to any special needs or information provided by the  
16 municipalities within their respective division. The plan shall be made  
17 available to the municipalities within the respective division upon  
18 request.

19 (2) The Municipal Street System. – In each municipality the municipal  
20 street system shall consist of those streets and highways accepted by  
21 the municipality which are not a part of the State highway system. The  
22 municipality shall be responsible for the maintenance, construction,  
23 reconstruction, and right-of-way acquisition for this system.

24 (3) Maintenance of State Highway System by Municipalities. – Any city  
25 or town, by written contract with the Department of Transportation,  
26 may undertake to maintain, repair, improve, construct, reconstruct or  
27 widen those streets within municipal limits which form a part of the  
28 State highway system, and may also, by written contract with the  
29 Department of Transportation, undertake to install, repair and maintain  
30 highway signs and markings, electric traffic signals and other  
31 traffic-control devices on such streets. All work to be performed by the  
32 city or town under such contract or contracts shall be in accordance  
33 with Department of Transportation standards, and the consideration to  
34 be paid by the Department of Transportation to the city or town for  
35 such work, whether in money or in services, shall be adequate to  
36 reimburse the city or town for all costs and expenses, direct or indirect,  
37 incurred by it in the performance of such work. The city or town under  
38 contract with the Department shall develop an annual work plan for  
39 maintenance of the State highway system consistent with the needs, in  
40 as much as possible, as identified in the report developed in  
41 accordance with G.S. 136-44.3. The annual work plan shall be  
42 submitted to the respective division engineer and shall be mutually  
43 agreeable to both parties.

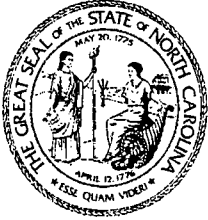
(4) If the governing body of any municipality determines that it is in the best interest of its citizens to do so, it may expend its funds for the purpose of making any of the following improvements on streets that are within its corporate limits and form a part of the State highway system:

- a. Construction of curbing and guttering.
- b. Adding of lanes for automobile parking.
- c. Constructing street drainage facilities which may by reasonable engineering estimates be attributable to that amount of surface water collected upon and flowing from municipal streets which do not form a part of the State highway system.
- d. Constructing sidewalks.
- e. Intersection improvements, if the governing body determines that such improvements will decrease traffic congestion, improve safety conditions, and improve air quality.

In exercising the authority granted herein, the municipality may, with the consent of the Department of Transportation, perform the work itself, or it may enter into a contract with the Department of Transportation to perform such work. Any work authorized by this subdivision shall be financed entirely by the municipality and be approved by the Department of Transportation.

The cost of any work financed by a municipality under this subdivision may be assessed against the properties abutting the street or highway upon which such work was performed in accordance with the procedures of either Article 10 of Chapter 160A of the General Statutes or any charter provisions or local acts applicable to the particular municipality."

**SECTION 3.** This act becomes effective July 1, 2005.



## HOUSE BILL 747: Defining State Roads.-AB

### BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Reps. Cole, Coates  
**Version:** H747-CSRW-19

**Date:** May 25, 2005  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 747 amends the statutory requirements for DOT budgeting to eliminate the urban system budget designation.*

**CURRENT LAW:** Under current law, the Director of the Budget is required to set out proposed expenditures for the DOT primary, secondary, urban, and State park roads.

**BILL ANALYSIS:** House Bill 747 eliminates the budget designation for "urban" system roads.

The **committee substitute** adds language, in Section 2 of the bill, to require each highway division, and each municipality under contract with the Department, to prepare a work plan for maintenance of State streets and highways within municipalities that is constituent with the needs, as much as possible, reported in the biennial State road maintenance report.

**EFFECTIVE DATE:** This act becomes effective July 1, 2005.

H0747e1-SMRW-CSRW-19

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 747** A BILL TO BE ENTITLED AN ACT TO CLARIFY THE DEFINITIONS OF  
THE STATE ROAD SYSTEMS.

☒ With a favorable report as to the committee substitute bill, which changes the title,  
unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

## VISITOR REGISTRATION SHEET

TRANSPORTATION

Name of Committee

5-25-05

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Norman Gruber

NFB

Dipie Gruber

NFB

John Phelps

NCLM

Jim Trogdon

NCGA

STEVE VARNEDOE

NCDOT

FRED JOHNSON

Alliance of Disability Advocates  
Center for Independent Living

Rene Cummins

" " "

Alon Te

NCGA.

Buc Carver

Charlotte Area Transit System

Elizabeth Dalton

NCCBI

Boyd Canble

City of Charlotte

**MINUTES**  
**HOUSE COMMITTEE ON TRANSPORTATION**

**June 1, 2005**

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, June 1, 2005, in Room 1228 of the Legislative Building at 11:00 A.M. Representative Lucy Allen presided. Members present were: Representatives Allred, Carney, and Stiller, Co-Chairs; Representatives Crawford, Saunders, Steen, and Williams, Vice Chairs; Representatives Blackwood, Cleveland, Cole, Daughtridge, Dockham, Eddins, Goodwin, Haire, Hill, Hilton, McComas, Moore, Preston, Rapp, Rayfield, Rhodes, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Brad Barefoot, Martha Parrish, and Dusty Rhodes, House Sergeants-at-Arms. A list of visitors is attached.

Representative Allen called the meeting to order and introduced the House pages: Mary Christoph (Alamance County – Rep. Bordsen), Kristin Kirk (Montgomery County – Rep. Goowin), and Molly Brewer (Person County – Rep. Faison), along with the above mentioned House Sergeants-At-Arms.

The first order of business was **HB 749 – A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE BOARD OF TRANSPORTATION TO APPROVE PARTNERSHIP AGREEMENTS TO MAKE NEEDED TRANSPORTATION IMPROVEMENTS**. Representative Nelson Cole, primary sponsor, presented a proposed committee substitute. Upon motion made by Representative Becky Carney, the committee adopted the proposed committee substitute for discussion. This bill would amend the powers of the Board of Transportation to authorize the Board to approve partnership agreements with private entities and authorized political subdivisions to finance construction and maintenance of highways and bridges with tolls or other financing methods. Expenditures approved under authority of this Act would have to be included in the most recently adopted transportation improvement program (TIP). As this was a non-controversial bill, Representative Saunders moved for a favorable report to the committee substitute bill, unfavorable to the original bill, and that it be re-referred to the Committee on FINANCE. The motion passed.

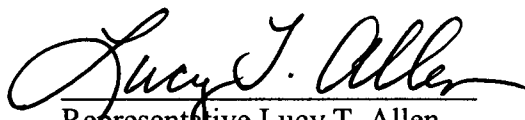
The next order of business was **HB 1227, A BILL TO BE ENTITLED AN ACT TO CLARIFY THE MOTOR VEHICLE REPAIR ACT**. Representative Linda Coleman, primary sponsor, was recognized to explain the bill. HB 1227 amends GS 20-354.2 to amend the definition of “motor vehicle repair” to include shop supply fees and hazardous material disposal fees. A primary aim of this bill is to reduce further litigation. It is supported by the NC Automobile Dealers Association and there has been no opposition to the bill. Representative Saunders moved for a favorable report, and the motion passed.

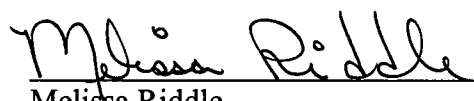
The third order of business was **HB 1487, A BILL TO BE ENTITLED AN ACT TO DIRECT THE COMMISSIONER OF MOTOR VEHICLES TO CONDUCT A CONTEST FOR THE DESIGN OF A NEW STANDARD MOTOR VEHICLE REGISTRATION PLATE.** Representative Margaret Dickson, bill sponsor, was recognized to explain the bill. HB 1487 directs the Commissioner of Motor Vehicles to conduct a Statewide contest for the design of a new State license plate. The bill provides for a review panel to judge all submissions, and for the Council of State to decide on the new plate design. This would be an opportunity to rid the State of outdated license plates. After some discussion, Representative Hill moved for a favorable report to the bill and that it be re-referred to the Committee on APPROPRIATIONS. The motion passed.

The final order of business was **HB 1356, A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT FUNDS FROM THE HIGHWAY TRUST FUND SHALL BE USED FOR PROJECTS BASED ON CONGESTION REDUCTION NEEDS.** Representative Ed McMahan, primary sponsor, was recognized to explain the bill, and indicated he hoped the bill would be referred to a study committee. HB 1356 would require that funds from the Highway Trust Fund, be used for projects that will reduce highway congestion. The funds would be allocated based on either: 1) The ratio of the population of the county/counties where the project is located to the total State population; or 2) a formula for determining the need to reduce congestion that takes into consideration the daily volume of vehicles and the accident rate. Representative Allred asked that the bill be amended and rolled into a new committee substitute to refer the bill to a study committee. Representative McComas asked the committee to vote the bill up or down. Representative Allred moved to amend the bill with a committee substitute to refer it to a study committee with a favorable report to the committee substitute bill, unfavorable to the original bill, and that it be re-referred to the Committee on Rules, Calendar, and Operations of the House. The motion failed. The original bill remains in the Transportation Committee.

Due to time constraints, no other bills were taken up in the Transportation Committee, and Representative Lucy Allen, Presiding Chair, adjourned the meeting at 11:50 a.m.

Respectfully submitted,

  
Representative Lucy T. Allen  
Presiding Chair

  
Melissa Riddle  
Committee Assistant

Attachments:

Agenda, Visitors Registration, HB 749, 1227, 1487, and 1356, PCS for HB 749,  
& Bill Summaries



House Pages

TRANSPORTATION  
Name Of Committee: \_\_\_\_\_ Date: 6-1-05

1. Name: Mary Christoph  
County: Alamance  
Sponsor: Alice Bordsen
2. Name: Kristin Kirk  
County: Montgomery  
Sponsor: Rep Goodwin
3. Name: Molly Brewer  
County: Person  
Sponsor: Bill Faison
4. Name: \_\_\_\_\_  
County: \_\_\_\_\_  
Sponsor: \_\_\_\_\_
5. Name: \_\_\_\_\_  
County: \_\_\_\_\_  
Sponsor: \_\_\_\_\_

Sgt-At-Arms

1. Name: MARTHA PARRISH
2. Name: DUSTY RHODES
3. Name: BRAD BARRETT
4. Name: \_\_\_\_\_
5. Name: \_\_\_\_\_

# VISITOR REGISTRATION SHEET

Name of Committee

Date

Transp.

6-1-05

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                  |                                |
|------------------|--------------------------------|
| Kathleen Edwards | UNC-CH Legis Reporting Service |
| Mark Brown       | Capital Transp                 |
| Calvin Leggett   | NCDOT                          |
| MARK FOSTER      | NCDOT                          |
| Susan Coward     | NCDOT                          |
| Betsy Bailey     | NCPTA                          |
| Wayne Hurken     | DOT-DMV                        |
| Aissa Dolan      | NC Conservation Network        |
| Dan Menditt      | NC State Grange                |
| Shirley Buckner  | GOV OFFICE                     |
| Susan Valenti    | National Wildlife              |

# VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                 |                           |
|-----------------|---------------------------|
| Barbara Cansler | MFSS                      |
| Jul Bone        | Bone; Asso.               |
| LCC Hbly        | KCLH                      |
| Charlie Diehl   | NC Trucking Assoc.        |
| Pyland Pond     | Intern - Rep. Carney      |
| Jane Stewart    | IFWC                      |
| Stephanie Dorko | Charlotte Chamber         |
| Boyd Canble     | City of Charlotte         |
| Beau Mills      | NC Metropolitan Coalition |
| Virion Perry    | NC DOT                    |
| Cam Crow        | BP MHL                    |

# VISITOR REGISTRATION SHEET

Name of Committee

Date

*Trump*

*6-1-05*

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

*John Umstead*

*Gen Assembly Intern*

*Tom Murray*

*" " "*

*Mary Alice Malone*

*General Assembly Intern*

*John Long*

*MARTIN MARLETTA*

*Tim Boyum*

*News 14 Carolina*

*Kathy Hawkes*

*Progress Center*

*Natalie Marlett*

*Gen. Assembly Intern*

*John Phelps*

*NCLM*

*John Phelps*

*News*

# VISITOR REGISTRATION SHEET

Name of Committee

Transp.

Date

6-1-05

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Cam Suet

Rep Hapner

## *AGENDA*

### HOUSE COMMITTEE MEETING ON TRANSPORTATION

June 1, 2005  
11:00 A.M.  
Room 1228 LB

Representative Lucy T. Allen, Presiding Chair  
Representatives Cary Allred, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair

WELCOME AND OPENING REMARKS BY PRESIDING CHAIR

INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS

#### AGENDA ITEMS:

HB 1372 - City Transit Bench / Shelter Ads  
Representative Culpepper, Bill Sponsor

HB 749 - Agreement for Transportation Improvements - AB  
Representatives Cole & Coates, Bill Sponsors

HB 1487 - License Plate Design Contest  
Representative Dickson, Bill Sponsor

HB 1227 - Clarification of Motor Vehicle Repair Act  
Representatives Coleman & Eddins, Bill Sponsors

HB 1356 - Highway Trust Fund - Need Based Projects  
Representative McMahan, Bill Sponsor

ADJOURNMENT

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 749\*  
PROPOSED COMMITTEE SUBSTITUTE H749-PCS70508-RW-38

Short Title: Agreement for Transportation Improvements.-AB (Public)

Sponsors:

Referred to:

March 17, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE BOARD OF TRANSPORTATION TO APPROVE  
3 PARTNERSHIP AGREEMENTS TO MAKE NEEDED TRANSPORTATION  
4 IMPROVEMENTS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 143B-350(f) reads as rewritten:

7 "(f) Duties of the Board. – The Board of Transportation shall have duties and  
8 powers:

9 ...

10 (14) To approve partnership agreements to finance construction and  
11 maintenance of highways, roads, streets, and bridges with private  
12 entities and authorized political subdivisions to finance, by tolls and  
13 other financing methods, the cost of acquiring, constructing,  
14 equipping, maintaining, and operating highways, roads, streets, and  
15 bridges in this State. Any expenditure approved under this subdivision  
16 must be included in the most recently adopted Transportation  
17 Improvement Program."

18 SECTION 2. This act becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 749\*

Short Title: Agreement for Transportation Improvements.-AB (Public)

Sponsors: Representatives Cole, Coates (Primary Sponsors); and Brown.

Referred to: Transportation.

March 17, 2005

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE BOARD OF TRANSPORTATION TO APPROVE  
PARTNERSHIP AGREEMENTS TO MAKE NEEDED TRANSPORTATION  
IMPROVEMENTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143B-350(f) reads as rewritten:

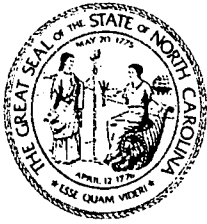
"(f) Duties of the Board. – The Board of Transportation shall have duties and  
powers:

...

(14) To approve partnership agreements to finance construction and  
maintenance of highways, roads, streets, and bridges with political  
subdivisions, including authorized transportation authorities and  
private entities, to finance, by tolls and other financing methods, the  
cost of acquiring, constructing, equipping, maintaining, and operating  
highways, roads, streets, and bridges in this State. Any expenditure  
approved under this subdivision must be included in the most recently  
adopted Transportation Improvement Program."

**SECTION 2.** This act becomes effective July 1, 2005.





# HOUSE BILL 749: Agreement for Transportation Improvements.-AB

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Reps. Cole, Coates  
**Version:** PCS to First Edition  
H749-CSRW-38[v.1]

**Date:** June 1, 2005  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 749 amends the powers of the Board of Transportation to authorize the Board to approve partnership agreements to finance highway improvements.*

**BILL ANALYSIS:** House Bill 749 amends the powers of the Board of Transportation to authorize the Board to approve partnership agreements with private entities and authorized political subdivisions to finance construction and maintenance of highways and bridges with tolls or other financing methods. Expenditures approved under authority of this Act would have to be included in the most recently adopted transportation improvement program (TIP).

**EFFECTIVE DATE:** This act becomes effective July 1, 2005.

H0749e1-SMRW-CSRW-38

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 749** A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE BOARD OF  
TRANSPORTATION TO APPROVE PARTNERSHIP AGREEMENTS TO MAKE NEEDED  
TRANSPORTATION IMPROVEMENTS.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill,  
and recommendation that the committee substitute bill be re-referred to the Committee on  
FINANCE.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed  
on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

1

HOUSE BILL 1227

Short Title: Clarification of Motor Vehicle Repair Act.

(Public)

Sponsors: Representatives Coleman and Eddins (Primary Sponsors).

Referred to: Transportation.

April 14, 2005

A BILL TO BE ENTITLED  
AN ACT TO CLARIFY THE MOTOR VEHICLE REPAIR ACT.  
The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-354.2 reads as rewritten:

**"§ 20-354.2. Definitions.**

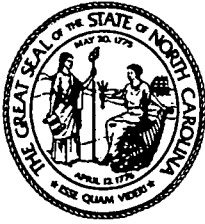
As used in this act:

- (1) "Customer" means the person who signs the written repair estimate or any other person whom that person designates as a person who may authorize repair work.
- (2) "Employee" means an individual who is employed full time or part time by a motor vehicle repair shop and performs motor vehicle repairs.
- (3) "Motor vehicle" means any automobile, truck, bus, recreational vehicle, motorcycle, motor scooter, or other motor-powered vehicle, but does not include trailers, mobile homes, travel trailers, or trailer coaches without independent motive power, or watercraft or aircraft.
- (4) "Motor vehicle repair" means all maintenance of and modification and repairs to motor vehicles and the diagnostic work incident to those repairs, including, but not limited to, the rebuilding or restoring of rebuilt vehicles, body work, painting, warranty work, shop supply fees, hazardous material disposal fees, and other work customarily undertaken by motor vehicle repair shops. Motor vehicle repair does not include the sale or installation of tires when authorized by the customer.
- (5) "Motor vehicle repair shop" means any person who, for compensation, engages or attempts to engage in the repair of motor vehicles owned by other persons and includes, but is not limited to:
  - a. Mobile motor vehicle repair shops.
  - b. Motor vehicle and recreational vehicle dealers.

- c. Garages.
- d. Service stations.
- e. Self-employed individuals.
- f. Truck stops.
- g. Paint and body shops.
- h. Brake, muffler, or transmission shops.
- i. Shops doing glasswork.

Any person who engages solely in the maintenance or repair of the coach portion of a recreational vehicle is not a motor vehicle repair shop."

**SECTION 2.** This act is effective when it becomes law.



# HOUSE BILL 1227: Clarification of Motor Vehicle Repair Act

## **BILL ANALYSIS**

**Committee:** House Transportation  
**Introduced by:** Reps. Coleman, Eddins  
**Version:** First Edition

**Date:** June 1, 2005  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 1227 would clarify the definition of "motor vehicle repair" under the Motor Vehicle Repair Act to include shop supply fees and hazardous material disposal fees.*

**CURRENT LAW:** Article 15B of Chapter 20 of the General Statutes (the Motor Vehicle Repair Act) regulates motor vehicle repair shops in North Carolina. Under the Act, shops are required to provide written estimates to customers before performing motor vehicle repairs that will exceed \$350

G.S. 20-354.2(4) defines "motor vehicle repair" as all maintenance, modification, and repair to motor vehicles and the diagnostic work incident to those repairs. The definition specifically includes, but is not limited to, the rebuilding or restoring of rebuilt vehicles, body work, painting, warranty work, and other work customarily undertaken by repair shops.

**BILL ANALYSIS:** House Bill 1227 would amend G.S. 20-354.2(4) to clarify that shop supply fees and hazardous material disposal fees are also included in the definition of "motor vehicle repair".

**EFFECTIVE DATE:** The bill would be effective when it becomes law.

*H1227el-SMSU*

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representatives L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☐ Committee Substitute for

**HB 1227** A BILL TO BE ENTITLED AN ACT TO CLARIFY THE MOTOR  
VEHICLE REPAIR ACT.

☒ With a favorable report.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

**H**

**1**

**HOUSE BILL 1487**

Short Title: License Plate Design Contest.

(Public)

Sponsors: Representative Dickson.

Referred to: Rules, Calendar, and Operations of the House.

April 21, 2005

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE COMMISSIONER OF MOTOR VEHICLES TO  
CONDUCT A CONTEST FOR THE DESIGN OF A NEW STANDARD MOTOR  
VEHICLE REGISTRATION PLATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Commissioner of Motor Vehicles shall conduct a statewide contest for the design of a new registration plate to replace the "First in Flight" registration plate that has been in use in North Carolina since 1982.

**SECTION 2.** The Commissioner shall chair a review board that shall review all submitted entries for the new registration plate. The review board shall consist of the Commissioner of Motor Vehicles, a staff member from the Division of Motor Vehicles familiar with the vehicle registration process and the issuance of special registration plates, the Secretary of Transportation or his designee, the Secretary of Commerce or his designee, and the Commander of the State Highway Patrol or his designee.

**SECTION 3.** The Commissioner shall ensure that there is widespread advertising of the contest and the contest rules, and he shall ensure reasonable time for the preparation, submission, and judging of the entries.

**SECTION 4.** The review board shall judge all of the submissions and determine the three best designs and mottos to appear on the registration plates. The design and motto shall reflect the beauty, diversity, and the integrity of the State. The review board shall submit the three best submissions to the Council of State.

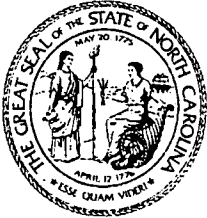
**SECTION 5.** The Council of State shall make the final decision on the best design and motto to appear on the standard registration plate and to appear as the background for some of the special registration plates.

**SECTION 6.** The Division shall report to the Joint Legislative Transportation Oversight Committee on or before the first day of the 2006 Regular Session of the 2005 General Assembly about the results of the contest and shall submit any legislation required for the implementation of the Council of State's decision and the distribution of the registration plates bearing the new design and motto.

1           **SECTION 7.** The Division of Motor Vehicles may use up to ten thousand  
2 dollars (\$10,000) from the Special Registration Plate Account during the 2005-2006  
3 fiscal year for the contest mandated by this act.

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





# HOUSE BILL 1487: License Plate Design Contest

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Dickson  
**Version:** First Edition

**Date:** May 31, 2005  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 1487 directs the Commissioner of Motor Vehicles to conduct a contest for the design of a new State license plate.*

**CURRENT LAW:** Current law specifies that the standard State license plate contain the first in flight design (G.S. 20-63).

**BILL ANALYSIS:** House Bill 1487 directs the Commissioner of Motor Vehicles to conduct a Statewide contest for the design of a new State license plate. The bill provides for a review panel to judge all submissions, and for the Council of State to decide on the new plate design. The Division of Motor Vehicles is directed to report to the Joint Legislative Transportation Oversight Committee on or before the first day of the 2006 Session of the General Assembly about the results of the contest, and to submit any legislation required for the implementation of the Council of State's decision on the design.

The act authorizes the Division of Motor Vehicles to use up to \$10,000 from the Special Registration Account during the 2005-2006 fiscal year for the license plate contest.

**EFFECTIVE DATE:** This act is effective when it becomes law.

H1487e1-SMRW

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1487**                    A BILL TO BE ENTITLED AN ACT TO DIRECT THE  
COMMISSIONER OF MOTOR VEHICLES TO CONDUCT A CONTEST FOR THE DESIGN  
OF A NEW STANDARD MOTOR VEHICLE REGISTRATION PLATE.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on  
APPROPRIATIONS.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ The bill/resolution is re-referred to the Committee on \_\_\_\_\_.

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

**H**

**1**

**HOUSE BILL 1356**

Short Title: Highway Trust Fund-Need Based Projects.

(Public)

Sponsors: Representatives McMahan; Blust, Capps, Culp, Current, Dockham,  
Dollar, Gulley, Lewis, McGee, Rayfield, Rhodes, Vinson, and Wiley.

Referred to: Transportation.

April 21, 2005

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT FUNDS FROM THE HIGHWAY TRUST FUND  
SHALL BE USED FOR PROJECTS BASED ON CONGESTION REDUCTION  
NEEDS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-176(b) reads as rewritten:

"(b) Funds in the Trust Fund are annually appropriated to the Department of Transportation to be allocated and used as provided in this subsection. A sum, not to exceed four percent (4%) of the amount of revenue deposited in the Trust Fund under subdivisions (a)(1), (2), and (3) of this section for the 2003-2004 fiscal year and three and eight-tenths percent (3.8%) thereafter, may be used each fiscal year by the Department for expenses to administer the Trust Fund.

Operation and project development costs of the North Carolina Turnpike Authority are eligible administrative expenses under this subsection. Any funds allocated to the Authority pursuant to this subsection shall be repaid by the Authority from its toll revenue as soon as possible, subject to any restrictions included in the agreements entered into by the Authority in connection with the issuance of the Authority's revenue bonds. Beginning one year after the Authority begins collecting tolls on a completed Turnpike Project, interest shall accrue on any unpaid balance owed to the Highway Trust Fund at a rate equal to the State Treasurer's average annual yield on its investment of Highway Trust Fund funds pursuant to G.S. 147-6.1. Interest earned on the unpaid balance shall be deposited in the Highway Trust Fund upon repayment. The sum up to the amount anticipated to be necessary to meet the State matching funds requirements to receive federal-aid highway trust funds for the next fiscal year may be set aside for that purpose.

Five percent (5%) of the amount of revenue deposited in the Trust Fund under subdivisions (a)(1), (2), and (3) of this section shall be used for projects to reduce

1 congestion on existing highways or projects that will reduce congestion. These funds  
2 shall be distributed, to provide the maximum funds, on the basis of either:

- 3 (1) The ratio that the population the county or counties in which the  
4 project is located bears to the total State population.  
5 (2) The need for reducing congestion on a roadway based on statewide  
6 ranking of projects determined by taking the average daily volume of  
7 vehicles divided by the design capacity and then multiplied by the  
8 accident rate of the facility divided by the statewide average accident  
9 rate for facilities of this type [(Volume/Capacity) x (Accident rate of  
10 facility/statewide average accident rates for facilities of this type)].

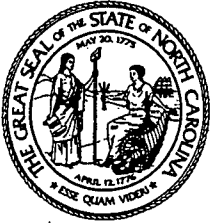
11 These funds shall not be subject to the allocation formulas in G.S. 136-17.2A,  
12 G.S. 136-44.5, or G.S. 136-44.7.

13 The rest of the funds in the Trust Fund shall be allocated and used as follows:

- 14 (1) Sixty-one and ninety-five hundredths percent (61.95%) to plan, design,  
15 and construct projects on segments or corridors of the Intrastate  
16 System as described in G.S. 136-178 and to pay debt service on  
17 highway bonds and notes that are issued under the State Highway  
18 Bond Act of 1996 and whose proceeds are applied to these projects.  
19 (2) Twenty-five and five hundredths percent (25.05%) to plan, design, and  
20 construct the urban loops described in G.S. 136-180 and to pay debt  
21 service on highway bonds and notes that are issued under the State  
22 Highway Bond Act of 1996 and whose proceeds are applied to these  
23 urban loops.  
24 (3) Six and one-half percent (6.5%) to supplement the appropriation to  
25 cities for city streets under G.S. 136-181.  
26 (4) Six and one-half percent (6.5%) for secondary road construction as  
27 provided in G.S. 136-182 and to pay debt service on highway bonds  
28 and notes that are issued under the State Highway Bond Act of 1996  
29 and whose proceeds are applied to secondary road construction.

30 The Department must administer funds allocated under subdivisions (1), (2), and (4)  
31 of this subsection in a manner that ensures that sufficient funds are available to make  
32 the debt service payments on bonds issued under the State Highway Bond Act of 1996  
33 as they become due."

34 **SECTION 2.** This act is effective when it becomes law.



# HOUSE BILL 1356: Highway Trust Fund-Need Based Projects

## *BILL ANALYSIS*

**Committee:** House Transportation  
**Introduced by:** Rep. McMahan  
**Version:** First Edition

**Date:** May 18, 2005  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 1356 would require that funds from the Highway Trust Fund be used for projects to reduce congestion on highways.*

**CURRENT LAW:** Under G.S. 136-176, funds in the Highway Trust Fund, which consists of revenue from motor fuel taxes, highway use taxes, title and registration fees, and interest earned by the Fund, are allocated for Intrastate System projects, urban loop projects, city streets, and secondary road construction.

**BILL ANALYSIS:** House Bill 1356 would allocate 5% of funds deposited in the Highway Trust Fund from motor fuel taxes, highway use taxes, and title and registration fees, to be used for projects that will reduce highway congestion. The funds would not be subject to other statutory allocation formulas, but would be allocated based on either:

- The ratio of the population of the county/counties where the project is located to the total State population; or
- A formula for determining the need to reduce congestion that takes into consideration the daily volume of vehicles and the accident rate.

The remaining funds would continue to be allocated as they are under current law to Intrastate System projects, urban loop projects, city streets, and secondary road construction.

**EFFECTIVE DATE:** The act would be effective when it becomes law.

*H1356e1-SMSU*

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

June 22, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, June 22, 2005 in Room 1228 of the Legislative Building at 11:04 A.M. The following were present: Representative Allred, presiding Chair, Representatives L. Allen, and Carney, Chairs, Representatives Saunders, Steen, and Wright, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Haire, Hill, McComas, Moore, Rapp, Rhodes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf Ray, Staff Counsel, and Jean Allred, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, Toussaint Avent and Brad Barefoot, House Sergeants-at-Arms. House Pages assisting were Meredith and David Matney from Buncombe County sponsored by Speaker Black, Brittany Wright from Randolph County sponsored by Representative Brubaker and Elizabeth Plmmons from Buncombe County sponsored by Representative Sherrill.

Representative Allred called the meeting to order and introduced the House Pages and the House Sergeants-at-Arms assisting with the meeting.

The first order of business was **HB-10 – A BILL TO BE ENTITLED AN ACT TO PROTECT NORTH CAROLINIANS BY AMENDING THE SEX OFFENDER REGISTRATION LAW TO PROVIDE ADDITIONAL NOTIFICATION MEASURES DESIGNED TO NOTIFY NEW RESIDENTS OF THE STATE WHO ARE SEX OFFENDERS OF THE DUTY TO REGISTER IN THIS STATE AND TO APPROPRIATE FUNDS TO IMPLEMENT THIS ACT.** – sponsored by Representative LaRoque. Representative LaRoque explained the intent of HB-10 would require DMV to notify every person who applies for a driver's license or any other identification card of the N.C. sex offender registration requirements. He told the committee that there was a constitutional question in a court case pending involving an out of state offender who failed to register because he claimed he was not notified of the requirement when he moved to North Carolina. Discussion followed.

Representative Rapp asked what the constitutional question was. Wendy Graf Ray, Staff Counsel, explained that the court of appeals held that our sex offender registry was unconstitutional as it applies to someone moving into North Carolina who had been convicted of an offense in another state because sometimes they don't get specific notice that they have to register in North Carolina. She said currently under statute we do not have any procedure for notifying people moving in from out of state about our requirement but, this bill would correct that by having DMV notify

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
JUNE 22, 2005  
PAGE 2**

everybody of the requirement to register and also DOJ would do public service announcements to get the message out.

Representative Coates wanted to know what would happen if a sex offender fails to register. Wendy Graf Ray, Committee Counsel, said it was a felony for failure to register. Representative Haire asked if there was a Federal Statute that required those people to register when they relocate or to give notice when they go from state to state. Wendy Graf Ray, Committee Counsel, said there is a federal law that the states give some sort of notice that offenders register when they move to a new state however, all states were not up to par with enforcing the law. When the court of appeals case was decided, the defendant came from a state, which did not require that he notify when he relocated.

Representative Hilton said it sounded like a good bill and moved for a favorable report and it be referred to Appropriations. Chairman Allred said we would keep that in mind and recognized Representative Sutton. Representative Sutton said he could understand why DOJ needed \$25,000 for public service announcements but asked why DOT needed \$50,000 to implement the program when they already had the people in the DMV offices sitting there ready to tell people when they come in that they have to register. Chairman Allred replied that they were trying to make the bill eligible. Representative LaRoque said the fee would be adjusted. Representative Saunders said he supports what is trying to be done but wonders how it will be funded and asked for a fiscal note to be made available in Appropriations.

Representative McComas asked how we will know if a person is a sex offender. Ms Ray said that when a person goes to apply for a Drivers License he or she would be notified that if they were an offender, they would have to go to the sheriffs office and register – failure to register is a Class F felony – 13 months min penalty, 37 months max penalty. Wendy Graf Ray, Committee Counsel, said that when a license check is run now, if the person is registered, the information shows up as a sex offender as well as other information. Representative McComas wanted to know why it would possibly be unconstitutional to have such information printed on a drivers license. Representative Haire said we can't brand people; we might as well put a big brand in the middle of someone's forehead – there are so many uses for a drivers license, what difference does it make if a person is a sex offender when he goes to cash a check at the A&P. Representative McComas asked the bill sponsor if he would support an amendment to his bill requiring something be put on an offender's drivers license. Representative LaRoque responded that he did not think it appropriate on this piece of legislation because it was dealing with a particular court case. Representative McComas disagreed with the bill sponsor and requested an amendment be drawn up so that something would be put on the drivers license to

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
JUNE 22, 2005  
PAGE 3**

identify sexual offenders. Chairman Allred asked staff to draw up the amendment to satisfy Representative McComas to be taken up under consideration.

Representative Cleveland agreed with the intent of the bill but asked if it required everyone to register even if it were a sixteen year old getting a first license.

Representative LaRoque again responded that the bill deals with a court case of an out of state offender and he supports the bill the way it is written.

Representative Cole said that number one, we assume everyone gets a license and number two, a real ID is being required by Homeland Security. Giles Perry, Committee Counsel responded that the real ID would not be in effect for a few years and we need something now.

Representative Sutton commented that the bill merely tells people that if they are a convicted sex offender they have to go register with the sheriff of this county. That is all it says. If you pass the amendment - you lose the bill.

Wendy Graf Ray, Committee Counsel, explained that when an offender is getting released from prison, he/she is notified at least ten (10) days and no more than thirty (30) days that he/she is going to have to register where they intend to live and the sheriff is notified that an offender is expected to be moving in the area.

Representative Moore said that in this case, State vs. Bryant case held that the defendant was not guilty because he did not get notice of the requirement to register. The intent of this bill is solely to create another means to give notice of the requirement to register.

Representative McComas moved to amend page 2, lines 12 – 13 by adding the following between the lines “the division shall place a notation on the drivers license of any person required to maintain registration under article 27A of chapter 14 of the general statutes indicating that the person is a registered offender.” Representative McComas said there was a public interest in knowing that a person was an offender and moved that the amendment be adopted.

Representative Hilton commented that the amendment would send a strong message to those moving in from out of state and maybe they wouldn't move here. He supports the amendment.

Representative Haire said equal protection under the law requires that after you serve your time, you get your citizenship restored. He further questioned what purpose does this serve when you go into a store or get stopped on the road? And stated the amendment goes too far, legally it won't hold water.



**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
JUNE 22, 2005  
PAGE 4**


Representative Sutton expressed a problem with the amendment stating that 20% of the population would not admit to being a sex offender, the bill was good as it was intended and if the amendment is passed it will kill the bill. Representative Blackwood opposed the amendment.


Representative LaRoque asked that the members oppose the amendment and vote for the bill the way was written. Representative Allred, Chairman, called for a vote on the amendment. The amendment failed. Chairman Allred then called for a vote on Representative Hilton's previous motion giving the bill a favorable report. The motion carried.

Representative Carney announced the NC-Go Reception.

The meeting adjourned at 11:55 A.M.

Respectfully submitted,

  
Representative Cary Allred  
Presiding Chair

  
Jean Allred  
Committee Assistant

~~~~~  
Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

# ***AGENDA***

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

**June 22, 2005**

**11:00 A.M.**

**Room 1228 LB**

**Representative Cary Allred, Presiding Chair**

**Representative Lucy T. Allen, Chair**

**Representative Becky Carney, Chair**

**Representative Bonner Stiller, Chair**

### **OPENING REMARKS**

### **BILL FOR CONSIDERATION**

**HB 10 – Register Out-of-State ex Offenders - Rep. LaRoque**

### **ADJOURNMENT**

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 10** A BILL TO BE ENTITLED AN ACT TO PROTECT NORTH CAROLINIANS  
BY AMENDING THE SEX OFFENDER REGISTRATION LAW TO PROVIDE  
ADDITIONAL NOTIFICATION MEASURES DESIGNED TO NOTIFY NEW RESIDENTS  
OF THE STATE WHO ARE SEX OFFENDERS OF THE DUTY TO REGISTER IN THIS  
STATE AND TO APPROPRIATE FUNDS TO IMPLEMENT THIS ACT.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on  
Appropriations.

**(FOR JOURNAL USE ONLY)**

---

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ The bill/resolution is re-referred to the Committee on \_\_\_\_\_.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 10

Short Title: Register Out-of-State Sex Offenders. (Public)

Sponsors: Representatives LaRoque; Brown, Daughtridge, Eddins, Johnson, McGee, Moore, Pate, Preston, Sauls, Setzer, Sherrill, Stiller, and Wiley.

Referred to: Transportation, if favorable, Appropriations.

January 31, 2005

- 1 A BILL TO BE ENTITLED  
2 AN ACT TO PROTECT NORTH CAROLINIANS BY AMENDING THE SEX  
3 OFFENDER REGISTRATION LAW TO PROVIDE ADDITIONAL  
4 NOTIFICATION MEASURES DESIGNED TO NOTIFY NEW RESIDENTS OF  
5 THE STATE WHO ARE SEX OFFENDERS OF THE DUTY TO REGISTER IN  
6 THIS STATE AND TO APPROPRIATE FUNDS TO IMPLEMENT THIS ACT.  
7 The General Assembly of North Carolina enacts:  
8 SECTION 1. G.S. 14-208.8 reads as rewritten:  
9 "~~§ 14-208.8. Prerelease notification.~~Notice of obligation to register.  
10 (a) At least 10 days, but not earlier than 30 days, before a person who will be  
11 subject to registration under this Article is due to be released from a penal institution, an  
12 official of the penal institution shall:  
13 (1) Inform the person of the person's duty to register under this Article and  
14 require the person to sign a written statement that the person was so  
15 informed or, if the person refuses to sign the statement, certify that the  
16 person was so informed;  
17 (2) Obtain the registration information required under G.S. 14-208.7(b)(1),  
18 (2), (5), and (6), as well as the address where the person expects to  
19 reside upon the person's release; and  
20 (3) Send the Division and the sheriff of the county in which the person  
21 expects to reside the information collected in accordance with  
22 subdivision (2) of this subsection.  
23 (b) If a person who is subject to registration under this Article does not receive an  
24 active term of imprisonment, the court pronouncing sentence shall conduct, at the time  
25 of sentencing, the notification procedures specified in subsection (a) of this section.  
26 (c) The Division of Motor Vehicles, Department of Transportation, shall provide  
27 notice of the requirement to register under this Article to each person who applies for  
28 the issuance of a drivers license, learner's permit, or instruction permit to operate a

1 motor vehicle and to each person who applies for an identification card issued pursuant  
2 to Chapter 20 of the General Statutes.

3 (d) Through press releases, public service announcements, or through other  
4 appropriate public information activities, the Department of Justice shall attempt to  
5 ensure that all sex offenders, including those who move into this State, are informed and  
6 periodically reminded of the registration, verification, and sanctions of this Article."

7 **SECTION 2.** Article 2 of Chapter 20 of the General Statutes is amended by  
8 adding a new section to read:

9 **"§ 20-9.3. Notification of requirements for sex offender registration.**

10 The Division of Motor Vehicles, Department of Transportation, shall provide notice  
11 of the requirement to register under Article 27A of Chapter 14 of the General Statutes as  
12 required by G.S. 14-208.8."

13 **SECTION 3.** There is appropriated from the Highway Fund to the  
14 Department of Transportation, Division of Motor Vehicles, the sum of fifty thousand  
15 dollars (\$50,000) for the 2005-2006 fiscal year to implement this act. There is  
16 appropriated from the General Fund to the Department of Justice the sum of twenty-five  
17 thousand dollars (\$25,000) for the 2005-2006 fiscal year to implement this act.

18 **SECTION 4.** Section 3 of this act becomes effective July 1, 2005, and the  
19 remainder of this act becomes effective September 1, 2005.

# NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

Did Not  
PASS

EDITION No. \_\_\_\_\_

H. B. No. 10

DATE \_\_\_\_\_

S. B. No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

(to be filled in by  
Principal Clerk)

COMMITTEE SUBSTITUTE \_\_\_\_\_

Rep. ) McLomas  
Sen. ) \_\_\_\_\_

1 moves to amend the bill on page 2, lines 12-13

2 ( ) WHICH CHANGES THE TITLE

3 by adding the following between the lines:

4 \_\_\_\_\_  
5 "The Division shall place a notation on  
6 the drivers license of any person  
7 required to maintain registration  
8 under Article 27A of Chapter 14 of  
9 the General Statutes <sup>indicating</sup> that the person  
10 is a registered offender."

11 \_\_\_\_\_  
12 \_\_\_\_\_  
13 \_\_\_\_\_  
14 \_\_\_\_\_  
15 \_\_\_\_\_  
16 \_\_\_\_\_  
17 \_\_\_\_\_  
18 \_\_\_\_\_  
19 \_\_\_\_\_

SIGNED \_\_\_\_\_

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



# HOUSE BILL 10: Register Out-of-State Sex Offenders

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. LaRoque  
**Version:** First Edition

**Date:** June 15, 2005  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *House Bill 10 would require DMV to notify every person who applies for a drivers license or identification card of the NC sex offender registration requirements. The bill would also require the Department of Justice to attempt to inform all sex offenders of registration requirements through public information activities.*

**CURRENT LAW:** Under G.S. 14-208.8, sex offenders who are released from penal institutions in NC and sex offenders who are sentenced by NC courts are notified before release or at the time of sentencing of the duty to register under the NC Sex Offender and Public Protection Registration Programs. If the offender moves to NC from another state and has been convicted in another state of an offense that is substantially similar to an offense that would require registration in NC, then that person must also register under the NC registry, but there is no process set out in the statute by which that person is notified of registration requirements.

**BILL ANALYSIS:** House Bill 10 would require DMV to notify every person who applies for a drivers license or identification card of the registration requirements under the NC Sex Offender and Public Protection Registration Programs. It would also require the Department of Justice to attempt to ensure that all sex offenders are informed and periodically reminded of registration requirements through press releases, public service announcements, and other appropriate public information activities.

The bill would also appropriate \$50,000 from the Highway Fund to the Department of Transportation, and \$25,000 from the General Fund to the Department of Justice, for the 2005-2006 fiscal year to implement the provisions of the bill.

**EFFECTIVE DATE:** Section 3 of the bill (appropriating funds to implement the act) would become effective July 1, 2005, and the remainder of the bill would become effective September 1, 2005.

**BACKGROUND:** This issue is currently under consideration by the NC Supreme Court. In April of 2004, the NC Court of Appeals, in State v. Bryant, 163 N.C.App.478, 594 S.E.2d 202, held that our sex offender registration statute is unconstitutional as applied to a person convicted in another state who has moved to NC and lacks notice of his duty to register. That case was appealed to the NC Supreme Court and was argued at the end of last year, but it has not yet been decided.

H0010e1-SMSU

## VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Wednesday, JUNE 22, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Elsie Arnold	Concerned Women for America - NC
<del>Brian Christopher</del>	<del>Charlotte Area Transit System</del>
Portia Manley	NC DOT / DMV
Mike Salisbury	NC DOT / DMV
Paul Idol	Jim Crawford's Intern
Clark Leonard	Office of Rep. Hill - Intern
Jedickens	Rep. Coates
K Cadwallader	Rep. Earle
Jill W. Adams	CWA
Tom Murry	NC GA Intern
Nancy G. Grier	Concerned Women for America - NC



# VISITOR REGISTRATION SHEET

## HOUSE TRANSPORTATION

Name of Committee

Wednesday, JUNE 22, 2005

**Date**

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

**FIRM OR AGENCY AND ADDRESS**

Walt Whitman

NCNN

Sat Moore

Insider

David Meyer

WS Team

CVGdc

UNC TV

House Pages

TRANSPORTATION      6/23/05  
Name Of Committee: \_\_\_\_\_ Date: \_\_\_\_\_

1. Name: Meredith Matney  
County: Bancombe  
Sponsor: Black
2. Name: Brittany Wright  
County: Randolph  
Sponsor: Brubaker
3. Name: Elizabeth Plummer  
County: Bancombe  
Sponsor: Sherril
4. Name: David Matney  
County: Bancombe  
Sponsor: Black
5. Name: \_\_\_\_\_  
County: \_\_\_\_\_  
Sponsor: \_\_\_\_\_

Sgt-At-Arms

1. Name: Dusty Rhodes
  2. Name: TOUSSAINT AVENT
  3. Name: BRAD BARRETT
  4. Name: \_\_\_\_\_
  5. Name: \_\_\_\_\_
- } House Sgt. @ Arms

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

July 20, 2005

The HOUSE COMMITTEE ON TRANSPORTATION met on July 20, 2005, in Room 1228 of the Legislative Building at 11:05 A.M. The following were present: Representative Carney, presiding Chair, Representatives L. Allen and Stiller, Chairs, Representatives Saunders, Steen, Williams, and Wright, Vice Chairs, Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Goodwin, Haire, Hill, Hilton, McComas, Moore, Rapp, Rhodes, Sutton, and Wilkins. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Carla Farmer, Joyce Langdon, and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes, Bill Freeman, Linda Fuller, and Martha Gadison, House Sergeants-at-Arms.

Representative Carney called the meeting to order and introduced the House Sergeants-at-Arms, and the following House Pages who assisted with the meeting: Caitlin Hodges, sponsored by Representative Black of Mecklenburg County; Heather Parrish and Hannah Diggs, both sponsored by Representative Bordsen of Alamance County; Caitlin Compton, sponsored by Representative Faison of Orange County; Lauren Adams of Fairfax Station, Virginia, the granddaughter of and sponsored by Representative Michaux of Durham County; Christie Ray Harrison, sponsored by Representative Capps of Wake County; and Dustin Briggs, sponsored by Representative Culpepper of Gates County

Presiding Chair Representative Carney stated that the Committee would take up **House Bill 666 – HOV LANE PENALTIES.-AB**, and she asked Representative Cole, the bill sponsor, to explain the bill. He stated that this is an agency bill, and it is back before us because it was changed in the Senate, and it is back for concurrence. The Senate put back what the House had taken out in an amendment, that is, a penalty of \$100 and two driver's license points for violation of HOV (High Occupancy Vehicles). Representative Cole asked Susan Coward from the Department of Transportation to explain.

Susan Coward of DOT asked that the Committee concur with the Senate's version of the bill. She stated that they worked closely with law enforcement when the committee first heard this bill. Law enforcement in Mecklenburg County felt strongly that the penalty needed to be spelled out in order to maintain the integrity of the HOV lanes.

Representative Carney asked if there was anyone else from public who would like to speak on the bill. There being none, she asked for comments from committee members.

Representative Blackwood directed a question to the State Traffic Engineer. At the last meeting it was said that these HOV lanes would be an impediment to traffic for about eight years before they would start showing positive results. Would he clarify that?

Kevin Lacy, State Traffic Engineer, stated that what we would expect as traffic builds up on that facility, there would be a reduced number of vehicles. It may take eight years before the demand gets to that point where you start seeing benefits to reduce the number of cars. It takes a while for the public to get used to HOV lanes.

Representative Blackwood stated if it is going to be eight years before there is enough traffic to make a difference, it doesn't make sense to me to close a lane for seven years if we are not going to be accomplishing a purpose.

Kevin Lacy stated that the misunderstanding might be in not seeing the immediate benefit. You will receive immediate benefit, like a reduction in number of cars in a parking facility downtown or wherever, with more people using a single vehicle. An existing lane is not actually being closed. It is being opened for special use so there will be more people in a car, motorcycles, etc. We normally design further out in time – 20-25 years, and Charlotte is an example of where we see the most success in using HOV lanes

Kevin Lacy further stated that we have very similar examples where we have designed a road with four travel lanes in one direction. In some cases we may not open a travel lane and use it as a shoulder. It would be a full depth shoulder, and it is closed to use by the general public for through traffic. In a future year we would go out and build an asphalt shoulder, which costs less, and then open that full depth shoulder for through traffic. What we are doing with HOV lanes is adding benefit to the public today

Representative Haire asked Staff if the two points would also affect the insurance. Giles Perry, Staff Counsel, answered that it would be a moving violation, so there would be one insurance point.

Representative Sutton asked Staff if the current law is that fines can be up to \$100. Giles Perry, Staff, stated that that is correct.

Representative Sutton then questioned "no points?" Giles Perry, Staff, stated no, that there are moving violations in the current law.

Representative Sutton stated that at the appropriate time he would make a motion that we not concur. He would like to see the fine be a firm \$100. If somebody violates, take the money for the fine, but don't keep taking it in the form of insurance. He stated that this would go against the wishes of the department, but put this bill in conference and try to work it out where they will take the insurance points off, and make the fine mandatory \$100.

Representative Sutton moved that we not concur, and that the list of conferees be reported out, along with the bill.

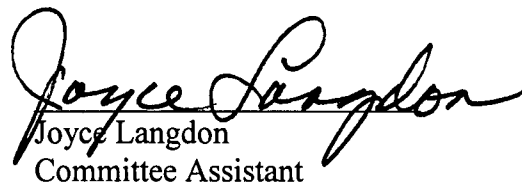
The motion to not concur passed.

The meeting adjourned at 11:24 A.M.

Respectfully submitted,



Representative Becky Carney  
Presiding Chair



Joyce Langdon  
Committee Assistant

Agenda  
House Bill 666 with Bill Analysis  
Visitors Registration

# **AGENDA**

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

July 20, 2005

11:00 A.M.

Room 1228 LB

Representative Becky Carney, Presiding Chair

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Bonner Stiller, Chair

### **WELCOME AND OPENING REMARKS**

### **INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS STAFF**

### **BILLS FOR CONSIDERATION**

**HB 666 - HOV Lane Penalties.-AB - - Reps. Cole**

### **ADJOURNMENT**

## VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

July 20, 2005

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jim Munn	NC SA Intern
Pat Stith	AAA Carolinas
Pat Stith	The NHD
Russ Dubisky	CCPS
John Cyren	NCSG
Steve Morston	NCLM
Kevin Lacy	NCDOT
Beau Mills	NC Metropolitan Coalition
ERIC LEAZER	ROWAN-SALISBURY SCHOOLS
Lee Halper	KCLH
Mary Thomsen	REBIC

TRANSPORTATION COMMITTEE – 2005 SESSION

Date of Committee Meeting: July 20, 2005

<u>Page Name</u>	<u>County</u>	<u>Sponsor</u>
Caitlin Hodges	Wake	Black
Heather Parrish	Alamance	Alice Borden
Hannah Diggs	Alamance	Alice Borden
Caitlin Compton	Orange	Bill Faison
Lauren Adams	Fairfax Station, VA	Rep. Michuax
CHRISTIE RAY HARRISON	Wake	Rep. Capps
Dustin Briggs	Grates	Culpepper

granddaughter

<u>Sergeant-at-Arms</u>
DUSTY RHODES
BILL FREEMAN
LINDA FULLER
MARTHA GADISON



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

3

HOUSE BILL 666\*

Committee Substitute Favorable 4/13/05

Senate Judiciary I Committee Substitute Adopted 6/15/05

Short Title: HOV Lane Penalties.-AB

(Public)

Sponsors:

Referred to:

March 16, 2005

A BILL TO BE ENTITLED

AN ACT TO AMEND THE PENALTIES FOR VIOLATION OF HIGH  
OCCUPANCY VEHICLE LANE RESTRICTIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-146.2 reads as rewritten:

**"§ 20-146.2. Rush hour traffic lanes authorized.**

(a) HOV Lanes. – The Department of Transportation may designate one or more travel lanes as high occupancy vehicle (HOV) lanes on streets and highways on the State Highway System and cities may designate one or more travel lanes as high occupancy vehicle (HOV) lanes on streets on the Municipal Street System. HOV lanes shall be reserved for vehicles with a specified number of passengers as determined by the Department of Transportation or the city having jurisdiction over the street or highway. When HOV lanes have been designated, and have been appropriately marked with signs or other markers, they shall be reserved for privately or publicly operated buses, and automobiles or other vehicles containing the specified number of persons. Where access restrictions are applied on HOV lanes through designated signing and pavement markings, vehicles shall only cross into or out of an HOV lane at designated openings. A motor vehicle shall not travel in a designated HOV lane if the motor vehicle has more than three axles, regardless of the number of occupants. HOV lane restrictions shall not apply to motorcycles or vehicles designed to transport 15 or more passengers, regardless of the actual number of occupants. HOV lane restrictions shall not apply to emergency vehicles. As used in this subsection, the term "emergency vehicle" means any law enforcement, fire, police, or other government vehicle, and any public and privately owned ambulance or emergency service vehicle, when responding to an emergency.

(a1) Transitway Lanes. – The Department of Transportation may designate one or more travel lanes as a transitway on streets and highways on the State Highway System and cities may designate one or more travel lanes as a transitway on streets on the

1 Municipal Street System. Transitways shall be reserved for public transportation  
2 vehicles as determined by the Department of Transportation or the city having  
3 jurisdiction over the street or highway. When transitways have been designated, and  
4 they have been appropriately marked with signs or other markers, they shall be reserved  
5 for privately or publicly operated transportation vehicles as determined by the  
6 Department or the city having jurisdiction.

7 (b) Temporary Peak Traffic Shoulder Lanes. – The Department of Transportation  
8 may modify, upgrade, and designate shoulders of controlled access facilities and  
9 partially controlled access facilities as temporary travel lanes during peak traffic  
10 periods. When these shoulders have been appropriately marked, it shall be unlawful to  
11 use these shoulders for stopping or emergency parking. Emergency parking areas shall  
12 be designated at other appropriate areas, off these shoulders, when available.

13 (c) Directional Flow Peak Traffic Lanes. – The Department of Transportation  
14 may designate travel lanes for the directional flow of peak traffic on streets and  
15 highways on the State Highway System and cities may designate travel lanes for the  
16 directional flow of peak traffic on streets on the Municipal Street System. These travel  
17 lanes may be designated for time periods by the agency controlling the streets and  
18 highways.

19 (d) Violation of designated HOV and transitway lane restrictions as provided in  
20 subsection (a) or (a1) of this section is an infraction punishable by a penalty of one  
21 hundred dollars (\$100.00) and two drivers license points."

22 **SECTION 2. G.S. 20-16 reads as rewritten:**

23 "...

24 **Schedule of Point Values**

25 ...

26 Speeding in a school zone in excess of the posted school  
27 zone speed limit ..... 3

28 Failure to properly restrain a child in a restraint or seat belt ..... 2

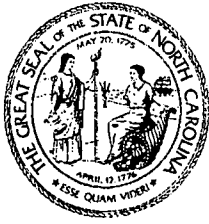
29 Violation of designated HOV and transitway lanes  
30 pursuant to G.S. 20-146.2(a), (a1)..... 2

31 All other moving violations..... 2

32 Littering pursuant to G.S. 14-399 when the littering  
33 involves the use of a motor vehicle ..... 1

34 "..."

35 **SECTION 3. This act becomes effective December 1, 2005, and applies to**  
36 **offenses committed on or after that date.**



## HOUSE BILL 666: HOV Lane Penalties.-AB

### *BILL ANALYSIS*

---

<b>Committee:</b>	House Transportation	<b>Date:</b>	July 20, 2005
<b>Introduced by:</b>	Rep. Cole	<b>Summary by:</b>	Giles S. Perry
<b>Version:</b>	Third Edition		Committee Counsel

---

**SUMMARY:** *House Bill 666 sets out a penalty of \$100 and two drivers license points for violation of HOV or transitway lane restrictions.*

**CURRENT LAW:** Under current G.S. 20-146.2, DOT is authorized to designate high occupancy vehicle (HOV) and transitway lanes. Violation of the restriction on use of these lanes constitutes an infraction under G.S. 20-176, punishable by a penalty of *up to* \$100.

**BILL ANALYSIS:** House Bill 666 amends the penalty for violation of HOV or transitway lane restrictions to provide that a violation is an infraction punishable by a penalty of \$100 and two drivers license points.

**EFFECTIVE DATE:** This act becomes effective December 1, 2005, and applies to offenses committed on or after that date.

**BACKGROUND:** HOV lanes are located on I-77 in Mecklenburg County.

H0666e3-SMRW

**HOUSE STANDING COMMITTEE ON  
TRANSPORTATION  
2005-2006 SESSION**

**Chairs**

**Representative Lucy T. Allen  
Representative Cary Allred  
Representative Becky Carney  
Representative Bonner Stiller**

**Vice Chairs**

**Representative Jim Crawford  
Representative Drew Saunders  
Representative Fred Steen  
Representative Arthur Williams  
Representative Thomas Wright**

**Committee Counsel:**

**Giles Perry & Wendy Graf-Ray  
Research Division**

**Committee Assistants:**

**Jean Allred, Carla Farmer, Joyce Langdon,  
& Melissa Riddle**

**Permanent Directory**  
**HOUSE COMMITTEE ON TRANSPORTATION**  
**2005/2006 SESSION**

<b>MEMBER</b>	<b>ASSISTANT</b>	<b>PHONE</b>	<b>OFFICE</b>	<b>SEAT</b>
<b>Rep. Lucy Allen, Co-Chair</b>	Melissa Riddle Committee Assistant	733-5860	1307	41
<b>Rep. Cary D. Allred, Co-Chair</b>	Jean Allred Committee Assistant	733-5905	606	38
<b>Rep. Becky Carney, Co-Chair</b>	Joyce Langdon Committee Assistant	733-5827	1221	54
<b>Rep. Bonner Stiller, Co-Chair</b>	Carla Farmer Committee Assistant	733-5974	508	52
<b>Rep. Jim Crawford, Vice-Chair</b>	Linda Winstead	733-5824	2301	24
<b>Rep. Drew Saunders, Vice-Chair</b>	Ruth Fish	733-5606	2217	48
<b>Rep. Fred Steen, Vice-Chair</b>	Chris Floyd	733-5881	514	64
<b>Rep. Arthur Williams, Vice-Chair</b>	Linda Uzzle	733-5906	637	22
<b>Rep. Tom Wright, Vice-Chair</b>	Clarestene Stewart	733-5754	528	5
<b>Rep. Curtis Blackwood</b>	Mizie Finke	733-2406	1317	97
<b>Rep. George Cleveland</b>	Susan West	715-6707	504	110
<b>Rep. Lorene Coates</b>	Melissa Lennon	733-5784	633	19
<b>Rep. Nelson Cole</b>	Suzanne Smith	733-5779	1218	45
<b>Rep. Bill Daughtridge</b>	Rachel Dupree	733-5802	604	87
<b>Rep. Jerry Dockham</b>	Regina Irwin	715-2526	1424	106
<b>Rep. Melanie Goodwin</b>	Jane McMillan	733-5823	1305	91
<b>Rep. Phillip Haire</b>	Sara Jane Lennard	715-3005	419B	47

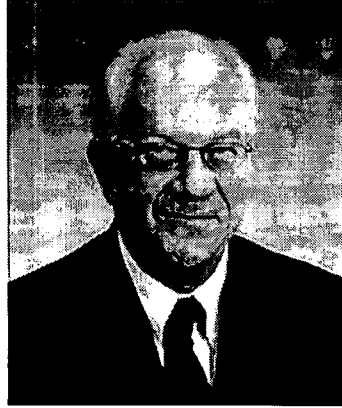
<b>MEMBER</b>	<b>ASSISTANT</b>	<b>PHONE</b>	<b>OFFICE</b>	<b>SEAT</b>
<b>Rep. Dewey Hill</b>	Gennie Thurlow	733-5830	1309	10
<b>Rep. Mark Hilton</b>	Carol Wilson	733-5988	1021	61
<b>Rep. Danny McComas</b>	Judy Lowe	733-5786	506	13
<b>Rep. Timothy Moore</b>	Nancy Garriss	733-4838	502	85
<b>Rep. Jean Preston</b>	Suzanne Castleberry	733-5706	603	90
<b>Rep. Ray Rapp</b>	Dot Barber	733-5732	2213	77
<b>Rep. John Rayfield</b>	Brenda Olls	733-5868	510	73
<b>Rep. John Rhodes</b>	Lucille Carter	733-5530	1017	112
<b>Rep. Edgar V. Starnes</b>	Pattie Fleming	733-5931	513	116
<b>Rep. Ronnie Sutton</b>	Juanita Coley	715-0875	1321	72
<b>Rep. Winkie Wilkins</b>	Nancy Brantley	715-0850	1301	71
<b>Rep. Michael Wray</b>	Mary Capps	733-5662	534	94
<b>Rep. William Culpepper</b> Ex-officio Member	Dot Crocker	715-3028	404	36
<b>Rep. Pete Cunningham</b> Ex-officio Member	Valerie Rustin	733-5778	541	7
<b>Rep. Rick Eddins</b> Ex-officio Member	Susan Phillips	733-5828	1002	26
<b>Rep. Joe Hackney</b> Ex-officio Member	Emily Reynolds	733-5752	2207	69

# **NORTH CAROLINA GENERAL ASSEMBLY**

## **HOUSE STANDING COMMITTEE ON TRANSPORTATION 2005 – 2006 SESSION**



**Rep. Lucy Allen  
Chair**



**Rep. Cary Allred  
Chair**



**Rep. Becky Carney  
Chair**



**Rep. Bonner Stiller  
Chair**



**Rep. Jim Crawford  
Vice chair**



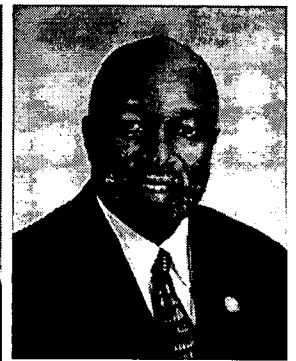
**Rep. Drew Saunders  
Vice chair**



**Rep. Fred Steen  
Vice chair**



**Rep. Arthur Williams  
Vice chair**



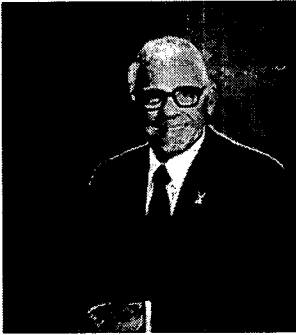
**Rep. Thomas Wright  
Vice chair**

# NORTH CAROLINA GENERAL ASSEMBLY

## HOUSE STANDING COMMITTEE ON TRANSPORTATION 2005 – 2006 SESSION



**Rep. Curtis Blackwood**



**Rep. George Cleveland**



**Rep. Lorene Coates**



**Rep. Nelson Cole**



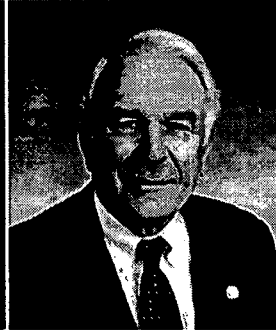
**Rep. Bill Daughtridge**



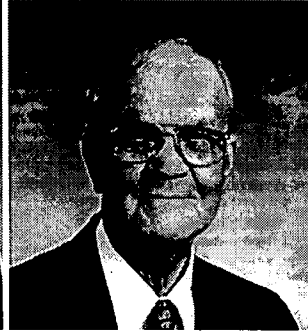
**Rep. Jerry Dockham**



**Rep. Melanie Goodwin**



**Rep. Phil Haire**



**Rep. Dewey Hill**



**Rep. Mark Hilton**



**Rep. Danny McComas**



**Rep. Tim Moore**



**Rep. Jean Preston**



**Rep. Ray Rapp**



**Rep. John Rayfield**



**Rep. John Rhodes**



**Rep. Edgar Starnes**



**Rep. Ronnie Sutton**



**Rep. Winkie Wilkins**

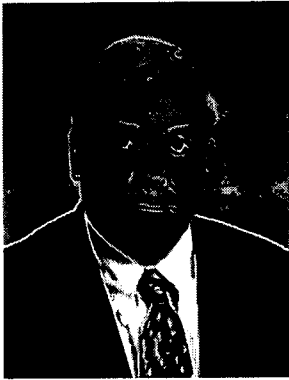


**Rep. Michael Wray**



# **NORTH CAROLINA GENERAL ASSEMBLY**

## **HOUSE STANDING COMMITTEE ON TRANSPORTATION 2005 – 2006 SESSION**



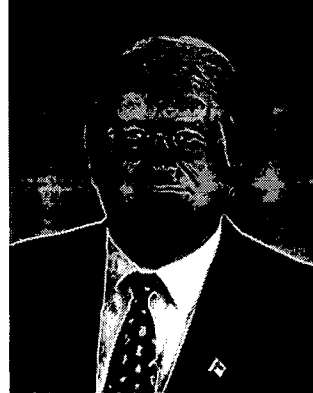
**Rep. Bill Culpepper**

**Ex-officio**



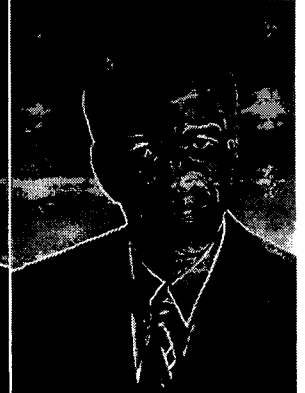
**Rep. Pete Cunningham**

**Ex-officio**



**Rep. Rick Eddins**

**Ex-officio**



**Rep. Joe Hackney**

**Ex-officio**

# ATTENDANCE

## TRANSPORTATION

2006 Session

DATES	5-24-06	6-7-06	6-21-06	6-28-06	7-12-06	7-13-06	7-20-06								
ALLEN, Lucy, Chair	X	X	X	X	X	X	X								
ALLRED, Cary, Chair			X			X									
CARNEY, Becky, Chair		X		X	X	X	X								
STILLER, Bonner, Chair	X	X	X		X	X									
CRAWFORD, Jim, Vice-Chair	X				X	X									
SAUNDERS, Drew, Vice-Chair	X		X	X	X	X	X								
STEEN, Fred, Vice-Chair	X	X			X	X	X								
WILLIAMS, Arthur, Vice-Chair	X	X		X	X	X	X								
WRIGHT, Thomas, Vice-Chair	X		X		X	X									
BLACKWOOD, Curtis	X	X	X		X	X	X								
CLEVELAND, George	X	X	X	X	X	X	X								
COATES, Lorene	X	X	X	X	X	X	X								
COLE, Nelson	X	X	X	X	X	X	X								
DAUGHTRIDGE, Bill	X	X	X		X	X									
DOCKHAM, Jerry	X	X	X		X	X									
GOODWIN, Melanie Wade	X	X	E	X	X	E	X								
HAIRE, Phil	X	E		X	X	E	X								
HILL, Dewey	X	X	X	X	X		X								
HILTON, Mark		X	X	X	X	X	X								
MCCOMAS, Danny		X			X										
MOORE, Tim	X	X	X			X									
PRESTON, Jean		X	X	X	X	X	X								
RAPP, Ray	X	X		X	X	X	X								
RAYFIELD, John	X	X	X	X	X	X	X								
RHODES, John	X	X	X				X								
STARNES, Edgar	X	X	X	X	X	X	X								

## 2006 Session

[illegible]

North Carolina General Assembly  
Through House Committee on  
Transportation

Date: 08/17/2006  
Time: 11:54  
Page: 001 of 003

2005-2006 Biennium

Bill	Introducer	Short Title	Latest Action	Leg. Day: H-174/S-176	In Date	Out Date
<b>\$ H0010</b>	<b>LaRoque</b>	<b>REGISTER OUT-OF-STATE SEX OFFENDERS.</b>	<b>H Re-ref Com On Appropriations</b>		<b>01-31-05</b>	<b>06-22-05</b>
H0039	Cole	MOTORCYCLES-NO PASSENGERS UNDER AGE 10.	H Ref To Com On Transportation		02-03-05	
H0099	Gibson	AMEND WORKERS' COMP ACT.	*HR Ch. SL 2005-448		02-07-05	03-10-05
H0141	Moore	FREE VETERAN'S DRIVERS LICENSES.	H Ref To Com On Transportation		02-09-05	
H0237	Coates	REVISE MORTGAGE LENDING ACT.	*HR Ch. SL 2005-316		06-01-05	06-21-05
H0249=	Cole	DOT DRIVEWAY CONNECTION CHANGES.	H Re-ref Com On Rules, Calendar, and Operations of the House		02-16-05	06-01-05
H0250=	Cole	INTEREST ON HIGHWAY CONDEMNATION AWARDS.	H Ref To Com On Transportation		02-16-05	
H0253	Crawford	NC TURNPIKE AUTHORITY CHANGES.	*HR Ch. SL 2005-275		02-16-05	03-10-05
H0254	Crawford	GARVEE BOND ISSUANCE.	*HR Ch. SL 2005-403		02-16-05	05-26-05
H0267	Sutton	8-YEAR DRIVERS LICENSE/INTERNET DL RENEWAL.	*H Pres. To Gov. 7/ 27/2006		02-17-05	04-25-05
H0643	Miller	INTERCHANGE DISTRICTS.	*HR Ch. SL 2006-236		07-13-06	07-20-06
H0664=	Cole	CRIME TO FALSIFY HIGHWAY INSPECTION REPORTS.-AB	*HR Ch. SL 2005-96		03-16-05	03-31-05
H0665=	Cole	AMEND HOUSE MOVER LAWS.-AB	*HR Ch. SL 2005-354		03-16-05	04-13-05
H0666	Cole	HOV LANE PENALTIES.-AB	*H Conf Com Appointed		03-16-05	04-13-05
H0666	Cole	HOV LANE PENALTIES.-AB	*H Conf Com Appointed		06-28-05	07-20-05
H0668=	Cole	PERMIT DOT BEST-VALUE PROCUREMENT.-AB	H Ref to the Com on Transportation and, if favorable, to the Com on Rules, Calendar, and Operations of the House		03-16-05	
H0669	Cole	OVERSIZE/OVERWEIGHT VEHICLE CHANGES.-AB	*HR Ch. SL 2005-361		03-16-05	04-28-05
H0670	Cole	CDL/FEDERAL COMPLIANCE	*HR Ch. SL 2005-349		03-16-05	05-05-05
H0740	Coates	TRANSIT DRUG TESTING.	HR Ch. SL 2005-156		03-17-05	04-07-05
H0746=	Cole	MITIGATION CREDIT-DOT/ CWMTF JOINT PURCHASES.-AB	H Ref To Com On Transportation		03-17-05	
H0747	Cole	DEFINING STATE ROADS.- AB	*HR Ch. SL 2005-382		03-17-05	05-26-05
H0748=	Cole	DEBARMENT OF DOT CONTRACTORS.-AB	H Ref To Com On Transportation		03-17-05	
H0749=	Cole	DOT AGREEMENT/NO STICKER FEE.	*HR Ch. SL 2006-230		03-17-05	06-01-05
H0749=	Cole	DOT AGREEMENT/NO STICKER FEE.	*HR Ch. SL 2006-230		07-24-06	07-27-06
H0750	Cole	SECONDARY ROAD CONSTRUCTION.-AB	*HR Ch. SL 2005-404		03-17-05	04-28-05

'\$' indicates the bill is an appropriation bill.

A bold line indicates the bill is an appropriation bill.

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'=' indicates that the original bill is identical to another bill.

North Carolina General Assembly  
Through House Committee on  
Transportation

Date: 08/17/2006  
Time: 11:54  
Page: 002 of 003  
Leg. Day: H-174/S-176

2005-2006 Biennium

Bill	Introducer	Short Title	Latest Action	In Date	Out Date
H0761	Williams	MOTOR CARRIER AMENDMENTS.-AB	HR Ch. SL 2005-64	03-17-05	04-13-05
H0786	Cole	MV DEALER TECHNICAL CORRECTIONS.-AB	*HR Ch. SL 2005-99	03-17-05	05-05-05
H0813	Allred	PROHIBITING SOLICITATIONS ON STATE HIGHWAYS.	*HR Ch. SL 2005-310	03-23-05	04-07-05
H0887	Allred	BURLINGTON CHARTER AMENDMENT.	*HR Ch. SL 2005-30	03-28-05	04-07-05
H0943	Almond	NONBETTERMENT RELOCATION OF UTILITY LINES.	H Ref To Com On Transportation	03-29-05	
H1026	Gulley	LEFT TURN ON RED - RALEIGH.	*HF Failed 2nd Reading	03-31-05	05-26-05
H1052	Stiller	BRUNSWICK - TRASH TRUCKS STOPPED ON HIGHWAYS.	HR Ch. SL 2005-266	03-31-05	04-25-05
H1125	Grady	DRIVERS LICENSE-ANTILITTERING PLEDGE.	H Ref To Com On Transportation	04-06-05	
H1227	Coleman	MOTOR VEHICLE REPAIR AND FRANCHISE CHANGES.	*HR Ch. SL 2005-463	04-14-05	06-01-05
H1266	Cole	DOT RELOCATION ASSISTANCE CHANGE.	HR Ch. SL 2005-331	04-18-05	05-05-05
H1280	Pate	DOT REPORT/FEDERAL RAIL ASSISTANCE TO NC.	*HR Ch. SL 2005-222	04-19-05	05-05-05
H1295	Harrison	NEW MOTOR VEHICLES WARRANTIES.	*HR Ch. SL 2005-436	04-19-05	05-09-05
H1356	McMahan	HIGHWAY TRUST FUND-NEED BASED PROJECTS.	H Ref To Com On Transportation	04-21-05	
H1371	Culpepper	EXEMPT ATVS FROM MV REGISTRATION REQUIREMENTS.	H Ref To Com On Transportation	04-21-05	
H1372	Culpepper	CITY TRANSIT BENCH/SHELTER ADS.	H Re-ref Com On Transportation	05-17-05	
H1399	L. Allen	VARIOUS TRANSPORTATION/M.V. LAW CHANGES.	*HR Ch. SL 2006-135	06-26-06	06-28-06
H1410	Luebke	MOTOR VEHICLE SALES FINANCED BY DEALER.	H Ref To Com On Transportation	04-21-05	
H1487	Dickson	LICENSE PLATE DESIGN CONTEST.	H Re-ref Com On Appropriations	05-17-05	06-01-05
H1544	Lewis	NONRESIDENT CDL/TRAINING CHANGES.	H Ref To Com On Transportation	04-21-05	
H1825	Cole	DOT SECONDARY ROAD FORMULA CHANGE.	*H Pres. To Gov. 7/28/2006	05-10-06	05-30-06
H1827=	Cole	GENERAL CONTRACTOR LICENSE EXCEPTIONS/DOT.	*H Pres. To Gov. 7/28/2006	05-10-06	05-30-06
H1827=	Cole	GENERAL CONTRACTOR LICENSE EXCEPTIONS/DOT.	*H Pres. To Gov. 7/28/2006	06-01-06	06-21-06
H1827=	Cole	GENERAL CONTRACTOR LICENSE EXCEPTIONS/DOT.	*H Pres. To Gov. 7/28/2006	07-12-06	07-13-06
H1834=	Cole	DOT PERF.-BASED MAINTENANCE CONTRACT	HR Ch. SL 2006-67	05-10-06	05-30-06

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North Carolina General Assembly  
Through House Committee on  
Transportation

Date: 08/17/2006  
Time: 11:54  
Page: 003 of 003

2005-2006 Biennium

Leg. Day: H-174/S-176

Bill	Introducer	Short Title	Latest Action	In Date	Out Date
H1835=	Cole	BONDS. DOT CONTRACT	HR Ch. SL 2006-68	05-10-06	05-30-06
H2067	Johnson	PROVISION CHANGES. REDUCE CDL LICENSE FEE FOR SCHOOL BUS DRIVERS.	*H Re-ref Com On Finance	05-18-06	06-08-06
<b>\$ H2145</b>	<b>Moore</b>	<b>SECRET COMPARTMENTS IN MOTOR VEHICLES.</b>	<b>*H Re-ref Com On Judiciary II</b>	<b>05-18-06</b>	<b>06-08-06</b>
S0189	William R. Purce	ALL-TERRAIN VEHICLE REGULATION.	*HR Ch. SL 2005-282	05-18-05	05-26-05
S0603	Clark Jenkins	LIGHT-DUTY ROAD EXEMPTION-BUILDING SUPPLIES.	H Ref To Com On Transportation	05-05-05	
S1381=	Clark Jenkins	REPEAL TOLL BRIDGE AUTHORITY.	*HR Ch. SL 2006-228	06-30-06	07-13-06

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**MINUTES**  
**HOUSE COMMITTEE ON TRANSPORTATION**  
**May 24, 2006**

The **HOUSE COMMITTEE ON TRANSPORTATION** met on May 24, 2006 in Room 1228 of the Legislative Building at 11:00 am. The following were present: Presiding Chair Bonner Stiller, Co-Chairs Allen and Carney, Vice Chairs Crawford, Saunders, Steen and Wright, and Representatives Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Haire, Hill, Moore, Rapp, Rayfield, Rhodes, Starnes, Sutton, and Wilkins. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and committee assistants Carla Farmer, Melissa Riddle and Joyce Langdon.

Chairman Stiller called the meeting to order and Rep. Cole was asked to explain each of his bills.

**HB 1825 – DOT SECONDARY ROAD FORMULA CHANGE.** A Bill to be entitled an act to amend the Department of Transportation secondary road construction formula, as recommended by the Joint Legislative Transportation Oversight Committee. This bill passed with a favorable report.

**HB 1827 – DOT GENERAL CONTRACTOR LICENSE EXCEPTIONS.** A bill to be entitled an act to exempt certain Department of Transportation contractors from the requirement for a General Contractor's License, as recommended by the Joint Legislative Transportation Oversight Committee. This bill was replaced with a committee substitute and the committee substitute received a favorable report.

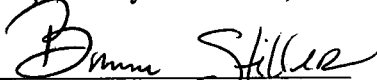
**HB 1834 – DOT PERF. - BASED MAINTENANCE CONTRACT BONDS.** A bill to be entitled an act to change the bonding requirements for up to two Department of Transportation performance-based contracts for routine maintenance and operations, as recommended by the Joint Legislative Transportation Oversight Committee. This bill passed with a favorable report.


**HB 1835 – DOT CONTRACT PROVISION CHANGES.** A bill to be entitled an act to authorize the Board of Transportation to approve standard Department of Transportation contract provisions on differing site conditions, suspensions of work, and changes in character of work, as recommended by the Joint Legislative Transportation Oversight Committee. This bill passed with a favorable report.

The meeting adjourned at 11:50.

All bills were reported out on May 30<sup>th</sup>.

Respectfully Submitted,

  
Representative Bonner Stiller  
Presiding Chair

  
Carla Farmer  
Committee Assistant

Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2005-2006 SESSION**

You are hereby notified that the Committee on TRANSPORTATION will meet as follows:

**DAY & DATE:**     **Wednesday, May 24, 2006**

**TIME:**             **11:00 AM**

**LOCATION:**        **1228 LB**

The following bills will be considered (Bill # & Short Title & Bill Sponsor):

**HB 1825 – DOT SECONDARY ROAD FORMULA CHANGE – Rep. Cole**

**HB 1827 – DOT GENERAL CONTRACTOR LICENSE EXCEPTIONS – Rep. Cole**

**HB 1834 – DOT PERF. - BASED MAINTENANCE CONTRACT BONDS – Rep. Cole**

**HB 1835 – DOT CONTRACT PROVISION CHANGES - Rep. Cole**

Respectfully,  
Representative Stiller, Presiding Chair  
Representatives L. Allen, Allred, and Carney, Chairs

I hereby certify this notice was filed by the committee assistant at the following offices at **3:00 PM** on **Thursday, May 18, 2006**.

\_\_\_\_Principal Clerk  
\_\_\_\_Reading Clerk - House Chamber

Carla Farmer (Committee Assistant)



# *AGENDA*

## HOUSE COMMITTEE MEETING ON TRANSPORTATION

May 24<sup>th</sup>, 2006

11:00 A.M.

Room 1228 LB

Representative Bonner Stiller, Presiding Chair

Representative Lucy Allen, Chair

Representative Carey Allred, Chair

Representative Becky Carney, Chair

WELCOME AND OPENING REMARKS BY CHAIR

BILLS TO BE HEARD:

**HB 1825 – DOT SECONDARY ROAD FORMULA CHANGE – Rep. Cole**

**HB 1827 – DOT GENERAL CONTRACTOR LICENSE EXCEPTIONS – Rep. Cole**

**HB 1834 – DOT PERF. - BASED MAINTENANCE CONTRACT BONDS – Rep. Cole**

**HB 1835 – DOT CONTRACT PROVISION CHANGES - Rep. Cole**

ADJOURN

Russell  
Faw.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 1825\*

Short Title: DOT Secondary Road Formula Change.

(Public)

Sponsors: Representatives Cole; and Culp.

Referred to: Transportation.

May 10, 2006

A BILL TO BE ENTITLED

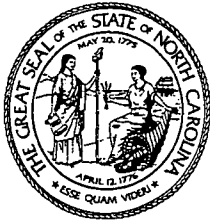
AN ACT TO AMEND THE DEPARTMENT OF TRANSPORTATION SECONDARY  
ROAD CONSTRUCTION FORMULA, AS RECOMMENDED BY THE JOINT  
LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-44.5(b) reads as rewritten:

"(b) The first sixty-eight million six hundred seventy thousand dollars (\$68,670,000) shall be allocated as follows: Each county shall receive a percentage of these funds, the percentage to be determined as a factor of the number of miles of paved and unpaved State-maintained secondary roads in the county divided by the total number of miles of paved and unpaved State-maintained secondary roads in the State, excluding those unpaved secondary roads that have been determined to be eligible for paving as defined in subsection (a) of this section. Beginning in fiscal year 2010-2011, allocations pursuant to this subsection shall be based on the total number of secondary miles in a county in proportion to the total State-maintained secondary road mileage."

**SECTION 2.** This act becomes effective July 1, 2006.



## HOUSE BILL 1825: DOT Secondary Road Formula Change

### *BILL ANALYSIS*

**Committee:** House Transportation  
**Introduced by:** Rep. Cole  
**Version:** First Edition

**Date:** May 22, 2006  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 1825 amends the revised secondary road construction formula, enacted in 2005, and scheduled to become effective July 1, 2006.*

**CURRENT LAW:** Current law (G.S. 136-44.5) provides for DOT to distribute secondary road construction funds by formula. This formula was rewritten in the 2005 session by House Bill 750, enacted as S.L. 2005-404. The revised formula is scheduled to take effect July 1, 2006.

**BILL ANALYSIS:** House Bill 1825 amends the revised secondary road construction formula to add "paved" road mileage in the denominator of the formula. DOT believes that the word "paved" was inadvertently left out of the amendments enacted in 2005.

**EFFECTIVE DATE:** This act becomes effective July 1, 2006.

*H1825e1-SMRW*

PCS  
Law Rep.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

D

HOUSE BILL 1827\*

PROPOSED COMMITTEE SUBSTITUTE H1827-CSRW-51 [v.1]

5/22/2006 2:45:35 PM

Short Title: DOT General Contractor License Exceptions.

(Public)

Sponsors:

Referred to:

May 10, 2006

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION  
3 CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL  
4 CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT  
5 LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

6 The General Assembly of North Carolina enacts:

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

9 "**§ 136-28.14. Project contractor licensing requirements.**

10 The letting of contracts under this Chapter for the following types of projects shall  
11 not be subject to the licensing requirements of Article 1 of Chapter 87 of the General  
12 Statutes:

13 (1) Routine maintenance and minor repair of: pavements, bridges,  
14 roadside vegetation and plantings, drainage systems, concrete  
15 sidewalks, curbs, gutters, and rest areas.

16 (2) Installation and maintenance of: pavement markings and markers,  
17 ground mounted signs, guardrail, fencing, and roadside vegetation and  
18 plantings."

19 SECTION 2. Chapter 87 of the General Statutes is amended by adding a  
20 new section to read:

21 "**§ 87-1.2. Exception for specified Department of Transportation contractors.**

22 The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not  
23 be subject to the licensing requirement of this Article."

24 SECTION 3. This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

1

HOUSE BILL 1827\*

Short Title: DOT General Contractor License Exceptions.

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

May 10, 2006

A BILL TO BE ENTITLED

AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

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

**"§ 136-28.14. Project contractor licensing requirements.**

The letting of contracts under this Chapter for the following types of projects shall not be subject to the licensing requirements of Article 1 of Chapter 87 of the General Statutes:

- (1) Routine maintenance and minor repair of: pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas.
- (2) Installation and maintenance of: pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings."

**SECTION 2.** Chapter 87 of the General Statutes is amended by adding a new section to read:

**"§ 87-1.2. Exception for specified Department of Transportation contractors.**

The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not be subject to the licensing requirement of G.S. 87-1.

**SECTION 3.** This act becomes effective July 1, 2006.



# HOUSE BILL 1827: DOT General Contractor License Exceptions

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Cole  
**Version:** PCS to First Edition  
H1827-CSRW-51[v.1]

**Date:** May 22, 2006  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 1827 exempts specified DOT maintenance and repair contracts from the general contractor licensing requirements of Chapter 87 of the General Statutes.*

**CURRENT LAW:** DOT contractors are subject to the general contractors licensing requirement of Chapter 87 of the General Statutes.

**BILL ANALYSIS:** Section 1 of House Bill 1827 exempts DOT contracts for: (1) routine maintenance and minor repair of: pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas; and (2) installation and maintenance of: pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings from the general contractor licensing requirements of Article 1 of Chapter 87.

Section 2 of the proposal is a cross reference to the exception in Article 1 of Chapter 87.

**EFFECTIVE DATE:** This act becomes effective July 1, 2006.

**BACKGROUND:** The PCS makes a technical change in Section 2 of the bill.

*H1827e1-SMRW-CSRW-51v1*

Fav. Rep.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 1834\*

Short Title: DOT Perf.-Based Maintenance Contract Bonds.

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

May 10, 2006

A BILL TO BE ENTITLED

AN ACT TO CHANGE THE BONDING REQUIREMENTS FOR UP TO TWO  
DEPARTMENT OF TRANSPORTATION PERFORMANCE-BASED  
CONTRACTS FOR ROUTINE MAINTENANCE AND OPERATIONS, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION  
OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

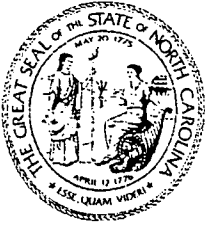
**SECTION 1.** Section 28.10 of S.L. 2005-276 reads as rewritten:

"**SECTION 28.10.(a)** The Department of Transportation may implement up to two  
performance-based contracts for routine maintenance and operations, exclusive of  
resurfacing. Selection of firms to perform this work shall be made using a best-value  
procurement process.

Prior to any advertisement for a proposed project, the Department shall report to the  
Joint Legislative Transportation Oversight Committee on the contractor selection  
criteria to be used.

"**SECTION 28.10.(b)** For contracts authorized under this section, notwithstanding  
G.S. 44A-26(a)(1) and (a)(2), the Department of Transportation may require the bonds  
issued pursuant to Article 3 of Chapter 44A of the General Statutes for public  
construction to be provided on a periodic basis and in the amount to cover that specific  
period rather than for the entire project duration."

**SECTION 2.** This act becomes effective July 1, 2006.



# HOUSE BILL 1834: DOT Perf.-Based Maintenance Contract Bonds

## BILL ANALYSIS

<b>Committee:</b>	House Transportation	<b>Date:</b>	May 24, 2006
<b>Introduced by:</b>	Rep. Cole	<b>Summary by:</b>	Wendy Graf Ray
<b>Version:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 1834 changes the bonding requirements for up to two DOT performance-based contracts authorized by the 2005 Appropriations Act.*

[As introduced, this bill is identical to S1384, introduced by Sen. Jenkins, which is currently in Senate Commerce.]

**CURRENT LAW:** Section 28.10 of S.L. 2005-276 (2005 Appropriations Act) authorized the Department of Transportation to implement up to two performance-based contracts for routine maintenance and operations.

Article 3 of Chapter 44A of the General Statutes requires performance and payment bonds in the amount of 100% of the construction contract amount from contractors entering into construction contracts with the State when the total amount of construction contracts awarded for a project exceeds \$300,000 and the contract with the contractor exceeds \$50,000.

**BILL ANALYSIS:** House Bill 1834 would change the bonding requirements for the two performance-based contracts for maintenance that were authorized by the 2005 Appropriations Act. For those contracts, the Department would be authorized to require bonds to be provided on a periodic basis and only in the amount to cover that specific period, rather than the entire project duration.

**EFFECTIVE DATE:** The bill would become effective July 1, 2006.

**BACKGROUND:** House Bill 1834 is a recommendation of the Joint Legislative Transportation Oversight Committee.

H1834c1-SMSU



Fav. fp

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 1835\*

Short Title: DOT Contract Provision Changes.

(Public)

Sponsors: Representative Cole.

Referred to: Transportation.

May 10, 2006

A BILL TO BE ENTITLED

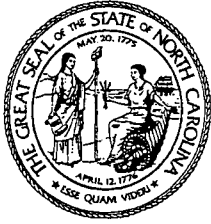
AN ACT TO AUTHORIZE THE BOARD OF TRANSPORTATION TO APPROVE  
STANDARD DEPARTMENT OF TRANSPORTATION CONTRACT  
PROVISIONS ON DIFFERING SITE CONDITIONS, SUSPENSIONS OF WORK,  
AND CHANGES IN CHARACTER OF WORK, AS RECOMMENDED BY THE  
JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-28.1(a) reads as rewritten:

"(a) All contracts over one million two hundred thousand dollars (\$1,200,000) that the Department of Transportation may let for construction or repair necessary to carry out the provisions of this Chapter shall be let to a responsible bidder after public advertising under rules and regulations to be made and published by the Department of Transportation. The right to reject any and all bids shall be reserved to the Board of Transportation. Contracts for construction or repair for federal aid projects entered into pursuant to this section shall not contain the standardized contract clauses prescribed by 23 U.S.C. § 112(e) and ~~23 C.F.R. § 635.134(a)~~ 23 C.F.R. § 635.109 for differing site conditions, suspensions of work ordered by the engineer or significant changes in the character of the work. For those federal aid projects, the Department of Transportation shall use only the contract provisions ~~provided in~~ for differing site conditions, suspensions of work ordered by the engineer, or significant changes in the character of the work developed by the North Carolina Department of Transportation, Standard Specifications for Roads and Structures, January 1, 1984, except as each may be changed or provided for by rule adopted Transportation and approved by the Board of Transportation in accordance with the Administrative Procedure Act. Transportation."

**SECTION 2.** This act becomes effective July 1, 2006.



# HOUSE BILL 1835: DOT Contract Provision Changes

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Cole  
**Version:** First Edition

**Date:** May 22, 2006  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 1835 changes the source of the alternative contract provisions used by DOT to provisions developed by NC DOT and approved by the Board of Transportation.*

**CURRENT LAW:** Under current federal law (23 C.F.R. § 635.109), DOT is authorized to use alternative contract provisions for differing site conditions, suspensions of work ordered by the engineer, or significant changes in the character of the work, if the alternative contract provisions are required by State law. Current State law specifies that DOT use alternate contracting provisions found in the North Carolina Department of Transportation Standard Specifications for Roads and Structures dated January 1, 1984, unless the alternative contracting provisions are changed by rule.

**BILL ANALYSIS:** House Bill 1835 amends current law governing use of alternate contract provisions in DOT contracts. Section 1 of this proposal modifies the State law requirement to use alternate contract provisions in two ways:

- by correcting a federal Code reference, and
- by changing the source of the alternative contract provisions to provisions developed by NC DOT and approved by the Board of Transportation.

**EFFECTIVE DATE:** This act becomes effective July 1, 2006.

H1835e1-SMRW

House Pages

TRANSPORTATION

Name Of Committee: \_\_\_\_\_

Date: \_\_\_\_\_

5-24-06

1. Name: Anna Sauls  
County: Pasquotank  
Sponsor: Black
2. Name: Claire Brown  
County: Johnston  
Sponsor: Daughtay
3. Name: Ronah Robbins  
County: Halifax  
Sponsor: Black
4. Name: \_\_\_\_\_  
County: \_\_\_\_\_  
Sponsor: \_\_\_\_\_
5. Name: \_\_\_\_\_  
County: \_\_\_\_\_  
Sponsor: \_\_\_\_\_

Sgt-At-Arms

1. Name: DUSTY RHODES
2. Name: MARTHA PARRISH
3. Name: EARL COKE
4. Name: \_\_\_\_\_
5. Name: -

# VISITOR REGISTRATION SHEET

Name of Committee

Date \_\_\_\_\_

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME \_\_\_\_\_

FIRM OR AGENCY

W. L. Benson

Capitalizing  
BFI

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R.T.A.

Loren Winn

visiten - Dushkar

Leslie Winnie

NCSPA

*Richard S. Lewis*

T. W. Inc.

15/10/19

1/ B. Th. Bader

NCP TA

JOHN GOODMAN

NCR I

James Sewley

LBA

Kathy, Hurdle

Pages even

# VISITOR REGISTRATION SHEET

TRANSPORTATION

Name of Committee

5-24-06

Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

<u>NAME</u>	<u>FIRM OR AGENCY</u>
John Loran	Martin Marietta Mat.
Calvin Winters	Gov. Office
Walter R. Miller	Gov. Office
John Moberg	Gov. Office
Gene Cooper	BPMHL
Thompson	RANL
Kathleen Sauter	ARIZ. INC
George Suddeth	NCREW
Harold Smith	N.P.B.A.
Laury Love	NCDOT
CPM	NETZ
Chad Hutton	Coritas Institute
Damien Graham	TTA
S. Coward	NCDOT
S. Varnadoe	NCDOT
Victor Beibaur	NCDOT
Johanna Reese	DOT
John Phillips	NCLM
Cameron Contrizano	Daily Bulletin
Jeff Wolf	Daily Bulletin
Lee Hodan	KELI
Mary Thorne	REBIC
VL McBride	YCH
Charlie Daki	NCTA
Alastair Macaulay	NCHBA
Lisa Macaulay	NCHBA
Don & Carolyn Smith	CAPT

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1825** A BILL TO BE ENTITLED AN ACT TO AMEND THE  
DEPARTMENT OF TRANSPORTATION SECONDARY ROAD CONSTRUCTION  
FORMULA, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION  
OVERSIGHT COMMITTEE.

☒ With a favorable report.

**(FOR JOURNAL USE ONLY)**

---

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1827** A BILL TO BE ENTITLED AN ACT TO EXEMPT CERTAIN  
DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT  
FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT  
LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

---

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_)  
is placed on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1834** A BILL TO BE ENTITLED AN ACT TO CHANGE THE BONDING  
REQUIREMENTS FOR UP TO TWO DEPARTMENT OF TRANSPORTATION  
PERFORMANCE-BASED CONTRACTS FOR ROUTINE MAINTENANCE AND  
OPERATIONS, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION  
OVERSIGHT COMMITTEE.

☒ With a favorable report.

**(FOR JOURNAL USE ONLY)**

---

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.



**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1835** A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE BOARD  
OF TRANSPORTATION TO APPROVE STANDARD DEPARTMENT OF  
TRANSPORTATION CONTRACT PROVISIONS ON DIFFERING SITE CONDITIONS,  
SUSPENSIONS OF WORK, AND CHANGES IN CHARACTER OF WORK, AS  
RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE.

☒ With a favorable report.

**(FOR JOURNAL USE ONLY)**

---

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.

# MINUTES

## HOUSE COMMITTEE ON TRANSPORTATION

June 7, 2006

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, June 7, 2006, in Room 1228 of the Legislative Building at 11:00 A.M. Representative Lucy Allen presided. Members present were: Representatives Carney, and Stiller, Co-Chairs; Representatives Steen, and Williams, Vice Chairs; Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Goodwin, Hill, Hilton, McComas, Moore, Preston, Rapp, Rayfield, Rhodes, Starnes, Sutton, Wilkins, and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Melissa Riddle, Committee Assistant. Also assisting were Martha Parrish, and Dusty Rhodes, House Sergeants-at-Arms. A list of visitors is attached.

Representative Allen called the meeting to order and introduced the House pages: Morgan Jones (Johnston County – Rep. Capps), and John Taylor (Wake County – Speaker Black), along with the above mentioned House Sergeants-At-Arms.

The first order of business was a presentation / budget update by Mr. Mark Foster, Department of Transportation (see handout entitled “NCDOT Funding Situation”). Mr. Foster indicated DOT is at a cross roads – the funding source for the Highway Trust Fund is flattening and in some respects declining while costs grow by approximately fifteen percent (15%) per year. Some projects are being pushed back by five months. One of the reasons for the declining funding source is the lack of new car sales.

**HB 2145 – A BILL TO BE ENTITLED AN ACT TO MAKE FALSE, HIDDEN, OR SECRET COMPARTMENTS IN A VEHICLE UNLAWFUL AND TO APPROPRIATE ONE HUNDRED THOUSAND DOLLARS TO THE DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY FOR GRANTS TO LOCAL LAW ENFORCEMENT AGENCIES TO HELP OFFSET THE COST OF ENFORCING THIS ACT.** Representative Tim Moore, primary sponsor, presented a proposed committee substitute. Upon motion made by Representative Starnes, the committee adopted the proposed committee substitute for discussion. This proposed committee substitute for HB 2145 would make it unlawful to own or operate a vehicle with a false, hidden, or secret compartment; to install such a compartment in a vehicle; or to sell, trade, or otherwise dispose of a vehicle that contains such a compartment. It would also require law enforcement to seize the license plate and registration for a vehicle when the owner or operator is arrested for a violation of the provisions of the act. It would also appropriate \$100,000 to the Department of Crime Control and Public Safety to be used for grants to local law enforcement agencies to offset the costs of enforcement.

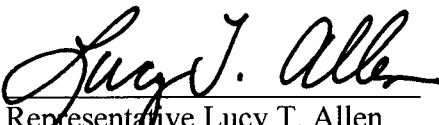
An informative video presentation regarding hidden compartments on vehicles was made to the committee by Captain Rankin and Sergeant Fitch with the Cleveland County Sheriff's office.

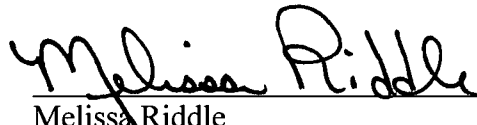
After much discussion Representative Cole moved for a report without prejudice to the committee substitute bill, unfavorable to the original bill, and that it be re-referred to the Committee on JUDICIARY II. The motion passed. It was further requested the bill be re-referred back to the Committee on Transportation if it receives a favorable report in the Judiciary II Committee.

The next order of business was **HB 2067, A BILL TO BE ENTITLED AN ACT TO REDUCE THE FEES FOR INDIVIDUALS THAT ARE CERTIFIED BY THE DIVISION OF MOTOR VEHICLES AS SCHOOL BUS DRIVERS AND WHO ARE ELIGIBLE FOR THE SCHOOL BUS ENDORSEMENT ON A COMMERCIAL DRIVERS LICENSE.** Representative Linda Johnson, primary sponsor, presented a proposed committee substitute. Upon motion made by Representative Rapp, the committee adopted the proposed committee substitute for discussion. HB 2067 would eliminate the commercial driver's license \$30 nonrefundable application fee and a \$3.00/year endorsement fee for persons trained and certified by the Division of Motor Vehicles as a school bus driver. This act would become effective on July 1, 2006. Representative Hilton moved for a favorable report to the committee substitute bill, unfavorable to the original bill, and that it be re-referred to the Committee on APPROPRIATIONS. The motion passed.

There being no further bills under consideration Representative Lucy Allen, Presiding Chair, adjourned the meeting at 11:50 a.m.

Respectfully submitted,

  
Representative Lucy T. Allen  
Presiding Chair

  
Melissa Riddle  
Committee Assistant

Attachments:

- Agenda
- Visitors Registration
- NC DOT Funding Situation
- American Civil Liberties Union of North Carolina Statement
- House Bills 2145 and 2067
- PCS for HB 2145 and 2067
- Bill Summaries

## ***AGENDA***

### **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

**June 7, 2006  
11:00 A.M.  
Room 1228 LB**

**Representative Lucy T. Allen, Presiding Chair  
Representatives Cary Allred, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair**

**WELCOME AND OPENING REMARKS BY PRESIDING CHAIR**

**INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS**

#### **AGENDA ITEMS:**

**Presentation by Mark Foster - Budget Update  
Department of Transportation**

**HB 2145 - Secret Compartments in Motor Vehicles  
Representative Moore, Bill Sponsor**

**HB 2067 - Reduce CDL License Fee for School Bus Drivers  
Representative Johnson, Bill Sponsor**

**ADJOURNMENT**

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

June 7, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Amy Schuler	Hobbs & Co
Julian H. Council	School Bus & Traffic Safety
J.P. Williamson	NCDMV
Colleen Kochanek	Smith Moore
Tony Adams	NCOAA
Dale Hall	Greenboro Chamber of Commerce
Mike Bumpers	Greenboro Chamber
Wiley Lyote	Roadrunner
Sandy Sams	WCSR
Christa Barker	CHPP
Frank Sutherland	Lincoln Financial Group

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

June 7, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jul Shatzberger

ACLU-NC

Rebecca Gencaro

ACLU-NC

Chad Hinton

Civitas Institute

JOHN POPE

civitas institute

Stephen R. Barrington

Town of Wake Forest

Umar Jones

Town of Wake Forest

John L. Ryan

Shelby, N.C.

John Meier

concordia

Dan Gorton

TTA

Paul Pully

NCATL

Katherine Joyce

NCASA

Ryan

RANC

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

June 7, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Wanda McMiller

NC AFL-CIO

Steve Jones

Teamsters Local 391

Rachel Bask

Teamsters Local 391

Larry Love

NC DOT

Mark Foster

NC DOT

Howard H. Shapp

City of King's Mountain

Rick Howell

City of Shelby

Dicky Amaya

City of Shelby

Nancy Gammis

Rep Moore

Rachel Hughes

Rep. Moore

Derek Graham

DPI

House Pages

Name Of Committee: TRANSPORTATION Date: 6-7-06

1. Name: Morgan Jones

County: Johnston

Sponsor: Russel Capps

2. Name: John Taylor

County: Wake

Sponsor: speaker Black

3. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

4. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

5. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

Sgt-At-Arms

1. Name: DUSTY RHODES

2. Name: MARTHA PARRISH

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: —



## NCDOT Funding Situation

June 7, 2006

- The federal government is cutting back funding to North Carolina and other states due to a lack of available funding. This will have a \$720 million affect on the department's budget over the next three years.
- Although population and vehicle miles traveled have increased, anticipated revenue collections are down from motor vehicle sales and fuel consumption, principally hurting the state Highway Trust Fund which is funded mostly from these two sources of revenue. From July 2005 to April 2006:
  - Highway Use Tax revenue is down 7 percent (\$33 million)
  - Total Highway Trust Fund revenue is down 4 percent (\$40 million)
- Overall highway construction costs are rising about 14 percent per year – 45 percent over the past three years.
- Soaring gasoline prices, higher construction costs and declining revenue sources are putting tremendous strain on the N.C. Department of Transportation's budget and the state's transportation system.
- The department is having to respond to economic forces beyond its control, and to keep from running out of money and having to stop construction all together, NCDOT will have to reduce spending by about \$920 million over the next three years.
- Meanwhile, North Carolina is already facing a nearly \$30 billion gap between transportation needs and funding over the next 25 years as identified in the Statewide Long-Range Transportation Plan in 2004. This is a conservative number and is likely to be considerably larger when updated figures are available later this year.
- State statistics show that North Carolina continues to rank near the bottom (47<sup>th</sup>) in revenue and expenditures per lane mile. The "average" state collects and invests 2.5 to 3 times more in its roads than North Carolina.
- North Carolina's gas tax is often compared to other states, but this is not an accurate comparison. While other states have a lower gas tax, they rely more on other sources (property taxes, higher vehicle use taxes and fees, tolling and debt) to supplement transportation funding.
- The bottom line is that there is not enough money to go around, and NCDOT needs additional funding options to meet the state's mobility needs.
- As a result, Gov. Easley's budget provides much needed relief with \$200.7 million going to the Highway Trust Fund for road construction and \$18 million to the Highway Fund for maintenance and contract surfacing.

- NCDOT plans to also delay Transportation Improvement Projects to offset the lower revenue projections and double-digit inflation. In February 2005, the department reduced letting from about \$1.2 billion per year to about \$650 million per year through 2008. TIP projects had to be delayed to adjust for this reduction. As construction costs continued to rise, the department had to make additional adjustments in September and delayed letting TIP projects by another four months until December 2006. To address the current situation, DOT will further delay letting until May 2007.
- NCDOT must honor its commitments for projects that are already under way, and one way to do this is the delay in letting new projects.

### Statistics

North Carolina growth trends since 1970:

- Population increased 30 percent, the number of vehicles on our highways doubled and freight tonnage hauled increased 600 percent.
- But, interstate mileage only grew 4 percent and overall highway capacity grew less than 7 percent.

Cost increases:

- 34 percent increases since last year alone in both fuel and liquid asphalt
- 40 percent increase in steel in 2004 (has remained at this level)
- 6 percent increase per cubic yard in concrete since last year

Cost comparisons (from 2003-2006):

- Resurfacing one mile of secondary road increased from \$155,000 to \$209,000
- Bridge replacement on a secondary road increased from \$565,000 to \$848,000
- Building a new interstate bridge increased from \$3.2 million to \$4.8 million
- Paving a four-lane interstate with asphalt increased from \$3.4 million to \$4.4 million
- Paving a six-lane interstate with concrete increased from \$8 million to \$10.4 million

Overall system:

- North Carolina has the second largest system of state-maintained highways in the United States, with approximately 78,000 miles. Surrounding states have the following: Virginia 57,500 miles, South Carolina 47,500, Georgia 18,000 and Tennessee 13,800.

###

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☐ Committee Substitute for

**HB 2145** A BILL TO BE ENTITLED AN ACT TO MAKE FALSE, HIDDEN,  
OR SECRET COMPARTMENTS IN A VEHICLE UNLAWFUL AND TO APPROPRIATE  
ONE HUNDRED THOUSAND DOLLARS TO THE DEPARTMENT OF CRIME CONTROL  
AND PUBLIC SAFETY FOR GRANTS TO LOCAL LAW ENFORCEMENT AGENCIES TO  
HELP OFFSET THE COST OF ENFORCING THIS ACT.

☒ Without prejudice as to the committee substitute bill, unfavorable as to the original bill, and  
recommendation that the committee substitute bill be re-referred to the Committee on  
JUDICIARY II.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_)  
is placed on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

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HOUSE BILL 2145

PROPOSED COMMITTEE SUBSTITUTE H2145-CSSU-36 [v.6]

6/7/2006 8:12:15 AM

Short Title: Secret Compartments in Motor Vehicles.

(Public)

Sponsors:

Referred to:

May 18, 2006

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE FALSE, HIDDEN, OR SECRET COMPARTMENTS IN A  
3 VEHICLE UNLAWFUL AND TO APPROPRIATE ONE HUNDRED  
4 THOUSAND DOLLARS TO THE DEPARTMENT OF CRIME CONTROL AND  
5 PUBLIC SAFETY FOR GRANTS TO LOCAL LAW ENFORCEMENT  
6 AGENCIES TO HELP OFFSET THE COST OF ENFORCING THIS ACT.

7 The General Assembly of North Carolina enacts:

8 SECTION 1. Chapter 90 of the General Statutes is amended by adding a  
9 new section to read:

10 **"§ 90-108.1. Vehicles with false, hidden, or secret compartments.**

11 (a) Definitions. –

12 (1) False, hidden, or secret compartment means any enclosure that is  
13 intended or designed to be used to conceal, hide, or prevent discovery  
14 by law enforcement officers of the false, hidden, or secret  
15 compartment, or its contents, and which is integrated into or attached  
16 to a vehicle. The term "false, hidden, or secret compartment" does not  
17 include a compartment or enclosure that is designed and installed by  
18 the manufacturer of the vehicle prior to the sale of the vehicle. The  
19 term "false, hidden, or secret compartment" includes, but is not limited  
20 to:

21 a. False, altered, or modified fuel tank.

22 b. Any original factory equipment on a vehicle that has been  
23 modified to conceal, hide, or prevent discovery of its contents.

24 c. Any compartment, space, or box that is added or attached to  
25 existing compartments, spaces, or boxes integrated into or  
26 attached to a vehicle.

27 (2) Vehicle includes, but is not limited to, cars, trucks, buses, motorcycles,  
28 mopeds, bicycles, aircraft, helicopters, boats, ships, yachts, railcars,

1 rail engines, and any other property that may be attached to, pulled,  
2 towed, or drawn by a vehicle.

3 (b) For the purposes of this section, a person's intention to use a false, hidden, or  
4 secret compartment to conceal the contents of the compartment from a law enforcement  
5 officer may be inferred from factors including, but not limited to, the discovery of any  
6 of the following, or evidence of the previous placement of any of the following, within  
7 the false, hidden, or secret compartment:

8 (1) A person concealed for an unlawful purpose.

9 (2) A controlled substance, if possession of the controlled substance  
10 would be classified as a Class 1 misdemeanor or higher.

11 (3) Other contraband, if possession of the contraband would be classified  
12 as a Class 1 misdemeanor or higher.

13 (c) It is unlawful for any person to own or operate any vehicle he or she knows to  
14 contain a false, hidden, or secret compartment.

15 (d) It is unlawful for any person to install, create, build, or fabricate a false,  
16 hidden, or secret compartment in any vehicle.

17 (e) It is unlawful for any person to sell, trade, or otherwise dispose of a vehicle  
18 he or she knows to contain a false, hidden, or secret compartment.

19 (f) Upon the arrest of a person who owns or operates a vehicle in violation of  
20 this section, if the vehicle is not otherwise subject to forfeiture under other provisions of  
21 law or determined to be needed to be held as evidence, the law enforcement officer shall  
22 seize the license plate and registration card for the vehicle. Any law enforcement officer  
23 who seizes a license plate and registration card under this section shall report the seizure  
24 to the Division of Motor Vehicles within 48 hours of the seizure. Upon application to  
25 the Division, the owner of the vehicle may be issued a temporary license plate for the  
26 vehicle which shall be valid for 30 days or until the owner of the vehicle provides  
27 verification that the vehicle has been repaired to eliminate any violation of this section,  
28 whichever occurs first. The vehicle shall be subject to inspection by law enforcement,  
29 and if it is determined that the vehicle has been repaired, the license plate and  
30 registration card shall be returned to the owner.

31 (g) A violation of this section is punishable as a Class I felony."

32 **SECTION 2.** There is appropriated from the General Fund to the  
33 Department of Crime Control and Public Safety the sum of one hundred thousand  
34 dollars (\$100,000) to be used for grants to local law enforcement agencies to offset the  
35 costs of enforcing Section 1 of this act.

36 **SECTION 3.** This act becomes effective December 1, 2006, and applies to  
37 offenses committed on or after that date.  
38

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

1

HOUSE BILL 2145

Short Title: Secret Compartments in Motor Vehicles.

(Public)

Sponsors: Representative Moore.

Referred to: Transportation, if favorable, Appropriations.

May 18, 2006

A BILL TO BE ENTITLED

AN ACT TO MAKE FALSE, HIDDEN, OR SECRET COMPARTMENTS IN A  
VEHICLE UNLAWFUL AND TO APPROPRIATE ONE HUNDRED  
THOUSAND DOLLARS TO THE DEPARTMENT OF CRIME CONTROL AND  
PUBLIC SAFETY FOR GRANTS TO LOCAL LAW ENFORCEMENT  
AGENCIES TO HELP OFFSET THE COST OF ENFORCING THIS ACT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 90 of the General Statutes is amended by adding a  
new section to read:

**"§ 90-108.1. Vehicles with false, hidden, or secret compartments.**

**(a) Definitions. –**

**(1) False or secret compartment means any enclosure that is intended and  
designed to be used to conceal, hide, or prevent discovery by law  
enforcement officers of the false, hidden, or secret compartment, or its  
contents, and which is integrated into or attached to a vehicle. The  
term "false, hidden, or secret compartment" includes, but is not limited  
to:**

**a. False, altered, or modified fuel tank.**

**b. Any original factory equipment on a vehicle that has been  
modified to conceal, hide, or prevent discovery of its contents.**

**c. Any compartment, space, or box that is added or attached to  
existing compartments, spaces, or boxes integrated into or  
attached to a vehicle.**

**(2) Vehicle includes, but is not limited to, cars, trucks, buses, motorcycles,  
mopeds, bicycles, aircraft, helicopters, boats, ships, yachts, railcars,  
rail engines, and any other property that may be attached to, pulled,  
towed, or drawn by a vehicle.**

1       (b) For the purposes of this section, a person's intention to use a false, hidden, or  
2 secret compartment to conceal the contents of the compartment from a law enforcement  
3 officer may be inferred from factors including, but not limited to, the discovery of:

4           (1) A person, firearm, controlled substance, alcoholic beverages, or other  
5 contraband within the false, hidden, or secret compartment; or

6           (2) Evidence of the previous placement of a person, firearm, controlled  
7 substance, alcoholic beverage, or other contraband within the false,  
8 hidden, or secret compartment.

9       (c) It is unlawful for any person to own or operate any vehicle he or she knows to  
10 contain a false or secret compartment. It is unlawful for any person to install, create,  
11 build, or fabricate a false, hidden, or secret compartment in any vehicle.

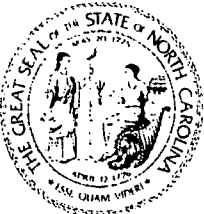
12       (d) Any vehicle containing a false, hidden, or secret compartment, as well as any  
13 items within that compartment, shall be subject to seizure by any law enforcement  
14 agency or law enforcement officer within whose jurisdiction that property is found.

15       (e) Any property seized under this section shall be subject to the forfeiture  
16 procedures contained in G.S. 90-112 regardless of the items or contraband found in the  
17 false, hidden, or secret compartment. The remission and mitigation provisions of  
18 G.S. 90-112.1 shall not apply to seizures made pursuant to this section.

19       (f) A violation of this section is punishable as a Class I felony."

20       **SECTION 2.** There is appropriated from the General Fund to the  
21 Department of Crime Control and Public Safety the sum of one hundred thousand  
22 dollars (\$100,000) to be used for grants to local law enforcement agencies to offset the  
23 costs of enforcing Section 1 of this act.

24       **SECTION 3.** This act becomes effective October 1, 2006.



# HOUSE BILL 2145: Secret Compartments in Motor Vehicles

## BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Moore  
**Version:** PCS to First Edition  
H2145-CSSU-36

**Date:** June 7, 2006  
**Summary by:** Wendy Graf Ray  
Committee Counsel

**SUMMARY:** *The Proposed Committee Substitute for House Bill 2145 would make it unlawful to own or operate a vehicle with a false, hidden, or secret compartment; to install such a compartment in a vehicle; or to sell, trade, or otherwise dispose of a vehicle that contains such a compartment. It would also require law enforcement to seize the license plate and registration for a vehicle when the owner or operator is arrested for a violation of the provisions of the act. The PCS would also appropriate \$100,000 to the Department of Crime Control and Public Safety to be used for grants to local law enforcement agencies to offset the costs of enforcement.*

**BILL ANALYSIS:** The PCS for House Bill 2145 would do the following:

Definition of false, hidden, or secret compartment. The PCS would define false, hidden, or secret compartment as an enclosure that is intended or designed to be used to conceal the compartment or contents from law enforcement. The compartment would have to be integrated into or attached to the vehicle, but the definition would not include any enclosure designed and installed by the manufacturer of the vehicle prior to sale.

The PCS also lists specific factors from which intent to use a false, hidden, or secret compartment to conceal the contents from law enforcement may be inferred. They include the discovery of, or evidence of previous placement of, any of the following items within the compartment:

- A person concealed for an unlawful purpose.
- A controlled substance if possession would be a Class 1 misdemeanor or higher.
- Other contraband if possession would be a Class 1 misdemeanor or higher.

Prohibited acts. The PCS would make it unlawful to do any of the following:

- Own or operate a vehicle knowing it to contain a false, hidden, or secret compartment.
- Install, create, build, or fabricate a false, hidden, or secret compartment in a vehicle.
- Sell, trade, or otherwise dispose of a vehicle knowing it to contain a false, hidden, or secret compartment.

Violation of these provisions would be a Class I felony, punishable by a minimum of 3 months of community punishment and a maximum of 15 months of intermediate or active punishment.

Seizure of license plate and registration. When a person who owns or operates a vehicle in violation of the provisions of the act is arrested, the PCS would require law enforcement to seize the license plate and registration for the vehicle. The owner would be able to reclaim the plate and registration upon providing verification that the vehicle has been repaired to eliminate any violation.



# House Bill 2145

Page 2

Funds for enforcement. The PCS would also appropriate \$100,000 from the General Fund to the Department of Crime Control and Public Safety to be used for grants to local law enforcement agencies to offset the cost of enforcing the provisions of the act.

**EFFECTIVE DATE:** The bill would become effective December 1, 2006, and would apply to offenses committed on or after that date.

*H2145c1-SMSU-CSSU-36*

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☐ Committee Substitute for

**HB 2067** A BILL TO BE ENTITLED AN ACT TO REDUCE THE FEES FOR  
INDIVIDUALS THAT ARE CERTIFIED BY THE DIVISION OF MOTOR VEHICLES AS  
SCHOOL BUS DRIVERS AND WHO ARE ELIGIBLE FOR THE SCHOOL BUS  
ENDORSEMENT ON A COMMERCIAL DRIVERS LICENSE .

☒ With a favorable report as to the committee substitute bill, which changes the title,  
unfavorable as to the original bill, and recommendation that the committee substitute bill be re-  
referred to the Committee on APPROPRIATIONS.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_)  
is placed on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

D

HOUSE BILL 2067

PROPOSED COMMITTEE SUBSTITUTE H2067-CSRW-57 [v.1]

6/6/2006 11:26:38 AM

Short Title: Reduce CDL License Fee for School Bus Drivers.

(Public)

Sponsors:

Referred to:

May 18, 2006

A BILL TO BE ENTITLED

AN ACT TO REDUCE THE FEES FOR PERSONS WHO ARE CERTIFIED BY THE  
DIVISION OF MOTOR VEHICLES AS SCHOOL BUS DRIVERS AND WHO  
ARE ELIGIBLE FOR THE SCHOOL BUS ENDORSEMENT ON A  
COMMERCIAL DRIVERS LICENSE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-37.16 is amended by adding a new subsection to read:

"(g) A person applying for a commercial drivers license who has been trained by the Division of Motor Vehicles and certified as a school bus driver is exempt from paying the nonrefundable application fee required pursuant to G.S. 20-37.15(a1) and is also exempt, for the period the license is issued and valid, from any endorsement fee for the school bus endorsement. The purpose of this subsection is to encourage the retention of school bus drivers and ensure the perpetual safety of the children traveling on school buses. This subsection shall not apply to a person who has a school bus endorsement on a commercial drivers license but has not been trained by the Division of Motor Vehicles and certified as a school bus driver."

**SECTION 2.** This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

1

HOUSE BILL 2067

Short Title: Reduce CDL License Fee for School Bus Drivers. (Public)

Sponsors: Representatives Johnson; Glazier, Barnhart, Coleman, Moore, and Faison.

Referred to: Transportation, if favorable, Appropriations.

May 18, 2006

A BILL TO BE ENTITLED

AN ACT TO REDUCE THE FEES FOR INDIVIDUALS THAT ARE CERTIFIED BY  
THE DIVISION OF MOTOR VEHICLES AS SCHOOL BUS DRIVERS AND  
WHO ARE ELIGIBLE FOR THE SCHOOL BUS ENDORSEMENT ON A  
COMMERCIAL DRIVERS LICENSE .

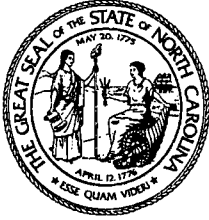
The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-37.16 is amended by adding a new subsection to read:

"(g) An individual applying for a commercial drivers license who has been trained by the Division of Motor Vehicles and certified as a school bus driver is exempt from paying the nonrefundable application fee required pursuant to G.S. 20-37.15(a1) and shall also be exempt, for the period the license is issued and valid, from any endorsement fee for the school bus endorsement. The purpose of this section is to encourage the retention of school bus drivers and ensure the perpetual safety of the children traveling on school buses.

This section shall not apply to an individual who has a school bus endorsement on a commercial drivers license but has not been trained by the Division of Motor Vehicles and certified as a school bus driver."

**SECTION 2.** This act becomes effective July 1, 2006.



## HOUSE BILL 2067: Reduce CDL License Fee for School Bus Drivers

### BILL ANALYSIS

**Committee:** House Transportation  
**Introduced by:** Rep. Johnson  
**Version:** PCS to First Edition  
H2067-CSRW-57

**Date:** June 6, 2006  
**Summary by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 2067 (proposed committee substitute) reduces the CDL license fees for school bus drivers trained and certified by the Division of Motor Vehicles.*

**CURRENT LAW:** Current law [G.S. 20-37.15(a1) and G.S. 20-37.16(d)] specifies that persons applying for a commercial drivers license with a school bus endorsement pay a \$30 nonrefundable application fee and a \$3.00/year endorsement fee

**BILL ANALYSIS:** House Bill 2067 (proposed committee substitute) eliminates the commercial drivers license \$30 nonrefundable application fee and a \$3.00/year endorsement fee for persons trained and certified by the Division of Motor Vehicles as a school bus driver.

The proposed committee substitute makes technical corrections to the language of the original bill.

**EFFECTIVE DATE:** This act becomes effective July 1, 2006.

H2067e1-SMRW-CSRW-57

## American Civil Liberties Union of North Carolina

P.O. Box 28004, Raleigh, NC 27611-8004

Phone: (919) 834-3466 Fax: (919) 828-3265 Email: aclunc@nc.rr.com

### Statement in Opposition to House Bill 2145; Secret Compartments in Motor Vehicles

To: Rep. Moore; Rep. L. Allen; Rep. Allred; Rep. Carney; Rep. Stiller  
CC: Rep. Crawford; Rep. Saunders; Rep. Steen; Rep. Williams; Rep. Wright; Rep. Blackwood; Rep. Cleveland; Rep. Coates; Rep. Cole; Rep. Daughtridge; Rep. Dockham; Rep. Goodwin; Rep. Haire; Rep. Hill; Rep. Hilton; Rep. McComas; Rep. Preston; Rep. Rapp; Rep. Rayfield; Rep. Rhodes; Rep. Starnes; Rep. Sutton; Rep. Wilkins; Rep. Wray  
From: Jennifer Rudinger, Executive Director  
Jill Shotzberger, Legislative Clerk  
Date: June 6, 2006

The American Civil Liberties Union of North Carolina (ACLU-NC) appreciates the opportunity to submit initial comments on H. 2145. The ACLU-NC is a nonprofit, nonpartisan organization with approximately 9,000 members in North Carolina, dedicated to preserving the guarantees of individual liberty found in the Bill of Rights, the Post-Civil War (Thirteenth, Fourteenth and Fifteenth) Amendments, and the Nineteenth Amendment to the U.S. Constitution and corresponding provisions of the North Carolina Constitution. We appreciate the legislature's important interest in keeping North Carolina free from crime, but the proposed legislation, HB 2145, violates the Fourth Amendment protection against illegal search and seizure and would not be good public policy.

**Proposed HB 2145 eliminates probable cause for the search of a vehicle, thereby violating the Fourth Amendment.** The Fourth Amendment protects against illegal search and seizure. A traffic stop is considered a seizure; therefore the Supreme Court has required probable cause for a legal search. *Terry v. Ohio*, 392 U.S. 1 (1968). This probable cause is extended to all compartments of a motor vehicle. *Michigan v. Long*, 463 U.S. 1039, 1049 (1983). In testing the legitimacy of a search, a balancing test is applied which determines if there is an expectation of privacy and whether this expectation is considered reasonable. *U.S. v. Langston*, 970 F.2d 692 (10<sup>th</sup> Cir. 1991). Reasonableness is evaluated based on the totality of the circumstances. The Supreme Court has determined there is a reasonable expectation of privacy in a motor vehicle. This expectation of privacy cannot be limited to only certain compartments in a vehicle. *U.S. v. Soto*, 988 F.2d 1548 (10<sup>th</sup> Cir. 2003). Secret compartments should be accorded the same privacy as a glove compartment or trunk.

Courts agree a party should be able to challenge a search of a secret cavity if there is not probable cause. Unlike ships which the Coast Guard can board and inspect, there is a reasonable expectation of privacy in a car. *U.S. v. Lopez*, 761 F.2d 632 (11<sup>th</sup> Cir. 1985); *U.S. v. Sarda-Villa*, 760 F.2d 1232 (11<sup>th</sup> Cir. 1985). The courts have thus determined that a party has standing to

challenge the search of secret compartment when it has been determined that the accused has demonstrated custody and control of the vehicle where the compartment is found.

**HB 2145 makes secret compartments illegal even if the contents of that compartment do not violate the law.** This proposed legislation criminalizes the mere presence of a secret compartment, regardless of its contents. If a citizen has spare keys or emergency cash in such a location, they would become guilty of a felony despite the acceptable nature of the compartment's contents. Individuals have a right to maintain and modify their own personal property as they see fit, as long as the modifications themselves do not pose any threat to public safety. There is no legitimate government interest that is protected by criminalizing the presence of a hidden compartment in and of itself. If a government agent has probable cause to suspect criminal activity, such as the scent of drugs being detected by sniffer dog, then they have will have probable cause to search a vehicle, including any and all compartments. This legislation would eradicate the burden on law enforcement to act with just cause while infringing on the rights of motorists.

**The ACLU-NC urges legislators to vote against the proposed HB 2145. Eliminating the requirement of probable cause from searching compartments of a vehicle would violate the Fourth Amendment of the United States Constitution. There is an expectation of privacy in a motor vehicle, and there is no compelling government interest that outweighs a motorist's right to maintain their privacy in how they legally utilize their property. The current law is sufficient to safeguard the rights of the citizens of North Carolina while maintaining law enforcement's ability to discover and search secret compartments with probable cause.**

Please feel free to contact us at (919) 834-3466 if you have any questions or concerns. Thank you for your consideration of this matter.

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

June 21, 2006

The HOUSE COMMITTEE ON TRANSPORTATION met on Wednesday, June 21, 2006 in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Allred, Presiding Chair, Representatives L. Allen, and Stiller, Chairs and Representatives Saunders and Wright, Vice Chairs. Members present were Representatives Blackwood, Cleveland, Coates, Cole, Daughtridge, Dockham, Hill, Hilton, Moore, Preston, Rayfield, Rhodes, Starnes, Wilkins and Wray. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel. Jean Allred and Melissa Riddle, Committee Assistants were present and assisted the presiding Chair. Also assisting were Dusty Rhodes and Fred Hines, House Sergeants-at-Arms. House Pages sponsored by Speaker Black were Alyssa Jaklitsch and Molly Herlong from Mecklenburg County and Chad Walker from Harnett County assisted with the meeting, also assisting were Anna Carr Ivey and Grant Morhe from New Hanover County sponsored by Representative McComas and Parker Ray Brown sponsored by Representative Wray from Northampton County.

Representative Allred, Presiding Chair, called the meeting to order welcoming committee members, agency members, and visitors. Chairman Allred then introduced the House Sergeants-at-Arms and the House Pages assisting with the meeting.

Chairman Allred told the committee that we had one bill; a Proposed Committee Substitute Bill for **HB-1827 – A BILL TO BE ENTITLED AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.** – sponsored by Representative Cole. A motion was made by Representative Coates to adopt Committee Substitute #2 for House Bill 1827 for discussion and consideration. Representative Cole said that HB 1827 was DOT requested and started out as one bill. He explained that in sections 1 and 2 of the Committee Substitute, DOT contractors have to do small jobs and if they amounted to over \$30,000, they have to have a general contractor's license to do them. The bill would exempt them from having to have the license when they do certain things such as pipe installation, sidewalk repairs, small sign installations, pavement markings, rest area maintenance, and guardrail and fence repairs. It would open up the door for many small business minorities to bid directly on public building projects and create an exception from licensing requirements for other types of contractors. *Section 4 Vegetation removal*



**HOUSE COMMITTEE ON TRANSPORTATION  
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JUNE 21, 2006  
PAGE 2**

just asks for less than what DOT is allowed to do to see their signs; DOT is allowed 800 feet and outdoor advertisers would be allowed 500 feet – what it is, is keeping the small business enterprise going. This section would provide procedures for outdoor advertisers to apply to DOT for removal of vegetation from highway rights-of-way with a \$200 application fee. *Section 5 Uniform appraisal standards* would reduce the property tax value for motor vehicles from market value to wholesale value.

Representative Cole said that Representative Saunders added section 5 to the bill and asked Chairman Allred to allow Representative Saunders to explain that section. *Section 5. Uniform appraisal standards.* was added by Representatives Saunders to add some uniformity to how the property tax value on cars is valued by the state. He said that if you are like him driving old clunkers valued at about \$10,000 and then you get a tax bill for hundreds more it is a shock. Chairman Allred stated that “you don’t know what driving a clunker is; in the basement is my 1984 Maxima with over 300,000 miles on it and they try to value it at a couple thousand dollars and I probably couldn’t even give it away.” Representative Cole, bill sponsor, added that there are only two organizations within the state that develop these values and they don’t take into consideration many aspects when you go to purchase or sell a vehicle. Representative Blackwood asked how the values would be generated. Mr. Perry, Committee Counsel responded that the values would not exceed the wholesale value of the vehicles; this is the same value used for determining highway use tax.

Most of the discussion centered on *Section 4. Vegetation removal for outdoor advertising.* Steve Varnedoe, Chief Engineer, Operations, NCDOT, was recognized by Chairman Allred to address the committee. Representative Cleveland asked if the two hundred dollars application fee for vegetation removal is a new fee; Representative Cole said that the fee is already in place. Representative Starnes asked if contracts up to \$1.2 million dollars were truly maintenance and repairs. Mr. Varnedoe replied yes and most contractors are not licensed and that most of the work was done by small business contractors. Chairman Allred added that the work still had to be put out to bid. Mr. Varnedoe agreed.

Representative L. Allen commented on the vegetation issue and rationale for helping small business, stated 3.5 seconds is maximum time eyes should be diverted from highway to look at signs at any one time. Current rules now allow a 3.5 second view. She said this PCS would increase that time to 5 seconds. Representative L. Allen asked DOT if there were added rationale for not changing from 3.5 to 5 seconds. Mr. Varnedoe responded that there had been several efforts to address the issue.

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
JUNE 21, 2006  
PAGE 3**

Chairman Allred questioned the fairness of allowing DOT to remove vegetation up to 800 feet and only allow outdoor advertisers to remove up to 500 feet. He said that it seems that signs of any kind can be a distraction and it seems that the big blue signs advertising for Hardees, Texaco and hotels are no better than outdoor advertising signs or that they should not receive special treatment.

Representative Cole commented the advertisers will tell you that billboard advertisements that exceed seven (7) words are not as effective as those which are less than seven (7) words. However logos are effective and are easy to recognize. He said our own state signs might have ten (10) to twelve (12) logos on each sign. He asked how much time is diverted from the road by looking at that. Representative Cole said Section 4 would provide procedures for owners of legally erected outdoor advertising, Billboard owners, to apply to DOT for the removal of vegetation from the highway rights-of-way. He stated that the response time to signs along the highway is 3.5 seconds and that logo which are DOT signs are easier to read than outdoor advertising.

Lacy Love, Director, Asset Management, DOT, said that there needs to be balance between environment, the community, DOT and outdoor advertising and not to change any rules on removal of vegetation. DOT simply has not been maintaining vegetation cutbacks as it had in years past and was going to get back to cut back areas.

Representative Daughtridge commented that DOT sets regulations on outdoor advertising. The advertising is absolutely necessary for travel and tourism and that a bigger cut back is necessary for travel and tourism in the state.

Representative Saunders was recognized for a motion and he moved to give the Committee Substitute Bill #2 a favorable report, which changes the title, unfavorable as to the Committee Substitute Bill #1, and that the Committee Substitute Bill #2 be re-referred to the Committee on Finance.

Representative L. Allen commented further about the comments that were heard; that there was a real need to allow time for the DOT Board, the committee and tourism to meet to and work on that part of the bill further when they had all the facts.

Representative Coates spoke on the vegetation removal section of the bill. She said those on the Transportation Oversight Committee had a video presentation showing exit 94 and how it was cut back for DOT signs and not cut back for outdoor advertising and the legislative oversight committee was in support of having the same requirements for cutbacks for travel and tourism as they did for DOT. She commented that she also drives a clunker and supports that part of the bill.

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
JUNE 21, 2006  
PAGE 4**

Representative Moore supports the bill but commented on a situation in Cleveland County where a retired gentleman received some income off a billboard on his property and because he cut so close to the billboard when he was bush hogging a field they made him take it down. The man didn't know he wasn't supposed to do it himself and he lost that income. Maybe something could be put in the statute to protect these landowners who do not know that they are not supposed to cut around them. Representative Cole said he had no problem with that suggestion and Chairman Allred suggested that they could add it in Finance.

Representative Blackwood asked Mr. Love, DOT, if there was not a double standard between government and business signs and why was that. Mr. Love responded that the DOT, official signs or signs of the state can be on the right of way and that the business signs were on private property. Representative Blackwood said that since the government signs were closer that they would seem to be more dangerous and cause more accidents. Chairman Allred said that his point was well taken and the answer to his question was yes.

Tony Adams, NC Outdoor Advertising Association, NCOAA, was recognized by Chairman Allred to explain his association's position on the bill. Mr. Adams said that section 4 would simply bring North Carolina into more uniformity with other states such as Tennessee and the southeast.

Molly Diggins, State Director of the NC Sierra Club, addressed the committee. She stated that she was surprised to be addressing the committee so soon after having just addressed the Board of Transportation which had spent weeks examining these issues. She suggested that the committee members view that presentation and that under these proposed changes of this bill, that the highways as we know them will be drastically altered by the removal of vegetation for outdoor advertising. Ms. Diggins stated that current policy was a result of a compromise after months of negotiation and has served us well and asked that it not be changed.

Representative Stiller asked if the bill would allow more signage but Tony Adams, NCOAA, told the committee that the same process of going through DOT for a permit and then through the local ordinances for outdoor signs applied and would not result in more outdoor signs.

Representative L. Allen asked if the Billboard Industry would be willing to take their section off to allow more time when we are not in short session to have a DOT and the committee work in the interest of Billboard Industry and the motoring public and the environmental public. She said she did not want to vote against the contractor bill stating she thought it was a good bill and had no problems with the last section

**HOUSE COMMITTEE ON TRANSPORTATION  
MINUTES  
JUNE 21, 2006  
PAGE 5**

but had problems with doing this kind of bill in Short Session when it affects the whole landscape of North Carolina.

Chairman Allred, as Presiding Chair, observed that there were twenty members of the committee present, which is a substantial number, and concluded that it appears to at this point that they want to let the bill move forward.

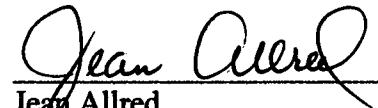
Representative Saunders previously made the motion to moved to give the Committee Substitute Bill #2 a favorable report, which changes the title, unfavorable as to the Committee Substitute Bill #1, and that the Committee Substitute Bill #2 be re-referred to the Committee on Finance., commented that the bill was not being pushed through. He said that the interim was spent studying the bill and that the Transportation Oversight Committee had spent a great number of hours on it and it was not a last minute thing being pushed through. He reminded the committee that it still had to go to Finance and then before the House.

Chairman Allred called for a vote on the motion by Representative Saunders. The motion passed.

Chairman Allred adjourned the meeting at 11:45 AM.

Respectfully submitted,

  
Representative Cary Allred  
Presiding Chair

  
Jean Allred  
Committee Assistant

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Agenda  
Committee Reports  
Bills Considered  
Bill Digest for HB 1827  
Attachments  
Visitors Registration

# ***AGENDA***

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

**June 21, 2006  
11:00 A.M.  
Room 1228 LB**

**Representative Cary Allred, Presiding Chair  
Representative Lucy T. Allen, Chair  
Representative Becky Carney, Chair  
Representative Bonner Stiller, Chair**

### **OPENING REMARKS**

### **BILL FOR CONSIDERATION**

**HB 1827 - DOT General Contractor License Exceptions.  
Representative Cole, Bill Sponsor**

### **ADJOURNMENT**

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Allred, L. Allen, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

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☒ Committee Substitute for

**HB 1827** A BILL TO BE ENTITLED AN ACT TO EXEMPT CERTAIN  
DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT  
FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT  
LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

☒ With a favorable report as to Committee Substitute Bill #2, which changes the title,  
unfavorable as to Committee Substitute Bill #1, and recommendation that Committee Substitute  
Bill #2 be re-referred to the Committee on FINANCE.

**(FOR JOURNAL USE ONLY)**

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\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_)  
is placed on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

2

HOUSE BILL 1827\*  
Committee Substitute Favorable 5/30/06

Short Title: DOT General Contractor License Exceptions.

(Public)

Sponsors:

Referred to:

May 10, 2006

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION  
3 CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL  
4 CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT  
5 LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

6 The General Assembly of North Carolina enacts:

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

9 **"§ 136-28.14. Project contractor licensing requirements.**

10 The letting of contracts under this Chapter for the following types of projects shall  
11 not be subject to the licensing requirements of Article 1 of Chapter 87 of the General  
12 Statutes:

- 13 (1) Routine maintenance and minor repair of pavements, bridges, roadside  
14 vegetation and plantings, drainage systems, concrete sidewalks, curbs,  
15 gutters, and rest areas.  
16 (2) Installation and maintenance of pavement markings and markers,  
17 ground mounted signs, guardrail, fencing, and roadside vegetation and  
18 plantings."

19 SECTION 2. Chapter 87 of the General Statutes is amended by adding a  
20 new section to read:

21 **"§ 87-1.2. Exception for specified Department of Transportation contractors.**

22 The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not  
23 be subject to the licensing requirement of this Article."

24 SECTION 3. This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE BILL 1827\*  
Committee Substitute Favorable 5/30/06  
PROPOSED COMMITTEE SUBSTITUTE H1827-PCS70783-MA-28

Short Title: Gen. Con. Lic. Except./Clearing/Veh. Values.

(Public)

Sponsors:

Referred to:

May 10, 2006

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION  
3 CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL  
4 CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT  
5 LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE; TO  
6 CLARIFY THE GENERAL CONTRACTING EXCEPTIONS; TO DEFINE THE  
7 LIMITS OF VEGETATION REMOVAL FOR OUTDOOR ADVERTISING; AND  
8 TO REQUIRE LOCAL GOVERNMENT TAX ASSESSORS AND COLLECTORS  
9 TO GENERATE TAX VALUES FOR MOTOR VEHICLES PURSUANT TO THE  
10 VALUATION ASSIGNED BY THE DIVISION OF MOTOR VEHICLES.

11 The General Assembly of North Carolina enacts:

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

14 **"§ 136-28.14. Project contractor licensing requirements.**

15 The letting of contracts under this Chapter for the following types of projects shall  
16 not be subject to the licensing requirements of Article 1 of Chapter 87 of the General  
17 Statutes:

- 18 (1) Routine maintenance and minor repair of pavements, bridges, roadside  
19 vegetation and plantings, drainage systems, concrete sidewalks, curbs,  
20 gutters, and rest areas.  
21 (2) Installation and maintenance of pavement markings and markers,  
22 ground mounted signs, guardrail, fencing, and roadside vegetation and  
23 plantings."

24 SECTION 2. Chapter 87 of the General Statutes is amended by adding a  
25 new section to read:

26 **"§ 87-1.2. Exception for specified Department of Transportation contractors.**



1     The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not  
2 be subject to the licensing requirement of this Article."

3             **SECTION 3.** G.S. 87-1.1 reads as rewritten:

4     **"§ 87-1.1. Exception for licensees under Article 2 or 4.**

5     G.S. 87-1 shall not apply to a licensee under Article 2 or 4 of this Chapter of the  
6 General Statutes Statutes, G.S. 87-43 shall not apply to a licensee under Article 2 of this  
7 Chapter of the General Statutes, and G.S. 87-21(a)(5) shall not apply to a licensee under  
8 Article 4 of this Chapter of the General Statutes when the licensee is bidding and  
9 contracting directly with the owner of a public building project if: (i) a licensed general  
10 contractor performs all work that falls within the classifications in G.S. 87-10(b) and the  
11 State Licensing Board of General Contractor's rules; and (ii) the total amount of the  
12 general contracting work so classified does not exceed a percentage of the total bid price  
13 pursuant to rules established by the Board-Board; and (iii) a licensee with the  
14 appropriate license under Article 2 or Article 4 of this Chapter performs all work that  
15 falls within the classifications in Article 2 and Article 4 of this Chapter."

16             **SECTION 4.** Chapter 136 of the General Statutes is amended by adding a  
17 new section to read:

18     **"§ 136-140.2. Vegetation removal for outdoor advertising.**

19     (a) Removal of vegetation within highway rights-of-way shall be permitted for  
20 opening views to legally erected forms of outdoor advertising which are located directly  
21 adjacent to State highway rights-of-way.

22     (b) An application for the removal of vegetation shall be made by the owner of  
23 the legally erected outdoor advertising to the Department of Transportation, Division of  
24 Highways. The application shall be developed by the Department of Transportation.  
25 The fee for an application to remove vegetation from outdoor advertising areas shall be  
26 two hundred dollars (\$200.00).

27     (c) For outdoor advertising erected as of the effective date of this act, the  
28 maximum removal area for vegetation for each sign face shall be an area not greater  
29 than 500 feet on either side of the sign location from the center of the sign, as measured  
30 along the edge of pavement of the public street or highway along which the outdoor  
31 advertisement is placed.

32     (d) The cost of vegetation removal shall be borne solely by the owner of the  
33 outdoor advertising. No compensatory planting shall be required to replace any  
34 vegetation removed in the vegetation removal zone.

35     (e) Vegetation shall be defined as any tree, shrub, vine, undergrowth, or plant  
36 growing within the area designated as removal zone by subsection (c) of this section.

37     (f) Any vegetation as defined in subsection (e) of this section that is listed on any  
38 endangered species list by a United States governmental agency or the State of North  
39 Carolina shall not be removed. It shall be the sole responsibility of the lawful owner of  
40 the outdoor advertising to ensure compliance with this subsection. Any violation of this  
41 subsection shall carry the same penalty as the penalty for violation of the State or  
42 federal law protecting the endangered species."

43             **SECTION 5.** G.S. 105-283 reads as rewritten:

44     **"§ 105-283. Uniform appraisal standards.**

1 All property, real and personal, shall as far as practicable be appraised or valued at  
2 its true value in money. When used in this Subchapter, the words "true value" shall be  
3 interpreted as meaning market value, that is, the price estimated in terms of money at  
4 which the property would change hands between a willing and financially able buyer  
5 and a willing seller, neither being under any compulsion to buy or to sell and both  
6 having reasonable knowledge of all the uses to which the property is adapted and for  
7 which it is capable of being used. For the purposes of this section, the acquisition of an  
8 interest in land by an entity having the power of eminent domain with respect to the  
9 interest acquired shall not be considered competent evidence of the true value in money  
10 of comparable land. For the purposes of Article 22A of this Chapter, "true value" means  
11 the value assigned by the Commissioner of Motor Vehicles pursuant to the schedule  
12 established under G.S. 105-187.3(c)."

13 **SECTION 6.** This act becomes effective July 1, 2006.

May 9, 2006

**H 1827. DOT GENERAL CONTRACTOR LICENSE EXCEPTIONS.** Filed 5/9/06. *TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.* Enacts new GS 136-28.14 to exempt from the licensing requirements of Article 1 of GS Chapter 87 contracts for the following types of projects: (1) routine maintenance and minor repair of pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas, and (2) installation and maintenance of pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings. Enacts new GS 87-1.2 to make conforming change. Effective July 1, 2006.

**Intro. by Cole.**

GS 136

May 30, 2006

**H 1827. DOT GENERAL CONTRACTOR LICENSE EXCEPTIONS.** Filed 5/9/06. House committee substitute makes the following changes to 1st edition. In first edition, the exception in new GS 87-1.2 for certain Department of Transportation contractors provided that the letting of contracts for specified projects is not subject to the licensing requirements of GS 87-1. The committee substitute corrects the statutory reference.

June 21, 2006

**H 1827. GEN. CON. LIC. EXCEPT./CLEARING/VEH. VALUES (NEW).** Filed 5/9/06. House committee substitute makes the following changes to 2nd edition. Amends GS 87-1.1 to allow certain licensed contractors bidding directly on public building projects an exception from licensing requirements for other types of contractors as long as the contractors perform only work within the scope of the license they hold. Enacts a new GS 136-140.2 to provide procedures for owners of outdoor advertising to apply to the Department of Transportation for removal of vegetation from highway rights-of-way with a \$200 application fee. Amends GS 105-283 to reduce the property tax value for motor vehicles from market value to wholesale value.



# HOUSE BILL 1827: Gen. Con. Lic. Except./Clearing/Veh. Values

## BILL ANALYSIS

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|                       |                                        |                    |                                |
|-----------------------|----------------------------------------|--------------------|--------------------------------|
| <b>Committee:</b>     | House Transportation                   | <b>Date:</b>       | June 21, 2006                  |
| <b>Introduced by:</b> | Rep. Cole                              | <b>Summary by:</b> | Giles Perry and Wendy Graf Ray |
| <b>Version:</b>       | PCS to Second Edition<br>H1827-CSMA-28 |                    | Committee Counsel              |

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**SUMMARY:** *The PCS for House Bill 1827 would exempt specified DOT maintenance and repair contracts from general contractor licensing requirements; would clarify an exception for heating and plumbing contractors and electrical contractors from certain licensing requirements when bidding directly on public building projects; would provide procedures for removal of vegetation around outdoor advertising; and would amend the meaning of "true value" with regard to valuation of motor vehicles for tax collection purposes.*

### BILL ANALYSIS:

**Section 1** of the PCS for House Bill 1827 would exempt DOT contracts for: (1) routine maintenance and minor repair of: pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas; and (2) installation and maintenance of: pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings from the general contractor licensing requirements of Article 1 of Chapter 87.

**Section 2** is a cross reference to the exception set out in Section 1 in Article 1 of Chapter 87.

**Section 3** would clarify an existing exception for heating and plumbing contractors and electrical contractors who bid directly on public building projects. G.S. 87-1.1 currently exempts them from general contractor licensing requirements as long as a licensed general contractor performs all work classified as general contracting work and the total amount of that work does not exceed a certain percentage of the total bid price. The PCS would make clear that plumbing and heating contractors are exempt from electrical contractor licensing requirements, and vice versa, under the same circumstances as long as a licensee with the appropriate license performs all work that falls within the statutory classifications.

**Section 4** would provide procedures for owners of legally erected outdoor advertising to apply to DOT for the removal of vegetation from highway rights-of-way.

**Section 5** would define the value of a motor vehicle for tax collection purposes as the value assigned by the Commissioner of Motor Vehicles under G.S. 105-187.3(c), which is not to exceed wholesale value (this is the same value used for determining highway use tax.)

**EFFECTIVE DATE:** The act would become effective July 1, 2006.

H1827e2-SMSU-CSMA-28

## TRANSPORTATION COMMITTEE – 2006 SESSION

Date of Committee Meeting

Wednesday, JUNE 21, 2006

| <u>Page Name</u> | <u>County</u> | <u>Sponsor</u> |
|------------------|---------------|----------------|
| Alyssa Jaklitsch | Mecklenburg   | Speaker Black  |
| Anna Carr Ivey   | New Hanover   | Danny McComas  |
| Molly Henlong    | Mecklenburg   | Speaker Black  |
| Grant Morhe      | New Hanover   | Danny McComas  |
| Parker Ray Brown | Northampton   | Rep Wray       |
| Chad Walker      | Harrett       | BLACK          |
|                  |               |                |

| <u>Sergeant-at-Arms</u> |
|-------------------------|
| DOSTY RHODES            |
| FRED HINES              |
|                         |
|                         |

# VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Wednesday, JUNE 21, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|               |                                   |
|---------------|-----------------------------------|
| Steve Wall    | DENR                              |
| DON WAG       | NCDOT                             |
| Brian Wright  | Conservation Council              |
| Henry Jones   | Attorney Raleigh                  |
| Nick Forester | Young Moore & Henderson atty. law |
| Bill Crastan  | CATS/MCGO                         |
| Jim W         | NLMVRC - RANC                     |
| Milly Duggin  | Siena club                        |
| Rita Harris   | Ports                             |
| Jim PRIDGEN   | Fairway Outdoor ADV               |
|               |                                   |

# VISITOR REGISTRATION SHEET

HOUSE TRANSPORTATION

Wednesday, JUNE 21, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                  |                |
|------------------|----------------|
|                  |                |
| John McGee       | Gov Office     |
| Tony Adams       | NCOAA          |
| John [Signature] | JP, NC, etc    |
| Elizabeth Saf    | NC Sierra Club |
| Heather Randall  | NC Sierra Club |
| Jeff Wolfe       | Daily Bulletin |
| Rosanna          | Wildlife Int   |
| Chris L. Barber  | CAFH           |
| ✓ STEVE VALNETOR | NCDOT ✓        |
| Johanna Reese    | DOT            |
| ✓ Lacy Love      | DOT ✓          |

## VISITOR REGISTRATION SHEET

## HOUSE TRANSPORTATION

Name of Committee

Wednesday, JUNE 21, 2006

**Date**

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

**FIRM OR AGENCY AND ADDRESS**

Chad Hinton

Covitus

Jeff Mison

Civitas

Sandra Long

Markus Mainka

Bender

LBA

Rich Whall

NCC-7A

Paul Seri

*Zakari*



# **AGENDA**

## **HOUSE COMMITTEE MEETING ON TRANSPORTATION**

June 28, 2006

11:00 A.M.

Room 1228 LB

Representative Becky Carney, Presiding Chair

Representative Lucy T. Allen, Chair

Representative Cary Allred, Chair

Representative Bonner Stiller, Chair

### **WELCOME AND OPENING REMARKS**

### **INTRODUCTION OF PAGES AND SERGEANT-AT-ARMS STAFF**

### **BILLS FOR CONSIDERATION**

**HB 141 - FREE VETERAN'S DRIVERS LICENSES**

Bill Sponsor, Rep. Moore

**HB 1399 - HERITAGE TOURISM FUNDS**

Bill Sponsor, Rep. Crawford

**HB 1544 - NONRESIDENT CDL/TRAINING CHANGES -**

Bill Sponsor, Rep. Lewis

### **ADJOURNMENT**

## MINUTES

### HOUSE COMMITTEE ON TRANSPORTATION

June 28, 2006

The HOUSE COMMITTEE ON TRANSPORTATION met on June 28, 2006, in Room 1228 of the Legislative Building at 11:00 A.M. The following were present: Representative Carney, presiding Chair, Representative L. Allen, Chair, Representatives Saunders and Williams, Vice Chairs, Representatives Cleveland, Coates, Cole, Goodwin, Hill, Hilton, Preston, Rapp, Rayfield, Sutton, and Wilkins. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Joyce Langdon and Melissa Riddle, Committee Assistants. Also assisting were Dusty Rhodes and Martha Parrish, House Sergeants-at-Arms.

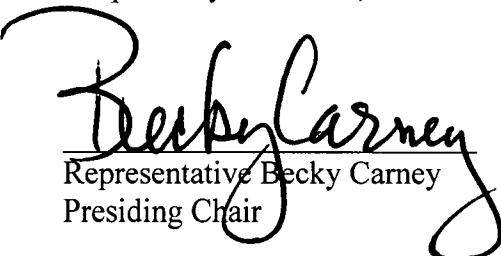
Representative Carney called the meeting to order and introduced the House Sergeants-at-Arms, and the following House Pages who assisted with the meeting: Sarah Barnwell, sponsored by Representative Jeffus; Katie Bowman, sponsored by Representative Hollo; Eric Schneider, sponsored by Speaker Black; and Trent Ball, sponsored by Representative Underhill.

Representative Carney, presiding chair, stated that the Committee would take up **House Bill 1399 – HERITAGE TOURISM FUNDS**, sponsored by Representatives Allen and Crawford. Upon motion made by Representative Wilkins, the committee adopted the proposed committee substitute, **AN ACT TO APPROPRIATE FUNDS FOR A HERITAGE TOURISM DEVELOPMENT OFFICER TO SERVE HALIFAX, WARREN, FRANKLIN, AND VANCE COUNTIES**, for consideration. After a brief discussion, a motion was made and seconded that the proposed committee substitute receive a favorable report, which changes the title; unfavorable as to the original bill. The motion passed.

Representative Carney reported that the other two bills on the agenda—House Bill 141, Free Veteran's Drivers Licenses, and House Bill 1544, Nonresident CDL/Training Changes—would not be taken up.

The meeting adjourned at 11:16 A.M.

Respectfully submitted,

  
Representative Becky Carney  
Presiding Chair

  
Joyce Langdon  
Committee Assistant

Attachments:  
Agenda  
House Bill 1399 and PCS

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

**H**

**1**

**HOUSE BILL 1399**

Short Title: Heritage Tourism Funds. (Public)

Sponsors: Representatives L. Allen, Jones, Crawford, Wray (Primary Sponsors); and  
Warren.

Referred to: Appropriations.

April 21, 2005

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR A HERITAGE TOURISM  
DEVELOPMENT OFFICER TO SERVE HALIFAX, WARREN, FRANKLIN,  
AND VANCE COUNTIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** There is appropriated from the General Fund to the  
Department of Commerce the sum of fifty thousand dollars (\$50,000) for the 2005-2006  
fiscal year and the sum of fifty thousand dollars (\$50,000) for the 2006-2007 fiscal year  
for a Heritage Tourism Development Officer position to serve Halifax, Warren,  
Franklin, and Vance Counties.

**SECTION 2.** This act becomes effective July 1, 2005.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

D

HOUSE BILL 1399

PROPOSED COMMITTEE SUBSTITUTE H1399-CSMA-39 [v.3]

6/27/2006 4:51:02 PM

Short Title: Various Transportation/M.V. Law Changes.

(Public)

Sponsors:

Referred to:

April 21, 2005

A BILL TO BE ENTITLED

AN ACT MAKE CHANGES TO THE MOTOR VEHICLE LAWS CONCERNING  
WEIGHING OF WOOD RESIDUALS AND EXEMPTION FROM  
REGISTRATION FOR CERTAIN AGRICULTURAL VEHICLES, AND TO  
AUTHORIZE AGREEMENTS BETWEEN THE DEPARTMENT OF  
TRANSPORTATION AND LOCAL GOVERNMENTS TO EXPEDITE  
TRANSPORTATION PROJECTS. .

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 20-118(c)(15) reads as rewritten:

"(c) Exceptions. – The following exceptions apply to G.S. 20-118(b) and  
20-118(e).

...

(15) Subsections (b) and (e) of this section do not apply to a vehicle or  
vehicle combination that meets all of the conditions below, but all  
other enforcement provisions of this Article remain applicable:

- a. Is hauling wood residuals, including wood chips, sawdust,  
mulch, or tree bark, ~~bark from any site;~~ or is transporting bulk  
soil, bulk rock, sand, sand rock, or asphalt millings from a site  
that does not have a certified scale for weighing the vehicle.
- b. Does not operate on an interstate highway, a posted light-traffic  
road, or a posted bridge.
- c. Does not exceed a maximum gross weight 4,000 pounds in  
excess of what is allowed in subsection (b) of this section.
- d. Does not exceed a single-axle weight of more than 22,000  
pounds and a tandem-axle weight of more than 42,000 pounds.

..."

**SECTION 2.** G.S. 20-51(6) reads as rewritten:

1           "(6) Any trailer or semitrailer attached to and drawn by a properly licensed  
2 motor vehicle when used by a farmer, his tenant, agent, or employee in transporting  
3 unginne cotton, peanuts, soybeans, corn, hay, tobacco, silage, cucumbers, potatoes,  
4 potatoes, all vegetables, fruits, greenhouse and nursery plants and flowers, Christmas  
5 trees, fertilizers or chemicals purchased or owned by the farmer or tenant for personal  
6 use in implementing husbandry, irrigation pipes, loaders, or equipment owned by the  
7 farmer or tenant from place to place on the same farm, from one farm to another, from  
8 farm to gin, from farm to dryer, or from farm to market, and when not operated on a  
9 for-hire basis. The term "transporting" as used herein shall include the actual hauling of  
10 said products and all unloaded travel in connection therewith."

11           **SECTION 3.** Chapter 136 of the General Statutes is amended by adding a  
12 new section to read:

13 **"§ 136-66.8 Agreements with units of local government to expedite projects.**

14           (a) Agreements authorized.-- The Department of Transportation may enter into  
15 agreements with units of local government for the purpose of expediting transportation  
16 projects currently programmed in the Transportation Improvement Plan.

17           (b) Form of agreements.--The agreements affected by this section shall be between  
18 the Department of Transportation and units of local government. The agreements may  
19 authorize units of local government to construct projects scheduled in the  
20 Transportation Improvement Plan more than two years from the date of the agreement.  
21 The units of local government shall fund one hundred percent (100%) of the project at  
22 current prices. In a future year, when the project is funded from State and federal  
23 sources, the units of local government shall be reimbursed an appropriate share of the  
24 funds, at the future programmed project funding amount, as identified and scheduled in  
25 the Transportation Improvement Plan.

26           (c) Report. -- The Department of Transportation shall report to the Joint Legislative  
27 Transportation Oversight Committee by December 1, 2006, on any agreements executed  
28 with units of local government pursuant to this section.

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

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

---

☐ Committee Substitute for

**HB 1399** A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS  
FOR A HERITAGE TOURISM DEVELOPMENT OFFICER TO SERVE HALIFAX,  
WARREN, FRANKLIN, AND VANCE COUNTIES.

☒ With a favorable report as to the committee substitute bill, which changes the title,  
unfavorable as to the original bill.

**(FOR JOURNAL USE ONLY)**

---

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution  
(No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_)  
is placed on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the  
Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute  
Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

House Pages

TRANSPORTATION

6-28-06

Name Of Committee: \_\_\_\_\_ Date: \_\_\_\_\_

1. Name: Sarah Barnwell

County: Guildford

Sponsor: Maggie Jeffers

2. Name: Katie Bauman

County: Alexander

Sponsor: Hill

3. Name: Eric Schneider

County: Mecklenburg

Sponsor: Jim Blake

4. Name: Trent Ball

County: Craven

Sponsor: Underhill

5. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

Sgt-At-Arms

1. Name: DUSTY RHODES

2. Name: MARTHA PARRISH

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: -

## VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

June 28, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kara Millonzi

School of Gov't

John Phelps

NCLM

Will Whimmonson

NC DMV

Robbie Quinn

NC DMV

Tony Sprau

DOT / DMV

STEVE VARNEDUE

NC DOT

CHRISTIE BILLES

CAPA

Lacy Love

NC DOT

Amy Sims

NC DENR

Johanna Reese

DOT

Gene Causby

NC MA



## VISITOR REGISTRATION SHEET

HOUSE COMMITTEE ON TRANSPORTATION

June 28, 2006

Name of Committee

**Date**

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

**FIRM OR AGENCY AND ADDRESS**

Rich Webb

NCGA

Benny Smith

Freedom Newspaper

JAMES MORRIS

*Freedom Communications*

**MINUTES**  
**HOUSE COMMITTEE ON TRANSPORTATION**  
**July 12 & 13, 2006**

The **HOUSE COMMITTEE ON TRANSPORTATION** met on July 12<sup>th</sup> and continued the meeting on July 13<sup>th</sup>. The meeting was attended by Co-Chair Bonner Stiller, Co-Chairs Allen, Allred and Carney, Vice Chairs Crawford, Saunders and Wright, and Representatives Coates, Cole, Daughtridge, Dockham, Hilton, Moore, Preston, Rapp, Rayfield, Rhodes, Starnes, Sutton, and Wilkins. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and committee assistants Carla Farmer, Melissa Riddle and Joyce Langdon.

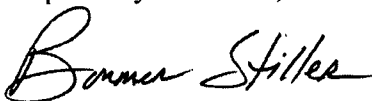
Chairman Stiller called the meeting to order and Rep. Cole was asked to explain his bill.

**HB 1827 – DOT GENERAL CONTRACTOR LICENSE EXCEPTIONS. A BILL TO BE ENTITLED AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION CONTRACTS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE; TO CLARIFY THE GENERAL CONTRACTING EXCEPTIONS; TO DEFINE THE LIMITS OF VEGATION REMOVAL FOR OUTDOOR ADVERTISING; AND TO REQUIRE LOCAL GOVERNMENT TAX ASSESSORS AND COLLECTORS TO GENERATE TAX VALUES FOR MOTOR VEHICLES PURSUANT TO THE VALUATION ASSIGNED BY THE DIVISION OF MOTOR VEHICLES.** This bill was replaced with a committee substitute and after much discussion and debate was reported out favorable as to the House committee substitute bill number 3, unfavorable to committee substitute bill number 2.

Rep. Cole explained **SB 1381- A BILL TO BE ENTITLED AN ACT TO REPEAL THE NORTH CAROLINA BRIDGE AUTHORITY AND THE AUTHORIZATION FOR THE DEPARTMENT OF TRANSPORTATION TO ISSUE A PRIVATE PILOT TOLL PROJECT LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE, TO AUTHORIZE THE NC TURNPIKE AUTHORITY TO CONVERT CERTAIN FREE HIGHWAYS CONTIGUOUS TO EXISTING OR PLANNED TOLL FACILITIES, AND TO GRANT THE TURNPIKE AUTHORITY RIGHT OF ENTRY FOR SURVEYS.** After much discussion and debate and a continuation of the meeting until the next day, the bill passed with a favorable report as to the House committee substitute number three and unfavorable to committee substitute bill number two.

The meeting adjourned at 11:55.

Respectfully Submitted,



Representative Bonner Stiller  
Presiding Chair



Carla Farmer  
Committee Assistant

Agenda  
Committee Reports  
Bills Considered  
Attachments  
Visitors Registration

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2005-2006 SESSION**

You are hereby notified that the Committee on TRANSPORTATION will meet as follows:

**DAY & DATE:**     **Wednesday, July 12, 2006**

**TIME:**             **11:00 AM**

**LOCATION:**        **1228 LB**

The following bills will be considered (Bill # & Short Title & Bill Sponsor):

**S 1381           Repeal Toll Bridge Authority       Senator Jenkins**

Respectfully,  
Representative Stiller, Presiding Chair  
Representatives L. Allen, Allred, and Carney, Chairs

I hereby certify this notice was filed by the committee assistant at the following offices at 10:00 on Tuesday, July 11, 2006.

\_\_\_\_Principal Clerk  
\_\_\_\_Reading Clerk - House Chamber

Carla Farmer (Committee Assistant)

# *AGENDA*

## HOUSE COMMITTEE MEETING ON TRANSPORTATION

July 12, 2006

11:00 A.M.

Room 1228 LB

Representative Bonner Stiller, Presiding Chair

Representative Lucy Allen, Chair

Representative Carey Allred, Chair

Representative Becky Carney, Chair

WELCOME AND OPENING REMARKS BY CHAIR

BILLS TO BE HEARD:

S 1381 Repeal Toll Bridge Authority

Senator Jenkins

H 1827 Gen. Con. Lic. Except./Clearing/Veh. Values. Representative Cole

ADJOURN

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

3

HOUSE BILL 1827\*

Committee Substitute Favorable 5/30/06

Committee Substitute #2 Favorable 6/21/06

Short Title: Gen. Con. Lic. Except./Clearing/Veh. Values.

(Public)

Sponsors:

Referred to:

May 10, 2006

A BILL TO BE ENTITLED

AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE; TO CLARIFY THE GENERAL CONTRACTING EXCEPTIONS; TO DEFINE THE LIMITS OF VEGETATION REMOVAL FOR OUTDOOR ADVERTISING; AND TO REQUIRE LOCAL GOVERNMENT TAX ASSESSORS AND COLLECTORS TO GENERATE TAX VALUES FOR MOTOR VEHICLES PURSUANT TO THE VALUATION ASSIGNED BY THE DIVISION OF MOTOR VEHICLES.

The General Assembly of North Carolina enacts:

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

**"§ 136-28.14. Project contractor licensing requirements.**

The letting of contracts under this Chapter for the following types of projects shall not be subject to the licensing requirements of Article 1 of Chapter 87 of the General Statutes:

- (1) Routine maintenance and minor repair of pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas.
- (2) Installation and maintenance of pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings."

**SECTION 2.** Chapter 87 of the General Statutes is amended by adding a new section to read:

**"§ 87-1.2. Exception for specified Department of Transportation contractors.**

The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not be subject to the licensing requirement of this Article."

1           **SECTION 3.** G.S. 87-1.1 reads as rewritten:

2   **"§ 87-1.1. Exception for licensees under Article 2 or 4.**

3       G.S. 87-1 shall not apply to a licensee under Article 2 or 4 of this Chapter of the  
4   General Statutes. Statutes, G.S. 87-43 shall not apply to a licensee under Article 2 of this  
5   Chapter of the General Statutes, and G.S. 87-21(a)(5) shall not apply to a licensee under  
6   Article 4 of this Chapter of the General Statutes when the licensee is bidding and  
7   contracting directly with the owner of a public building project if: (i) a licensed general  
8   contractor performs all work that falls within the classifications in G.S. 87-10(b) and the  
9   State Licensing Board of General Contractor's rules; and (ii) the total amount of the  
10   general contracting work so classified does not exceed a percentage of the total bid price  
11   pursuant to rules established by the Board. Board; and (iii) a licensee with the  
12   appropriate license under Article 2 or Article 4 of this Chapter performs all work that  
13   falls within the classifications in Article 2 and Article 4 of this Chapter."

14           **SECTION 4.** Chapter 136 of the General Statutes is amended by adding a  
15   new section to read:

16   **"§ 136-140.2. Vegetation removal for outdoor advertising.**

17       (a)   Removal of vegetation within highway rights-of-way shall be permitted for  
18   opening views to legally erected forms of outdoor advertising which are located directly  
19   adjacent to State highway rights-of-way.

20       (b)   An application for the removal of vegetation shall be made by the owner of  
21   the legally erected outdoor advertising to the Department of Transportation, Division of  
22   Highways. The application shall be developed by the Department of Transportation.  
23   The fee for an application to remove vegetation from outdoor advertising areas shall be  
24   two hundred dollars (\$200.00).

25       (c)   For outdoor advertising erected as of the effective date of this act, the  
26   maximum removal area for vegetation for each sign face shall be an area not greater  
27   than 500 feet on either side of the sign location from the center of the sign, as measured  
28   along the edge of pavement of the public street or highway along which the outdoor  
29   advertisement is placed.

30       (d)   The cost of vegetation removal shall be borne solely by the owner of the  
31   outdoor advertising. No compensatory planting shall be required to replace any  
32   vegetation removed in the vegetation removal zone.

33       (e)   Vegetation shall be defined as any tree, shrub, vine, undergrowth, or plant  
34   growing within the area designated as removal zone by subsection (c) of this section.

35       (f)   Any vegetation as defined in subsection (e) of this section that is listed on any  
36   endangered species list by a United States governmental agency or the State of North  
37   Carolina shall not be removed. It shall be the sole responsibility of the lawful owner of  
38   the outdoor advertising to ensure compliance with this subsection. Any violation of this  
39   subsection shall carry the same penalty as the penalty for violation of the State or  
40   federal law protecting the endangered species."

41           **SECTION 5.** G.S. 105-283 reads as rewritten:

42   **"§ 105-283. Uniform appraisal standards.**

43       All property, real and personal, shall as far as practicable be appraised or valued at  
44   its true value in money. When used in this Subchapter, the words "true value" shall be

1 interpreted as meaning market value, that is, the price estimated in terms of money at  
2 which the property would change hands between a willing and financially able buyer  
3 and a willing seller, neither being under any compulsion to buy or to sell and both  
4 having reasonable knowledge of all the uses to which the property is adapted and for  
5 which it is capable of being used. For the purposes of this section, the acquisition of an  
6 interest in land by an entity having the power of eminent domain with respect to the  
7 interest acquired shall not be considered competent evidence of the true value in money  
8 of comparable land. For the purposes of Article 22A of this Chapter, "true value" means  
9 the value assigned by the Commissioner of Motor Vehicles pursuant to the schedule  
10 established under G.S. 105-187.3(c)."

11 **SECTION 6.** This act becomes effective July 1, 2006.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

H

D

HOUSE BILL 1827\*

Committee Substitute Favorable 5/30/06

Committee Substitute #2 Favorable 6/21/06

PROPOSED COMMITTEE SUBSTITUTE H1827-CSSU-41 [v.3]

7/12/2006 12:02:50 PM

Short Title: Gen. Con. Lic. Except./Turnpike Proj. Approv.

(Public)

Sponsors:

Referred to:

May 10, 2006

A BILL TO BE ENTITLED

AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE; TO CLARIFY A GENERAL CONTRACTING EXCEPTION; AND TO REQUIRE GENERAL ASSEMBLY APPROVAL OF CERTAIN TURNPIKE PROJECTS.

The General Assembly of North Carolina enacts:

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

**"§ 136-28.14. Project contractor licensing requirements.**

The letting of contracts under this Chapter for the following types of projects shall not be subject to the licensing requirements of Article 1 of Chapter 87 of the General Statutes:

- (1) Routine maintenance and minor repair of pavements, bridges, roadside vegetation and plantings, drainage systems, concrete sidewalks, curbs, gutters, and rest areas.
- (2) Installation and maintenance of pavement markings and markers, ground mounted signs, guardrail, fencing, and roadside vegetation and plantings."

**SECTION 2.** Chapter 87 of the General Statutes is amended by adding a new section to read:

**"§ 87-1.2. Exception for specified Department of Transportation contractors.**

The letting of contracts for the types of projects specified in G.S. 136-28.14 shall not be subject to the licensing requirement of this Article."

**SECTION 3.** G.S. 87-1.1 reads as rewritten:



1    **"§ 87-1.1. Exception for licensees under Article 2 or 4.**

2       G.S. 87-1 shall not apply to a licensee under Article 2 or 4 of this Chapter of the  
3    General Statutes. Statutes, G.S. 87-43 shall not apply to a licensee under Article 2 of this  
4    Chapter of the General Statutes, and G.S. 87-21(a)(5) shall not apply to a licensee under  
5    Article 4 of this Chapter of the General Statutes when the licensee is bidding and  
6    contracting directly with the owner of a public building project if: (i) a licensed general  
7    contractor performs all work that falls within the classifications in G.S. 87-10(b) and the  
8    State Licensing Board of General Contractor's rules; and (ii) the total amount of the  
9    general contracting work so classified does not exceed a percentage of the total bid price  
10   pursuant to rules established by the Board; and (iii) a licensee with the  
11   appropriate license under Article 2 or Article 4 of this Chapter performs all work that  
12   falls within the classifications in Article 2 and Article 4 of this Chapter."

13       **SECTION 4.** G.S. 136-89.183(a)(2) reads as rewritten:

14       "(2) To study, plan, develop, and undertake preliminary design work on up  
15       to nine Turnpike Projects. At the conclusion of these activities, the  
16       Turnpike Authority is authorized to design, establish, purchase,  
17       construct, operate, and maintain up to nine Turnpike Projects. One of  
18       the Turnpike Projects shall be located in whole or in part in a county  
19       with a population equal to or greater than 650,000 persons, according  
20       to the latest decennial census, and one Turnpike Project shall be  
21       located in a county or counties that each have a population of fewer  
22       than 650,000 persons, according to the latest decennial census. One of  
23       the Turnpike Projects shall be a bridge of more than two miles in  
24       length going from the mainland to a peninsula bordering the State of  
25       Virginia. A Turnpike Project selected for construction by the Turnpike  
26       Authority shall be included in any applicable locally adopted  
27       comprehensive transportation plans and shall be shown in the current  
28       State Transportation Improvement Plan prior to the letting of a  
29       contract for the Turnpike Project. The General Assembly must approve  
30       Turnpike Projects which have not been approved by the applicable  
31       Rural Transportation Planning Organization established under G.S.  
32       136-211 or Metropolitan Planning Organization recognized under G.S.  
33       136-200.1."

34       **SECTION 5.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

S

2

SENATE BILL 1381\*  
Transportation Committee Substitute Adopted 6/20/06

Short Title: Repeal Toll Bridge Authority.

(Public)

Sponsors:

Referred to:

May 16, 2006

A BILL TO BE ENTITLED

AN ACT TO REPEAL THE NORTH CAROLINA BRIDGE AUTHORITY AND THE  
AUTHORIZATION FOR THE DEPARTMENT OF TRANSPORTATION TO  
ISSUE A PRIVATE PILOT TOLL PROJECT LICENSE, AS RECOMMENDED  
BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
COMMITTEE, TO AUTHORIZE THE NC TURNPIKE AUTHORITY TO  
CONVERT CERTAIN FREE HIGHWAYS CONTIGUOUS TO EXISTING OR  
PLANNED TOLL FACILITIES, AND TO GRANT THE TURNPIKE  
AUTHORITY RIGHT OF ENTRY FOR SURVEYS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 6F of Chapter 136 of the General Statutes is repealed.

**SECTION 2.** Article 6G of Chapter 136 of the General Statutes is repealed.

**SECTION 3.** G.S. 136-89.187 reads as rewritten:

**"§ 136-89.187. Conversion of free highways prohibited.**

The Authority Board is prohibited from converting any segment of the nontolled State highway system to a toll facility, unless the segment is contiguous to an existing or planned toll facility and the Authority Board determines that converting the segment to a toll facility is needed to help establish the financial viability of the existing or planned toll facility. If the Authority Board determines that converting the segment to a toll facility is needed to help establish the financial viability of the existing or planned toll facility, the Department is authorized to dedicate or otherwise convey the segment of the State highway system to the Authority for use as a toll facility."

**SECTION 4.** G.S. 136-89.194 is amended by adding a new subsection to read:

**"(d) Entry for Surveys.** – The Turnpike Authority and its employees and contractors shall have the same right of entry for surveys, borings, soundings or examinations as granted the Department of Transportation in G.S. 136-120."

**SECTION 5.** This act is effective when it becomes law.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 1381\*

S1381-ARW-33 [v.4]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Date \_\_\_\_\_, 2006

Comm. Sub. [NO]  
Amends Title [YES]  
Second Edition

Representative Sutton

1 moves to amend the bill on page 1, lines 15-22 by rewriting those lines to read:

2  
3 "The Authority Board is prohibited from converting any segment of the nontolled State  
4 Highway System to a toll ~~facility~~. facility, except for a segment of Interstate 540 under  
5 construction as of July 1, 2006, located in Wake and Durham Counties, and extending  
6 from I-40 southwest to N.C. 55."  
7

8 and on page 1, lines 6-8, by rewriting those lines to read:

9 "COMMITTEE, TO AUTHORIZE THE NORTH CAROLINA TURNPIKE  
10 AUTHORITY TO CONVERT A PORTION OF INTERSTATE 540 UNDER  
11 CONSTRUCTION IN WAKE AND DURHAM COUNTIES, TO A TOLL FACILITY  
12 AND TO GRANT THE TURNPIKE".  
13  
14

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☒ Committee Substitute # 2 for

**HB 1827**

A BILL TO BE ENTITLED AN ACT TO EXEMPT CERTAIN DEPARTMENT OF TRANSPORTATION CONTRACTORS FROM THE REQUIREMENT FOR A GENERAL CONTRACTOR'S LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE; TO CLARIFY THE GENERAL CONTRACTING EXCEPTIONS; TO DEFINE THE LIMITS OF VEGETATION REMOVAL FOR OUTDOOR ADVERTISING; AND TO REQUIRE LOCAL GOVERNMENT TAX ASSESSORS AND COLLECTORS TO GENERATE TAX VALUES FOR MOTOR VEHICLES PURSUANT TO THE VALUATION ASSIGNED BY THE DIVISION OF MOTOR VEHICLES.

☒ With a favorable report as to Committee Substitute Bill 3, unfavorable as to Committee Substitute Bill 2.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on \_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

\_\_\_\_\_ The (House) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is re-referred to the Committee on \_\_\_\_\_. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☒ Committee Substitute for

**SB 1381** A BILL TO BE ENTITLED AN ACT TO REPEAL THE NORTH CAROLINA BRIDGE AUTHORITY AND THE AUTHORIZATION FOR THE DEPARTMENT OF TRANSPORTATION TO ISSUE A PRIVATE PILOT TOLL PROJECT LICENSE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE, TO AUTHORIZE THE NC TURNPIKE AUTHORITY TO CONVERT CERTAIN FREE HIGHWAYS CONTIGUOUS TO EXISTING OR PLANNED TOLL FACILITIES, AND TO GRANT THE TURNPIKE AUTHORITY RIGHT OF ENTRY FOR SURVEYS.

☒ With a favorable report as to House committee substitute bill, unfavorable as to Senate committee substitute bill -1.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on \_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. \_\_\_\_\_) is placed on the Calendar of \_\_\_\_\_. (The original bill resolution No. \_\_\_\_\_) is placed on the Unfavorable Calendar.

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## VISITOR REGISTRATION SHEET

TRANSPORTATION

7-12-06

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

| NAME              | FIRM OR AGENCY AND ADDRESS |
|-------------------|----------------------------|
| RENECCA BARRINGER | gov. office                |
| SUSAN Coward      | NCDOT                      |
| BERRY Jenkins     | Carolina ACC               |
| JOHN Long         | Martin Marrella Materials  |
| Johanna Reese     | DOT                        |
| John Phelps       | NCLM                       |
| ELLIS HANKINS     | NCLM                       |
| Tony Adams        | NCOAA                      |
| Chris Hayes       | Civitas Institute          |
| Emily Kirby       | NC Conservation Network    |
| Kathleen Edwards  | unc-CH, Daily Bulletin     |

## VISITOR REGISTRATION SHEET

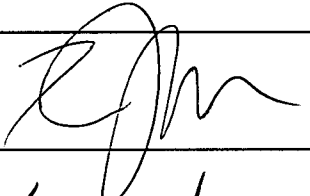
Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                                                                                   |                          |
|-----------------------------------------------------------------------------------|--------------------------|
| Rid Webb                                                                          | NEGA                     |
|  | NCA MVR C                |
| Sanche Long                                                                       | Martha Marutta Materials |
| Angie Harris                                                                      | Maupin Taylor            |
| John Dillard                                                                      | CSK                      |
| Charlie Diehl                                                                     | NCTA                     |
| Bruce Castaldi                                                                    | CATS / NEGO              |
|                                                                                   |                          |
|                                                                                   |                          |
|                                                                                   |                          |
|                                                                                   |                          |
|                                                                                   |                          |

7-13-26

Date \_\_\_\_\_

i

**FIRM OR AGENCY**





House Pages

Name Of Committee: Interpretation 7-13-86

1. Name: Zane Tallant

County: Henderson

Sponsor: Justus

2. Name: Logan Riddle

County: Lincoln

Sponsor: Ray

3. Name: Win Jaynes

County: Henderson

Sponsor: Bill Jones

4. Name: William Dunlow

County: Halifax

Sponsor: Wray

5. Name: Michael Steve Cappington

County: Halifax

Sponsor: Black

Sgt.-At-Arms

1. Name: JERALD PERRY

2. Name: NEIL CASPER

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: —

**MINUTES**  
**HOUSE COMMITTEE ON TRANSPORTATION**  
**July 20, 2006**

The HOUSE COMMITTEE ON TRANSPORTATION met on Thursday, July 20, 2006, in Room 1228 of the Legislative Building at 10:00 A.M. Representative Lucy Allen presided. Members present were: Representative Carney, Co-Chair; Representatives Saunders, Steen, and Williams, Vice Chairs; Representatives Blackwood, Cleveland, Coates, Cole, Goodwin, Haire, Hill, Hilton, Preston, Rapp, Rayfield, Rhodes, Starnes, Sutton, and Wilkins. Assisting with the meeting were Giles Perry and Wendy Graf-Ray, Staff Counsel, and Melissa Riddle, Committee Assistant. Also assisting were Neil Casper, Martha Parrish, and Dusty Rhodes, House Sergeants-at-Arms. A list of visitors is attached.

Representative Allen called the meeting to order and introduced the House pages: Grant Peaden (Cumberland County – Rep. Glazier), Dante Rossi (Wake County – Speaker Black), Molly Donahue (Orange County – Representative Insko), and Tony Tyson, II (Greene County – Representative Warren), along with the above mentioned House Sergeants-At-Arms.

The first order of business HB 643 – **A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR PRIVATE FUNDING OF CERTAIN PUBLIC INTERCHANGES AND TO AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO PERMIT ENROACHMENT OF AIRSPACE ABOVE STATE ROAD 1250, SPRINGFIELD ROAD, NEAR ROCKY MOUNT FOR THE CONSTRUCTION OF A MATERIAL CONVEYANCE SYSTEM.** Representative Linda Coleman explained the bill which would authorize the establishment of a privately funded interchange district in which private developers and property owners can pay for the construction of highway interchanges. It further provides that a private entity may establish an interchange district upon certification to the Secretary of State that the district meets the criteria set forth in proposed GS 136-227(b). Proposed GS 136-228 authorizes the Department of Environment and Natural Resources to permit a private developer or landowner to be the sole applicant for necessary permits or certifications relating to the construction of a bridge and interchange within an interchange district. This section also provides that with respect to the construction of the bridge and interchange, the developer or landowner will retain all rights and responsibilities, will be entitled to credit for any environmental mitigation, and will be responsible for the construction of the roadways connecting the interchange ramps to existing State-owned roadways. Upon completion of the project, it will become part of the State highway system for maintenance. This bill requires that the Department of Transportation review and approve the design and construction of the project, which must be constructed to state standards.

Section 2 authorizes the Department of Transportation to permit private use and encroachment upon the airspace above State Road 1250, Springfield Road, near Rocky Mount, for construction of a material conveyance system, if the Department concludes

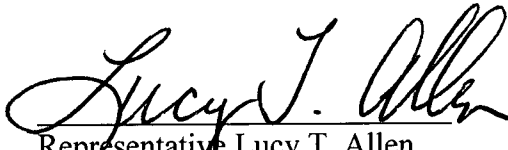
House TRANSPORTATION Committee Minutes  
Thursday, July 20, 2006 - Page two

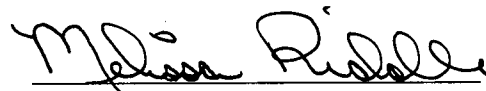
that the system will not unreasonably interfere with the property rights of abutting owners or the public use of State Road 1250.

Mr. Lynn Sanderson, State Highway Administration Instructor, responded to questions posed by various committee members. After much discussion, Representative Saunders moved that the House concur with the Senate Committee Substitute for HB 643. The motion passed.

There being no further bills under consideration Representative Lucy Allen, Presiding Chair, adjourned the meeting at 11:35 a.m.

Respectfully submitted,

  
Representative Lucy T. Allen  
Presiding Chair

  
Melissa Riddle  
Committee Assistant

Attachments:

Agenda  
Visitors Registration  
Senate Committee Substitute for HB 643

## VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

July 20, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                    |                            |
|--------------------|----------------------------|
| <i>Dick Boffin</i> | ALLEY ASSOCIATES INC.      |
| Cameron Contrizano | Daily Bulletin             |
| ANTHONY ANTON      | NCACC                      |
| Rid Webb           | NCGA                       |
| Mike Nelson        | Conservation Council       |
| Christine Wunsch   | Environment North Carolina |
| Amy Sines          | NC DENR                    |
| Sandra Long        | Marin Marulla              |
| SUEAN Coward       | NC DOT                     |
| Larry Smith        | NCGA                       |
| Charlie Dickl      | NCTA                       |

# VISITOR REGISTRATION SHEET

TRANSPORTATION (HOUSE)

July 20, 2006

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

|                   |                    |
|-------------------|--------------------|
| Rick Zechin       | NCAR               |
| BM Westhok        | UTU                |
| Rebecca Barringer | gov. office        |
| Chris L. L...     | CAPA               |
| Ed Turling        | BRUTE              |
| Tom Coley         | CWA                |
| David Andrews     | PPH                |
| Stephen L...      | NCAR               |
| Lisa Martin       | NC HBA             |
| Rhonda O'Brien    | PFFPNC             |
| James Andrews     | NC State WFL - CIO |

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NAME

FIRM OR AGENCY AND ADDRESS

Calynus gage

Gov's Office

*[Signature]*

XCMVRC

Tracy Kimbrell

Parker Poe

Michaela Trank

NCA CC

Mike Mena

552

House Pages

TRANSPORTATION

Name Of Committee: \_\_\_\_\_ Date: 7/20/06

1. Name: Grant Pender

County: Cumberland

Sponsor: Rick Glazier

2. Name: Derek Rossi

County: Waldo

Sponsor: James Blair

3. Name: Molly Donahue

County: Orange

Sponsor: Rep. Jinsko

4. Name: Tony & Tyson II

County: Greene

Sponsor: Edith Warren

5. Name: \_\_\_\_\_

County: \_\_\_\_\_

Sponsor: \_\_\_\_\_

Sgt-At-Arms

1. Name: MARTHA PARRISH

2. Name: NEIL CASPER

3. Name: Dusty Rhodes

4. Name: \_\_\_\_\_

5. Name: —

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
2005-2006 SESSION**

You are hereby notified that the Committee on **TRANSPORTATION** will meet as follows:

**DAY & DATE:** Thursday, July 20, 2006

**TIME:** 10:00 a.m.

**LOCATION:** 1228

The following bills will be considered (Bill # & Short Title & Bill Sponsor):

**HB 643 – Interchange Districts  
Representative Miller**

Respectfully,

Representatives L. Allen, Allred, Carney & Stiller  
Co-chairs

I hereby certify this notice was filed by the committee clerk at the following offices at  
**9:25 a.m. on July 20, 2006.**

\_\_\_\_Principal Clerk  
\_\_\_\_Reading Clerk - House Chamber

Melissa Riddle (Committee Assistant)



**2005 COMMITTEE REPORT  
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative L. Allen, Allred, Carney, Stiller (Chairs) for the Committee on  
TRANSPORTATION.

☒ Senate Committee Substitute for

**HB 643** A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR PRIVATE  
FUNDING OF CERTAIN PUBLIC INTERCHANGES AND TO AUTHORIZE THE  
DEPARTMENT OF TRANSPORTATION TO PERMIT ENCROACHMENT OF AIRSPACE  
ABOVE STATE ROAD 1250, SPRINGFIELD ROAD, NEAR ROCKY MOUNT FOR THE  
CONSTRUCTION OF A MATERIAL CONVEYANCE SYSTEM.

☒ With recommendation that the House concur.

**(FOR JOURNAL USE ONLY)**

\_\_\_\_\_ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on  
\_\_\_\_\_.

\_\_\_\_\_ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of \_\_\_\_\_.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

4

HOUSE BILL 643  
Corrected Copy 3/18/05  
Committee Substitute Favorable 5/12/05  
Senate Transportation Committee Substitute Adopted 7/12/06

Short Title: Interchange Districts.

(Public)

Sponsors:

Referred to:

March 15, 2005

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE FOR PRIVATE FUNDING OF CERTAIN PUBLIC  
3 INTERCHANGES AND TO AUTHORIZE THE DEPARTMENT OF  
4 TRANSPORTATION TO PERMIT ENCROACHMENT OF AIRSPACE ABOVE  
5 STATE ROAD 1250, SPRINGFIELD ROAD, NEAR ROCKY MOUNT FOR THE  
6 CONSTRUCTION OF A MATERIAL CONVEYANCE SYSTEM.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** Chapter 136 of the General Statutes is amended by adding a  
9 new Article to read:

10 "Article 19.

11 "Privately Funded Interchanges.

12 **"§ 136-225. Privately funded interchange districts; legislative findings.**

13 The General Assembly makes the following findings regarding the need for  
14 privately funded interchange districts:

- 15 (1) Economic development in the State will be served by providing an  
16 opportunity for private developers and property owners to fund the  
17 construction of interchanges, thereby creating solutions to traffic  
18 problems and providing employment opportunities for the residents  
19 of North Carolina.
- 20 (2) When an existing public thoroughfare can be modified with private  
21 funds to meet the needs of a growing community, it is in the public  
22 interest to provide a mechanism for such modifications to occur.
- 23 (3) The health and safety of the citizens of this State will be served  
24 through the provision of privately funded solutions to growing  
25 traffic problems.
- 26 (4) The public interest of the State will be served by encouraging  
27 private investment in public roadways.

**"§ 136-226. Privately funded interchange districts; purpose.**

A privately funded interchange district shall exist to provide a means for private developers and property owners to pay for the construction of highway interchanges that serve the public and meet standards set by the North Carolina Department of Transportation.

**"§ 136-227. Privately funded interchange districts; establishment, criteria.**

(a) A privately funded interchange district may be established on any parcel or tract of land or on any combination of contiguous parcels or tracts of land as provided in this section. To establish a privately funded interchange district, the private entity that intends to construct an interchange located within the boundaries of the district shall certify to the Secretary of State that the district meets all of the criteria set out in this section. This certification shall constitute prima facie evidence that these criteria have been met. The district shall be considered to be established as a privately funded interchange district on the date the certification is filed. Once established, a privately funded interchange district shall continue to exist until the interchange is completed and accepted by the Department of Transportation.

(b) Any parcel or tract of land, or any combination of contiguous parcels or tracts of land, that meets all of the following criteria is eligible for establishment as a privately funded interchange district:

- (1) The property is located in a county that is at least 500,000 acres in size with a population of at least 600,000 persons.
- (2) All of the real property comprising the district is in a publicly owned highway right-of-way of 50 acres or more.
- (3) The proposed interchange will provide access to a planned unit development consisting of 1,000 acres or more.
- (4) Failure to allow private funding will cause construction of the proposed interchange to be indefinitely delayed.
- (5) The proposed interchange will be funded solely through private funds and upon completion will be taken onto the State highway system for maintenance.
- (6) The proposed interchange is the subject of an agreement previously entered into by the private developer or landowner and the Department of Transportation.

**"§ 136-228. Privately funded interchange districts; permitting and construction.**

(a) Notwithstanding any other provisions of law, the Department of Environment and Natural Resources shall allow a private developer or landowner to be the sole applicant for any necessary permits or certifications relating to the construction of a bridge and interchange within a privately funded interchange district.

(b) The private developer or landowner shall possess any and all rights and responsibilities, pertaining solely to the construction of the proposed bridge and interchange within the privately funded interchange district, that have been previously granted by permit or certification to the Department of Transportation.

(c) The private developer or landowner shall be entitled to credit for any environmental mitigation, related solely to the construction of the proposed bridge and

1 interchange, that has been or will be performed by the Department of Transportation  
2 with respect to impacts located within the privately funded interchange district.

3 (d) The private developer or landowner shall be responsible for the construction  
4 of the roadways connecting the interchange ramps to existing State-owned roadways.  
5 Upon completion, the project will be taken onto the State highway system for  
6 maintenance. The Department of Transportation shall review and approve the design  
7 and construction of the project. The project shall be constructed to State standards for  
8 highway construction."

9 **SECTION 2.** The Department of Transportation is hereby authorized to  
10 permit private use and encroachment upon the airspace above State Road 1250,  
11 Springfield Road, near the City of Rocky Mount, for the purpose of construction of a  
12 material conveyance system, provided, in the opinion of the Department of  
13 Transportation, such material conveyance system will not unreasonably interfere with or  
14 impair the property rights or easements of abutting owners nor unreasonably interfere  
15 with or obstruct the public use of State Road 1250, Springfield Road. This  
16 encroachment shall be subject to all other rules, regulations, and conditions of the  
17 Department of Transportation for encroachments. The location, plans, and specifications  
18 for the material conveyance system shall be approved by the Department.

19 **SECTION 3.** This act is effective when it becomes law.