

2015-2016

**SENATE
TRANSPORTATION**

MINUTES

Senate Transportation

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	Sen. Joyce Krawiec	919-733-7850	16 W. Jones St. Raleigh, NC 27601-2808
	Sen. Gladys A. Robinson	919-715-3042	16 W. Jones St. Raleigh, NC 27601-2808
	Sen. Smith-Ingram	919-715-3040	16 W. Jones St. Raleigh, NC 27601-2808
	Sen. Tommy Tucker	919-733-7659	16 W. Jones St. Raleigh, NC 27601-2808

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SENATE TRANSPORTATION COMMITTEE MEETING BILL INDEX

DATE	BILLS		
4/1/15	SB43	7/1/15	HB127
	SB116		HB268
	SB188		SB541
	SB349		SB639
	SB90	7/15/15	HB6
4/15/15	SB174		HB492
	SB195		SB509
	SB217		
	SB273		
	SB301		
	SB313		
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	SB540		
4/22/15	SB304		
	SB113		
	SB370		
	SB382		
	SB539		
	SB599		
	SB621		
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5/6/15	HB91		
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	SB513		
5/20/15	HB232		
	HB127		
	SB448		
6/10/15	HB86		
	HB476		
	SB541		



**Senate Committee on Transportation
Wednesday, April 1, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:01 AM on April 1, 2015 in Room 1027/1128 of the Legislative Building. 6 members were present.

Senator Warren Daniel, Chair, presided.

SB 43 CDLs for Veterans Revisions. (Senators Brown, Meredith)

Sen. Brown presented the bill. There was no discussion, questions or other speakers. Sen. Ford moved for a Favorable report. Motion carried. Bill was reported Favorable.

SB 90 Required Number of Operating Brake Lights. (Senator Cook)

Sen. Cook presented the bill. Giles Perry of Research explained the US Supreme Court decision that created the need to clarify NC's tail light regulations. Sen. Harrington moved for a Favorable report. Motion was seconded and carried. S90 was reported out as Favorable.

SB 116 Handicapped Parking Windshield Placard. (Senator Bingham)

Sen. Bingham presented and explained the bill. After a question, Sen. Davis sent forward a clarifying amendment. The amendment was adopted. Sen. Ford motioned that the bill be reported out as Favorable to the Amended Bill with the Amendment to be engrossed into a PCS and Unfavorable to the original. The motioned carried. The amendment was enrolled and the PCS was reported to the Senate Principle Clerk.


SB 188 Adjust Cap on Turnpike Projects. (Senators Rabon, Meredith, Ford)

Sen. Ford presented this bill. There were no questions. Sen. Gunn motioned for a Favorable report. The motioned carried and the bill was reported as such to the SPC office.


SB 349 Restore Driving Privileges/Competency. (Senator Randleman)

Sen. Randleman and Rep. Farmer-Butterfield presented this bill. No discussion or questions. Sen. Davis motioned for a Favorable report. Motion carried and the bill was reported as such.

The meeting adjourned at 11:31.



Senator Warren Daniel, Chair
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, April 1, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 43	CDLs for Veterans Revisions.	Senator Brown Senator Meredith
SB 90	Required Number of Operating Brake Lights.	Senator Cook
SB 116	Handicapped Parking Windshield Placard.	Senator Bingham
SB 188	Adjust Cap on Turnpike Projects.	Senator Rabon Senator Meredith
SB 349	Restore Driving Privileges/Competency.	Senator Ford Senator Randleman

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, April 01, 2015

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

SB 43	CDLs for Veterans Revisions. Draft Number: None Sequential Referral: None Recommended Referral: None Long Title Amended: No
SB 90	Required Number of Operating Brake Lights. Draft Number: None Sequential Referral: None Recommended Referral: None Long Title Amended: No
SB 188	Adjust Cap on Turnpike Projects. Draft Number: None Sequential Referral: None Recommended Referral: None Long Title Amended: No
SB 349	Restore Driving Privileges/Competency. Draft Number: None Sequential Referral: Judiciary I Recommended Referral: None Long Title Amended: No

TOTAL REPORTED: 4

Senator Harry Brown will handle SB 43
Senator Bill Cook will handle SB 90
Senator Joel Ford will handle SB 188
Senator Shirley Randleman will handle SB 349



* C M R 1 0 7 - V - 1 *

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, April 01, 2015

Senator Daniel,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 116

Handicapped Parking Windshield Placard.

Draft Number: S116-PCS25220-SU-9

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 1

Senator Stan Bingham will handle SB 116



* C M R 1 0 8 - V - 3 *

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 43

Short Title: CDLs for Veterans Revisions. (Public)

Sponsors: Senators Brown, Meredith (Primary Sponsors); Brock, Clark, D. Davis, Ford, Hise, B. Jackson, Lowe, Rabin, and Tarte.

Referred to: Rules and Operations of the Senate.

February 9, 2015

A BILL TO BE ENTITLED

AN ACT TO EXTEND THE PERIOD IMMEDIATELY PRECEDING THE DATE OF APPLICATION FROM 90 DAYS TO ONE YEAR IN WHICH A MILITARY VETERAN SEEKING A WAIVER OF THE COMMERCIAL SKILLS TEST MUST HAVE BEEN REGULARLY EMPLOYED AND TO PROVIDE A MILITARY VETERAN WITH AN ADDITIONAL METHOD FOR SATISFYING THE CERTIFICATION REQUIREMENT IN G.S. 20-37.13.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-37.13 reads as rewritten:

"§ 20-37.13. Commercial drivers license qualification standards.

...

(c1) The Division may waive the skills test for any qualified military applicant at the time the applicant applies for a commercial drivers license if the applicant is currently licensed at the time of application and meets all of the following:

...

(3) The applicant certifies, and provides satisfactory evidence on the date of application, that the applicant is a retired, discharged, or current member of an active or reserve component of the Armed Forces of the United States and is regularly employed or was regularly employed within the ~~90-day~~ one-year period immediately preceding the date of application in a military position requiring the operation of a commercial motor vehicle, and the applicant meets either of the following requirements:

- a. Repealed by Session Laws 2013-201, s. 1, effective June 26, 2013.
- b. Has operated for the two-year period immediately preceding the date of application a vehicle representative of the class and, if applicable, the type of commercial motor vehicle for which the applicant seeks to be licensed, and has taken and successfully completed a skills test administered by the military.
- c. For an applicant who is a retired or discharged member of an active or reserve component of the Armed Forces of the United States, the applicant (i) has operated for the two-year period immediately preceding the date of retirement or discharge a vehicle representative of the class and, if applicable, the type of commercial motor vehicle for which the applicant seeks to be licensed, and has taken and successfully completed a skills test administered by the military, (ii)



1 has retired or received either an honorable or general discharge, and
2 (iii) has retired or been discharged from the Armed Forces within the
3 ~~90-day~~one-year period immediately preceding the date of
4 application.

5 (c2) The one-year period referenced in subdivision (3) of subsection (c1) of this section
6 applies unless a different period is provided by federal law. An applicant may provide his or
7 her Form DD 214, "Certificate of Release or Discharge from Active Duty," and his or her
8 drivers license issued by the military, to satisfy the certification required by subdivision (3) of
9 subsection (c1) of this section. An applicant who is retired or discharged must provide a drivers
10 license issued by the military that was valid at the time of his or her retirement or discharge
11 when using the process in this subsection to satisfy the certification required by subdivision (3)
12 of subsection (c1) of this section.

13"

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



SENATE BILL 43: CDLs for Veterans Revisions

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Brown, Meredith
Analysis of: First Edition

Date: April 1, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *Senate Bill 43 would amend the skills test waiver for CDL applicants with military experience by:*

- *Expanding the time period allowed between a retired or discharged applicant being regularly employed in a qualified position and the date of application for the CDL from 90 days to one year; and*
- *Providing an additional method of certification of eligibility for the waiver (besides certification by a commanding officer) by allowing the applicant to provide a Form DD 214 and a military-issued drivers license.*

[As introduced, this bill was identical to H319, as introduced by Reps. Szoka, Jeter, Adams, Pendleton, which is currently in House Transportation.]

CURRENT LAW: G.S. 20-37.13 requires that an applicant pass both a knowledge and a skills test for driving a commercial motor vehicle prior to being issued a CDL. The tests are to be prescribed and conducted by the Division of Motor Vehicles and must comply with minimum federal standards.

In 2009, legislation was enacted (effective January 1, 2010) authorizing the Division to waive the skills test required under G.S. 20-37.13 for a qualified CDL applicant who is an active or reserve member of the armed forces, is regularly employed in a job requiring operation of a commercial vehicle, has completed a skills test administered by the military, and has operated a commercial vehicle for the two-year period immediately preceding the date of application.

In 2013, legislation was enacted to expand the provision, allowing the Division to also waive the skills test for retired or discharged members of the armed forces if the applicant operated a commercial vehicle for the two-year period immediately preceding the date of discharge and the date of discharge is no more than 90 days prior to the date of application.

The language in the provision has been crafted to comply with federal regulations, specifically 49 C.F.R. §383.77, which sets out requirements for waiver of a CDL skills test.

BILL ANALYSIS: Senate Bill 43 would amend the existing skills test waiver for qualified military CDL applicants in the following ways:

- For retired or discharged members of the armed forces, it would expand the time period allowed between being regularly employed in a relevant position and the date of application for the CDL from 90 days to one year. The Federal Motor Carrier Safety Administration has granted a time-limited exemption allowing states to extend the 90-day period to one year. The exemption will expire July 8, 2016. The bill specifies that the new one-year period would apply unless a different period is provided by federal law.



Senate Bill 43

Page 2

- It would provide an additional method for the applicant to certify that he or she is a retired, discharged, or current member of the military and has been employed in a qualifying position, by allowing the applicant to provide a Form DD 214, "Certificate of Release or Discharge from Active Duty", and a military-issued drivers license. The existing statute does not provide a method of certification, but commanding officers are currently providing certification for applicants. The bill would provide an alternative method.

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

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 90

Short Title: Required Number of Operating Brake Lights. (Public)
Sponsors: Senator Cook (Primary Sponsor).
Referred to: Rules and Operations of the Senate.

February 19, 2015

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT MOTOR VEHICLES MUST HAVE AT LEAST ONE
WORKING STOP LAMP ON EACH SIDE OF THE REAR OF THE VEHICLE AND TO
MAKE OTHER CLARIFYING CHANGES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-129(g) reads as rewritten:

"(g) No person shall sell or operate on the highways of the State any motor vehicle,
~~motorcycle or motor-driven cycle~~, manufactured after December 31, ~~1955~~, 1970, unless it shall
be equipped with ~~a stop lamp on the rear of the vehicle~~. stop lamps, one on each side of the rear
of the vehicle. No person shall sell or operate on the highways of the State any motorcycle or
motor-driven cycle, manufactured after December 31, 1970, unless it shall be equipped with a
stop lamp on the rear of the motorcycle or motor-driven cycle. The stop lamp ~~lamps~~ shall
display ~~emit, reflect, or display~~ a red or amber light visible from a distance of not less than 100
feet to the rear in normal sunlight, and shall be actuated upon application of the service (foot)
brake. The stop ~~lamp~~ lamps may be incorporated into a unit with one or more other rear lamps."

SECTION 2. G.S. 20-129.1 reads as rewritten:

"§ 20-129.1. Additional lighting equipment required on certain vehicles.

In addition to other equipment required by this Chapter, the following vehicles shall be
equipped as follows:

- (1) On every bus or truck, whatever its size, there shall be the following:
On the rear, two reflectors, one at each side, and ~~one stoplight~~. two stop lamps,
one at each side.
- (2) On every bus or truck 80 inches or more in overall width, in addition to the
requirements in subdivision (1):
On the front, two clearance lamps, one at each side.
On the rear, two clearance lamps, one at each side.
On each side, two side marker lamps, one at or near the front and one at or near
the rear.
On each side, two reflectors, one at or near the front and one at or near the rear.
- (3) On every truck tractor:
On the front, two clearance lamps, one at each side.
On the rear, ~~one stoplight~~. two stop lamps, one at each side.
- (4) On every trailer or semitrailer having a gross weight of 4,000 pounds or
more:
On the front, two clearance lamps, one at each side.



On each side, two side marker lamps, one at or near the front and one at or near the rear.

On each side, two reflectors, one at or near the front and one at or near the rear.

On the rear, two clearance lamps, one at each side, also two reflectors, one at each side, and ~~one stoplight~~ two stop lamps, one at each side.

(5) On every pole trailer having a gross weight of 4,000 pounds or more:

On each side, one side marker lamp and one clearance lamp which may be in combination, to show to the front, side and rear.

On the rear of the pole trailer or load, two reflectors, one at each side.

(6) On every trailer, semitrailer or pole trailer having a gross weight of less than 4,000 pounds:

On the rear, two reflectors, one on each side. If any trailer or semitrailer is so loaded or is of such dimensions as to obscure the stoplight on the towing vehicle, then such vehicle shall also be equipped with ~~one stoplight~~ two stop lamps, one at each side.

(7) Front clearance lamps and those marker lamps and reflectors mounted on the front or on the side near the front of a vehicle shall display or reflect an amber color.

(8) Rear clearance lamps and those marker lamps and reflectors mounted on the rear or on the sides near the rear of a vehicle shall display or reflect a red color.

(9) ~~Brake lights~~ Stop lamps (and/or brake reflectors) on the rear of a motor vehicle shall ~~have red lenses~~ be constructed so that the light ~~displayed~~ emitted, reflected, or displayed is ~~red-red~~ red, except that a motor vehicle originally manufactured with amber stop lamps may emit, reflect, or display an amber light. The light illuminating the license plate shall be white. All other lights shall be white, amber, yellow, clear or red.

(10) On every trailer and semitrailer which is 30 feet or more in length and has a gross weight of 4,000 pounds or more, one combination marker lamp showing amber and mounted on the bottom side rail at or near the center of each side of the trailer."

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



SENATE BILL 90: Required Number of Operating Brake Lights

2013-2014 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Cook
Analysis of: First Edition

Date: March 31, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 90 clarifies State law to require motor vehicles to have two operable stop lamps.*

CURRENT LAW: Current G.S. 20-129(g) prohibits operation of a motor vehicle unless it is equipped with "a stop lamp" on the rear of the vehicle displaying a red or amber light. G.S. 20-129(g) also provides that the "stop lamp may be incorporated into a unit with one or more *other rear lamps*. G.S. 20-129(d) requires "all originally equipped *rear lamps* or the equivalent (to be) in good working order."

Current G.S. 20-139.1 requires one operable red stop lamp on the rear of buses, trucks, tractor trailers, and other specified trailers.

BILL ANALYSIS: Senate Bill 90 amends State law to require two operable stop lamps, one on each side of the rear of motor vehicles, buses, trucks, tractor trailers, and other specified trailers; and clarifies that amber stop lamps are authorized on any motor vehicle, if they were original equipment.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND: The issue of whether one or two stop lamps are required by North Carolina law was the subject of a recent Supreme Court case, *State v. Heien*, 135 S. Ct. 530 (2014). In that case, the defendant was stopped in a motor vehicle with only one operating stop lamp, gave consent to a search of his vehicle, and was charged with drug trafficking. The defendant challenged the validity of the traffic stop and search by arguing North Carolina law only required one operable stop lamp. The United States Supreme Court, in an 8-1 decision, upheld the search as lawful, finding that even though North Carolina law only requires one operable stop lamp, the mistake of law by the officer was reasonable, because G.S. 20-129(d) and (g), when read together, could be reasonably construed by an officer to require *both* stop lamps to be operable.





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 116

Short Title: Handicapped Parking Windshield Placard. (Public)

Sponsors: Senators Bingham (Primary Sponsor); Bryant, J. Jackson, B. Jackson, Lowe, and McInnis.

Referred to: Rules and Operations of the Senate.

February 27, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT A HANDICAPPED VEHICLE OWNER WHO QUALIFIES
3 FOR A DISTINGUISHING LICENSE PLATE SHALL ALSO RECEIVE ONE
4 REMOVABLE WINDSHIELD PLACARD.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 20-37.6(b) reads as rewritten:

7 "(b) Handicapped Car Owners; Distinguishing License Plates. – If the handicapped
8 person is a registered owner of a vehicle, the owner may apply for and display a distinguishing
9 license plate. This license plate shall be issued for the normal fee applicable to standard license
10 plates. Any vehicle owner who qualifies for a distinguishing license plate ~~may~~shall also receive
11 one removable windshield placard."

12 SECTION 2. This act becomes effective July 1, 2015, and applies to applications
13 for a distinguishing license plate received on or after that date.







NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 116

S116-ASU-5 [v.1]

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

Page 1 of 1

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

Date 4/1, 2015

Senator DAVIS

1 moves to amend the bill on page 1, lines 10-11, by rewriting the lines to read:

2
3 "plates. Any vehicle owner who qualifies for a distinguishing license plate ~~may receive~~ shall be
4 notified by the Division at the time the plate is issued that the applicant is also eligible to
5 receive one removable windshield placard and, upon request, shall be issued a placard
6 at that time."

SIGNED [Signature]
Amendment Sponsor

SIGNED [Signature]
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____



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SENATE BILL 116: Handicapped Parking Windshield Placard

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Bingham
Analysis of: First Edition

Date: April 1, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *Senate Bill 116 would provide that when a qualifying vehicle owner is issued a handicapped license plate, he or she shall also receive one removable handicapped windshield placard.*

[As introduced, this bill was identical to H170, as introduced by Rep. Watford, which is currently in House Transportation, Serial Referral To Finance Added.]

CURRENT LAW: G.S. 20-37.6 provides for parking privileges for handicapped drivers and passengers who have applied for and obtained from the Division of Motor Vehicles a handicapped windshield placard or registration plate. Any vehicle that is driven by or is transporting a person who is handicapped and that displays a handicapped placard or plate is authorized to park in spaces designated as handicapped spaces.

If the handicapped person is a registered owner of a vehicle, he or she may apply for a distinguishing plate. A qualifying vehicle owner who gets a plate may also receive one removable windshield placard. Any handicapped person may apply for a windshield placard. If he or she does not also have a distinguishing plate, then one additional placard may be issued to the applicant. A placard registration card is issued with each placard, which must be in the vehicle when the placard is being used, and the person to whom the placard was issued must be the operator or a passenger in the vehicle.

BILL ANALYSIS: Senate Bill 116 would provide that when a distinguishing plate is issued to a qualifying handicapped vehicle owner, the person shall also receive one removable windshield placard.

EFFECTIVE DATE: The act would become effective July 1, 2015, and would apply to applications for plates received on or after that date.





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 188

Short Title: Adjust Cap on Turnpike Projects. (Public)

Sponsors: Senators Rabon, Meredith, Ford (Primary Sponsors); and Lee.

Referred to: Rules and Operations of the Senate.

March 9, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO REMOVE THE CAP ON THE NUMBER OF TURNPIKE PROJECTS THE
3 TURNPIKE AUTHORITY MAY STUDY, PLAN, DEVELOP, AND UNDERTAKE
4 PRELIMINARY DESIGN WORK ON; TO INCREASE THE CAP ON THE NUMBER
5 OF TURNPIKE PROJECTS THE TURNPIKE AUTHORITY MAY DESIGN,
6 ESTABLISH, PURCHASE, CONSTRUCT, OPERATE, AND MAINTAIN; AND TO
7 PROVIDE THAT THE VARIOUS SEGMENTS OF THE TRIANGLE EXPRESSWAY
8 PROJECT CONSTITUTE ONE PROJECT.

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 136-89.183(a)(2) reads as rewritten:

11 **"§ 136-89.183. Powers of the Authority.**

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

14 ...

15 (2) To study, plan, develop, and undertake preliminary design work on ~~up to~~
16 ~~nine~~ Turnpike Projects. At the conclusion of these activities, the Turnpike
17 Authority is authorized to design, establish, purchase, construct, operate, and
18 maintain no more than eleven projects, which shall include the following
19 ~~projects; following:~~

20 a. Triangle Expressway, including segments also known as N.C. 540,
21 Triangle Parkway, and the Western Wake Freeway in Wake and
22 Durham Counties. The described segments constitute ~~three~~
23 ~~projects; one project.~~

24 b. Repealed by Session Laws 2013-183, s. 5.1, effective July 1, 2013.

25 c. Monroe Connector/Bypass.

26 d., e. Repealed by Session Laws 2013-183, s. 5.1, effective July 1, 2013.
27 Any other project proposed by the Authority in addition to the projects listed
28 in this subdivision requires prior consultation with the Joint Legislative
29 Commission on Governmental Operations pursuant to G.S. 120-76.1 no less
30 than 180 days prior to initiating the process required by Article 7 of Chapter
31 159 of the General Statutes.

32 With the exception of the four projects set forth in sub-subdivisions a. and c.
33 of this subdivision, the Turnpike projects selected for construction by the
34 Turnpike Authority, prior to the letting of a contract for the project, shall
35 meet the following conditions: (i) two of the projects must be ranked in the
36 top 35 based on total score on the Department-produced list entitled



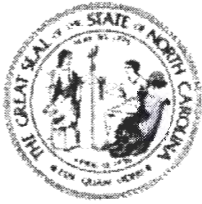
"Mobility Fund Project Scores" dated June 6, 2012, and, in addition, may be subject to G.S. 136-18(39a); (ii) of the projects not ranked as provided in (i), one may be subject to G.S. 136-18(39a); (iii) the projects shall be included in any applicable locally adopted comprehensive transportation plans; (iv) the projects shall be shown in the current State Transportation Improvement Program; and (v) toll projects must be approved by all affected Metropolitan Planning Organizations and Rural Transportation Planning Organizations for tolling.

f. Repealed by Session Laws 2008-225, s. 4, effective August 17, 2008. Any other project proposed by the Authority in addition to the projects listed in this subdivision must be approved by the General Assembly prior to construction.

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.

...."

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



SENATE BILL 188: Adjust Cap on Turnpike Projects

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Rabon, Meredith, Ford
Analysis of: First Edition

Date: March 31, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 188 removes the cap on the number of turnpike projects the Turnpike Authority may study; increases to 11 the number of projects the Turnpike Authority may establish, construct or operate; and redefines the segments of the Triangle Expressway as one project.*

CURRENT LAW: Current law, G.S. 136-89.183, authorizes the Turnpike Authority to:

- Study, plan, develop, and do preliminary design work on up to nine projects.
- Design, establish, purchase, construct, operate and maintain up nine projects, including the Triangle Expressway segments (counted as three projects), and the Monroe Connector/Bypass.

BILL ANALYSIS: Senate Bill 188 amends the Turnpike Authority statute to authorize the Authority to:

- Study, plan, develop, and preliminarily design projects, with no cap.
- Design, establish, purchase, construct, operate and maintain up to eleven projects, including the Triangle Expressway segments (now counted as one project), and the Monroe Connector/Bypass.

EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director



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Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 349*

Short Title: Restore Driving Privileges/Competency. (Public)

Sponsors: Senators Randleman (Primary Sponsor); and Krawiec.

Referred to: Rules and Operations of the Senate.

March 23, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO RESTORE THE
3 DRIVERS LICENSE OF A PERSON ADJUDICATED TO BE RESTORED TO
4 COMPETENCY.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 2 of Chapter 20 of the General Statutes is amended by adding
7 a new section to read:

8 **"§ 20-17.1A. Restoration of license for person adjudicated to be restored to competency.**

9 If otherwise eligible under G.S. 20-7 and any other applicable provision of law, the
10 Division shall restore the drivers license of a person adjudicated to be restored to competency
11 under G.S. 35A-1130 upon receiving notice from the clerk of court in which the adjudication is
12 made. Nothing in this section shall be construed as requiring the Division to restore the drivers
13 license of a person if (i) the person's drivers license was revoked because of a conviction or
14 other act requiring revocation and (ii) the person has not met the requirements set forth in this
15 Article for restoration of the person's drivers license."

16 **SECTION 2.** G.S. 35A-1130(d) reads as rewritten:

17 "(d) If the clerk or jury finds by a preponderance of the evidence that the ward is
18 competent, the clerk shall enter an order adjudicating that the ward is restored to competency.
19 Upon such adjudication, the ward is authorized to manage his or her affairs, make contracts,
20 control and sell his or her property, both real and personal, and exercise all rights as if he or she
21 had never been adjudicated incompetent. In addition, the clerk shall send a certified copy of the
22 order adjudicating that the ward is restored to competency to the Division of Motor Vehicles."

23 **SECTION 3.** This act becomes effective July 1, 2015.



* S 3 4 9 - V - 1 *





SENATE BILL 349: Restore Driving Privileges/Competency

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Judiciary I	Date:	April 1, 2015
Introduced by:	Sen. Randleman	Prepared by:	Wendy Graf Ray
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 349 would require the Division of Motor Vehicles to restore a person's driving privilege upon notification from the clerk of court that the person has been adjudicated to be restored to competency.*

[As introduced, this bill was identical to H350, as introduced by Reps. Farmer-Butterfield, Richardson, Hurley, R. Turner, which is currently in House Transportation, if favorable, Judiciary II.]

CURRENT LAW: Article 1 of Chapter 35A of the General Statutes provides a procedure for adjudicating a person to be incompetent. Article 3 of that Chapter provides for a proceeding before the clerk of court to restore a person's competency. When a person's competency is restored, the person is authorized to manage his or her affairs and exercise his or her rights as if he or she had never been adjudicated incompetent.

Upon receipt of notice that any person has been adjudicated incompetent, G.S. 20-17.1 authorizes the Division of Motor Vehicles to revoke that person's driving privilege unless the Commissioner is satisfied that the person is competent to operate a motor vehicle safely. There is no provision that specifically addresses restoration of the driving privilege in the event that the person's competency is later restored.

BILL ANALYSIS: Senate Bill 349 would add a provision to Chapter 35A requiring the clerk of court to send a certified copy of an order adjudicating a person to be restored to competency to the Division of Motor Vehicles. Upon receipt of the notice, the Division would be required to restore the person's drivers license, unless the license was otherwise revoked or the person does not otherwise meet requirements for restoration.

EFFECTIVE DATE: The act would become effective July 1, 2015.





SENATE PAGES ATTENDING

COMMITTEE: Transportation ROOM: 1027
DATE: 4-1 TIME: 11 AM

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!

Page Name	Hometown	Sponsoring Senator
1. Elijah Ellison	Durham	Senator Woodward
2. Nathan Oakley	Durham	Senator Woodward
3. Janssen Skate	Durham	Senator McKissick
4. Alex Epley	Jacksonville	Brown
5. William Buffin	King	Krawiec
6.		
7.		
8.		
9.		
10.		

Do not add names below the grid.

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



Committee Sergeants at Arms

NAME OF COMMITTEE SEN TRANSPORTATION

DATE: 4/1/15 Room: 1027

House Sgt-At Arms:

1. Name: TERRY BARNHART

2. Name: ED KESLER

3. Name: _____

Name: _____

5. Name: _____

Senate Sgt-At Arms:

1. Name: _____

2. Name: _____

3. Name: _____

4. Name: _____

5. Name: _____

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**Senate Committee on Transportation
Wednesday, April 15, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on April 15, 2015 in Room 1027/1128 of the Legislative Building. 10 members were present. Senate Sergeant-at-Arms: Giles Jeffries, Steve Wilson, and Hal Roach. Pages: Sara Strickland of Salemburg (Sen. Berger) and Luke Evans of Asheboro (Sen. Tillman).

Sen. Warren T. Daniel-Co-Chair, presided.

SB 174 Rail Corridor Lease/City of Wilmington. (Senator Lee) Sen. Lee presented his bill. There were only a couple of questions regarding the cost of the lease to the city. Brief discussion and Sen. Rabon motioned to give the bill a Favorable Report. The motion carried and the bill was reported to the Senate Principal Clerk's office as Favorable as the bill.

SB 195 Motor Vehicle Service Agreement Amendments. (Senator Meredith) Sen. Meredith brought up a Senate Committee Substitute to this bill (PCS35260-U-5). The short title didn't change. The committee motioned to bring forth the Senate PCS. Sen. Meredith explained the bill. There was a short committee discussion and then opened up for public comment. John Bode, of Bode & Harrell representing entities affected by these agreements, spoke in favor of these types of agreements. Sen. Ford motioned for favorable report of the PCS, the Committee concurred, and the bill was reported to the Senate Principal Clerk's Office as Unfavorable As To Bill, But Favorable As To Committee Substitute Bill with a re-referral to the Senate Commerce Committee.

SB 217 Distribution of Highway Use Tax and Fees. (Senators Rabon, Meredith) Sen. Rabon brought for a PCS (PCS25226-RW-6), based on the motion of Sen. Ford. Sen. Rabon presented the bill with the aid of Mr. Bryce Ball of the Fiscal Research Division. There was no public comment. Sen. J. Davis motioned to give the PCS a favorable report. The motion carried and the bill was reported to the Senate Principal Clerk as Unfavorable As To The Bill, But Favorable As To Committee Substitute Bill with a sequential referral to Senate Finance.

SB 273 Motor Vehicle Tax: Waive Penalties/Interest. (Senators D. Davis, Pate) Sen. Don Davis presented the bill. There was no committee discussion or public comment. Based on the motion of Sen. Ford, the committee reported the bill to the Senate Principal Clerk as Favorable with a sequential referral to Senate Finance.




SB 301 DOT/Purchase of Contaminated Land.-AB (Senator Meredith) Sen. Meredith presented the bill. There was no committee discussion or public comment. The committee adopted the motion of Sen. Tucker and reported the bill to the Senate Principal Clerk as Favorable with a sequential referral to Senate Judiciary I.

SB 313 Special Registration Plates. (Senator Bingham) Sen. Bingham presented the bill. There was no committee discussion or public debate. Sen. Tucker motioned for a Favorable report. The committee reported the bill to the Senate Principal Clerk as Favorable. No referrals.

SB 345 Limit Storage Duration for Damaged Vehicle. (Senator Meredith) Sen. Meredith presented the bill. There was a brief committee discussion but no public comment. Sen. Harrington motioned for a favorable report. The bill was reported to the Senate Principal Clerk's office as Favorable with a sequential referral to Senate Judiciary II.

SB 540 Priority Pass/Ferry. (Senators Rabon, Meredith, Harrington) Sen. Rabon presented this bill and recommended the committee take up a PCS to the bill. Sen. Cook moved to consider taking up the PCS. There was a committee discussion about the recipient of the fees. There was no public comment. Sen. Ford moved to give the PCS a Favorable report. The Committee reported the bill to the Senate Principal Clerk as Unfavorable As To The Bill, But Favorable As To Committee Substitute Bill (S540-PCS-25227-RWf-10) with a sequential referral to Senate Finance.

The meeting adjourned at 11:37 am.



Sen. Warren T. Daniel
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, April 15, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 174	Rail Corridor Lease/City of Wilmington.	Senator Lee
SB 195	Motor Vehicle Service Agreement Amendments.	Senator Meredith
SB 217	Distribution of Highway Use Tax and Fees.	Senator Rabon Senator Meredith
SB 273	Motor Vehicle Tax: Waive Penalties/Interest.	Senator D. Davis Senator Pate
SB 301	DOT/Purchase of Contaminated Land.- AB	Senator Meredith
SB 313	License Plate/Retired Register of Deeds.	Senator Bingham
SB 345	Limit Storage Fees on Damaged Vehicle.	Senator Meredith
SB 540	Priority Pass/Ferry.	Senator Rabon Senator Meredith Senator Harrington

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, April 15, 2015

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

SB 174	Rail Corridor Lease/City of Wilmington. Draft Number: None Sequential Referral: None Recommended Referral: None Long Title Amended: No
SB 273	Motor Vehicle Tax: Waive Penalties/Interest. Draft Number: None Sequential Referral: Finance Recommended Referral: None Long Title Amended: No
SB 301	DOT/Purchase of Contaminated Land.-AB Draft Number: None Sequential Referral: Judiciary I Recommended Referral: None Long Title Amended: No
SB 313	License Plate/Retired Register of Deeds. Draft Number: None Sequential Referral: None Recommended Referral: None Long Title Amended: No
SB 345	Limit Storage Fees on Damaged Vehicle. Draft Number: None Sequential Referral: Judiciary II Recommended Referral: None Long Title Amended: No

TOTAL REPORTED: 5

Committee Clerk Comments:



TRANSPORTATION COMMITTEE REPORT
Wednesday, April 15, 2015

PAGE 2

Senate Transpo 1 of 2 April 15 meeting

Senator Michael Lee will handle SB 174

Senator Donald Davis will handle SB 273

Senator Wesley Meredith will handle SB 301

Senator Stan Bingham will handle SB 313

Senator Kathryn Harrington will handle SB 345



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**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, April 15, 2015

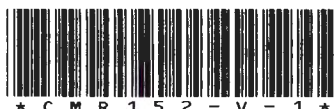
Senator Daniel,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 217	Distribution of Highway Use Tax and Fees.
	Draft Number: S217-PCS25226-RW-6
	Sequential Referral: Finance
	Recommended Referral: None
	Long Title Amended: Yes
SB 540	Priority Pass/Ferry.
	Draft Number: S540-PCS25227-RWf-10
	Sequential Referral: Finance
	Recommended Referral: None
	Long Title Amended: No

TOTAL REPORTED: 2

Senator William Rabon will handle SB 217
Senator William Rabon will handle SB 540



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**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, April 15, 2015

Senator Daniel,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 195	Motor Vehicle Service Agreement Amendments.
	Draft Number: S195-PCS35260-SU-5
	Sequential Referral: Commerce
	Recommended Referral: None
	Long Title Amended: No

TOTAL REPORTED: 1

Senator Wesley Meredith will handle SB 195



★ C M R 1 4 9 - V - 1 ★



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 174

Short Title: Rail Corridor Lease/City of Wilmington. (Public)

Sponsors: Senator Lee (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 5, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT THE CITY OF WILMINGTON MAY LEASE FROM THE
3 DEPARTMENT OF TRANSPORTATION THE DEPARTMENT'S INTEREST IN A
4 PORTION OF THE FORMER CSX TRANSPORTATION RAIL CORRIDOR WITHIN
5 THE LIMITS OF THAT CITY.

6 The General Assembly of North Carolina enacts:

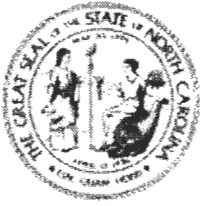
7 **SECTION 1.** The City of Wilmington and the North Carolina Department of
8 Transportation are authorized to enter into a lease agreement for interim public recreation use
9 of that portion of the Department's interest in the portion of the right-of-way of the former CSX
10 Transportation corridor known as the Wilmington Downtown Lead from its intersection with
11 3rd Street to its intersection with McRae Street, provided that all of the following conditions
12 are met:

- 13 (1) The City of Wilmington will examine title to the real property comprising
14 the above described portion of rail corridor and identify all persons owning
15 an interest in the real property comprising the rail corridor portion to be
16 leased.
- 17 (2) All persons owning an interest in the real property comprising the rail
18 corridor portion to be leased will be parties to the lease.
- 19 (3) The City of Wilmington has requested use of the portion of the rail corridor
20 described in this act for interim public recreational trail use and agrees in
21 writing to assume all development costs as well as management, security,
22 and liability responsibilities as defined by the Department of Environment
23 and Natural Resources and the Department of Transportation.
- 24 (4) The Department of Transportation determines that there will not likely be a
25 need to resume active rail service in the leased portion of the rail corridor for
26 at least 10 years.
- 27 (5) The lease agreement allowing trail use includes terms for resumption of
28 active rail use which will assure unbroken continuation of the corridor's
29 perpetual use for railroad purposes and interim compatible uses.
- 30 (6) Use of the rail corridor or portions thereof as a recreational trail does not
31 interfere with the ultimate transportation purposes of the corridor as
32 determined by the Department of Transportation.

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







SENATE BILL 174: Rail Corridor Lease/City of Wilmington

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Lee
Analysis of: First Edition

Date: April 15, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *Senate Bill 174 would authorize the Department of Transportation to lease a portion of the former CSX rail corridor to the City of Wilmington for public recreation use.*

BILL ANALYSIS: Senate bill 174 would authorize the Department of Transportation to lease its interest in a portion of the right-of-way of the former CSX transportation rail corridor to the City of Wilmington for interim public recreation use under the following conditions:

- The City identifies all persons owning an interest in the property to be leased.
- All persons owning an interest in the property will be parties to the lease.
- The City agrees to assume all development costs and management, security, and liability responsibility.
- The Department determines there will not be a need to resume rail service on the corridor for at least 10 years.
- The lease agreement includes terms for resumption of active rail use.
- Use of the corridor as recreational trail does not interfere with its ultimate transportation purpose.

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

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 5, 2015
S.B. 195
PRINCIPAL CLERK

S

D

SENATE DRS25032-MH-13B (12/04)

Short Title: Motor Vehicle Service Agreement Amendments. (Public)

Sponsors: Senator Meredith (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE A LEGAL FRAMEWORK FOR THE SALE AND REGULATION
3 OF MOTOR VEHICLE ANCILLARY PRODUCT CONTRACTS IN NORTH
4 CAROLINA.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 66-370 reads as rewritten:

7 "§ 66-370. Motor vehicle service agreement companies.

8 (a) This section applies to all motor vehicle service agreement companies soliciting
9 business in this State, but it does not apply to maintenance agreements, performance
10 guarantees, warranties, or motor vehicle service agreements made by

11 (1) A manufacturer,

12 (2) A distributor, or

13 (3) A subsidiary or affiliate of a manufacturer or a distributor, where fifty-one
14 percent (51%) or more of the subsidiary or affiliate is owned directly or
15 indirectly by

16 a. The manufacturer,

17 b. The distributor, or

18 c. The common owner of fifty-one percent (51%) or more of the
19 manufacturer or distributor

20 in connection with the sale of motor vehicles. This section does not apply to
21 any motor vehicle dealer licensed to do business in this State (i) whose
22 primary business is the retail sale and service of motor vehicles; (ii) who
23 makes and administers its own service agreements with or without
24 association with a third-party administrator or who makes its own service
25 agreements in association with a manufacturer, distributor, or their
26 subsidiaries or affiliates; and (iii) whose service agreements cover only
27 vehicles sold by the dealer to its retail customer; provided that the dealer
28 complies with G.S. 66-372 and G.S. 66-373. A motor vehicle dealer who
29 sells a motor vehicle service agreement to a consumer, as defined in 15
30 U.S.C. § 2301(3), is not deemed to have made a written warranty to the
31 consumer with respect to the motor vehicle sold or to have entered into a
32 service contract with the consumer that applies to the motor vehicle, as
33 provided in 15 U.S.C. § 2308(a), if: (i) the motor vehicle dealer acts as a
34 mere agent of a third party in selling the motor vehicle service agreement;
35 and (ii) the motor vehicle dealer would, after the sale of the motor vehicle



service agreement, have no further obligation under the motor vehicle service agreement to the consumer to service or repair the vehicle sold to the consumer at or within 90 days before the dealer sold the motor vehicle service agreement to the consumer.

(b) The following definitions apply in this section and in G.S. 66-371, 66-372, and 66-373:

(1) Ancillary protection product. – A protective chemical, substance, device, or system that is installed on or applied to a motor vehicle and is designed to prevent loss or damage to a motor vehicle from a specific cause. For purposes of this section, the term "ancillary protection product" shall include, but not be limited to, protective chemicals, alarm systems, body part marking products, steering locks, window etch products, pedal and ignition locks, fuel and ignition kill switches, and electronic, radio, and satellite tracking devices. "Ancillary protection product" does not include fuel additives, oil additives, or other chemical products applied to the engine, transmission, or fuel system of a motor vehicle.

(+)(1a) Authorized insurer. – An insurance company authorized to write liability insurance under Articles 7, 16, 21, or 22 of Chapter 58 of the General Statutes.

(2) Distributor. – Defined in G.S. 20-286(3).

(3) Licensed insurer. – An insurance company licensed to write liability insurance under Article 7 or 16 of Chapter 58 of the General Statutes.

(4) Motor vehicle. – Defined in G.S. 20-4.01(23), but also including mopeds as defined in G.S. 20-4.01(27)d1.

(4a) Motor vehicle failure. – The failure of a mechanical or other component part of the motor vehicle arising out of the ownership, operation, or use of the vehicle.

(5) Motor vehicle service agreement. –

a. Any contract or agreement (i) indemnifying the motor vehicle service agreement holder against loss caused by failure, arising out of the ownership, operation, or use of a motor vehicle, of a mechanical or other component part of the motor vehicle; or (ii) providing for the repair of a motor vehicle failure that is listed in the agreement.

b. A motor vehicle service agreement includes a contract or agreement to perform or to indemnify the holder of the motor vehicle service agreement for performance of any of the following services:

1. The repair or replacement of tires or wheels on a motor vehicle damaged as a result of coming into contact with road hazards.

2. The removal of dents, dings, or creases on a motor vehicle that can be repaired using the process of paintless dent removal without affecting the existing paint finish and without replacing vehicle body panels, sanding, bonding, or painting.

3. The repair of chips or cracks in or the replacement of motor vehicle windshields as a result of damage caused by road hazards.

4. The replacement of a motor vehicle key or key-fob in the event that the key or key-fob becomes inoperable or is lost or stolen.

5. Other services which may be approved by the Commissioner of Insurance, if not inconsistent with other provisions of this Article.

c. The term A motor vehicle service agreement does not mean include (i) a contract or agreement guaranteeing the performance of parts parts, ancillary protection products, or lubricants manufactured or distributed by the guarantor and sold for use in connection with a motor vehicle where no additional consideration is paid or given to the guarantor for the contract or agreement beyond the price of the parts parts, ancillary protection products, or lubricants lubricants; or (ii) coverage for the repair or replacement of damage to the interior surfaces of a vehicle, or for repair or replacement of damage to the exterior paint or finish of a vehicle; provided, however, that such coverage may be offered in connection with the sale of an ancillary protection product as defined in this section.

(6) Motor vehicle service agreement company. – Any person that issues motor vehicle service agreements and that is not a licensed insurer.

...."

SECTION 2. G.S. 58-1-15 reads as rewritten:

"§ 58-1-15. Warranties by manufacturers, distributors, or sellers of goods or services.

...

(b) Any warranty made solely by a manufacturer, distributor, or seller of goods or services without charge, or an extended warranty offered as an option and made solely by a manufacturer, distributor, or seller of goods or services for charge, that guarantees indemnity for defective parts, mechanical or electrical breakdown, labor, or any other remedial measure, including replacement of goods or repetition of services, shall not be a contract of insurance under Articles 1 through 64 of this Chapter; however, service agreements on motor vehicles are governed by G.S. 66-370, 66-372, and 66-373. Service agreements on home appliances are governed by G.S. 66-371, 66-372, and 66-373.

(b1) Service agreements on home appliances or on motor vehicles made by any person other than the manufacturer, distributor, or seller of the home appliance or motor vehicle and offered in compliance with Article 43 of Chapter 66 of the General Statutes shall not be a contract of insurance and shall be exempt from all provisions of this Chapter unless otherwise expressly provided.

...."

SECTION 3. G.S. 66-372(e)(2) reads as rewritten:

"(2) With respect to a motor vehicle service agreement as defined in G.S. 66-370(b)(1), G.S. 66-370, provide for a right of assignability by the consumer to a subsequent purchaser before expiration of coverage if the subsequent purchaser meets the same criteria for motor vehicle service agreement acceptability as the original purchaser; and"

SECTION 4. This act becomes effective July 1, 2015.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 195
PROPOSED COMMITTEE SUBSTITUTE S195-CSSU-5 [v.1]

3/25/2015 4:09:45 PM

Short Title: Motor Vehicle Service Agreement Amendments.

(Public)

Sponsors:

Referred to:

March 9, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE A LEGAL FRAMEWORK FOR THE SALE AND REGULATION
3 OF MOTOR VEHICLE ANCILLARY PRODUCT CONTRACTS IN NORTH
4 CAROLINA.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 66-370 reads as rewritten:

7 "§ 66-370. Motor vehicle service agreement companies.

8 (a) This section applies to all motor vehicle service agreement companies soliciting
9 business in this State, but it does not apply to maintenance agreements, performance
10 guarantees, warranties, or motor vehicle service agreements made by

11 (1) A manufacturer,

12 (2) A distributor, or

13 (3) A subsidiary or affiliate of a manufacturer or a distributor, where fifty-one
14 percent (51%) or more of the subsidiary or affiliate is owned directly or
15 indirectly by

16 a. The manufacturer,

17 b. The distributor, or

18 c. The common owner of fifty-one percent (51%) or more of the
19 manufacturer or distributor

20 in connection with the sale of motor vehicles. This section does not apply to
21 any motor vehicle dealer licensed to do business in this State (i) whose
22 primary business is the retail sale and service of motor vehicles; (ii) who
23 makes and administers its own service agreements with or without
24 association with a third-party administrator or who makes its own service
25 agreements in association with a manufacturer, distributor, or their
26 subsidiaries or affiliates; and (iii) whose service agreements cover only
27 vehicles sold by the dealer to its retail customer; provided that the dealer
28 complies with G.S. 66-372 and G.S. 66-373. A motor vehicle dealer who
29 sells a motor vehicle service agreement to a consumer, as defined in 15
30 U.S.C. § 2301(3), is not deemed to have made a written warranty to the
31 consumer with respect to the motor vehicle sold or to have entered into a
32 service contract with the consumer that applies to the motor vehicle, as
33 provided in 15 U.S.C. § 2308(a), if: (i) the motor vehicle dealer acts as a
34 mere agent of a third party in selling the motor vehicle service agreement;
35 and (ii) the motor vehicle dealer would, after the sale of the motor vehicle
36 service agreement, have no further obligation under the motor vehicle



1 service agreement to the consumer to service or repair the vehicle sold to the
2 consumer at or within 90 days before the dealer sold the motor vehicle
3 service agreement to the consumer.

4 (b) The following definitions apply in this section and in G.S. 66-371, 66-372, and
5 66-373:

6 (1) Ancillary protection product. – A protective chemical, substance, device, or
7 system that (i) is installed on or applied to a motor vehicle, (ii) is designed to
8 prevent loss or damage to a motor vehicle from a specific cause, and (iii)
9 includes an ancillary protection product warranty. For purposes of this
10 section, the term "ancillary protection product" shall include, but not be
11 limited to, protective chemicals, alarm systems, body part marking products,
12 steering locks, window etch products, pedal and ignition locks, fuel and
13 ignition kill switches, and electronic, radio, and satellite tracking devices.
14 "Ancillary protection product" does not include fuel additives, oil additives,
15 or other chemical products applied to the engine, transmission, or fuel
16 system of a motor vehicle.

17 (1a) Ancillary protection product warranty. – A written agreement by a warrantor
18 that provides if the ancillary protection product fails to prevent loss or
19 damage to a motor vehicle from a specific cause, that the warrantor will pay
20 to or on behalf of the warranty holder specified incidental costs, which may
21 include without limitation insurance policy deductibles, rental vehicle
22 charges, the difference between the actual value of the stolen vehicle at the
23 time of theft and the cost of a replacement vehicle, sales taxes, registration
24 fees, transaction fees, and mechanical inspection fees. Incidental costs may
25 be reimbursed in either a fixed amount specified in the ancillary protection
26 product warranty or by use of a formula itemizing specific incidental costs
27 incurred by the warranty holder.

28 (+)(1b) Authorized insurer. – An insurance company authorized to write liability
29 insurance under Articles 7, 16, 21, or 22 of Chapter 58 of the General
30 Statutes.

31 (2) Distributor. – Defined in G.S. 20-286(3).

32 (3) Licensed insurer. – An insurance company licensed to write liability
33 insurance under Article 7 or 16 of Chapter 58 of the General Statutes.

34 (4) Motor vehicle. – Defined in G.S. 20-4.01(23), but also including mopeds as
35 defined in G.S. 20-4.01(27)d1.

36 (4a) Motor vehicle failure. – The failure of a mechanical or other component part
37 of the motor vehicle arising out of the ownership, operation, or use of the
38 vehicle.

39 (5) Motor vehicle service agreement. –

40 a. Any contract or agreement (i) indemnifying the motor vehicle service
41 agreement holder against loss caused by failure, arising out of the
42 ownership, operation, or use of a motor vehicle, of a mechanical or
43 other component part of the motor vehicle; a motor vehicle failure that
44 is listed in the agreement; or (ii) providing for the repair of
45 a motor vehicle failure that is listed in the agreement.

46 b. A motor vehicle service agreement includes a contract or agreement
47 to perform or to indemnify the holder of the motor vehicle service
48 agreement for performance of any of the following services:

49 1. The repair or replacement of tires or wheels on a motor
50 vehicle damaged as a result of coming into contact with road
51 hazards.

2. The removal of dents, dings, or creases on a motor vehicle that can be repaired using the process of paintless dent removal without affecting the existing paint or finish and without replacing vehicle body panels, sanding, bonding, or painting.
3. The repair of chips or cracks in or the replacement of motor vehicle windshields as a result of damage caused by road hazards.
4. The replacement of a motor vehicle key or key-fob in the event that the key or key-fob becomes inoperable or is lost or stolen.
5. Other services which may be approved by the Commissioner of Insurance, if not inconsistent with other provisions of this Article.

c. ~~The term~~ A motor vehicle service agreement does not mean include (i) a contract or agreement guaranteeing the performance of parts or lubricants manufactured or distributed by the guarantor and sold for use in connection with a motor vehicle where no additional consideration is paid or given to the guarantor for the contract or agreement beyond the price of the parts or lubricants; (ii) ancillary protection product warranties; or (iii) coverage for the repair or replacement of damage to the interior surfaces of a vehicle, or for repair or replacement of damage to the exterior paint or finish of a vehicle; provided, however, that such coverage may be offered in connection with the sale of an ancillary protection product as defined in this section.

- (6) Motor vehicle service agreement company. – Any person that issues motor vehicle service agreements and that is not a licensed insurer.

...."

SECTION 2. G.S. 58-1-15 reads as rewritten:

"§ 58-1-15. Warranties by manufacturers, distributors, or sellers of goods or services.

...

(b) Any ~~warranty~~ warranty, including an ancillary protection product warranty as defined by G.S. 66-370(b)(1a), made solely by a manufacturer, distributor, or seller of goods or services without charge, or an extended warranty offered as an option and made solely by a manufacturer, distributor, or seller of goods or services for charge, that guarantees indemnity for defective parts, mechanical or electrical breakdown, labor, or any other remedial measure, including replacement of goods or repetition of services, shall not be a contract of insurance under Articles 1 through 64 of this Chapter; however, service agreements on motor vehicles are governed by G.S. 66-370, 66-372, and 66-373. Service agreements on home appliances are governed by G.S. 66-371, 66-372, and 66-373.

(b1) Service agreements on home appliances or on motor vehicles offered in compliance with Article 43 of Chapter 66 of the General Statutes shall not be contracts of insurance and shall be exempt from all provisions of this Chapter unless otherwise expressly provided.

...."

SECTION 3. G.S. 66-372(e)(2) reads as rewritten:

- "(2) With respect to a motor vehicle service agreement as defined in ~~G.S. 66-370(b)(1)~~, G.S. 66-370, provide for a right of assignability by the consumer to a subsequent purchaser before expiration of coverage if the subsequent purchaser meets the same criteria for motor vehicle service agreement acceptability as the original purchaser; and"

1

SECTION 4. This act becomes effective July 1, 2015.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 10, 2015
S.B. 217
PRINCIPAL CLERK

S

SENATE DRS15089-MLxfa-91B (2/24)

Short Title: Distribution of Highway Use Tax and Fees. (Public)

Sponsors: Senators Rabon and Meredith (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ADJUST THE RATE OF THE HIGHWAY USE TAX FOR THE
3 SHORT-TERM LEASE OR RENTAL OF A MOTOR VEHICLE, TO ADJUST THE
4 DISTRIBUTION OF THE HIGHWAY USE TAXES COLLECTED ON THE
5 SHORT-TERM LEASE OR RENTAL OF A MOTOR VEHICLE, TO ADJUST THE
6 DISTRIBUTION OF THE PROCEEDS FROM CERTAIN FEES COLLECTED BY THE
7 DIVISION OF MOTOR VEHICLES, AND TO APPROPRIATE FUNDS ON AN
8 ANNUAL BASIS FROM THE HIGHWAY FUND TO THE NORTH CAROLINA
9 STATE PORTS AUTHORITY AND THE DIVISION OF AVIATION OF THE
10 DEPARTMENT OF TRANSPORTATION.

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** G.S. 105-187.5(b) reads as rewritten:

13 "(b) Rate. – The tax rate on the gross receipts from the short-term lease or rental of a
14 motor vehicle is ~~eight percent (8%)~~ nine percent (9%) and the tax rate on the gross receipts from
15 the long-term lease or rental of a motor vehicle is three percent (3%). Gross receipts does not
16 include the amount of any allowance given for a motor vehicle taken in trade as a partial
17 payment on the lease or rental price. The maximum tax in G.S. 105-187.3(a) on certain motor
18 vehicles applies to a continuous lease or rental of such a motor vehicle to the same person."

19 **SECTION 2.** G.S. 105-187.9(a) reads as rewritten:

20 "(a) Distribution. – Taxes collected under ~~this Article at the rate of eight percent (8%)~~
21 ~~shall be credited to the General Fund. Taxes collected under this Article at the rate of three~~
22 ~~percent (3%)~~ G.S. 105-187.5(b) shall be credited to the North Carolina Highway Trust Fund."

23 **SECTION 3.** G.S. 20-85(b) reads as rewritten:

24 "(b) Except as otherwise provided in subsections (a1) and (a2) of this section, the fees
25 collected under subdivisions (a)(1) through (a)(9) of this section ~~shall be credited to the North~~
26 ~~Carolina Highway Trust Fund. The fees collected under subdivision (a)(10) of this section shall~~
27 ~~be credited to the Highway Fund."~~

28 **SECTION 4.** Notwithstanding G.S. 143C-5-2, there is appropriated from the
29 Highway Fund to each of the following the sum of eight million dollars (\$8,000,000) in
30 recurring funds for the 2015-2016 fiscal year:

- 31 (1) To a reserve fund for use by the North Carolina State Ports Authority for
32 prioritized capital improvements to State Port infrastructure and facilities.
33 (2) To the Division of Aviation of the Department of Transportation for airport
34 development.

35 **SECTION 5.** This act becomes effective July 1, 2015, and applies to taxes and fees
36 collected on or after that date.





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 217
PROPOSED COMMITTEE SUBSTITUTE S217-CSRWx-6 [v.6]

4/14/2015 4:28:48 PM

Short Title: Distribution of Highway Use Tax and Fees.

(Public)

Sponsors:

Referred to:

March 11, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ADJUST THE DISTRIBUTION OF THE HIGHWAY USE TAXES
3 COLLECTED ON THE SHORT-TERM LEASE OR RENTAL OF A MOTOR VEHICLE,
4 AND TO APPROPRIATE FUNDS ON AN ANNUAL BASIS FROM THE HIGHWAY
5 FUND TO THE NORTH CAROLINA STATE PORTS AUTHORITY AND THE
6 DIVISION OF AVIATION OF THE DEPARTMENT OF TRANSPORTATION.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 105-187.9(a) reads as rewritten:

9 "(a) Distribution. – Taxes collected under this Article at the rate of eight percent (8%)
10 shall be credited to the ~~General Highway~~ Fund. Taxes collected under this Article at the rate of
11 three percent (3%) shall be credited to the North Carolina Highway Trust Fund."

12 **SECTION 2.** G.S. 105-187.9 is amended by adding a new subsection to read:

13 "(b) Beginning in the 2015-2016 fiscal year, of the taxes collected under this Article at
14 the rate of eight percent (8%) and credited to the Highway Fund:

15 (1) Thirty-five million dollars (\$35,000,000) is annually appropriated from the
16 Highway Fund to a reserve fund for use by the North Carolina State Ports
17 Authority for prioritized capital improvements to State Port infrastructure
18 and facilities.

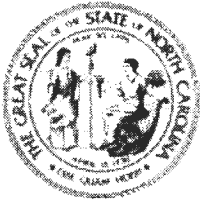
19 (2) Twenty-one million dollars (\$21,000,000) is annually appropriated from the
20 Highway Fund to the Division of Aviation of the Department of
21 Transportation for prioritized capital improvements to public airports and
22 time-sensitive aviation capital improvement projects for economic
23 development purposes.

24 **SECTION 3.** This act becomes effective July 1, 2015, and applies to taxes
25 collected on or after that date.



* S 2 1 7 - C S R W X - 6 - V - 6 *





SENATE BILL 217: Distribution of Highway Use Tax and Fees

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	April 14, 2015
Introduced by:	Sens. Rabon, Meredith	Prepared by:	Giles S. Perry
Analysis of:	PCS to First Edition S217-CSRWx-6		Committee Counsel

SUMMARY: *Senate Bill 217 provides that highway use taxes collected on the short term lease or rental of a motor vehicle be credited to the Highway Fund, appropriates of \$35 to the North Carolina State Ports Authority, and \$21 million to the Division of Aviation of the Department of Transportation, for the purposes specified.*

CURRENT LAW: Current law provides that the current 8% highway use taxes collected on the short term lease or rental of a motor vehicle be credited to the General Fund.

BILL ANALYSIS: Senate Bill 217:

- Provides that highway use taxes collected on the short term lease or rental of a motor vehicle be credited to the Highway Fund.
- Appropriates \$35 million of these funds are annually appropriated from the Highway Fund to a reserve fund for use by the North Carolina State Ports Authority for prioritized capital improvements to State Port infrastructure and facilities.
- Appropriates \$21 million of these funds are annually appropriated from the Highway Fund to the Division of Aviation of the Department of Transportation for prioritized capital improvements to public airports and time sensitive aviation capital improvement projects for economic development purposes.

EFFECTIVE DATE: July 1, 2015, and applies to taxes collected on or after that date.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 273

Short Title: Motor Vehicle Tax: Waive Penalties/Interest. (Public)

Sponsors: Senators D. Davis, Pate (Primary Sponsors); and Smith-Ingram.

Referred to: Rules and Operations of the Senate.

March 16, 2015

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE FLEXIBILITY IN WAIVING PENALTIES AND INTEREST
FOR MOTOR VEHICLE TAXES FOR TAX YEARS PRIOR TO JULY 1, 2013.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-330.4 reads as rewritten:

"§ 105-330.4. Due date, interest, and enforcement remedies.

(a) Due Date. – The registration of a classified motor vehicle may not be issued unless a temporary registration plate is issued for the motor vehicle under G.S. 20-79.1A or the taxes for the motor vehicle's tax year that begins after the issuance of the registration are paid upon registration. A registration of a classified motor vehicle may not be renewed unless the taxes for the motor vehicle's tax year that begins after the registration expires are paid upon registration. If the registration of a classified motor vehicle is renewed earlier than the date the taxes are due, the taxes must be paid as if they were due. Taxes on a classified motor vehicle are due as follows:

(1) For an unregistered classified motor vehicle, the taxes are due on September 1 following the date by which the vehicle was required to be listed.

(2) For a registered classified motor vehicle that is registered under the staggered system, the taxes are due each year on the date the owner applies for a new registration or the fifteenth day of the month following the month in which the registration renewal sticker expires pursuant to G.S. 20-66(g).

(3) For a registered classified motor vehicle that is registered under the annual system, taxes are due on the date the owner applies for a new registration or 45 days after the registration expires.

(4) For a registered classified motor vehicle that has a temporary registration plate issued under G.S. 20-79.1 or a limited registration plate issued under G.S. 20-79.1A, the taxes are due on the last day of the second month following the date the owner applied for the plate.

(a1) Repealed by Session Laws 2009-445, s. 24(a), effective July 1, 2013, and applicable to combined tax and registration notices issued on or after that date.

(b) Interest. – Interest accrues on unpaid taxes and unpaid registration fees for registered classified motor vehicles at the rate of five percent (5%) for the remainder of the month the taxes are due under subsection (a) of this section. Interest does not accrue for the first month following the due date. Interest accrues at the rate of three-fourths percent (3/4%) beginning the second month following the due date and for each following month until the taxes and fees are paid. Subject to the provisions of G.S. 105-395.1, interest accrues on





1 delinquent taxes on unregistered classified motor vehicles as provided in G.S. 105-360(a) and
2 the discounts allowed in G.S. 105-360(a) apply to the payment of the taxes.

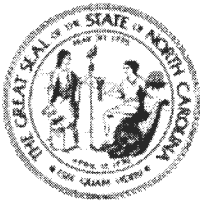
3 (c) Remedies. – The enforcement remedies in this Subchapter apply to unpaid taxes on
4 an unregistered classified motor vehicle and to unpaid taxes on a registered classified motor
5 vehicle for which the tax year begins before October 1, 2013.

6 (d) Payments. – Tax payments submitted by mail are deemed to be received as of the
7 date shown on the postmark affixed by the United States Postal Service. If no date is shown on
8 the postmark or if the postmark is not affixed by the United States Postal Service, the tax
9 payment is deemed to be received when the payment is received by the collecting authority. In
10 any dispute arising under this subsection, the burden of proof is on the taxpayer to show that
11 the payment was timely made.

12 (e) Waiver. – Notwithstanding any other provisions of law, the governing board of a
13 county may, upon making a record of the reasons therefore, reduce or waive any interest or
14 penalties on delinquent motor vehicle taxes for registered classified motor vehicles for tax
15 years prior to July 1, 2013."

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





SENATE BILL 273: Motor Vehicle Tax: Waive Penalties/Interest

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	April 15, 2015
Introduced by:	Sens. D. Davis, Pate	Prepared by:	Wendy Graf Ray
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 273 would authorize counties to reduce or waive interest or penalties on delinquent motor vehicle taxes for tax years prior to July 1, 2013.*

CURRENT LAW: Article 22A of Chapter 105 of the General Statutes provides for classification, valuation, and taxation of motor vehicles. G.S. 105-330.4(b) sets out interest that applies to delinquent taxes, which accrues each month until taxes and fees are paid.

BILL ANALYSIS: Senate Bill 273 would allow the governing board of a county to reduce or waive any interest or penalties on delinquent taxes for registered motor vehicles upon making a record of the reasons for doing so. The provision would only apply to tax years prior to July 1, 2013, when the combined motor vehicle registration renewal and property tax collection system began.

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

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 301

Short Title: DOT/Purchase of Contaminated Land.-AB (Public)

Sponsors: Senator Meredith (Primary Sponsor).

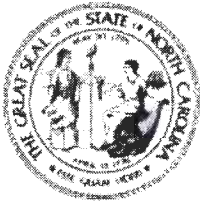
Referred to: Rules and Operations of the Senate.

March 18, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT THE DEPARTMENT OF TRANSPORTATION FROM THE
3 PROHIBITION ON PURCHASE OF CONTAMINATED PROPERTY BY PUBLIC
4 ENTITIES, AS RECOMMENDED BY THE DEPARTMENT OF TRANSPORTATION.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** G.S. 133-40(a) is rewritten to read:
7 "(a) For purposes of this Article, the term "public entity" means the State and the
8 Community College ~~System~~.System, provided, however, that the term does not include the
9 Department of Transportation in the exercise of the powers conferred by G.S. 136-19."
10 **SECTION 2.** This act is effective when it becomes law.







SENATE BILL 301: DOT/Purchase of Contaminated Land.-AB

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Judiciary I	Date:	April 13, 2015
Introduced by:	Sen. Meredith	Prepared by:	Giles S. Perry
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 301 exempts DOT from the State law prohibition on State purchase of contaminated property.*

CURRENT LAW: Under current G.S. 133-40, the State and the Community College System are prohibited from purchasing any real property with known contamination¹, unless they obtain the approval of the Governor and the Council of State.

BILL ANALYSIS: Senate Bill 301 exempts the Department of Transportation from the prohibition on the State purchase of contaminated property for State Transportation projects.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND: According to Mike Holder, Chief Engineer, Division of Highways, DOT is buying contaminated properties only when necessary for DOT construction projects.

¹ "Contamination" is defined in G.S. 130A -310.65 and -310.67.





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 313

Short Title: License Plate/Retired Register of Deeds. (Public)
Sponsors: Senators Bingham (Primary Sponsor); Hise and Waddell.
Referred to: Rules and Operations of the Senate.

March 18, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DEFINE WHO IS ELIGIBLE TO RECEIVE A RETIRED REGISTER OF
3 DEEDS SPECIAL REGISTRATION PLATE.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** G.S. 20-79.4(b)(190) reads as rewritten:
6 "(190) Register of Deeds. – Issuable to a register of ~~deeds~~ deeds of a county of this
7 State. The plate shall bear the words "Register of Deeds" and the letter "R"
8 followed by a number representing the county of the register of deeds. The
9 number of a county shall be the order of the county in an alphabetical list of
10 counties that assigns number one to the first county in the list. A plate issued
11 to a retired register of deeds shall bear the phrase "Register of Deeds,
12 Retired," followed by a number that indicates the county where the register
13 of deeds served and a designation indicating the retired status of the register
14 of deeds. For purposes of this subdivision, a "retired register of deeds" is a
15 person (i) with at least 10 years of service as a register of deeds of a county
16 of this State and (ii) who no longer holds that office for any reason other
17 than removal under G.S. 161-27."
18 **SECTION 2.** This act is effective when it becomes law.







SENATE BILL 313: License Plate/Retired Register of Deeds

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Bingham
Analysis of: First Edition

Date: April 15, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *Senate Bill 313 would clarify who is eligible for a Retired Register of Deeds special registration plate.*

CURRENT LAW: The statutes currently authorize a special license plate bearing the phrase "Register of Deeds, Retired," which is issuable to a retired register of deeds.

BILL ANALYSIS: Senate Bill 313 would clarify that, for purposes of being eligible for a Retired Register of Deeds special registration plate, a retired register of deeds is a person:

- With at least 10 years of service as a register of deeds in a county in NC; and
- Who no longer holds that office for reasons other than being removed from office for failing to discharge his or her duties.

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

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 345

Short Title: Limit Storage Fees on Damaged Vehicle. (Public)
Sponsors: Senators Meredith (Primary Sponsor); and Rabin.
Referred to: Rules and Operations of the Senate.

March 23, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO LIMIT THE AMOUNT OF STORAGE FEES THAT CERTAIN PARTIES ARE
3 RESPONSIBLE FOR WHEN A MOTOR VEHICLE IS IMPOUNDED AFTER A
4 CRASH.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 3 of Chapter 20 of the General Statutes is amended by adding
7 a new section to read:

8 "**§ 20-166.3. Limit storage fees for vehicle damaged as a result of a crash.**

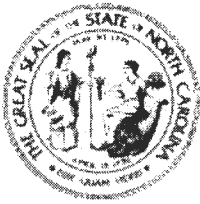
9 (a) Limited Fees. – A law enforcement agency that impounds a motor vehicle that was
10 damaged as a result of a crash shall limit the amount of time that it stores the motor vehicle.
11 Notwithstanding any other provision of law, a motor vehicle owner, the insurer of the motor
12 vehicle, and any other person with an ownership interest in the motor vehicle, shall not be
13 liable for storage charges in excess of the sum of five hundred dollars (\$500.00). A law
14 enforcement agency may move a motor vehicle subject to this subsection from a commercial
15 storage facility to a public storage facility if the law enforcement agency determines that
16 storage fees may exceed the amount set forth in this subsection.

17 (b) Application. – This section shall not apply to a motor vehicle (i) seized as a result of
18 a violation of law or (ii) abandoned by the owner."

19 SECTION 2. This act becomes effective July 1, 2015, and applies to motor
20 vehicles impounded on or after that date.







SENATE BILL 345: Limit Storage Fees on Damaged Vehicle

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Judiciary II. If fav, re-ref to Finance	Date:	April 14, 2015
Introduced by:	Sen. Meredith	Prepared by:	Giles S. Perry
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 345 limits the fee that can be charged for storage of a vehicle impounded by a law enforcement agency as a result of a crash to \$500.*

CURRENT LAW: Current law does not limit the fee that can be charged by a storage facility for storage of a vehicle impounded by a law enforcement agency as a result of a crash

BILL ANALYSIS: Senate Bill 345 provides:

- If a law enforcement agency impounds a vehicle as a result of a crash, the owner may not be charged more than \$500 in storage fees.
- A law enforcement agency may move a motor vehicle impounded by it as a result of a crash from a commercial storage facility to a public storage facility, if the law enforcement agency determines that storage fees may exceed \$500.
- The bill does not apply to a motor vehicle seized as a result of a violation of law or abandoned by the owner."

EFFECTIVE DATE: Senate Bill 345 becomes effective July 1, 2015, and applies to motor vehicles impounded on or after that date.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 26, 2015
S.B. 540
PRINCIPAL CLERK

S

D

SENATE DRS35236-MLf-172 (03/13)

Short Title: Priority Pass/Ferry. (Public)

Sponsors: Senators Rabon, Meredith, and Harrington (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A SET FEE AMOUNT FOR THE ISSUANCE OF AN ANNUAL
3 PASS THAT ENTITLES A PASSENGER TO PRIORITY WHEN BOARDING A FERRY
4 PASSENGER VESSEL.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 136-82(f) reads as rewritten:

7 "(f) Authority to Generate Certain Receipts. – The Department of Transportation,
8 notwithstanding any other provision of law, may operate or contract for the following
9 receipt-generating activities and use the proceeds for ferry passenger vessel replacement
10 projects in the manner set forth in subsection (d) of this section:

11 ...

12 (3a) Issuance of annual passes to individual passengers that entitle the passengers
13 to priority when boarding a ferry passenger vessel. The Department of
14 Transportation shall charge an annual fee of one hundred fifty dollars
15 (\$150.00) for each pass issued under this subdivision. Notwithstanding any
16 other provision of law, the Department of Transportation shall not provide
17 free of charge annual passes to individual passengers that entitle the
18 passengers to priority when boarding a ferry passenger vessel.

19 ...

20 The Department may issue rules to implement this subsection."

21 SECTION 2. This act becomes effective July 1, 2015, and applies to passes issued
22 on or after that date.



* D R S 3 5 2 3 6 - M L F - 1 7 2 *



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 540
PROPOSED COMMITTEE SUBSTITUTE S540-CSRWF-10 [v.1]

4/14/2015 10:52:47 AM

Short Title: Priority Pass/Ferry.

(Public)

Sponsors:

Referred to:

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A SET FEE AMOUNT FOR THE ISSUANCE OF AN ANNUAL
3 PASS THAT ENTITLES A PASSENGER TO PRIORITY WHEN BOARDING A FERRY
4 PASSENGER VESSEL.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 136-82(f) reads as rewritten:

7 "(f) Authority to Generate Certain Receipts. – The Department of Transportation,
8 notwithstanding any other provision of law, may operate or contract for the following
9 receipt-generating activities and use the proceeds for ferry passenger vessel replacement
10 projects in the manner set forth in subsection (d) of this section:

11 ...
12 (3a) Issuance of annual passes to individual passengers that entitle the passengers
13 to priority when boarding a ferry passenger vessel. The Department of
14 Transportation shall charge an annual fee of one hundred fifty dollars
15 (\$150.00) for each pass issued under this subdivision. The fee would be in
16 addition to any applicable ferry toll. Notwithstanding any other provision of
17 law, the Department of Transportation shall not provide free of charge
18 annual passes to individual passengers that entitle the passengers to priority
19 when boarding a ferry passenger vessel.

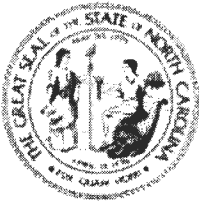
20 ...
21 The Department may issue rules to implement this subsection."

22 SECTION 2. This act becomes effective July 1, 2015, and applies to passes issued
23 on or after that date.



* S 5 4 0 - C S R W F - 1 0 - V - 1 *





SENATE BILL 540: Priority Pass/Ferry

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	April 14, 2015
Introduced by:	Sens. Rabon, Meredith, Harrington	Prepared by:	Giles S. Perry
Analysis of:	PCS to First Edition S540-CSRWF-10		Committee Counsel

SUMMARY: *Senate Bill 540 authorizes DOT to issue passes authorizing priority ferry boarding, for an additional fee of \$150.*

The proposed committee substitute clarifies that the priority boarding fee is in addition to any applicable ferry toll.

CURRENT LAW: Current G.S. 136-82 authorizes the Board of Transportation to establish tolls on the State Ferry system. Currently, tolls are charged on the Swan Quarter/Ocracoke, Cedar Island/Ocracoke, and Southport/Fort Fisher routes.

Currently, according to the Ferry Division website: "*priority passes are only available at the Hatteras-Ocracoke route. Since a ferry boat is the only way to access Ocracoke Island, businesses, services and individuals who travel back and forth more than twice a week, each week can apply for a priority pass. Passes are issued on an as-needed basis at the beginning of each year.*" No fee is currently charged for a priority pass.

BILL ANALYSIS: Senate Bill 540:

- Authorizes DOT to issue an annual pass to an individual passenger that entitles the passenger to priority when boarding a ferry passenger vessel, for an additional fee of \$150. The proceeds of the priority pass fee would go to a reserve account within the Highway Fund, to be used exclusively for prioritized North Carolina Ferry System ferry passenger vessel replacement projects in the Division in which the proceeds are earned.
- Provides that DOT shall not issue free annual passes to individual passengers that entitle the passengers to priority when boarding a ferry passenger vessel.

EFFECTIVE DATE: This act becomes effective July 1, 2015, and applies to passes issued on or after that date.

O. Walker Reagan
Director



* S 5 4 0 - S M R W - 2 7 C S R W F - 1 0 - V 1 *

Research Division
(919) 733-2578



Luke EVANS

Ashboro

Sen

Tiplaw

Senate

Prager

SARA Strickland

Salemburg

Sen Berger

SENATE TRANSPORTATION

COMMITTEE

April 15, 2015

SENATE SERGEANT-AT-ARMS

GILES JEFFRIES

STEVE WILSON

HAL ROACH



SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 4/15/15

Mac Borley NCAA

Robert Andrews Sen. Lee - LA

Mary Jennigan NCDOT

Kelly Thomas DMV

John Bode B & ~~W~~

[Signature] RANC - MMA - LPA's

Phoebe Landon Brooks Pierce

Thomas Hogue EWU

[Signature] John R.



SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE

4/15/15

Michelle Frauer MF+S

James S. Walker, Attorney at Law, Charlotte

Steve Grimes NC DOT RIGHT OF WAY

Robert Woodland NC DOT Right of Way

Chip Killian

Nelson Mullins

Joan Berdvo -- inter

Corr McLamb - TSS

Rhian Merwald - Wm

Berry Jenkins

CAROLINAS AGC

Andy Chase

KMA



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 4/15/15

Jay Stem

NCAA

Lexi Morgan

NCRMA

[Signature]

MWC

Andy Wachs

SA

H. IASAIKO

NC DOT

Erin P. Huling

NC GA

CSA/11.5

CSA

Demetris Deloatch

Sen. Robinson

Don Crawford

MLCA

Gus Vid

Dea Energy



SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 4/15/15

Peston Jones NC DOT

KEVIN LE Count SEANC

Tony Moore individual

Conny McNamee MMN

Elonore Bailey for sign in

Jack Gray NCM/HA

Fred Bone Bone : Assoc

GERPY WATKIN Nelson Mullins



**Senate Committee on Transportation
Wednesday, April 22, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on April 22, 2015 in Room 1027/1128 of the Legislative Building. 12 members were present. Sergeant-At-Arms were Steve McKaig and Hal Roach. Pages: Langdon Ramseur of Gastonia (Sen. Harrington), Olivia Robertson of Swansboro (Sen. Brown), and Ashley King of Rocky Mount (Sen. Bryant).

Senator Warren T. Daniel, presided.

SB 113 Ferry Division / Fuel Futures. (Senators Cook, Sanderson) Sen. Cook presented this bill with the help of Giles Perry (Fiscal Research). Dan Goodwin, the NC Ferry Division Director also was asked to speak to the bill. After much discussion among the committee, Sen. Hise recommended that the committee request a Fiscal Note. The Committee decided to not report the bill out of committee, but to take it up at a later time.

SB 304 Administration of Logo Sign Program. (Senator B. Jackson) Senator B. Jackson presented the bill. There was no committee discussion or public comment. Based on the motion of Sen. Ford, the Committee reported S304 to the Senate Principal Clerk as Favorable, with no referrals.

SB 370 E-Signatures/Vehicle Title and Registration. (Senator Barefoot) Sen. Barefoot presented the bill. There was no committee discussion or public comment. Sen. Ford moved for a Favorable report. S370 was reported to the Senate Principle Clerk as Favorable, no referrals.

SB 382 RFI/Privatization of Ferry System. (Senators Rabon, Harrington, Meredith) Sen. Rabon brought forward a PCS to his bill. Sen. Ford motioned to hear the PCS. Sen. Hise asked if this topic was on a PED work plan. After a bit of discussion and no public comment, Sen. Harrington moved for a favorable report of the PCS. The Committee reported S382-PCS35269-SU-16 to the Senate Principle Clerk as Unfavorable As To The Bill, But Favorable As To the Committee Substitute Bill.

SB 539 DOT/Workforce Reduction Compliance. (Senator Rabon) Sen. Rabon Presented. He then offered an amendment (S53-ARW-7) that would change a date in the bill. Anna Cameron of Fiscal Research Division explained the bill to the committee. She explained the reasons that DOT did not comply with previous session law. No one from the NCDOT spoke. After a bit of committee discussion, Sen. Tucker motioned that the amendment be rolled into the bill to



become a Senate Committee Substitute bill. That PCS was to be reported as Favorable. The Committee voted to report the new PCS, S539-PCS35269-SU-16, to the Senate Principle Clerk as Unfavorable As To The Bill, But Favorable As To Committee Substitute Bill.

SB 599 Highway Quick Clearance Amendments.-AB (Senators Daniel, Meredith, Robinson) This bill was pulled from the Agenda.

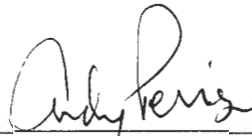
SB 621 Registration Renewal Notice/E-Mail.-AB (Senators Meredith, Rabon, Lowe) Sen. Meredith presented the bill. There was no committee discussion or public debate.

Each bill presenter was to be the bill's Floor handler.

The meeting adjourned at 11:36.



Warren T. Daniel
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, April 22, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 113	Ferry Division / Fuel Futures.	Senator Cook Senator Sanderson
SB 304	Administration of Logo Sign Program.	Senator B. Jackson
SB 370	E-Signatures/Vehicle Title and Registration.	Senator Barefoot
SB 382	RFI/Privatization of Ferry System.	Senator Rabon Senator Harrington Senator Meredith
SB 539	DOT/Workforce Reduction Compliance.	Senator Rabon
SB 599	Highway Quick Clearance Amendments.-AB	Senator Daniel Senator Meredith Senator Robinson
SB 621	Registration Renewal Notice/E-Mail.- AB	Senator Meredith Senator Rabon Senator Lowe

Presentations

Other Business

Adjournment



Principal Clerk _____
Reading Clerk _____

Corrected #1: S 673 has been removed

SENATE
NOTICE OF COMMITTEE MEETING
AND
BILL SPONSOR NOTICE

The Senate Committee on Transportation will meet at the following time:

DAY	DATE	TIME	ROOM
Wednesday	April 22, 2015	11:00 AM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
SB 113 P	Ferry Division / Fuel Futures. PCS	Senator Cook Senator Sanderson
✓ SB 304 O	Administration of Logo Sign Program D	Senator B. Jackson
✓ SB 370 P	E-Signatures/Vehicle Title and Registration.	Senator Barefoot
✓ SB 382 P	RFI/Privatization of Ferry System.	Senator Rabon Senator Harrington Senator Meredith Senator Rabon
SB 539 D	DOT/Workforce Reduction Compliance.	
May have ex DOT Amendments! ✓ SB 599 O	Highway Quick Clearance Amendments.-AB	Senator Daniel Senator Meredith Senator Robinson
✓ SB 621 O	Registration Renewal Notice/E-Mail.-AB	Senator Meredith Senator Rabon Senator Lowe

Senator Warren Daniel, Co-Chair
Senator Bill Rabon, Co-Chair



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, April 22, 2015

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

SB 304

Administration of Logo Sign Program.

Draft Number: None

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

SB 621

Registration Renewal Notice/E-Mail.-AB

Draft Number: None

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 2

Senator W. Jackson will handle SB 304
Senator Wesley Meredith will handle SB 621



* C M R 2 1 3 - V - 1 *

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, April 22, 2015

Senator Daniel,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 370

E-Signatures/Vehicle Title and Registration.

Draft Number: S370-PCS25241-RW-15

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

SB 382

RFI/Privatization of Ferry System.

Draft Number: S382-PCS35269-SU-16

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

SB 539

DOT/Workforce Reduction Compliance.

Draft Number: S539-PCS15234-RW-17

Sequential Referral: Appropriations/Base Budget

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 3

Senator John Barefoot will handle SB 370
Senator William Rabon will handle SB 382
Senator William Rabon will handle SB 539



* C M R 2 1 3 - V - 2 *



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Feb 24, 2015
S.B. 113
PRINCIPAL CLERK

S

D

SENATE DRS15057-MLF-40 (01/26)

Short Title: Ferry Division / Fuel Futures.

(Public)

Sponsors: Senators Cook and Sanderson (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE FERRY DIVISION OF THE DEPARTMENT OF
3 TRANSPORTATION TO ENTER INTO A CONTRACT FOR THE PURCHASE OF
4 MOTOR FUEL THAT OFFERS A GUARANTEED PRICE PLAN OR PREPAID
5 GUARANTEED PRICE PLAN AND TO EXPAND THE PURPOSES FOR WHICH
6 CERTAIN PROCEEDS COLLECTED BY THE FERRY DIVISION MAY BE USED.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.(a)** Notwithstanding any other provision of law, the Ferry Division of
9 the Department of Transportation is authorized to enter into a contract for the purchase of
10 motor fuel that offers a guaranteed price plan or prepaid guaranteed price plan. The following
11 requirements apply to any contract entered into under this section:

- 12 (1) The maximum length of any contract under this section shall be six months.
- 13 (2) The maximum price at which the Division may contract to purchase motor
14 fuel is two dollars fifty cents (\$2.50) per gallon.
- 15 (3) The maximum amount of motor fuel the Division may contract to purchase
16 is two million gallons per contract.
- 17 (4) The Division may take delivery of motor fuel in installments. The contract
18 shall specify the number of deliveries and the dates on which the deliveries
19 are to be made.
- 20 (5) The motor fuel dealer shall file a guaranty bond with the clerk of the
21 superior court in the county in which the contract is entered into. The bond
22 shall be in an amount determined by the Division to be adequate to provide
23 indemnification to the Division for any loss incurred by the Division if the
24 motor fuel dealer fails to deliver the amount of motor fuel specified in the
25 contract. The bond shall be issued by a surety company authorized to do
26 business in this State and shall be in favor of the Division. The bond shall
27 remain in full force and effect until the contract is fully executed by both
28 parties.
- 29 (6) Except as otherwise provided in this section, any contract entered into under
30 this section shall be subject to applicable law.

31 **SECTION 1.(b)** The authority to enter into contracts under this section expires 30
32 days after this act becomes law.

33 **SECTION 2.** G.S. 136-82 reads as rewritten:

34 "§ 136-82. Department of Transportation to establish and maintain ferries.

35 ...



(d) Use of Toll Proceeds. – The Department of Transportation shall credit the proceeds from tolls collected on North Carolina Ferry System routes ~~and~~ and, except as provided in subsection (f1) of this section, receipts generated under subsection (f) of this section to reserve accounts within the Highway Fund for each of the Highway Divisions in which system terminals are located and fares are earned. For the purposes of this subsection, fares are earned based on the terminals from which a passenger trip originates and terminates. Commuter pass receipts shall be credited proportionately to each reserve account based on the distribution of trips originating and terminating in each Highway Division. The proceeds credited to each reserve account shall be used exclusively for prioritized North Carolina Ferry System ferry passenger vessel replacement projects in the Division in which the proceeds are earned. Proceeds may be used to fund ferry passenger vessel replacement projects or supplement funds allocated for ferry passenger vessel replacement projects approved in the Transportation Improvement Program.

...
(f) Authority to Generate Certain Receipts. – The Department of Transportation, notwithstanding any other provision of law, may operate or contract for the following receipt-generating activities ~~and~~ and, except as provided for in subsection (f1) of this section, use the proceeds for ferry passenger vessel replacement projects in the manner set forth in subsection (d) of this section:

- (1) Operation of, concessions on the ferries and at ferry facilities to provide to passengers on the ferries food, drink, and other refreshments, personal comfort items, Internet access, and souvenirs publicizing the ferry system.
- (2) Sponsorships, including, but not limited to, the sale of naming rights to any ferry vessel, ferry route, or ferry facility.
- (3) Advertising on or within any ferry vessel or at any ferry facility, including, but not limited to, display advertising and advertising delivered to passengers through the use of video monitors, public address systems installed in passenger areas, and other electronic media.
- (4) Any other receipt-generating activity not otherwise forbidden by applicable law pertaining to public health or safety.

The Department may issue rules to implement this subsection.

(f1) Capital Improvement Account. – There is established under the control and direction of the Ferry Division of the Department of Transportation the Capital Improvement Account. The Account shall be a nonreverting special revenue account within the Highway Fund. Notwithstanding subsection (f) of this section and G.S. 146-30, the Division shall credit to the Account all proceeds generated from (i) the leasing of office space in the shipyard by the Division and (ii) maintenance and other services performed by the Division, including painting and sandblasting, on boats and other vessels. The Division shall use the proceeds credited to the Account only for the purposes of covering expenses incurred in the leasing of office space in the shipyard and performing maintenance and other services on boats and other vessels, including the purchase, lease, or rental of equipment. Nothing in this subsection shall be construed to alter or supersede the provisions of any trust or other instrument of title in which real property subject to this subsection was acquired or is hereafter acquired.

...."

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

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 113
PROPOSED COMMITTEE SUBSTITUTE S113-CSRW-7 [v.1]

4/8/2015 10:57:48 AM

Short Title: Ferry Division/Capital Improvement Account.

(Public)

Sponsors:

Referred to:

February 25, 2015

A BILL TO BE ENTITLED
AN ACT TO EXPAND THE PURPOSES FOR WHICH CERTAIN PROCEEDS
COLLECTED BY THE FERRY DIVISION MAY BE USED.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-82 reads as rewritten:

"§ 136-82. Department of Transportation to establish and maintain ferries.

...

(d) Use of Toll Proceeds. – The Department of Transportation shall credit the proceeds from tolls collected on North Carolina Ferry System routes ~~and~~ and, except as provided in subsection (f1) of this section, receipts generated under subsection (f) of this section to reserve accounts within the Highway Fund for each of the Highway Divisions in which system terminals are located and fares are earned. For the purposes of this subsection, fares are earned based on the terminals from which a passenger trip originates and terminates. Commuter pass receipts shall be credited proportionately to each reserve account based on the distribution of trips originating and terminating in each Highway Division. The proceeds credited to each reserve account shall be used exclusively for prioritized North Carolina Ferry System ferry passenger vessel replacement projects in the Division in which the proceeds are earned. Proceeds may be used to fund ferry passenger vessel replacement projects or supplement funds allocated for ferry passenger vessel replacement projects approved in the Transportation Improvement Program.

...

(f) Authority to Generate Certain Receipts. – The Department of Transportation, notwithstanding any other provision of law, may operate or contract for the following receipt-generating activities ~~and~~ and, except as provided for in subsection (f1) of this section, use the proceeds for ferry passenger vessel replacement projects in the manner set forth in subsection (d) of this section:

- (1) Operation of, concessions on the ferries and at ferry facilities to provide to passengers on the ferries food, drink, and other refreshments, personal comfort items, Internet access, and souvenirs publicizing the ferry system.
- (2) Sponsorships, including, but not limited to, the sale of naming rights to any ferry vessel, ferry route, or ferry facility.
- (3) Advertising on or within any ferry vessel or at any ferry facility, including, but not limited to, display advertising and advertising delivered to passengers through the use of video monitors, public address systems installed in passenger areas, and other electronic media.



* S 1 1 3 - C S R W - 7 - V - 1 *

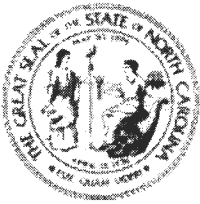
1 (4) Any other receipt-generating activity not otherwise forbidden by applicable
2 law pertaining to public health or safety.

3 The Department may issue rules to implement this subsection.

4 (f1) Capital Improvement Account. – There is established under the control and
5 direction of the Ferry Division of the Department of Transportation the Capital Improvement
6 Account. The Account shall be a nonreverting special revenue account within the Highway
7 Fund. Notwithstanding subsection (f) of this section and G.S. 146-30, the Division shall credit
8 to the Account all proceeds generated from (i) the leasing of office space in the shipyard by the
9 Division and (ii) maintenance and other services performed by the Division, including painting
10 and sandblasting, on boats and other vessels. The Division shall use the proceeds credited to the
11 Account only for the purposes of covering expenses incurred in the leasing of office space in
12 the shipyard and performing maintenance and other services on boats and other vessels,
13 including the purchase, lease, or rental of equipment. Nothing in this subsection shall be
14 construed to alter or supersede the provisions of any trust or other instrument of title in which
15 real property subject to this subsection was acquired or is hereafter acquired.

16 "

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



SENATE BILL 113: Ferry Division / Fuel Futures

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Appropriations/Base Budget	Date:	April 21, 2015
Introduced by:	Sens. Cook, Sanderson	Prepared by:	Giles S. Perry
Analysis of:	PCS to First Edition S113-CSRW-7		Committee Counsel

SUMMARY: *Senate Bill 133 (proposed committee substitute) directs Ferry Division proceeds from leasing of office space and provision of shipyard maintenance services to a special account to cover shipyard expenses.*

CURRENT LAW: Under current G.S. 136-82, receipts from concessions, sponsorships, advertising, and all other receipt-generating activity of the Ferry Division go to a reserve account for ferry replacement.

Under current G.S. 146-30, receipts from the leasing of Ferry Division office space in the shipyard is deposited as follows: 50% to State retirement system, 25% General Fund, 25% State agency to which property is allocated.

BILL ANALYSIS: Senate Bill 113 (proposed committee substitute) directs all proceeds generated from:

- the leasing of office space in the shipyard by the Ferry Division, and
- maintenance and other services performed by the Ferry Division, including painting and sandblasting, on boats and other vessels

to a nonreverting special revenue account within the Highway Fund, to be used for the purposes of covering expenses incurred in the leasing of office space in the shipyard, and performing maintenance and other services on boats and other vessels, including the purchase, lease, or rental of equipment.

EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 304

Short Title: Administration of Logo Sign Program. (Public)
Sponsors: Senator B. Jackson (Primary Sponsor).
Referred to: Rules and Operations of the Senate.

March 18, 2015

A BILL TO BE ENTITLED
AN ACT TO CLARIFY THAT LOGO SIGNS MAY BE PLACED ON THE
RIGHT-OF-WAY OF FULLY AND PARTIALLY CONTROLLED-ACCESS
HIGHWAYS AND TO PROVIDE THAT THE TRANSPORTATION MOBILITY AND
SAFETY DIVISION OF THE DEPARTMENT OF TRANSPORTATION SHALL
ADMINISTER THE LOGO SIGN PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-89.56 reads as rewritten:

"§ 136-89.56. Commercial enterprises.

No commercial enterprises or activities shall be authorized or conducted by the Department of Transportation, or the governing body of any city or town, within or on the property acquired for or designated as a controlled-access facility, as defined in this Article, except for:

- (1) Materials displayed at welcome centers which shall be directly related to travel, accommodations, tourist-related activities, tourist-related services, and attractions. The Department of Transportation shall issue rules regulating the display of these materials. These materials may contain advertisements for real estate; and
- (2) Vending machines permitted by the Department of Transportation and placed by the Division of Services for the Blind, Department of Health and Human Services, as the State licensing agency designated pursuant to Section 2(a)(5) of the Randolph-Sheppard Act (20 USC 107a(a)(5)). The Department of Transportation shall regulate the placing of the vending machines in highway rest areas and shall regulate the articles to be dispensed. In order to permit the establishment of adequate fuel and other service facilities by private owners or their lessees for the users of a controlled-access facility, the Department of Transportation shall permit access to service or frontage roads within the publicly owned right-of-way of any controlled-access facility established or designated as provided in this Article, at points which, in the opinion of the Department of Transportation, will best serve the public interest. The location of such fuel and other service facilities may be indicated to the users of the controlled-access facilities by appropriate signs, the size, style, and specifications of which shall be determined by the Department of Transportation.

The location of fuel, gas, food, lodging, camping, and attraction facilities may be indicated to the users of the controlled-access facilities by appropriate logos placed on signs owned, controlled, and erected within the right-of-way of fully and partially controlled-access



1 highways by the Department of Transportation. The owners, operators or lessees of fuel, gas,
2 food, lodging, camping, and attraction facilities who wish to place a logo identifying their
3 business or service on a sign shall furnish a logo meeting the size, style and specifications
4 determined by the Department of Transportation and shall pay the Department of
5 Transportation a fee set by the Board of Transportation. The Board shall set the fee to cover the
6 initial costs of signs, sign installation, and maintenance, and the costs of administering the logo
7 sign program. The Transportation Mobility and Safety Division of the Department of
8 Transportation shall administer the logo sign program, including receiving requests for
9 information concerning the logo sign program."

10 **SECTION 2.** The Department of Transportation shall adopt temporary rules to
11 implement this act.

12 **SECTION 3.** Section 1 of this this act becomes effective July 1, 2015. The
13 remainder of this act is effective when it becomes law.



SENATE BILL 304: Administration of Logo Sign Program

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. B. Jackson
Analysis of: First Edition

Date: April 21, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 304 extends the DOT logo sign program to include partially controlled-access State roads.*

CURRENT LAW: Under current G.S. 136-89.35, the location of fuel, gas, food, lodging, camping, and attraction facilities are indicated to the users of State controlled access facilities by appropriate logos placed on signs owned, controlled, and erected within the right-of-way of fully controlled-access highways by the Department of Transportation. Fully controlled-access highways are interstate and other freeway-type roads.

BILL ANALYSIS:

Section 1 of Senate Bill 304 extends the areas that DOT may place logo signs to include partially controlled-access State roads. A partially controlled-access road is a divided highway with limited or no driveway access to adjoining properties, and intersections instead of interchanges at some or all cross roads.

Section 2 of the bill directs DOT to adopt temporary rules to implement the act.

EFFECTIVE DATE: Section 1 of this act becomes effective July 1, 2015. The remainder of the act is effective when it becomes law.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 23, 2015
S.B. 370
PRINCIPAL CLERK

S

D

SENATE DRS15152-ML-133 (03/10)

Short Title: E-Signatures/Vehicle Title and Registration. (Public)

Sponsors: Senator Barefoot (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE USE OF ELECTRONIC MEANS TO SIGN AND NOTATE
3 CERTAIN DOCUMENTS REQUIRED BY THE DIVISION OF MOTOR VEHICLES
4 AND TO PROVIDE THAT A SECURED PARTY SHALL PROVIDE ELECTRONIC
5 NOTICE OF THE SATISFACTION OR OTHER DISCHARGE OF A SECURITY
6 INTEREST IN A MOTOR VEHICLE FOR WHICH THE CERTIFICATE OF TITLE IS
7 NOTATED BY A LIEN THROUGH ELECTRONIC MEANS.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 20-52 is amended by adding a new subsection to read:

10 "(c) Unless otherwise prohibited by federal law, an application for a certificate of title, a
11 registration plate, a registration card, and any other document required by the Division to be
12 submitted with the application and requiring a signature, may be submitted to the Division with
13 an electronic signature in accordance with Article 40 of Chapter 66 of the General Statutes. The
14 required notarization of any electronic signature on any application or document submitted to
15 the Division pursuant to this subsection may be performed electronically in accordance with
16 Article 2 of Chapter 10B of the General Statutes."

17 SECTION 2. G.S. 20-58.4 is amended by adding a new subsection to read:

18 "(a1) Upon the satisfaction or other discharge of a security interest in a vehicle for which
19 the certificate of title data is notated by a lien through electronic means pursuant to
20 G.S. 20-58.4A, the secured party shall, within two business days from the date of satisfaction,
21 send electronic notice of the release of the security interest to the Division through the
22 electronic lien release system established pursuant to G.S. 20-58.4A. The electronic notice of
23 the release of the security interest sent to the Division by the secured party shall direct that a
24 physical certificate of title be mailed or delivered to the address noted by the secured party
25 providing notice of the satisfaction or other discharge of the security interest. Upon receipt by
26 the Division of an electronic notice of the release of the security interest, the Division shall
27 mail or deliver a certificate of title to the address noted by the secured party within one
28 business day."

29 SECTION 3. This act becomes effective December 1, 2015.





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 370
PROPOSED COMMITTEE SUBSTITUTE S370-PCS25241-RW-15

Short Title: E-Signatures/Vehicle Title and Registration.

(Public)

Sponsors:

Referred to:

March 24, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE USE OF ELECTRONIC MEANS TO SIGN AND NOTATE
3 CERTAIN DOCUMENTS REQUIRED BY THE DIVISION OF MOTOR VEHICLES
4 AND TO PROVIDE THAT A SECURED PARTY SHALL PROVIDE ELECTRONIC
5 NOTICE OF THE SATISFACTION OR OTHER DISCHARGE OF A SECURITY
6 INTEREST IN A MOTOR VEHICLE FOR WHICH THE CERTIFICATE OF TITLE IS
7 NOTATED BY A LIEN THROUGH ELECTRONIC MEANS.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 20-52 is amended by adding a new subsection to read:

10 "(c) Unless otherwise prohibited by federal law, an application for a certificate of title, a
11 registration plate, a registration card, and any other document required by the Division to be
12 submitted with the application and requiring a signature may be submitted to the Division with
13 an electronic signature in accordance with Article 40 of Chapter 66 of the General Statutes. The
14 required notarization of any electronic signature on any application or document submitted to
15 the Division pursuant to this subsection may be performed electronically in accordance with
16 Article 2 of Chapter 10B of the General Statutes."

17 SECTION 2. G.S. 20-58.4 is amended by adding a new subsection to read:

18 "(a1) Upon the satisfaction or other discharge of a security interest in a vehicle for which
19 the certificate of title data is notated by a lien through electronic means pursuant to
20 G.S. 20-58.4A, the secured party shall, within seven business days from the date of satisfaction,
21 send electronic notice of the release of the security interest to the Division through the
22 electronic lien release system established pursuant to G.S. 20-58.4A. The electronic notice of
23 the release of the security interest sent to the Division by the secured party shall direct that a
24 physical certificate of title be mailed or delivered to the address noted by the secured party
25 providing notice of the satisfaction or other discharge of the security interest. Upon receipt by
26 the Division of an electronic notice of the release of the security interest, the Division shall
27 mail or deliver a certificate of title to the address noted by the secured party within three
28 business days."

29 SECTION 3. Section 1 of this act becomes effective August 1, 2016. The
30 remainder of the act becomes effective December 1, 2015.



★ S 3 7 0 - P C S 2 5 2 4 1 - R W - 1 5 ★



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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D

SENATE BILL 370
PROPOSED COMMITTEE SUBSTITUTE S370-CSRW-15 [v.4]

4/21/2015 2:47:26 PM

Short Title: E-Signatures/Vehicle Title and Registration.

(Public)

Sponsors:

Referred to:

March 24, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE USE OF ELECTRONIC MEANS TO SIGN AND NOTATE
3 CERTAIN DOCUMENTS REQUIRED BY THE DIVISION OF MOTOR VEHICLES
4 AND TO PROVIDE THAT A SECURED PARTY SHALL PROVIDE ELECTRONIC
5 NOTICE OF THE SATISFACTION OR OTHER DISCHARGE OF A SECURITY
6 INTEREST IN A MOTOR VEHICLE FOR WHICH THE CERTIFICATE OF TITLE IS
7 NOTATED BY A LIEN THROUGH ELECTRONIC MEANS.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 20-52 is amended by adding a new subsection to read:

10 "(c) Unless otherwise prohibited by federal law, an application for a certificate of title, a
11 registration plate, a registration card, and any other document required by the Division to be
12 submitted with the application and requiring a signature, may be submitted to the Division with
13 an electronic signature in accordance with Article 40 of Chapter 66 of the General Statutes. The
14 required notarization of any electronic signature on any application or document submitted to
15 the Division pursuant to this subsection may be performed electronically in accordance with
16 Article 2 of Chapter 10B of the General Statutes."

17 SECTION 2. G.S. 20-58.4 is amended by adding a new subsection to read:

18 "(a1) Upon the satisfaction or other discharge of a security interest in a vehicle for which
19 the certificate of title data is notated by a lien through electronic means pursuant to
20 G.S. 20-58.4A, the secured party shall, within seven business days from the date of satisfaction,
21 send electronic notice of the release of the security interest to the Division through the
22 electronic lien release system established pursuant to G.S. 20-58.4A. The electronic notice of
23 the release of the security interest sent to the Division by the secured party shall direct that a
24 physical certificate of title be mailed or delivered to the address noted by the secured party
25 providing notice of the satisfaction or other discharge of the security interest. Upon receipt by
26 the Division of an electronic notice of the release of the security interest, the Division shall
27 mail or deliver a certificate of title to the address noted by the secured party within three
28 business days."

29 SECTION 3. Section 1 of this act becomes effective August 1, 2016. The
30 remainder of the act becomes effective December 1, 2015.



* S 3 7 0 - C S R W - 1 5 - V - 4 *





SENATE BILL 370: E-Signatures/Vehicle Title and Registration

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Barefoot
Analysis of: PCS to First Edition
S370-CSRW-15

Date: April 22, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *The Proposed Committee Substitute for Senate Bill 370 would:*

- *Allow use of electronic signatures on DMV applications for titles and registration.*
- *Provide for electronic notice to DMV of satisfaction of a security interest through the new electronic lien system.*

BILL ANALYSIS: The PCS for Senate Bill 370 would provide for electronic signatures on applications and electronic notifications to the Division of Motor Vehicles as follows:

Electronic signature on applications for title and registration. Section 1 would authorize the submission of applications for title and registration and related documents with electronic signatures. The signature would have to comply with the Uniform Electronic Transactions Act, and a signature that is notarized electronically would have to comply with the Electronic Notary Act.

Electronic notice of release of security interest. Section 2 would require electronic notice of release of a security interest in a vehicle when a lien is notated through the State's new electronic lien system. The secured party would be required to send notice of the release within seven business days of the date of satisfaction, and upon receipt of the notice, the Division would be required to mail a certificate of title within three business days.

EFFECTIVE DATE: Section 1 of the act (electronic signature on title and registration applications) would become effective August 1, 2016. Section 2 of the act (electronic notice of release of security interest) would become effective December 1, 2015.

O. Walker Reagan
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 24, 2015
S.B. 382
PRINCIPAL CLERK

S

D

SENATE DRS35151-ML-117A (03/06)

Short Title: RFI/Privatization of Ferry System. (Public)

Sponsors: Senators Rabon, Harrington, and Meredith (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE BOARD OF TRANSPORTATION TO ISSUE A REQUEST FOR
3 INFORMATION FOR THE PRIVATIZATION OF THE NORTH CAROLINA FERRY
4 SYSTEM.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** Intent. – The General Assembly finds that the privatization of the
7 North Carolina Ferry System would provide a more cost-effective service model for the
8 citizens of the State. Therefore, it is the intent of the General Assembly to ascertain market
9 interest for the private operation of the North Carolina Ferry System or its component parts.
10 **SECTION 2.** Request for Information. – The Board of Transportation shall issue a
11 request for information (RFI) for the privatization of the North Carolina Ferry System.
12 **SECTION 3.** Report. – The Board of Transportation shall report to the Joint
13 Legislative Transportation Oversight Committee and the Fiscal Research Division no later than
14 February 1, 2016, on the results of the RFI and whether it is more cost-effective to privatize the
15 North Carolina Ferry System.
16 **SECTION 4.** Effective Date. – This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 382
PROPOSED COMMITTEE SUBSTITUTE S382-CSSU-16 [v.3]

4/21/2015 5:51:24 PM

Short Title: RFI/Privatization of Ferry System.

(Public)

Sponsors:

Referred to:

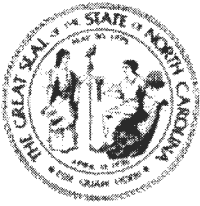
March 25, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE BOARD OF TRANSPORTATION TO ISSUE A REQUEST FOR
3 INFORMATION FOR THE PRIVATIZATION OF THE NORTH CAROLINA FERRY
4 SYSTEM.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** Intent. – The General Assembly finds that the privatization of the
7 North Carolina Ferry System would provide a more cost-effective service model for the
8 citizens of the State. Therefore, it is the intent of the General Assembly to ascertain market
9 interest for the private operation of the North Carolina Ferry System or its component parts.
10 **SECTION 2.** Request for Information. – The Board of Transportation shall issue a
11 request for information (RFI) for the privatization of the North Carolina Ferry System.
12 **SECTION 3.** Report. – The Board of Transportation shall report to the Joint
13 Legislative Transportation Oversight Committee and the Fiscal Research Division no later than
14 February 1, 2016, on the results of the RFI and whether it is more cost-effective to privatize the
15 North Carolina Ferry System.
16 **SECTION 4.** Study. – The Joint Legislative Transportation Oversight Committee
17 shall study the feasibility and desirability of privatizing the North Carolina Ferry System. The
18 study shall include ownership, governance, and regulatory issues related to (i) potential
19 privatization of the North Carolina Ferry System, and (ii) privately owned ferries currently
20 operating in North Carolina. The Joint Legislative Transportation Oversight Committee shall
21 report its findings and any legislative proposals to the 2016 Regular Session of the 2015
22 General Assembly.
23 **SECTION 5.** Effective Date. – This act is effective when it becomes law.



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SENATE BILL 382: RFI/Privatization of Ferry System

2015-2016 General Assembly

Committee:	Senate Transportation	Date:	April 22, 2015
Introduced by:	Sens. Rabon, Harrington, Meredith	Prepared by:	Wendy Graf Ray
Analysis of:	PCS to First Edition		Committee Counsel
	S382-CSSU-16		

SUMMARY: *The Proposed Committee Substitute for Senate Bill 382 would direct the Board of Transportation to issue a request for information (RFI) for privatization of the North Carolina Ferry System. It would also direct the Joint Legislative Transportation Oversight Committee to study issues related to privatization and privately owned ferries.*

BILL ANALYSIS: The PCS for Senate Bill 382 would do the following:

- Require the Board of Transportation to issue a request for information for the privatization of the North Carolina Ferry System. The Board would have to report to the Joint Legislative Transportation Oversight Committee and Fiscal Research by February 1, 2016, on the results of the RFI.
- Require the Joint Legislative Transportation Oversight Committee to study privatization of the Ferry System, including ownership, governance, and regulatory issues related to potential privatization and privately owned ferries currently operating in the State. The Committee would have to report its findings to the 2016 General Assembly.

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

O. Walker Reagan
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 26, 2015
S.B. 539
PRINCIPAL CLERK
D

S

SENATE DRS35179-ML-120 (03/06)

Short Title: DOT/Workforce Reduction Compliance. (Public)

Sponsors: Senator Rabon (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ENSURE THE DEPARTMENT OF TRANSPORTATION COMPLIES WITH
3 THE REDUCTION IN WORKFORCE REQUIRED BY LAW.
4 The General Assembly of North Carolina enacts:
5 SECTION 1. To ensure the Department of Transportation complies with the
6 reduction in workforce required by law, the Secretary of the Department of Transportation shall
7 eliminate 81 filled, full-time positions within units and divisions in the Department of
8 Transportation with unmet outsourcing targets. The Secretary of the Department of
9 Transportation shall eliminate the positions required under this section by May 1, 2015.
10 SECTION 2. This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 539
PROPOSED COMMITTEE SUBSTITUTE S539-PCS15234-RW-17

Short Title: DOT/Workforce Reduction Compliance.

(Public)

Sponsors:

Referred to:

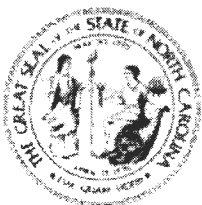
March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ENSURE THE DEPARTMENT OF TRANSPORTATION COMPLIES WITH
3 THE REDUCTION IN WORKFORCE REQUIRED BY LAW.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** To ensure the Department of Transportation complies with the
6 reduction in workforce required by law, the Secretary of the Department of Transportation shall
7 eliminate 81 filled, full-time positions within units and divisions in the Department of
8 Transportation with unmet outsourcing targets. The Secretary of the Department of
9 Transportation shall eliminate the positions required under this section by June 1, 2015.
10 **SECTION 2.** This act is effective when it becomes law.



★ S 5 3 9 - P C S 1 5 2 3 4 - R W - 1 7 ★





SENATE BILL 539: DOT/Workforce Reduction Compliance

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Appropriations/Base Budget	Date:	April 22, 2015
Introduced by:	Sen. Rabon	Prepared by:	Giles S. Perry
Analysis of:	PCS to First Edition S539-CSRW-17		Committee Counsel

SUMMARY: *Senate Bill 539 (proposed committee substitute) directs DOT to comply with the provisions of the 2014 budget act requiring specified privatization of DOT preconstruction activities.*

The proposed committee substitute changes the position elimination date to June 1, 2015.

CURRENT LAW: Section 34.13 of S.L. 2014-100 directed DOT to privatize preconstruction work where practical, economical, and likely to lead to increased efficiency. This section included mandatory outsourcing target percentages, and provided that DOT may credit any reduction in expenditures due to a reduction in force towards meeting the requirements.

BILL ANALYSIS: Senate Bill 539 directs DOT to comply with the reduction in workforce already required by law by eliminating 81 filled, full time positions within units and divisions in the Department of Transportation with unmet outsourcing targets. The Secretary of the DOT is directed to eliminate the positions by June 1, 2015.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND:

S.L. 2014-100

OUTSOURCING OF PRECONSTRUCTION ACTIVITY

SECTION 34.13.(a) The Department of Transportation shall seek to increase the use of contracts to further privatize preconstruction work where practical, economical, and likely to lead to increased efficiency. In doing so, the Department of Transportation shall meet each of the following privatization requirements:

- (1) Increase the outsourcing of all activities performed by the Department's Preconstruction and Technical Services units to seventy percent (70%) of the total cost of activities performed by those units in fiscal year 2014-2015, excluding the cost of activities performed by the Turnpike Authority, the Structures Design and Management unit, and the Bridge Program.
- (2) Increase the outsourcing of all activities performed by the Department's Roadway Design unit to fifty percent (50%) of the total cost of activities performed by that unit in fiscal year 2014-2015.
- (3) Increase the outsourcing of all activities performed by the Department's Project Development and Environmental Analysis unit to sixty-five percent (65%) of the total cost of activities performed by that unit in fiscal year 2014-2015.
- (4) The Department's Right-of-Way unit shall increase the total expenditures for outsourced activity by five percent (5%) in fiscal year 2014-2015.

SECTION 34.13.(b) The Department may credit any reduction in expenditures due to a reduction in force towards meeting the requirements imposed by subsection (a) of this section.

SECTION 34.13.(c) The Department shall increase contracts for construction of transportation projects on a design-build basis awarded under the provisions of G.S. 136-28.11.

O. Walker Reagan
Director



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Senate Bill 539

Page 2

SECTION 34.13.(d) The Department shall report no later than October 1, 2014, and quarterly thereafter, to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division regarding its implementation of this section, including any reductions in force used to meet privatization requirements.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 599

Short Title: Highway Quick Clearance Amendments.-AB (Public)

Sponsors: Senators Daniel, Meredith, and Robinson (Primary Sponsors).

Referred to: Rules and Operations of the Senate.

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND AND CLARIFY THE STATUTES GOVERNING THE CLEARANCE
3 OF WRECKED VEHICLES AND OTHER TRAFFIC OBSTACLES FROM PUBLIC
4 HIGHWAYS, AS RECOMMENDED BY THE DEPARTMENT OF
5 TRANSPORTATION.

6 The General Assembly of North Carolina enacts:

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

8 "(f) ~~Any~~An investigating law enforcement officer, with the concurrence of the
9 Department of Transportation, or the Department of Transportation, with the concurrence of the
10 investigating law enforcement officer, may immediately remove or cause to be removed from
11 the State highway system any wrecked, abandoned, disabled, unattended, burned, or partially
12 dismantled vehicle, cargo, or other personal property interfering with the regular flow of traffic
13 or which otherwise constitutes a hazard. In the event of a motor vehicle crash involving serious
14 personal injury or death, no removal shall occur until the investigating law enforcement officer
15 determines that adequate information has been obtained for preparation of a crash report. No
16 state or local law enforcement officer, Department of Transportation employee, or person or
17 firm contracting or assisting in the removal or disposition of any such vehicle, cargo, or other
18 personal property shall be held criminally or civilly liable for any damage or economic injury
19 related to carrying out or enforcing the provisions of this section."

20 **SECTION 2.** This act is effective when it becomes law and applies to any
21 obstructions to traffic arising on or after 12:01 A.M. of the day following that date.



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SENATE BILL 599: Highway Quick Clearance Amendments.-AB

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Daniel, Meredith, Robinson
Analysis of: First Edition

Date: April 21, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 599 makes changes to the law governing quick clearance of vehicles obstructing traffic, or that are otherwise hazardous, from State highways.*

CURRENT LAW: Current G.S. 20-161 authorizes *law enforcement officers*, with the concurrence of DOT, to immediately remove or cause to be removed vehicles obstructing traffic, or that are otherwise a hazard, from the State Highway System.

BILL ANALYSIS: Senate Bill 599 adds to the existing authorization for removal of vehicles obstructing traffic, or that are otherwise a hazard, to also authorize *DOT*, with the concurrence of law enforcement, to immediately remove or cause to be removed those vehicles from the State Highway System.

EFFECTIVE DATE: Senate Bill 599 is effective when it becomes law, and applies to any obstructions to traffic arising on or after 12:01 A.M. of the day following that date. The remainder of this act is effective when it becomes law.

O. Walker Reagan
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 621

Short Title: Registration Renewal Notice/E-Mail.-AB (Public)

Sponsors: Senators Meredith, Rabon, Lowe (Primary Sponsors); and B. Jackson.

Referred to: Rules and Operations of the Senate.

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO SEND MOTOR
3 VEHICLE REGISTRATION RENEWAL NOTIFICATION BY ELECTRONIC MEANS
4 UPON RECEIVING WRITTEN CONSENT FROM THE OWNER OF THE MOTOR
5 VEHICLE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 105-330.5(b) reads as rewritten:

8 "(b) Distribution and Collection Fees. – The Property Tax Division of the Department of
9 Revenue or a third-party contractor selected by the Property Tax Division must send a copy of
10 the combined tax and registration notice for a registered classified motor vehicle to the motor
11 vehicle owner, as defined in G.S. 20-4.01. Upon receiving written consent from the motor
12 vehicle owner, the notice required under this subsection may be sent electronically to an e-mail
13 address provided by the motor vehicle owner. The Department must establish a fee equal to the
14 actual cost of preparing, printing, and sending the notice. The Department may receive a fee for
15 each notice generated for a vehicle registered in a county or municipal corporation from the
16 taxes and fees remitted to the county or municipal corporation in which the vehicle is
17 registered. The collecting authority is responsible for collecting county and municipal taxes and
18 fees assessed under this Article and may receive a fee for collecting these taxes and fees. The
19 amount of this fee for an agent contracting with the Division of Motor Vehicles must equal at
20 least the applicable amount set under G.S. 20-63(h). The amount of this fee for the Division of
21 Motor Vehicles is the amount set by the memorandum of understanding entered into under
22 G.S. 105-330.11 but shall not exceed the amount set under G.S. 20-63. The Property Tax
23 Division must establish procedures to ensure that tax payments and fees received pursuant to
24 this Article and Chapter 20 of the General Statutes are properly accounted for and taxes and
25 fees due other taxing units and the Division of Motor Vehicles are remitted at least once each
26 month."

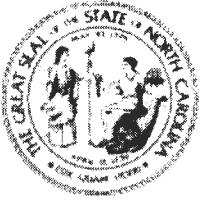
27 **SECTION 2.** G.S. 20-66(a) reads as rewritten:

28 "(a) Annual Renewal. – The registration of a vehicle must be renewed annually. In
29 accordance with G.S. 105-330.5(b), upon receiving written consent from the owner of the
30 vehicle, the Division may send any required notice of renewal electronically to an e-mail
31 address provided by the owner of the vehicle. To renew the registration of a vehicle, the owner
32 of the vehicle must file an application with the Division and pay the required registration fee.
33 The Division may receive and grant an application for renewal of registration at any time
34 before the registration expires."

35 **SECTION 3.** This act becomes effective January 1, 2016.







SENATE BILL 621: Registration Renewal Notice/E-Mail.-AB

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Meredith, Rabon, Lowe
Analysis of: First Edition

Date: April 21, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 621 authorizes the DMV to send the required combined vehicle property tax and State registration notice by e-mail, subject to the written consent of the owner of a vehicle.*

CURRENT LAW: Under current law, the Division of Motor Vehicles must send a copy of the combined property tax and vehicle registration notice by mail.

BILL ANALYSIS: Senate Bill 621 authorizes the Property Tax Division of the Department of Revenue, or its contractor, to send the required combined vehicle property tax and State registration notice by *e-mail*, subject to the *written consent* of the owner of a vehicle.

EFFECTIVE DATE: This act becomes effective January 1, 2016.

O. Walker Reagan
Director



Research Division
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SENATE TRANSPORTATION

April 22, 2015

SENATE SERGEANT-AT-ARMS

STEVE McKAIG

HAL ROACH



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 4/22/15

Alison Roach

Donna Boone

Jake Cashion

Nathan Batts, NCBA

Leaven Whaley, NCIL

Kevin Lacy, NCDOT

Jim Trojdan, FENC



SENATE PAGES ATTENDING

COMMITTEE: Transportation ROOM: 1027
DATE: 4-22 TIME: 11AM

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!

	Page Name	Hometown	Sponsoring Senator
1.	Langdon Ramsur	Gastonia	Harrington
2.	Olivia Roberson	Swansboro	Brown
3.	Ashley King	Rocky Mount	Bryant
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Do not add names below the grid.

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 4-22-15

David Collins

Suzanne Beasley

Flint Benson

KEVIN LE Count

Ed Goodwin

Roston Jones

Penny H. H.

Hope Mays

Kelly Thomas

Vicki Box



VISITOR REGISTRATION SHEET

Senate Transportation

(Committee Name)

4.22.15

Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

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**Senate Committee on Transportation
Wednesday, April 29, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on April 29, 2015 in Room 1027/1128 of the Legislative Building. 12 members were present. Attending Senate Sergeant-At-Arms were Marcus Kitts and Dale Huff. Pages: Alexandria Wingler of East Bend, Olivia Wingler of East Bend, Victoria Wingler of East Bend, Emry Wingler of East Bend, and Britt Martin of Yadkinville. All pages were sponsored by Sen. Krawiec.

Sen. Warren T. Daniel, presided.

SB 446 Dealer Loaners/Unmanned Aircraft/Brunswick Co. (Senator B. Jackson) Sen. B. Jackson presented the bill. There was n committee discussion or public comment. Based on the motion of Sen. Lowe, the Committee reported S446 to the Senate Principle Clerk as Favorable with no referrals.

SB 581 Study Subdiv. Streets/Traffic Calming Devices. (Senator Pate) Sen. Pate presented the bill. After a bit of committee discussion, Asst. Secretary of NC DOT, Nick Tennyson and Gelbart Rodenberry of the Secondary Roads Division of NC DOT explained the role of DOT in regards to subdivisions. On the motion of Sen. Smith-Ingram, the Committee reported the bill to the Senate Principle Clerk as Favorable, with no referrals.

SB 600 Study/Autonomous Vehicles.-AB (Senators Meredith, Rabon, Lowe) Prior to presenting the bill and after a motion from Sen. Harrington, Sen. Meredith presented a proposed committee substitute to S600. After a bit of discussion, DMV Director, Kelly Thomas explained how the study would look at insurance and other issues. He said the study would be covered by existing NC DOT funds. Sen. Smith-Ingram moved for a favorable report. The PCS, S600-PCS15245-RW-23, was reported to the Senate Principal Clerk as Unfavorable As To Bill, But Favorable As To Committee Substitute Bill, with no referrals.

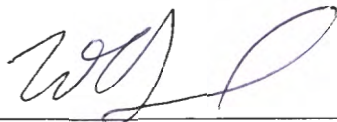
SB 654 Map Act/Clarifications. (Senator Lee) Sen. Lee brought forth a PCS, which was heard based on the motion of Sen. Tucker. There was no committee discussion of the PCS and Sen. Davis motioned for a favorable report. The Committee reported S654-PCS25251-ML-1 to the Senate Principle Clerk as Unfavorable As To Bill, But Favorable As To Committee Substitute Bill, with no referrals.



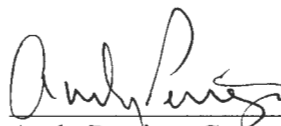
SB 383 Study/Fund Improvements/Interstate Hwys. (Senators Rabon, Meredith, Clark)

Sen. Rabon brought forth a PCS prior to explaining the bill. The committee voted to hear the PCS based upon the motion of Sen. Gunn. There was not committee discussion or public comment. The PCS, S383-PCS35281-RW-24, was reported to the Senate Principle Clerk as Unfavorable As to Bill, But Favorable As To Committee Substitute Bill, with no referrals.

The meeting adjourned at 11:45.



Sen. Warren T. Daniel
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, April 29, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 446	Dealership Loaner Vehicles.	Senator B. Jackson
SB 581	Study/Subdivision Street Maintenance.	Senator Pate
SB 600	Study/Autonomous Vehicles.-AB	Senator Meredith
		Senator Rabon
		Senator Lowe
SB 654	Map Act/Clarifications.	Senator Lee
SB 383	Study/Fund Improvements to I-95.	Senator Rabon
		Senator Meredith
		Senator Clark

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, April 29, 2015

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

SB	446	Dealership Loaner Vehicles.
		Draft Number: None
		Sequential Referral: None
		Recommended Referral: None
		Long Title Amended: No
SB	581	Study/Subdivision Street Maintenance.
		Draft Number: None
		Sequential Referral: None
		Recommended Referral: None
		Long Title Amended: No

TOTAL REPORTED: 2

Senator W. Jackson will handle SB 446
Senator Louis Pate will handle SB 581



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**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, April 29, 2015

Senator Daniel,

submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 383

Study/Fund Improvements to I-95.

Draft Number: S383-PCS35281-RW-24

Sequential Referral: None

Recommended Referral: None

Long Title Amended: Yes

SB 600

Study/Autonomous Vehicles.-AB

Draft Number: S600-PCS15245-RW-23

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 2

Senator William Rabon will handle SB 383

Senator Wesley Meredith will handle SB 600



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**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, April 29, 2015

Senator Daniel,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 654

Map Act/Clarifications.

Draft Number: S654-PCS25261-ML-4

Sequential Referral: None

Recommended Referral: None

Long Title Amended: Yes

TOTAL REPORTED: 1

Senator Michael Lee will handle SB 654



* C M R 3 2 1 - V - 1 *



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 446

Short Title: Dealership Loaner Vehicles.

(Public)

Sponsors: Senators B. Jackson (Primary Sponsor); Ford and Waddell.

Referred to: Rules and Operations of the Senate.

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THE USE OF DEALER PLATES ON DEALERSHIP LOANER
3 VEHICLES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 20-79(d) reads as rewritten:

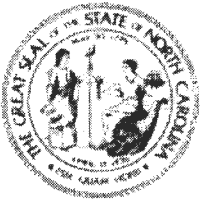
6 "(d) Restrictions on Use. – A dealer license plate may be displayed only on a motor
7 vehicle that meets all of the following requirements:

- 8 (1) Is part of the inventory of the dealer.
- 9 (2) Is not consigned to the dealer.
- 10 (3) Is covered by liability insurance that meets the requirements of Article 9A of
11 this Chapter.
- 12 (4) Is not used by the dealer in another business in which the dealer is engaged.
- 13 (5) Is driven on a highway by a person who meets one of the following
14 descriptions:
 - 15 a. Has a demonstration permit to test-drive the motor vehicle and
16 carries the demonstration permit while driving the motor vehicle.
 - 17 b. Is an officer or sales representative of the dealer and is driving the
18 vehicle for a business purpose of the dealer.
 - 19 c. Is an employee of the dealer and is driving the vehicle in the course
20 of employment.
 - 21 d. Is an employee of the dealer or of a contractor of the dealer and is
22 driving the vehicle within a 20-mile radius of a place where the
23 vehicle is being repaired or otherwise prepared for sale.
 - 24 e. Is an employee of the dealer or of a contractor of the dealer and is
25 transporting the vehicle to or from a vehicle auction or to the dealer's
26 established salesroom.
 - 27 f. Is an officer, sales representative, or other employee of a franchised
28 motor vehicle dealer or is an immediate family member of an officer,
29 sales representative, or other employee of a franchised motor vehicle
30 dealer.
 - 31 g. Is a customer whose vehicle is being serviced or repaired by a dealer,
32 provided that the motor vehicle displaying the dealer plate is
33 provided to the customer by the dealer at no charge and only for the
34 duration of the servicing or repair of the customer's vehicle."

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







SENATE BILL 446: Dealership Loaner Vehicles

2013-2014 General Assembly

Committee: Senate Transportation
Introduced by: Sen. B. Jackson
Analysis of: First Edition

Date: April 28, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 446 authorizes use of a dealer plate on a vehicle used by a customer whose vehicle is being serviced by a dealer.*

CURRENT LAW: G.S. 20-79 provides for the issuance of automobile license plates to licensed motor vehicle dealers. A dealer may obtain the number of dealer plates allowed by the following table:

<u>Vehicles Sold In Relevant 12-Month Period</u>	<u>Maximum Number of Plates</u>
Fewer than 12	3
At least 12 but less than 25	6
At least 25 but less than 37	7
At least 37 but less than 49	8
49 or more	At least 8, but no more than 5 times the average number of qualifying sales representatives employed by the dealer during the relevant 12-month period.

A dealer license plate may only be used on a vehicle that is part of the inventory of the dealer. Dealer plates are subject to a number of specific restrictions on use, and with certain exceptions, may only be used on a vehicle driven by certain persons for business-related purposes. However, pursuant to G.S. 20-79(d)(5) f., a dealer license plate may be displayed on a vehicle driven for any purpose by an officer, sales representative, or other employee of a franchised motor vehicle dealer or by an immediate family member of a person in one of those categories.

When a motor vehicle displaying a dealer license is driven in violation of the restrictions on the use of the plate, the following sanctions apply:

- The individual driving the motor vehicle is responsible for an infraction and is subject to a penalty of \$100.
- The dealer to whom the plate is issued is subject to a \$250 civil penalty imposed by DMV, and DMV may rescind all dealer license plates issued to the dealer.

BILL ANALYSIS: Senate Bill 446 authorizes a customer whose vehicle is being serviced or repaired by a dealer to use a dealer vehicle with a dealer plate, provided that the vehicle displaying the dealer plate is provided to the customer by the dealer at no charge, and only for the duration of the servicing or repair of the customer's vehicle.

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





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 581

Short Title: Study/Subdivision Street Maintenance. (Public)

Sponsors: Senators Pate (Primary Sponsor); and D. Davis.

Referred to: Rules and Operations of the Senate.

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY THE
3 PROCESS FOR ACCEPTING SUBDIVISION STREETS DEDICATED AS PUBLIC ON
4 THE STATE HIGHWAY SYSTEM FOR MAINTENANCE.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** Study. – The Department of Transportation shall study the process
7 that must be followed, and the requirements that must be met, for the Department of
8 Transportation to accept subdivision streets dedicated as public on the State highway system
9 for maintenance, including (i) whether the process that must be followed is efficient and timely,
10 (ii) whether the minimum right-of-way and construction standards established by the Board of
11 Transportation for acceptance on the State highway system are reasonable, (iii) what the
12 financial impact is on the State and homeowners when subdivision streets are or are not
13 accepted on the State highway system for maintenance, and (iv) any other matters the
14 Department of Transportation deems relevant to the study.
15 **SECTION 2.** Report. - The Department shall report its findings and
16 recommendations, including any legislative proposals, to the Joint Legislative Transportation
17 Oversight Committee no later than February 1, 2016.
18 **SECTION 3.** This act is effective when it becomes law.







SENATE BILL 581: Study/Subdivision Street Maintenance

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Pate
Analysis of: First Edition

Date: April 29, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *Senate Bill 581 would direct the Department of Transportation to study the process and requirements for the Department to accept subdivision streets into the State highway system for maintenance. The Department would be required to report its findings by February 1, 2016.*

CURRENT LAW: G.S. 136-102.6 governs how/when subdivision streets will be taken into the State highway system for maintenance. The statute provides that any street on land subdivided on or after October 1, 1975 must be built to the minimum right of way and construction standards established by the Department of Transportation, or it will not be accepted into the State system. In addition, it requires a disclosure statement by the developer and seller to inform a buyer that the road is either public and meets requirements for acceptance into the State system, or that it is private along with an explanation of the consequences and responsibilities as to maintenance. The statute states its purpose to ensure that, from October 1, 1975, forward, new subdivision roads would be built to State standards or full and accurate disclosure of the responsibility for those roads would be made.

BILL ANALYSIS: Senate Bill 581 would direct the Department of Transportation to study requirements for accepting subdivision streets into the State highway system for maintenance, including:

- Whether the process is efficient and timely.
- Whether the standards for acceptance are reasonable.
- Financial impact to the State and homeowners.
- Any other matters the Department deems relevant.

The Department would be required to report its findings and recommendations to the Joint Legislative Transportation Oversight Committee by February 1, 2016.

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

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 26, 2015
S.B. 600
PRINCIPAL CLERK

S

D

SENATE DRS45302-ML-159 (03/13)

Short Title: Study/Autonomous Vehicles.-AB (Public)

Sponsors: Senators Meredith, Rabon, and Lowe (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO STUDY HOW TO
3 IMPLEMENT AUTONOMOUS VEHICLE TECHNOLOGY ON THE ROADS AND
4 HIGHWAYS OF THIS STATE, AS RECOMMENDED BY THE DEPARTMENT OF
5 TRANSPORTATION.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Definition. – The term "autonomous vehicle technology" means
8 technology that is installed on a motor vehicle and that has the capability to drive the motor
9 vehicle without the active control or monitoring of a human operator.

10 **SECTION 2.** Study. – The Division of Motor Vehicles, in collaboration with other
11 interested stakeholders identified by the Division, shall study how to implement autonomous
12 vehicle technology on the roads and highways of this State. In conducting the study under this
13 act, the Division shall consider all of the following:

- 14 (1) The measures necessary to successfully implement autonomous vehicle
15 technology, including any legislative changes.
16 (2) Complications or liabilities that could arise by allowing autonomous vehicle
17 technology.
18 (3) How autonomous vehicle technology can promote research and development
19 in this State.
20 (4) Any other matters the Division deems relevant.

21 **SECTION 3.** Report. – The Department shall report its findings and
22 recommendations, including any legislative proposals, to the Joint Legislative Transportation
23 Oversight Committee no later than February 1, 2016.

24 **SECTION 4.** Effective Date. – This act is effective when it becomes law.



* D R S 4 5 3 0 2 - M L - 1 5 9 *



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 600
PROPOSED COMMITTEE SUBSTITUTE S600-CSRW-23 [v.1]

4/28/2015 10:47:10 AM

Short Title: Study/Autonomous Vehicles.-AB

(Public)

Sponsors:

Referred to:

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO STUDY HOW TO
3 IMPLEMENT AUTONOMOUS VEHICLE TECHNOLOGY ON THE ROADS AND
4 HIGHWAYS OF THIS STATE, AS RECOMMENDED BY THE DEPARTMENT OF
5 TRANSPORTATION.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Definition. – The term "autonomous vehicle" means a vehicle
8 capable of operating in a full automation mode where full automation is defined by the Society
9 of Automotive Engineers standard, J3016, section 5.6 issued January 2014 as the unconditional,
10 full-time performance by an automated driving system of all aspects of the dynamic driving
11 task under, at minimum, all roadway and environmental conditions that can be managed by a
12 human driver, including the ability to automatically bring the vehicle into a minimal risk
13 condition in the event of a critical vehicle or system failure, or other emergency event."

14 **SECTION 2.** Study. – The Division of Motor Vehicles, in collaboration with other
15 interested stakeholders identified by the Division, shall study how to implement autonomous
16 vehicle technology on the roads and highways of this State. In conducting the study under this
17 act, the Division shall consider all of the following:

- 18 (1) The measures necessary to successfully implement autonomous vehicle
19 technology, including any legislative changes.
- 20 (2) Complications or liabilities that could arise by allowing autonomous vehicle
21 technology.
- 22 (3) How autonomous vehicle technology can promote research and development
23 in this State.
- 24 (4) Any other matters the Division deems relevant.

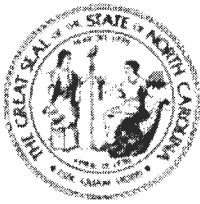
25 **SECTION 3.** Report. – The Department shall report its findings and
26 recommendations, including any legislative proposals, to the Joint Legislative Transportation
27 Oversight Committee no later than February 1, 2016.

28 **SECTION 4.** Effective Date. – This act is effective when it becomes law.



* S 6 0 0 - C S R W - 2 3 - V - 1 *





SENATE BILL 600: Study/Autonomous Vehicles.-AB

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Meredith, Rabon, Lowe
Analysis of: PCS to First Edition
S600-CSRW-23

Date: April 28, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 600 (proposed committee substitute) directs DMV to study autonomous vehicles.*

The PCS revises the definition of an "autonomous vehicle" applicable to the study.

BILL ANALYSIS: Senate Bill 600 (PCS) directs DMV, in collaboration with other interested stakeholders, to study how to implement autonomous vehicle technology on State roads. In conducting the study under this act, DMV is directed to consider all of the following:

- The measures necessary to successfully implement autonomous vehicle technology, including any legislative changes.
- Complications or liabilities that could arise by allowing autonomous vehicle technology.
- How autonomous vehicle technology can promote research and development in this State.
- Any other matters the Division deems relevant.

The bill directs DMV to report its findings and recommendations, including any legislative proposals, to the Joint Legislative Transportation Oversight Committee no later than February 1, 2016.

The bill defines the term "autonomous vehicle" to mean "*a vehicle capable of operating in a full automation mode where full automation is defined by the Society of Automotive Engineers standard, J3016, section 5.6 issued January 2014 as the unconditional, full-time performance by an automated driving system of all aspects of the dynamic driving task under, at minimum, all roadway and environmental conditions that can be managed by a human driver, including the ability to automatically bring the vehicle into a minimal risk condition in the event of a critical vehicle or system failure, or other emergency event.*"

EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 26, 2015
S.B. 654
PRINCIPAL CLERK

S

D

SENATE DRS35241-ML-139 (03/10)

Short Title: Map Act/Clarifications. (Public)

Sponsors: Senator Lee (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY CERTAIN PROVISIONS OF THE TRANSPORTATION
3 CORRIDOR OFFICIAL MAP ACT.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 136-44.50 reads as rewritten:

6 "§ 136-44.50. Transportation corridor official map act.

7 (a) A transportation corridor official map may be adopted or amended by any of the
8 following:

- 9 (1) The governing board of any local government for any thoroughfare included
10 as part of a comprehensive plan for streets and highways adopted pursuant to
11 G.S. 136-66.2 or for any proposed public transportation corridor included in
12 the adopted long-range transportation plan.
13 (2) The Board of Transportation, or the governing board of any county, for any
14 portion of the existing or proposed State highway system or for any public
15 transportation corridor, to include rail, that is in the Transportation
16 Improvement Program.
17 (3) Regional public transportation authorities created pursuant to Article 26 of
18 Chapter 160A of the General Statutes or regional transportation authorities
19 created pursuant to Article 27 of Chapter 160A of the General Statutes for
20 any portion of the existing or proposed State highway system, or for any
21 proposed public transportation corridor, or adjacent station or parking lot,
22 included in the adopted long-range transportation plan.
23 (4) The North Carolina Turnpike Authority for any project being studied
24 pursuant to G.S. 136-89.183.
25 (5) The Wilmington Urban Area Metropolitan Planning Organization for
26 Department projects R-3300 and U-4751.

27 Before a city adopts a transportation corridor official map that extends beyond the
28 extraterritorial jurisdiction of its building permit issuance and subdivision control ordinances,
29 or adopts an amendment to a transportation corridor official map outside the extraterritorial
30 jurisdiction of its building permit issuance and subdivision control ordinances, the city shall
31 obtain approval from the Board of County Commissioners.

32 (a1) No property may be regulated under this Article until:

- 33 (1) The governing board of the city, the county, the regional transportation
34 authority, the North Carolina Turnpike Authority, ~~or the Department of~~
35 ~~Transportation~~ Transportation, or any other entity listed in subsection (a) of



1 this section has held a public hearing in each county affected by the map on
2 the proposed map or amendment. Notice of the hearing shall be provided:

3 ...

- 4 (1a) The transportation corridor official map has been adopted or amended by the
5 governing board of the city, the county, the regional transportation authority,
6 the North Carolina Turnpike Authority, ~~or the Department~~ Department, or
7 any other entity listed in subsection (a) of this section.

8 ...

9 ...
10 (e) The term "amendment" for purposes of this section includes any change to a
11 transportation corridor official map, including:

- 12 (1) Failure of the Department of Transportation, the North Carolina Turnpike
13 Authority, a city, a county, ~~or a regional transportation authority~~ authority, or
14 any other entity listed in subsection (a) of this section to begin work on an
15 environmental impact statement or preliminary engineering as required by
16 this section; or
17 (2) Deletion of the corridor from (i) the transportation corridor official map by
18 action of the Board of Transportation, the North Carolina Turnpike
19 Authority, ~~or deletion of the corridor from the Wilmington Urban Area~~
20 Metropolitan Planning Organization, or (ii) the long-range transportation
21 plan of a city, county, or regional transportation authority by action of the
22 city, county, or regional transportation authority governing Board.

23 "

24 **SECTION 2.** G.S. 136-44.51(a) reads as rewritten:

25 "(a) After a transportation corridor official map is filed with the register of deeds, no
26 building permit shall be issued for any building or structure or part thereof located within the
27 transportation corridor, nor shall approval of a subdivision, as defined in G.S. 153A-335 and
28 G.S. 160A-376, be granted with respect to property within the transportation corridor. The
29 Secretary of Transportation or his designee, the director of the Wilmington Urban Area
30 Metropolitan Planning Organization, the director of a regional public transportation authority,
31 or the director of a regional transportation authority, as appropriate, shall be notified within 10
32 days of all submittals for corridor map determination, as provided in subsections (b) and (c) of
33 this section."

34 **SECTION 3.** G.S. 136-44.52(a) reads as rewritten:

35 "(a) The Department of Transportation, the regional public transportation authority, the
36 regional transportation authority, ~~or the local government which~~ government, or other entity
37 listed in subsection (a) of G.S. 136-44.50 that initiated the transportation corridor official map
38 shall establish procedures for considering petitions for variance from the requirements of
39 G.S. 136-44.51."

40 **SECTION 4.** G.S. 136-44.53(a) reads as rewritten:

41 "(a) After a transportation corridor official map is filed with the register of deeds, a
42 property owner has the right of petition to the filer of the map for acquisition of the property
43 due to an imposed hardship. The Department of Transportation, the regional public
44 transportation authority, the regional transportation authority, the Wilmington Urban Area
45 Metropolitan Planning Organization, or the local government that initiated the transportation
46 corridor official map may make advanced acquisition of specific parcels of property when that
47 acquisition is determined by the respective governing board to be in the best public interest to
48 protect the transportation corridor from development or when the transportation corridor
49 official map creates an undue hardship on the affected property owner. The procedure
50 established by a regional public transportation ~~authority or~~ authority, a regional transportation
51 authority, or the Wilmington Urban Area Metropolitan Planning Organization

1 pursuant to subsection (b) of this section shall provide for a hearing de novo by the Department
2 of Transportation for any request for advance acquisition due to hardship that is denied by an
3 authority. All hearings held by the Department under this subsection shall be conducted in
4 accordance with procedures established by the Department pursuant to subsection (b) of this
5 section. Any decision of the Department pursuant to this subsection shall be final and binding.
6 Any property determined eligible for hardship acquisition shall be acquired within three years
7 of the finding or the restrictions of the map shall be removed from the property."

8 **SECTION 5.** This act is effective when it becomes law and applies to filings,
9 adoptions, or amendments before, on, or after that date.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 654

Short Title: Map Act/Clarifications. (Public)

Sponsors: Senator Lee (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 30, 2015

A BILL TO BE ENTITLED
AN ACT TO CLARIFY CERTAIN PROVISIONS OF THE TRANSPORTATION
CORRIDOR OFFICIAL MAP ACT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-44.50 reads as rewritten:

"§ 136-44.50. Transportation corridor official map act.

(a) A transportation corridor official map may be adopted or amended by any of the following:

- (1) The governing board of any local government for any thoroughfare included as part of a comprehensive plan for streets and highways adopted pursuant to G.S. 136-66.2 or for any proposed public transportation corridor included in the adopted long-range transportation plan.
- (2) The Board of Transportation, or the governing board of any county, for any portion of the existing or proposed State highway system or for any public transportation corridor, to include rail, that is in the Transportation Improvement Program.
- (3) Regional public transportation authorities created pursuant to Article 26 of Chapter 160A of the General Statutes or regional transportation authorities created pursuant to Article 27 of Chapter 160A of the General Statutes for any portion of the existing or proposed State highway system, or for any proposed public transportation corridor, or adjacent station or parking lot, included in the adopted long-range transportation plan.
- (4) The North Carolina Turnpike Authority for any project being studied pursuant to G.S. 136-89.183.
- (5) The Wilmington Urban Area Metropolitan Planning Organization for Department projects R-3300 and U-4751.

Before a city adopts a transportation corridor official map that extends beyond the extraterritorial jurisdiction of its building permit issuance and subdivision control ordinances, or adopts an amendment to a transportation corridor official map outside the extraterritorial jurisdiction of its building permit issuance and subdivision control ordinances, the city shall obtain approval from the Board of County Commissioners.

(a1) No property may be regulated under this Article until:

- (1) The governing board of the city, the county, the regional transportation authority, the North Carolina Turnpike Authority, ~~or~~ the Department of Transportation, or any other entity listed in subsection (a) of



this section has held a public hearing in each county affected by the map on the proposed map or amendment. Notice of the hearing shall be provided:

- (1a) The transportation corridor official map has been adopted or amended by the governing board of the city, the county, the regional transportation authority, the North Carolina Turnpike Authority, ~~or the Department~~ Department, or any other entity listed in subsection (a) of this section.

...

(e) The term "amendment" for purposes of this section includes any change to a transportation corridor official map, including:

- (1) Failure of the Department of Transportation, the North Carolina Turnpike Authority, a city, a county, ~~or a regional transportation authority~~ authority, or any other entity listed in subsection (a) of this section to begin work on an environmental impact statement or preliminary engineering as required by this section; or
- (2) Deletion of the corridor from (i) the transportation corridor official map by action of the Board of Transportation, the North Carolina Turnpike Authority, or deletion of the corridor from the Wilmington Urban Area Metropolitan Planning Organization, or (ii) the long-range transportation plan of a city, county, or regional transportation authority by action of the city, county, or regional transportation authority governing Board.

...."

SECTION 2. G.S. 136-44.51(a) reads as rewritten:

"(a) After a transportation corridor official map is filed with the register of deeds, no building permit shall be issued for any building or structure or part thereof located within the transportation corridor, nor shall approval of a subdivision, as defined in G.S. 153A-335 and G.S. 160A-376, be granted with respect to property within the transportation corridor. The Secretary of Transportation or his designee, the director of the Wilmington Urban Area Metropolitan Planning Organization, the director of a regional public transportation authority, or the director of a regional transportation authority, as appropriate, shall be notified within 10 days of all submittals for corridor map determination, as provided in subsections (b) and (c) of this section."

SECTION 3. G.S. 136-44.52(a) reads as rewritten:

"(a) The Department of Transportation, the regional public transportation authority, the regional transportation authority, ~~or the local government which government,~~ or other entity listed in subsection (a) of G.S. 136-44.50 that initiated the transportation corridor official map shall establish procedures for considering petitions for variance from the requirements of G.S. 136-44.51."

SECTION 4. G.S. 136-44.53(a) reads as rewritten:

"(a) After a transportation corridor official map is filed with the register of deeds, a property owner has the right of petition to the filer of the map for acquisition of the property due to an imposed hardship. The Department of Transportation, the regional public transportation authority, the regional transportation authority, the Wilmington Urban Area Metropolitan Planning Organization, or the local government that initiated the transportation corridor official map may make advanced acquisition of specific parcels of property when that acquisition is determined by the respective governing board to be in the best public interest to protect the transportation corridor from development or when the transportation corridor official map creates an undue hardship on the affected property owner. The procedure established by a regional public transportation ~~authority or authority,~~ a regional transportation ~~authority~~ authority, or the Wilmington Urban Area Metropolitan Planning Organization

1 pursuant to subsection (b) of this section shall provide for a hearing de novo by the Department
2 of Transportation for any request for advance acquisition due to hardship that is denied by an
3 authority. All hearings held by the Department under this subsection shall be conducted in
4 accordance with procedures established by the Department pursuant to subsection (b) of this
5 section. Any decision of the Department pursuant to this subsection shall be final and binding.
6 Any property determined eligible for hardship acquisition shall be acquired within three years
7 of the finding or the restrictions of the map shall be removed from the property."

8 **SECTION 5.** This act is effective when it becomes law and applies to filings,
9 adoptions, or amendments before, on, or after that date.





SENATE BILL 654: Map Act/Clarifications

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Lee
Analysis of: First Edition

Date: April 29, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *Senate Bill 654 would make changes to the Map Act to reflect the 2006 addition of the Wilmington Urban Area Metropolitan Planning Organization to the list of entities authorized to adopt and amend transportation corridor maps.*

CURRENT LAW: The Transportation Corridor Official Map Act was enacted in 1987, and it authorizes the Department of Transportation and other governing bodies to adopt and file transportation corridor maps, which place restrictions on property located within a corridor. In 2006, the Wilmington Urban Area Metropolitan Planning Organization was added to the list of entities authorized to adopt and amend transportation corridor maps under the Map Act. However, the legislation did not make conforming changes to reflect the addition of that entity in other provisions of the Act.

BILL ANALYSIS: Senate Bill 654 would make conforming changes throughout provisions in the Map Act that were not made when the Wilmington Urban Area Metropolitan Planning Organization was added to the list of entities authorized to adopt and amend corridor maps under the Act in 2006.

EFFECTIVE DATE: The act would be effective when it becomes law and would apply to filings, adoptions, or amendments before, on, or after that date.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 24, 2015
S.B. 383
PRINCIPAL CLERK

S

D

SENATE DRS35152-ML-119A (03/06)

Short Title: Study/Fund Improvements to I-95. (Public)

Sponsors: Senators Rabon, Meredith, and Clark (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY WAYS
3 TO FUND IMPROVEMENTS TO INTERSTATE 95.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** Study. – The Department of Transportation shall study ways to fund
6 improvements to Interstate 95 from the South Carolina to Virginia borders, including the
7 feasibility of establishing tolls and managed lanes.
8 **SECTION 2.** Report. – The Department of Transportation shall report its findings
9 and recommendations, including any legislative proposals, to the Joint Legislative
10 Transportation Oversight Committee on or before February 1, 2016.
11 **SECTION 3.** This act is effective when it becomes law.



★ D R S 3 5 1 5 2 - M L - 1 1 9 A ★



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 383
PROPOSED COMMITTEE SUBSTITUTE S383-CSRW-24 [v.1]

4/28/2015 5:32:44 PM

Short Title: Study/Fund Improvements/Interstate Hwys. (Public)

Sponsors:

Referred to:

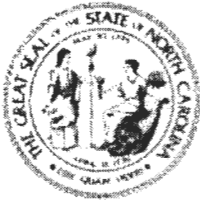
March 25, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY WAYS
3 TO FUND IMPROVEMENTS TO INTERSTATE HIGHWAYS IN THE STATE.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** Study. – The Department of Transportation shall study ways to fund
6 improvements to Interstate highways in the State, including the feasibility of establishing tolls
7 and managed lanes.
8 **SECTION 2.** Report. – The Department of Transportation shall report its findings
9 and recommendations, including any legislative proposals, to the Joint Legislative
10 Transportation Oversight Committee on or before February 1, 2016.
11 **SECTION 3.** This act is effective when it becomes law.



★ S 3 8 3 ~ C S R W - 2 4 - V - 1 ★





SENATE BILL 383: Study/Fund Improvements to I-95

2015-2016 General Assembly

Committee:	Rules and Operations of the Senate	Date:	April 28, 2015
Introduced by:	Sens. Rabon, Meredith, Clark	Prepared by:	Giles S. Perry
Analysis of:	PCS to First Edition S383-CSRW-24		Committee Counsel

SUMMARY: *Senate Bill 383 (proposed committee substitute) directs DOT to study ways to fund improvements to Interstate highways in the State.*

The proposed committee substitute expands the study to include all interstate highways.

BILL ANALYSIS: Senate Bill 383 (PCS) directs DOT to study ways to fund improvements to Interstate highways in the State, including the feasibility of establishing tolls and managed lanes.

DOT is directed to report its findings and recommendations, including any legislative proposals, to the Joint Legislative Transportation Oversight Committee on or before February 1, 2016.

EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director



* S 3 8 3 - S M R W - 6 9 C S R W - 2 4 - V 1 *

Research Division
(919) 733-2578





SENATE SERGEANT-AT-ARMS

COMMITTEE: Transportation

DATE: 4-29-15 ROOM: 1027/1128

1. Marcus Kitts
2. Dale Huff
3. _____
4. _____
5. _____
6. _____



SENATE PAGES ATTENDING

COMMITTEE: Transportation ROOM: 1027
 DATE: 4-29 TIME: 11^{Am}

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!

	Page Name	Hometown	Sponsoring Senator
①	Lily Zukerman	Wilmington	Lee
②	Alexandria Wingler 1	East Bend	Kraweic
③	Olivia Wingler 2	East Bend	Kraweic
④	Emry Wingler 1st Cousin	Yadkinville	Kraweic
⑤	Victoria Wingler 3	East Bend	Kraweic
⑥	Britt Martin	Yadkinville	Kraweic
7.			
8.			
9.			
10.			

Do not add names below the grid.

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



1. 2. 3.



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 4-29-15

Jay Stem

NCAA

Debbie Redding

Nc DOT

Kelly Thomas

Dmv

Jennifer Keel

Dmv

Hege Morgan

NCDMV

Penny Huff

2 of 2

Jim

MISC

Jim Bohar

BSA



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 4-29-15

Jeremy Schill

NCFH

Nick Tenyson

NCDOT

Reston Jones

NCDOT

Josh Hansen

Hansen Law Firm, PLLC

Todd Barlow

NC Advocates for Elder

John Polanski

NCHRP

Tham Ma

FWA

Mike Kozlosky

Wilmyngta MPO

David McGowan

NCPC

Jake Cash

NCC



SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 4-29-15

Nancy Jennings

NC DOT

Dana Fenton

City of Charlotte

William D. Thomas

MWC LLC

Amy H. Smith

SA

Susan Vick

Duke Energy



SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 4-29-15

MIKE BRUFF NC DOT

DmyLantz NC STA

KEVIN LACY NC DOT

Guy Smith Self

Rian Menwald WM

Sett Picher NCAR

Cathy Thomas FOLIO Carolina

Isabel Villa-Garcia NCAR

Phoebe Landon Brooks Pierce

Fred Moreno NC REC



**Senate Committee on Transportation
Wednesday, May 6, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on May 6, 2015 in Room 1027/1128 of the Legislative Building. 10 members were present. The attending Sergeant at Arms: Terry Barnhardt, Steve Wilson, and Jim Hamilton. Pages: Shion Whitaker of Cary (Sen. Stein); Donovan Whitehead of Rocky Mount (Sen. Bryant); Grace Danieleley of Elon (Sen. Gunn); and Morgan Dale of Marion, (Sen. Hise).

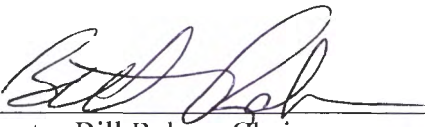
Senator Bill Rabon, Chair, presided.

HB 91 Study Misuse of Handicapped Parking Placards. (Representative Speciale) Rep. Speciale presented this bill as a study bill. There was no committee discussion or public comment. After a motion for a favorable report from Sen. Tucker, the committee reported the bill to the Senate Principal Clerk's office as Favorable as to the Bill. Sen. Cook was to be the floor manager.

HB 102 Utility Vehicles/Move-Over Changes. (Representative Davis) Rep. Davis presented this bill. An amendment, H102-ARW-13, was offered by Sen. Gunn to clarify the use of the ATV mentioned in the bill. There was some discussion over speed limitations on the vehicles. Chief Tim Bradley of the firefighters association spoke in favor of the amendment and explained why the firefighters use the ATV's referred to in the bill. Sen. Tucker moved that the amendment be rolled into the bill and then get reported out as a Senate PCS. The motion carried and the Senate PCS, H102-PCS-10379-RW-25 was reported to the Senate Principal Clerk as Unfavorable as to the Bill, but Favorable as to the Senate Committee Substitute Bill. Sen. Lee was going to be the floor manager for the bill.

HB 350 Restore Driving Privileges/Competency. (Representatives Farmer-Butterfield, Richardson, Hurley, R. Turner) Rep. Farmer-Butterfield and Rep. Rena Turner presented the bill. Sen. Daniel offered amendment H350-ASU-29 [V. 1] that changed the effective date for the bill by changing "July" to "October". The amendment was adopted. There was no committee discussion or public comment. Sen. Smith-Ingram moved for a favorable report of the bill as amended. The motion carried and the bill was reported to the Senate Principal Clerk as Unfavorable as to Bill, but Favorable as to Senate Committee Substitute Bill, along with a sequential referral to Senate Judiciary I. Sen. Randleman was to be the floor manager.

The meeting adjourned at 11:22 am.



Senator Bill Rabon, Chair
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, May 6, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 91	Study Misuse of Handicapped Parking Placards.	Representative Speciale
HB 102	Utility Vehicles/Law Enforcement.	Representative Davis
HB 350	Restore Driving Privileges/Competency.	Representative Farmer-Butterfield Representative Richardson Representative Hurley Representative R. Turner

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, May 06, 2015

Senator Rabon,
submits the following with recommendations as to passage:

FAVORABLE

HB 91 (CS#1) Study Misuse of Handicapped Parking Placards.
Draft Number: None
Sequential Referral: None
Recommended Referral: None
Long Title Amended: No

**UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO SENATE COMMITTEE
SUBSTITUTE BILL**

HB 350 Restore Driving Privileges/Competency.
Draft Number: H350-PCS40453-SU-22
Sequential Referral: Judiciary I
Recommended Referral: None
Long Title Amended: No

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE AS TO
SENATE COMMITTEE SUBSTITUTE BILL**

HB 102 (CS#1) Utility Vehicles/Law Enforcement.
Draft Number: H102-PCS10379-RW-25
Sequential Referral: None
Recommended Referral: None
Long Title Amended: Yes

TOTAL REPORTED: 3

Senator Bill Cook will handle HB 91
Senator Shirley Randleman will handle HB 350
Senator Michael Lee will handle HB 102



* C M R 3 3 3 - V - 1 *

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 91
Committee Substitute Favorable 4/22/15

Short Title: Study Misuse of Handicapped Parking Placards. (Public)

Sponsors:

Referred to:

February 18, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO STUDY WAYS TO
3 DECREASE THE MISUSE OF WINDSHIELD PLACARDS ISSUED TO
4 HANDICAPPED PERSONS.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** The Division of Motor Vehicles shall study ways to decrease the
7 misuse of windshield placards issued to handicapped persons. Included within this study shall
8 be the cost, feasibility, and advisability of (i) requiring the inclusion of more personally
9 identifying information on the windshield placard, including a picture of the handicapped
10 person who was issued the placard, (ii) linking the windshield placard to the handicapped
11 person's drivers license or special identification card, and (iii) linking the windshield placard to
12 the license plate issued to the handicapped person or the owner of the vehicle in which the
13 handicapped person is or will be transported. The Division shall report its findings and
14 recommendations, including any legislative proposals, to the Joint Legislative Transportation
15 Oversight Committee on or before January 15, 2016.
16 **SECTION 2.** This act is effective when it becomes law.



* H 9 1 - V - 2 *





HOUSE BILL 91: Study Misuse of Handicapped Parking Placards

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Rep. Speciale
Analysis of: Second Edition

Date: May 6, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *House Bill 91 would require the Division of Motor Vehicles to study ways to decrease the misuse of handicapped placards.*

CURRENT LAW: G.S. 20-37.6 provides for parking privileges for handicapped drivers and passengers who have applied for and obtained from the Division of Motor Vehicles a handicapped windshield placard or registration plate. Any vehicle that is driven by or is transporting a person who is handicapped and that displays a handicapped placard or plate is authorized to park in spaces designated as handicapped spaces.

BILL ANALYSIS: House Bill 91 would require the Division of Motor Vehicles to study ways to decrease the misuse of handicapped placards. Specifically, the Division would be directed to study the cost, feasibility, and advisability of:

- Inclusion of personally identifying information on placards.
- Linking the placard to the handicapped person's drivers license or identification card.
- Linking the placard to the registration plate issued to the vehicle in which the handicapped person will be transported.

The Division would be required to report its finding and recommendations to the Joint Legislative Transportation Oversight Committee on or before January 15, 2016.

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





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

3

HOUSE BILL 102
Committee Substitute Favorable 3/10/15
Third Edition Engrossed 3/16/15

Short Title: Utility Vehicles/Law Enforcement.

(Public)

Sponsors:

Referred to:

February 27, 2015

A BILL TO BE ENTITLED
AN ACT TO AUTHORIZE LAW ENFORCEMENT OFFICERS, EMERGENCY
PERSONNEL, AND MUNICIPAL AND COUNTY EMPLOYEES TO OPERATE
UTILITY VEHICLES ON SOME PUBLIC HIGHWAYS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-171.23 reads as rewritten:

"§ 20-171.23. Motorized ~~all-terrain~~all terrain vehicles of law enforcement officers and fire, rescue, and emergency medical services permitted on certain highways.

(a) Law enforcement officers acting in the course and scope of their duties may operate motorized ~~all-terrain vehicles, as defined in G.S. 14-159.3(b)~~all terrain vehicles and owned or leased by the agency, or under the direct control of the incident commander, on: (i) public highways where the speed limit is 35 miles per hour or less; and (ii) nonfully controlled access highways with higher speeds for the purpose of traveling from a speed zone to an adjacent speed zone where the speed limit is 35 miles per hour or less.

(b) Fire, rescue, and emergency medical services personnel acting in the course and scope of their duties may operate motorized ~~all-terrain vehicles, as defined in G.S. 14-159.3(b)~~all terrain vehicles and owned or leased by fire, rescue, or emergency medical services departments, or under the direct control of the incident commander, on: (i) public highways where the speed limit is 35 miles per hour or less; and (ii) nonfully controlled access highways with higher speeds for the purpose of traveling from a speed zone to an adjacent speed zone where the speed limit is 35 miles per hour or less.

(c) This Part and all other State laws governing the operation of ~~all-terrain~~all terrain vehicles apply to the operation of all-terrain vehicles authorized by this section.

(d) An ~~all-terrain~~all terrain vehicle operated pursuant to this section shall be equipped with operable front and rear lights and a horn.

(e) A person operating an ~~all-terrain~~all terrain vehicle pursuant to this section shall observe posted speed limits and shall not exceed the manufacturer's recommended speed for the vehicle.

(f) A person operating an ~~all-terrain~~all terrain vehicle pursuant to this section shall carry an official identification card or badge.

(g) For purposes of this section, the term "motorized all terrain vehicle" has the same meaning as in G.S. 14-159.3, except that the term also includes utility vehicles, as defined in this Chapter."

SECTION 2. G.S. 20-171.24 reads as rewritten:



1 "§ 20-171.24. Motorized ~~all-terrain~~all terrain vehicle use by employees of listed
2 municipalities and counties permitted on certain highways.

3 (a) Municipal and county employees may operate motorized ~~all-terrain vehicles, as~~
4 ~~defined in G.S. 14-159.3(b)~~all terrain vehicles and owned or leased by the agency, on: (i)
5 public highways where the speed limit is 35 miles per hour or less; and (ii) nonfully controlled
6 access highways with higher speeds for the purpose of traveling from a speed zone to an
7 adjacent speed zone where the speed limit is 35 miles per hour or less.

8 (b) This Part and all other State laws governing the operation of ~~all-terrain~~all terrain
9 vehicles apply to the operation of ~~all-terrain~~all terrain vehicles authorized by this section.

10 (c) An ~~all-terrain~~all terrain vehicle operated pursuant to this section shall be equipped
11 with operable front and rear lights and a horn.

12 (d) A person operating an ~~all-terrain~~all terrain vehicle pursuant to this section shall
13 observe posted speed limits and shall not exceed the manufacturer's recommended speed for the
14 vehicle.

15 (e) A person operating an ~~all-terrain~~all terrain vehicle pursuant to this section shall
16 carry an official identification card or badge.

17 (e1) For purposes of this section, the term "motorized all terrain vehicle" has the same
18 meaning as in G.S. 14-159.3, except that the term also includes utility vehicles, as defined in
19 this Chapter.

20 (f) ~~This section applies to the Towns of Ansonville, Atlantic Beach, Burgaw, Carolina~~
21 ~~Beach, Cramerton, Dallas, Davidson, Duck, Emerald Isle, Franklin, Indian Beach, Kill Devil~~
22 ~~Hills, Kitty Hawk, Kure Beach, Lowell, Manteo, Murphy, Nags Head, North Topsail Beach,~~
23 ~~Oakboro, Ocean Isle Beach, Pine Knoll Shores, Stanley, Surf City, Sylva, Topsail Beach,~~
24 ~~Williamston, Wrightsville Beach, and Yanceyville, the Cities of Albemarle, Belmont,~~
25 ~~Cherryville, Gastonia, Hamlet, Kings Mountain, Mount Holly, and Rockingham and the~~
26 ~~Counties of Cleveland, Currituck, Gaston, Surry, and Wilkes only."~~

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



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 102

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

H102-ARW-13 [v.2]

Page 1 of 2

Amends Title [YES]
Third Edition

Date _____, 2015

Senator Gunn

1 moves to amend the bill

2
3 on page 1, line 4, by rewriting that line to read:

4 "UTILITY VEHICLES ON SOME PUBLIC HIGHWAYS, AND TO MODIFY THE MOVE
5 OVER LAW TO INCLUDE VEHICLES BEING USED IN THE COLLECTION OF
6 REFUSE, SOLID WASTE, OR RECYCLING.";

7
8 on page 2, line 27, by rewriting that line to read:

9 "SECTION 3. G.S. 20-157(f) reads as rewritten:

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

15 (1) Move the vehicle into a lane that is not the lane nearest the parked or
16 standing authorized emergency vehicle or public service vehicle and
17 continue traveling in that lane until safely clear of the authorized emergency
18 vehicle. This paragraph applies only if the roadway has at least two lanes for
19 traffic proceeding in the direction of the approaching vehicle and if the
20 approaching vehicle may change lanes safely and without interfering with
21 any vehicular traffic.

22 (2) Slow the vehicle, maintaining a safe speed for traffic conditions, and operate
23 the vehicle at a reduced speed and be prepared to stop until completely past
24 the authorized emergency vehicle or public service vehicle. This paragraph
25 applies only if the roadway has only one lane for traffic proceeding in the
26 direction of the approaching vehicle or if the approaching vehicle may not
27 change lanes safely and without interfering with any vehicular traffic.

28 For purposes of this section, "public service vehicle" means a vehicle that (i) is being used to
29 assist motorists or law enforcement officers with wrecked or disabled vehicles, ~~or~~ (ii) is a
30 ~~vehicle~~ being used to install, maintain, or restore utility service, including electric, cable,
31 telephone, communications, and gas, (iii) is being used in the collection of refuse, solid waste,
32 or recycling, or (iv) is a highway maintenance vehicle owned and operated by or contracted by



* H 1 0 2 - A R W - 1 3 - V - 2 *

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 102

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

H102-ARW-13 [v.2]

Page 2 of 2

1 the State or a local ~~government~~government and is operating an amber-colored flashing light
2 authorized by G.S. 20-130.2. Violation of this subsection shall be negligence per se."

3 **SECTION 4.** Sections 1, 2, and 4 of this act become effective when they become
4 law. Section 3 of this act becomes effective October 1, 2015, and applies to offenses committed
5 on or after that date.";

6
7 on page 1, line 10, by deleting "and" and substituting "~~and~~";

8
9 on page 1, line 22, by deleting "all-terrain" and substituting "~~all-terrain~~ all terrain";

10
11 on page 2, line 4, by deleting "and" and substituting "~~and~~"; and

12
13 on page 2, line 4, by deleting the comma after the word "agency".

SIGNED _____

Amendment Sponsor

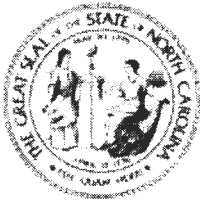
SIGNED _____

Committee Chair if Senate Committee Amendment

ADOPTED _____

FAILED _____

TABLED _____



HOUSE BILL 102: Utility Vehicles/Law Enforcement

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Rep. Davis
Analysis of: Third Edition

Date: May 5, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: House Bill 102:

- *Adds utility vehicles to the current authorization for law enforcement officials; and fire, rescue, and emergency medical services personnel to operate all terrain vehicles on roads with a speed limit of 35 mph or less.*
- *Authorizes all municipal and county employees to operate all terrain vehicles and utility vehicles on roads with a speed limit of 35 mph or less.*

CURRENT LAW: Under current law:

- **Law enforcement officials, and fire, rescue, and emergency medical services personnel** acting in the course and scope of their duties are authorized to operate motorized all terrain vehicles on roads with a speed limit of 35 mph or less, and cross over non-controlled access roads with higher speed limits while traveling on lower speed roads.
- **Municipal and county officials in 37 municipalities and 5 counties** are authorized to operate motorized all terrain vehicles owned or leased by them on roads with a speed limit of 35 mph or less, and cross over non-controlled access roads with higher speed limits while traveling on lower speed roads.

BILL ANALYSIS: House Bill 102:

- **Adds utility vehicles** to the current law authorization for operation of all terrain vehicles by **law enforcement officials; and fire, rescue, and emergency medical services** on roads with a speed limit of 35 mph or less, and to cross over non-controlled access roads with higher speed limits while traveling on lower speed roads.
- **Authorizes all municipal and county officials to operate all terrain and utility vehicles** on roads with a speed limit of 35 mph or less, and to cross over non-controlled access roads with higher speed limits while traveling on lower speed roads.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND:

- A **"motorized all terrain vehicle"** is defined in G.S. 14-159.3 as a "two or more wheeled vehicle designed for recreational off road use."
- A **"utility vehicle"** is defined in G.S. 20-4.01(48c) as a "motor vehicle that is (i) designed for off road use and (ii) used for general maintenance, security, agricultural, or horticultural

O. Walker Reagan
Director



Research Division
(919) 733-2578

House Bill 102

Page 2

purposes. "Utility vehicle" does not include an all terrain vehicle or golf cart, as defined in this section, or a riding lawn mower."

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

1

HOUSE BILL 350

Short Title: Restore Driving Privileges/Competency. (Public)

Sponsors: Representatives Farmer-Butterfield, Richardson, Hurley, and R. Turner (Primary Sponsors).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Transportation, if favorable, Judiciary II.

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO RESTORE THE
3 DRIVERS LICENSE OF A PERSON ADJUDICATED TO BE RESTORED TO
4 COMPETENCY.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 2 of Chapter 20 of the General Statutes is amended by adding
7 a new section to read:

8 **"§ 20-17.1A. Restoration of license for person adjudicated to be restored to competency.**

9 If otherwise eligible under G.S. 20-7 and any other applicable provision of law, the
10 Division shall restore the drivers license of a person adjudicated to be restored to competency
11 under G.S. 35A-1130 upon receiving notice from the clerk of court in which the adjudication is
12 made. Nothing in this section shall be construed as requiring the Division to restore the drivers
13 license of a person if (i) the person's drivers license was revoked because of a conviction or
14 other act requiring revocation and (ii) the person has not met the requirements set forth in this
15 Article for restoration of the person's drivers license."

16 **SECTION 2.** G.S. 35A-1130(d) reads as rewritten:

17 "(d) If the clerk or jury finds by a preponderance of the evidence that the ward is
18 competent, the clerk shall enter an order adjudicating that the ward is restored to competency.
19 Upon such adjudication, the ward is authorized to manage his or her affairs, make contracts,
20 control and sell his or her property, both real and personal, and exercise all rights as if he or she
21 had never been adjudicated incompetent. In addition, the clerk shall send a certified copy of the
22 order adjudicating that the ward is restored to competency to the Division of Motor Vehicles."

23 **SECTION 3.** This act becomes effective July 1, 2015.







NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 350

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

H350-ASU-29 [v.1]

Page 1 of 1

Amends Title [NO]
First Edition

Date _____, 2015

Senator Daniel

- 1 moves to amend the bill on page 1, line 23, by deleting "July" and substituting "October".

SIGNED _____
Amendment Sponsor

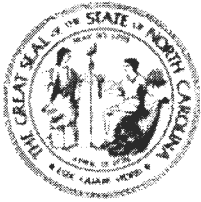
SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____



* H 3 5 0 - A S U - 2 9 - V - 1 *





HOUSE BILL 350: Restore Driving Privileges/Competency

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Judiciary I	Date:	May 6, 2015
Introduced by:	Reps. Farmer-Butterfield, Richardson, Hurley, R. Turner	Prepared by:	Wendy Graf Ray Committee Counsel
Analysis of:	First Edition		

SUMMARY: *House Bill 350 would require the Division of Motor Vehicles to restore a person's driving privilege upon notification from the clerk of court that the person has been adjudicated to be restored to competency.*

[As introduced, this bill was identical to S349, as introduced by Sen. Randleman, which is currently in House Transportation, if favorable, Judiciary II.]

CURRENT LAW: Article 1 of Chapter 35A of the General Statutes provides a procedure for adjudicating a person to be incompetent. The clerk of the court in which the adjudication is made is required to notify the Commissioner of Motor Vehicles of the adjudication. Upon receipt of notice that any person has been adjudicated incompetent, G.S. 20-17.1 authorizes the Division of Motor Vehicles to revoke that person's driving privilege unless the Commissioner is satisfied that the person is competent to operate a motor vehicle safely.

Article 3 of Chapter 35A provides for a proceeding before the clerk of court to restore a person's competency. When a person's competency is restored, the person is authorized to manage his or her affairs and exercise his or her rights as if he or she had never been adjudicated incompetent. There is no provision that specifically addresses restoration of the driving privilege in the event that the person's competency is later restored.

BILL ANALYSIS: House Bill 350 would add a provision to Chapter 35A requiring the clerk of court to send a certified copy of an order adjudicating a person to be restored to competency to the Division of Motor Vehicles. Upon receipt of the notice, the Division would be required to restore the person's drivers license, unless the license was otherwise revoked or the person does not otherwise meet requirements for restoration.

EFFECTIVE DATE: The act would become effective July 1, 2015.





Senate Transportation

May 6, 2015

Room 1027

11:00 AM

Senate Sergeant at Arms:

TERRY BARNHARDT

STEVE WILSON

JIM HAMILTON



SENATE TRANSPORTATION
SERGEANT-AT-ARMS

DATE 5/6/15

Frank Meyer NCCFA New Hanover County Fire

Joe Vindigni NCCFA Hendersonville Fire Dept.

Andy Walsh SA

Hayden Bauguess FSP

Qua Dan Eng

Phoebe Landon Brooks Pierce

Annaliese Dolph VL

Jul Bon Bon : Asso

Tom Murr AOC

Paul Sherman NCFB



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE _____

Debbie Clary NCSP
Sam Morris Log affairs

Debbie Jones DMV

Jackie Ruffin DOT/IT

Carla B. Thorpe DOT/IT

JEFF HARKEY NC STATE FIREMEN'S ASSOC.

David McGowan NCP C

Amanda Honaker TSS

Mark Dups New Hanover Cty Fire Rescue

Cliff Robinson New Hanover County Fire Rescue



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE _____

Hope Mozingo

NC DMV

Mark Swanson

RANC

William D. Totman

MWC LLC

Richard Childres

Town of Sunset Beach

Kevin Dempsey

Town of Sunset Beach

Ron Fowler

Maine Fire Dept / NC Assoc of Fire Chiefs

Jason Williams

Spring Lake Fire

Benjamin Nichols

NC AFE

Chris Nichols

NC AFE

Dave Horn

Smith-Brinson

Allan Hardison

SUTANA



SENATE TRANSPORTATION
~~PROSPECTIVE SPEAKER~~ SIGN-IN

NAME	ORGANIZATION	BILL NO.
Kasey Ginsberg	governor's office	not applicable
Reston Jones	NC DOT	
Theresa Beasly	UNC Dept of Trans.	
Kevin Gordon	NCSFA HB 102	
Ed Brinson	NCSFA HB 102	
Tim Bradley	NCSFA	102
TJ McLamb	Spring Lake Fire	102
Justin Ward	Shallotte Fire	102
PAUL DUNWELL	TOWN OF SHALLOTTE	102
JOHN GRIMES	LESLAND FIRE/RESCUE	102



**Senate Committee on Transportation
Wednesday, May 13, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on May 13, 2015 in Room 1027/1128 of the Legislative Building. 11 members were present. Attending Sergeant-at-Arms: Terry Barnhardt, Steve McKraig, and Matthew Urben. Pages: Bill Whittington of Raleigh (Sen. Alexander); Robbie Blankinship of Raleigh (Sen. Alexander); Brenna Daniel of Morganton (Sen. Daniel); Haley Williams of Harrisburg (Sen. Ford); Kaylah Mock of Winston-Salem (Sen. Lowe); QyDarrius McEachern of Lumberton (Sen. Smith); Brandon Wallace of Nashville (Sen. Bryant).

Senator Bill Rabon, Chair, presided.

HB 136 Speed Limit/Highway Work Zone. (Representative Stevens) Rep. Stevens presented the bill. There was no committee discussion or public comment and Sen. Lowe motioned for a Favorable report. That motion carried and the bill was reported to the Senate Principal Clerk (SPC) Favorable as to the Bill. Sen. Tucker agreed to handle the bill on the floor.

HB 434 Handicap Placard/Med. Recertification. (Representatives S. Martin, Torbett, Lucas) Rep. S. Martin explained the bill with an emphasis on the fact that the placard would expire after 5 years. There was no related committee discussion or public comment and Sen. Lowe moved to give the bill a Favorable report. The motion carried and the bill was reported to the SPC as Favorable to the Bill. Sen. Pate agreed to handle the bill on the floor.

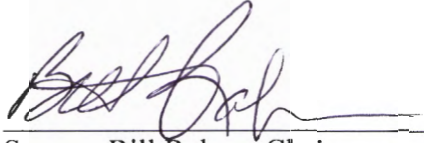
SB 399 Joint Agency Tax Refund. (Senator Sanderson) Representative Sanderson stood to present the bill, but the committee carried Sen. Hise's motion to consider a Senate Proposed Committee Substitute (PCS), S399-CSMLf-7 "Joint Agency & Waste Authority/Tax Exemption." The committee had a few questions seeking clarification on what entities would get permanent plates. There was no public comment and Sen. Hise motioned that the PCS be engrossed and reported favorably to the SPC. That motion carried, so S399 was reported to the SPC as Unfavorable as to the Bill, but Favorable as to the Committee Substitute Bill- along with a sequential referral to Senate Finance. Sen. Sanderson agreed to handle the bill on the floor.

SB 438 Permanent Plates/Charter Schools. (Senator Tucker) Sen. Tucker presented the bill. Since the bill needed to also go to Finance, Sen. Harrington immediately motioned for a favorable report. The motion carried and the bill was reported to the SPC as Favorable, with a sequential referral to Senate Finance. Sen. Tucker was to handle the bill on the floor.

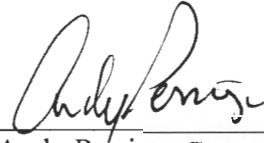


SB 513 North Carolina Farm Act of 2015. (Senators Brock, B. Jackson) The committee only wanted to hear the Transportation portion of the bill. Sen. Jackson presented sections 4-6 and 8. Staff- Chris Saunders- was asked to clarify Section 8. Sen. Hise had questions about 'right of center'. Sen. Smith-Ingram asked about doing a study on 'spreaders'. The State Highway Patrol (Eddie Caldwell saw no problems with the bill. There wasn't any public discussion. And Sen. Daniel moved for a favorable report. S513 was reported to the SPC as Favorable with a sequential referral to Senate Finance

The meeting adjourned at 11:30 am.



Senator Bill Rabon, Chair
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, May 13, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 136	Speed Limit/Highway Work Zone.	Representative Stevens
HB 434	Handicap Placard/Med. Recertification.	Representative S. Martin
		Representative Torbett
		Representative Lucas
SB 399	Joint Agency & Waste Authority/Tax Exemption.	Senator Sanderson
SB 438	Permanent Plates/Charter Schools.	Senator Tucker
SB 513	North Carolina Farm Act of 2015.	Senator Brock
		Senator B. Jackson

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, May 13, 2015

Senator Rabon,
submits the following with recommendations as to passage:

FAVORABLE

HB	136	Speed Limit/Highway Work Zone.
		Draft Number: None
		Sequential Referral: None
		Recommended Referral: None
		Long Title Amended: No
HB	434 (CS#1)	Handicap Placard/Med. Recertification.
		Draft Number: None
		Sequential Referral: None
		Recommended Referral: None
		Long Title Amended: No
SB	438	Permanent Plates/Charter Schools.
		Draft Number: None
		Sequential Referral: Finance
		Recommended Referral: None
		Long Title Amended: No
SB	513 (CS#1)	North Carolina Farm Act of 2015.
		Draft Number: None
		Sequential Referral: Finance
		Recommended Referral: None
		Long Title Amended: No

TOTAL REPORTED: 4

Senator Tommy Tucker will handle HB 136
Senator Louis Pate will handle HB 434
Senator Tommy Tucker will handle SB 438
Senator W. Jackson will handle SB 513





**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, May 13, 2015

Senator Rabon,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 399

Joint Agency & Waste Authority/Tax Exemption.

Draft Number: S399-PCS25264-MLf-7

Sequential Referral: Finance

Recommended Referral: None

Long Title Amended: Yes

TOTAL REPORTED: 1

Committee Clerk Comments:

This is Report 2 of 2

Senator Norman Sanderson will handle SB 399



★ C M R 3 5 3 - V - 1 ★



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 136
Second Edition Engrossed 4/30/15

Short Title: Speed Limit/Highway Work Zone. (Public)

Sponsors: Representative Stevens (Primary Sponsor).
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Transportation, if favorable, Judiciary III.

March 4, 2015

A BILL TO BE ENTITLED

AN ACT TO STUDY PENALTIES IMPOSED FOR SPEEDING IN A HIGHWAY WORK
ZONE.

The General Assembly of North Carolina enacts:

SECTION 1. The Department of Transportation shall study the penalties imposed for speeding in a highway work zone. The study shall focus on what statutory revisions, if any, are needed to balance the safety of roadside workers and the efficient movement of traffic through work zone areas.

SECTION 2. Report and Recommendations. – The Department shall report its findings and recommendations, including any legislative proposals, to the Joint Legislative Transportation Oversight Committee on or before December 31, 2015.

SECTION 3. Effective Date. – This act is effective when it becomes law.



★ H 1 3 6 - V - 2 ★





HOUSE BILL 136: Speed Limit/Highway Work Zone

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Rep. Stevens
Analysis of: Second Edition

Date: May 13, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *House Bill 136 would direct the Department of Transportation to study the penalties imposed for speeding in a highway work zone.*

CURRENT LAW: Under current law, a person who speeds in a posted highway work zone is subject to the regular penalty for speeding (an infraction, penalty up to \$100, G.S. 20-176), plus an additional penalty of \$250. As introduced, House Bill 136 would have limited imposition of the additional \$250 penalty for speeding in a highway work zone to violations that occur when workers are present and work is actively in progress at the time of the violation.

BILL ANALYSIS: House Bill 136 would direct the Department of Transportation to study the penalties imposed for speeding in a highway work zone and consider what statutory revisions may be needed to balance the safety of workers with the efficient movement of traffic.

The Department would be required to report its findings to the Joint Legislative Transportation Oversight Committee by December 31, 2015.

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

Giles Perry, counsel to the House Transportation Committee, substantially contributed to this summary.





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 434
Committee Substitute Favorable 4/14/15

Short Title: Handicap Placard/Med. Recertification.

(Public)

Sponsors:

Referred to:

April 1, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT MEDICAL RECERTIFICATION IS NOT REQUIRED FOR
3 RENEWALS OF REMOVABLE WINDSHIELD HANDICAPPED PLACARDS IF THE
4 PERSON IS CERTIFIED AS TOTALLY AND PERMANENTLY DISABLED.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 20-37.6(c1) reads as rewritten:

7 "(c1) Application and Renewal; Physician's Certification. – The initial application for a
8 distinguishing license plate, removable windshield placard, or temporary removable windshield
9 placard shall be accompanied by a certification of a licensed physician, ophthalmologist, or
10 optometrist or of the Division of Services for the Blind that the applicant is handicapped. The
11 application for a temporary removable windshield placard shall contain additional certification
12 to include the period of time the certifying authority determines the applicant will have the
13 disability. Distinguishing license plates shall be renewed annually, but subsequent applications
14 shall not require a medical certification that the applicant is handicapped. Removable
15 windshield placards shall be renewed every five years, ~~and~~ and, except for a person certified as
16 totally and permanently disabled at the time of the initial application or a prior renewal under
17 this subsection, the renewal shall require a medical recertification that the person is
18 handicapped. Temporary removable windshield placards shall expire no later than six months
19 after issuance."

20 **SECTION 2.** The Division of Motor Vehicles shall develop or update the
21 appropriate forms and procedures necessary to implement this act.

22 **SECTION 3.** Section 2 of this act is effective when this act becomes law. The
23 remainder of this act becomes effective July 1, 2016.







HOUSE BILL 434: Handicap Placard/Med. Recertification

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Reps. S. Martin, Torbett, Lucas
Analysis of: Second Edition

Date: May 13, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *House Bill 434 would eliminate the requirement that a person provide a medical recertification that the person is handicapped when renewing a handicapped placard if the person is certified as totally and permanently disabled.*

CURRENT LAW: G.S. 20-37.6 provides for parking privileges for handicapped drivers and passengers who have applied for and obtained from the Division of Motor Vehicles a handicapped windshield placard or registration plate. If the handicapped person is a registered owner of a vehicle, he or she may apply for a distinguishing plate. Any handicapped person may apply for a windshield placard. G.S. 20-37.6(c1) sets out the requirements for application and renewal. The initial application for both must include a certification of a licensed physician that the applicant is handicapped. Plates must be renewed annually but do not require recertification. Placards must be renewed every five years and require a medical recertification at that time.

BILL ANALYSIS: House Bill 434 would eliminate the requirement that a person renewing a handicapped placard must submit a medical recertification that the applicant is handicapped if the person was certified as totally and permanently disabled at the time of the initial application or at the time of a prior renewal. The bill also directs the Division of Motor Vehicles to develop forms and procedures to implement the act.

EFFECTIVE DATE: The provision of the act directing the Division to develop forms and procedures for implementation would be effective when it becomes law. The remainder of the act would be effective July 1, 2016.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 434 (Second Edition)

SHORT TITLE: Handicap Placard/Med. Recertification.

SPONSOR(S): Representatives S. Martin, Torbett, and Lucas

FISCAL IMPACT (\$ in millions)					
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
State Impact	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Highway Fund Revenues:	No material fiscal impact.				
Highway Fund Expenditures:					
State Positions:	0.0	0.0	0.0	0.0	0.0
NET STATE IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation, Division of Motor Vehicles					
EFFECTIVE DATE: Section 2 is effective upon enactment. The remainder is effective July 1, 2016.					
TECHNICAL CONSIDERATIONS: None					

BILL SUMMARY:

Section 1 amends G.S. 20-37.6 to provide that medical recertification is not required for renewal of a removable windshield handicapped placard, provided the recipient is certified as totally and permanently disabled at the time of initial application or prior renewal.

Section 2 requires the Division of Motor Vehicles to develop or update the appropriate forms and procedures needed to implement the act, effective upon enactment.

Section 3 also specifies that the remainder of the act is effective July 1, 2016.

ASSUMPTIONS AND METHODOLOGY:

There is no anticipated revenue impact, as the permanent placard will continue to be renewed every five years at the current fee of \$5. According to the Department, requisite renewal notice changes and system modifications can be accommodated with existing resources.

SOURCES OF DATA: Division of Motor Vehicles and Department of Transportation, Information Technology Section

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Bryce Ball

APPROVED BY:
Brian Matteson
on behalf of Mark Trogdon, Director
Fiscal Research Division

DATE: 04/15/2015



Signed Copy Located in the NCGA Principal Clerk's Offices

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 24, 2015
S.B. 399
PRINCIPAL CLERK

S

D

SENATE DRS45212-ML-137 (03/10)

Short Title: Joint Agency & Waste Authority/Tax Exemption. (Public)

Sponsors: Senator Sanderson (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT CERTAIN JOINT AGENCIES AND REGIONAL SOLID WASTE
3 MANAGEMENT AUTHORITIES FROM SALES AND MOTOR FUEL EXCISE
4 TAXES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-164.14(c)(17) reads as rewritten:

7 "(c) Certain Governmental Entities. – A governmental entity listed in this subsection is
8 allowed an annual refund of sales and use taxes paid by it under this Article on direct purchases
9 of tangible personal property and services. Sales and use tax liability indirectly incurred by a
10 governmental entity on building materials, supplies, fixtures, and equipment that become a part
11 of or annexed to any building or structure that is owned or leased by the governmental entity
12 and is being erected, altered, or repaired for use by the governmental entity is considered a
13 sales or use tax liability incurred on direct purchases by the governmental entity for the purpose
14 of this subsection. The refund allowed under this subsection does not apply to purchases of
15 electricity, telecommunications service, ancillary service, piped natural gas, video
16 programming, or a prepaid meal plan. A request for a refund must be in writing and must
17 include any information and documentation required by the Secretary. A request for a refund is
18 due within six months after the end of the governmental entity's fiscal year.

19 This subsection applies only to the following governmental entities:

20 ...

21 (17) A joint agency created by interlocal agreement pursuant to G.S. 160A-462 to
22 (i) provide fire protection, emergency services, or police protection (ii)
23 operate a public broadcasting television station.

24"

25 **SECTION 2.** G.S. 105-449.88 reads as rewritten:

26 **"§ 105-449.88. Exemptions from the excise tax.**

27 The excise tax on motor fuel does not apply to the following:

28 ...

29 (9) Biodiesel that is produced by an individual for use in a private passenger
30 vehicle registered in that individual's name pursuant to Chapter 20 of the
31 General Statutes. For the purposes of this subdivision, the term "private
32 passenger vehicle" has the same meaning as in G.S. 20-4.01.

33 (10) Motor fuel sold to a joint agency created by interlocal agreement pursuant to
34 G.S. 160A-462 to provide fire protection, emergency services, or police
35 protection for its use.



1 (11) Motor fuel sold to a regional solid waste management authority created
2 pursuant to G.S. 153A-421 for its use."

3 **SECTION 3.** This act becomes effective July 1, 2015, and applies to sales made on
4 or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 438

Short Title: Permanent Plates/Charter Schools. (Public)

Sponsors: Senators Tucker (Primary Sponsor); J. Davis, Hise, and Sanderson.

Referred to: Rules and Operations of the Senate.

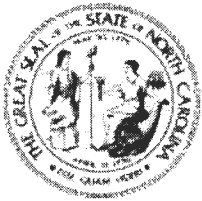
March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO REPEAL THE SUNSET ON THE LAW AUTHORIZING THE DIVISION OF
3 MOTOR VEHICLES TO ISSUE PERMANENT REGISTRATION PLATES TO
4 CHARTER SCHOOLS.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** Subsection (b) of Section 6.6 of S.L. 2014-101 is repealed.
7 **SECTION 2.** This act is effective when it becomes law.



★ S 4 3 8 - V - 1 ★





SENATE BILL 438: Permanent Plates/Charter Schools

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	May 12, 2015
Introduced by:	Sen. Tucker	Prepared by:	Giles S. Perry
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 438 removes the July 1, 2015 sunset on DMV's authorization to issue permanent plates for charter school vehicles.*

[As introduced, this bill was identical to H428, as introduced by Reps. Riddell, Jones, Conrad, Hardister, which is currently in House Finance.]

CURRENT LAW: G.S. 20-84(a) authorizes the Division of Motor Vehicles (DMV) to issue a permanent registration plate to eligible entities. The fee for a permanent State license plate is \$6.

In 2014, the General Assembly authorized DMV, until July 1, 2015, to issue a permanent plate for any charter school vehicle that met the following requirements:

- A motor vehicle that is owned and exclusively operated by a nonprofit corporation authorized under G.S. 115C-238.29D to operate a charter school and identified by a permanent decal or painted marking disclosing the name of the nonprofit corporation. The motor vehicle shall only be used for student transportation and official charter school related activities.

BILL ANALYSIS: Senate Bill 438 removes the July 1, 2015 sunset on DMV's authorization to issue permanent plates for charter school vehicles.

EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 399
PROPOSED COMMITTEE SUBSTITUTE S399-CSMLf-7 [v.3]

4/21/2015 4:18:54 PM

Short Title: Joint Agency & Waste Authority/Tax Exemption.

(Public)

Sponsors:

Referred to:

March 25, 2015

A BILL TO BE ENTITLED

AN ACT TO EXEMPT CERTAIN JOINT AGENCIES AND REGIONAL SOLID WASTE
MANAGEMENT AUTHORITIES FROM SALES AND MOTOR FUEL EXCISE
TAXES, AND TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE
PERMANENT REGISTRATION PLATES FOR MOTOR VEHICLES OWNED AND
OPERATED BY REGIONAL SOLID WASTE MANAGEMENT AUTHORITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-164.14(c)(17) reads as rewritten:

"(c) Certain Governmental Entities. – A governmental entity listed in this subsection is allowed an annual refund of sales and use taxes paid by it under this Article on direct purchases of tangible personal property and services. Sales and use tax liability indirectly incurred by a governmental entity on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure that is owned or leased by the governmental entity and is being erected, altered, or repaired for use by the governmental entity is considered a sales or use tax liability incurred on direct purchases by the governmental entity for the purpose of this subsection. The refund allowed under this subsection does not apply to purchases of electricity, telecommunications service, ancillary service, piped natural gas, video programming, or a prepaid meal plan. A request for a refund must be in writing and must include any information and documentation required by the Secretary. A request for a refund is due within six months after the end of the governmental entity's fiscal year.

This subsection applies only to the following governmental entities:

- (17) A joint agency created by interlocal agreement pursuant to G.S. 160A-462 to
(i) provide fire protection, emergency services, or police protection or (ii)
operate a public broadcasting television station.

...."

SECTION 2. G.S. 105-449.88 reads as rewritten:

"§ 105-449.88. Exemptions from the excise tax.

The excise tax on motor fuel does not apply to the following:

- (9) Biodiesel that is produced by an individual for use in a private passenger vehicle registered in that individual's name pursuant to Chapter 20 of the General Statutes. For the purposes of this subdivision, the term "private passenger vehicle" has the same meaning as in G.S. 20-4.01.



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(10) Motor fuel sold to a joint agency created by interlocal agreement pursuant to G.S. 160A-462 to provide fire protection, emergency services, or police protection for its use.

(11) Motor fuel sold to a regional solid waste management authority created pursuant to Article 22 of Chapter 153A of the General Statutes for its use."

SECTION 3. G.S. 20-84(b) is amended by adding a new subdivision to read:

"(20) A motor vehicle that is owned and operated by a regional solid waste management authority created pursuant to Article 22 of Chapter 153A of the General Statutes."

SECTION 4. Sections 1 and 2 of this act become effective July 1, 2015, and apply to sales made on or after that date. The remainder of this act is effective when it becomes law, and applies to violations committed on or after that date.



SENATE BILL 399: Joint Agency & Waste Authority/Tax Exemption

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	May 12, 2015
Introduced by:	Sen. Sanderson	Prepared by:	Giles S. Perry
Analysis of:	PCS to First Edition S399-CSMLf-7		Committee Counsel

SUMMARY: *Senate Bill 399 (proposed committee substitute):*

- *authorizes refund of sales and use taxes for a local government joint agency for fire protection, emergency services, or police protection.*
- *exempts from the motor fuels excise tax: a local government joint agency for fire protection, emergency services, or police protection; and a regional solid waste management authority.*
- *authorizes permanent license plates for a regional solid waste management authority. (This provision is added by the PCS.)*

CURRENT LAW:

G.S. 105-164.14 authorizes annual refunds of the sales and use tax to listed local government entities, including cities and counties.

G.S. 105-449.88 exempts listed entities and movements of fuel from the motor fuels excise tax.

G.S. 20-84(a) authorizes the Division of Motor Vehicles (DMV) to issue a permanent registration plate to eligible entities. The fee for a permanent State license plate is \$6.

BILL ANALYSIS:

Section 1 of the bill authorizes an annual refund of sales and use taxes for a joint agency created by interlocal agreement to provide fire protection, emergency services, or police protection.

Section 2 of the bill exempts from the motor fuels excise tax:

- a joint agency created by interlocal agreement to provide fire protection, emergency services, or police protection, and
- a regional solid waste management authority.

Section 3 of the bill authorizes permanent license plates for a motor vehicle owned or operated by a regional solid waste management authority.

EFFECTIVE DATE: Sections 1 and 2 become effective July 1, 2015, and apply to sales made on or after that date. The remainder of the bill becomes effective when it becomes law.

O. Walker Reagan
Director



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★ S 3 9 9 - S M R W - 7 9 C S M L F - 7 - V 3 ★



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

1

SENATE BILL 438

Short Title: Permanent Plates/Charter Schools. (Public)

Sponsors: Senators Tucker (Primary Sponsor); J. Davis, Hise, and Sanderson.

Referred to: Rules and Operations of the Senate.

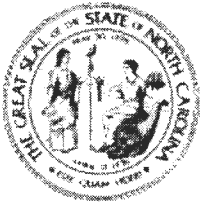
March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO REPEAL THE SUNSET ON THE LAW AUTHORIZING THE DIVISION OF
3 MOTOR VEHICLES TO ISSUE PERMANENT REGISTRATION PLATES TO
4 CHARTER SCHOOLS.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** Subsection (b) of Section 6.6 of S.L. 2014-101 is repealed.
7 **SECTION 2.** This act is effective when it becomes law.



* S 4 3 8 - V - 1 *





SENATE BILL 438: Permanent Plates/Charter Schools

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	May 12, 2015
Introduced by:	Sen. Tucker	Prepared by:	Giles S. Perry
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 438 removes the July 1, 2015 sunset on DMV's authorization to issue permanent plates for charter school vehicles.*

[As introduced, this bill was identical to H428, as introduced by Reps. Riddell, Jones, Conrad, Hardister, which is currently in House Finance.]

CURRENT LAW: G.S. 20-84(a) authorizes the Division of Motor Vehicles (DMV) to issue a permanent registration plate to eligible entities. The fee for a permanent State license plate is \$6.

In 2014, the General Assembly authorized DMV, until July 1, 2015, to issue a permanent plate for any charter school vehicle that met the following requirements:

- A motor vehicle that is owned and exclusively operated by a nonprofit corporation authorized under G.S. 115C-238.29D to operate a charter school and identified by a permanent decal or painted marking disclosing the name of the nonprofit corporation. The motor vehicle shall only be used for student transportation and official charter school related activities.

BILL ANALYSIS: Senate Bill 438 removes the July 1, 2015 sunset on DMV's authorization to issue permanent plates for charter school vehicles.

EFFECTIVE DATE: This act is effective when it becomes law.

O. Walker Reagan
Director



Research Division
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SENATE BILL 513: North Carolina Farm Act of 2015

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Brock, B. Jackson
Analysis of: Second Edition

Date: May 13, 2015
Prepared by: Chris Saunders
Committee Counsel

SUMMARY: *Senate Bill 513 would make various changes to agricultural, transportation, and environmental laws.*

Sections 4 through 9 directly pertain to transportation.

CURRENT LAW AND BILL ANALYSIS:

Section 1 of the bill would increase the North Carolina Horse Council assessment from \$2.00 to \$4.00 per ton of commercial horse feed, and provide that the assessment is levied for a period of ten years, up from three years. Under G.S. 106-825, the Council must use these funds to promote the interests of the horse industry.

Section 2 would provide that an employer does not have to withhold State income tax on compensation paid to an H-2A agricultural worker if the employer is not required to withhold federal income tax on that compensation. Since calendar year 2011, an employer must report compensation of \$600 or more paid to an H-2A agricultural worker on Form W-2, but the employer is not required to withhold federal taxes on the compensation unless the worker fails to provide the employer with either a Social Security Number (SSN) or an Individual Taxpayer Identification Number (ITIN). In the case of an H-2A agricultural worker who fails to provide a SSN or ITIN, the employer must withhold and remit 28% of the compensation and continue withholding this amount until the worker furnishes the employer the SSN or ITIN.

This section is effective for taxable years beginning on or after July 1, 2015.

Section 3 would establish a policy supporting sustainable agriculture in the State. The term "sustainable agriculture" is defined in this section.

Section 4 would direct the Department of Transportation to amend its rules to allow permitted oversize vehicles to operate between sunset and sunrise, Monday through Sunday of each week. Current rules do not permit oversize vehicles to operate on Sundays. Additionally, this section would direct the Department to amend its rules to remove Labor Day, Memorial Day, and New Year's Day from the list of holidays during which an oversize vehicle may not operate from noon on the weekday preceding the holiday until noon of the weekday after the holiday.

Section 5 would provide that any vehicle carrying baled hay from place to place on the same farm, from one farm to another, from farm to market, or from market to farm, that does not exceed 12 feet in width may be operated on the highways of this State. Such vehicles exceeding 10 feet in width must operate only during daylight hours and must display a red flag or flashing warning light in the front and rear of the vehicle.

O. Walker Reagan
Director



Research Division
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Senate Bill 513

Page 2

Section 6 would amend the right of center requirements to provide that farm equipment is not required to operate to the right of the center line when the combined width of the traveling lane and the accessible shoulder is less than the width of the equipment, and make a conforming change.

Section 7 would amend the definition of "agricultural spreader vehicle" to include vehicles designed for off-highway use on a farm to spread feed, and allow agricultural spreader vehicles that are exempt from the requirement of registration and certificate of title to travel at a speed of up to 45 miles per hour, up from 35 miles per hour. This section would also exempt all-terrain vehicles or utility vehicles used for agricultural purposes from the requirement of registration and certificate of title.

Section 8 would clarify that the weight limitation exceptions for transportation of agricultural products and supplies apply to vehicles carrying dairy products; vehicles carrying water, fertilizer, pesticides, seeds, fuel, or animal waste to or from a farm; and vehicles carrying feed ingredients from a storage or holding facility to a mill or farm. This section would become effective July 1, 2015.

Section 9 would require meteorological towers between 50 and 200 feet¹ high to be marked and painted such that they are visible during daylight hours from of a distance of at least 2,000 feet. The towers must be painted in alternating bands of orange and white, have a marker ball attached to the top third of each guy wire, and have a seven-foot long safety sleeve at each anchor point. Any person constructing a meteorological tower must also register with the Department of Transportation, provide the location and height of the proposed tower, and pay a \$350 registration fee. The Department must develop and maintain a database of these towers by January 1, 2017, and make the database available on its Web site. The Secretary of Transportation would be permitted to assess a \$10,000 penalty against any person who violates either the marking or notice requirements. Towers existing on January 1, 2017, would be grandfathered.

This section would become effective January 1, 2017, and would apply to meteorological towers erected on or after that date.

Section 10 would direct the Secretary of Environment and Natural Resources not to exclude any area from shellfish cultivation leases solely on the basis that the area contains submerged aquatic vegetation. However, the policy of the Army Corps of Engineers, Wilmington District, prohibits shellfish leasing in areas with submerged aquatic vegetation, and this section would not be enforceable until the Corps changes its policy.

This section would become effective July 1, 2015, and would apply to any new shellfish cultivation leases or renewals of existing shellfish cultivation leases issued on or after that date.

Section 11 would make three changes to present-use value taxation:

- This section would provide that, for purposes of present use value, the commercial production or growing of animals includes the rearing, feeding, training, caring, and managing of horses.
- This section would provide that when a tax assessor is determining whether a business entity applicant for present use value has farming as its principal business, there is a rebuttable presumption that farming is the business entity's primary business if the applicant has been approved for present value taxation for a qualifying property in another county. Any determination about the applicant's eligibility would not affect the determination of whether the individual parcel of land meets the classifications for agricultural, horticultural, or forest land pursuant to G.S. 105-277.3. Further, if the assessor is able to rebut the presumption, this would

¹ Towers above 200 feet tall are regulated by the Federal Aviation Administration.

Senate Bill 513

Page 3

not invalidate a determination that the applicant's principal business is farming agricultural land, horticultural land, or forestland in the other county.

- This section would direct the Department of Revenue to publish a present-use value program guide annually and make the guide available on its Web site. Tax assessors would be required to adhere to the Department's guide when making decisions regarding the qualifications or appraisal of property for the present-use value taxation program.

This section would become effective July 1, 2015, and applies to taxes imposed for taxable years beginning on or after that date. The requirement to publish a present-use value guide would be effective when it becomes law.

Section 12 would provide that for any conservation agreement subject to Council of State approval for termination or substantial modification, the Council must deny any request for termination or substantial modification that is made for the purpose of economic development. This section would apply only to perpetual conservation agreements or term conservation agreements terminated or substantially modified before the end of the term, to which the State or a subdivision of the State is a party. However, this section would not apply to condemnation actions initiated by a public condemnor.

This section would clarify that parties to a conservation agreement may include a provision in the agreement requiring the consent of the grantor or the grantor's successors in interest to terminate or substantially modify the agreement for any purpose.

Any agency that manages a conservation agreement program would be permitted to adopt rules governing its procedure for termination or substantial modification of a conservation agreement, provided that the rules must be at least as stringent as the requirements of this section.

Section 13 would transfer the captive cervid program (deer farming) from the jurisdiction of the Wildlife Resources Commission (WRC) to the Department of Agriculture and Consumer Services (DACS). DACS would be responsible for regulating the production, sale, possession, and transportation, including importation and exportation, of farmed cervids. This would include any cervid species that is held in captivity and produced, bought, or sold for commercial purposes, including white-tailed deer, elk, fallow deer, and red deer.

DACS would be authorized to issue new captivity licenses and permits for farmed cervid facilities that will hold cervids that are not susceptible to Chronic Wasting Disease. Until the USDA has adopted an approved method of testing for Chronic Wasting Disease (CWD) in living cervids, CWD-susceptible deer would not be allowed to be imported into this State. At such time as a live CWD test is developed, DACS would be authorized to issue new captivity licenses or permits for farmed cervid facilities that will hold cervids susceptible to CWD only if the CWD-susceptible source animals are from a certified herd in accordance with USDA Standards from an existing licensed facility. However, DACS would not be authorized to issue an importation permit for any farmed cervid from a CWD-positive, -exposed, or -suspect farmed cervid facility.

All free-ranging cervids would be required to be removed from any new captive cervid facility before stocking the facility with farmed cervids. Further, hunt facilities would be prohibited, and only the licensee, the owner or an employee of the facility, or a qualified veterinarian administering euthanasia would be permitted to kill a farmed cervid on the premises of a licensed facility.

Local governments would be prohibited from adopting any ordinances inconsistent with or more restrictive than the provisions of this section. Farmed cervids would not be subject to the provisions of G.S. 113-129, setting forth definitions related to wildlife resources.

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Live farmed cervids would only be able to be transported on a public road if the cervid has an official form of identification and the appropriate transportation, importation, or exportation permit issued by DACS. Any live farmed cervid transported on a public road would be subject to inspection by a wildlife law enforcement officer to ensure that the farmed cervid has the required official identification and permits.

Violation of any requirement of this section would be punishable by a civil penalty of not more than \$5,000 per animal, issued by DACS. In determining the amount of the penalty, the Commissioner of Agriculture would consider the degree and extent of harm caused by the violation.

WRC would retain jurisdiction over the possession and transportation, including importation and exportation, of non-farmed cervids, including game carcasses and parts of game carcasses extracted by hunters and carcasses and parts of carcasses imported from hunt facilities as defined by USDA Standards.

Section 14 would allow burning of polyethylene agricultural plastic without an air quality permit, provided that the burning is conducted as quickly as possible and in a manner that will minimize total emissions.

Section 15 would alter the implementation of animal waste management system regulations to provide that:

- A "new animal waste management system" does not include a system that has been abandoned or unused for a period of four years or more and is then put back into service.
- Certain swine waste management system performance standards will not apply to any facility that meets all the following conditions:
 - Has had no animals on site for five continuous years or more.
 - Notifies the Division of Water Resources in writing at least 60 days prior to bringing any animals back onto the site.
 - The system depopulated after January 1, 2005, and the system ceased operation no longer than 10 years prior to the current date.
 - At the time the system ceased operation, it was in compliance with an individual permit or a general permit.
 - The Division of Water Resources issues an individual permit or a certificate of coverage under a general permit for operation of the system before any animals are brought on the facility.
 - The permit for the animal waste management system does not allow production to exceed the greatest steady state live weight previously permitted for the system.
 - No component of the animal waste management system and swine farm, other than an existing swine house or land application site, may be constructed in the 100-year floodplain.
 - The inactive animal waste management system was not closed using the expenditure of public funds and was not closed pursuant to a settlement agreement, court order, cost-share agreement, or grant condition.

Section 16 would require the Department of Environment and Natural Resources to certify an animal waste management system as an *energy-producing animal operation* if: (i) the operation is an animal operation or dry litter poultry facility subject to a permit for an animal waste management system, (ii) the operation is a renewable energy facility that generates energy through the use of swine or poultry

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waste resources, (iii) the energy produced is used to comply with the Renewable Energy Portfolio Standards, and (iv) the animal waste management system decreases waste volumes by anaerobic digestion, or shipment of waste offsite for energy generation, or closes off waste lagoons to the open atmosphere by an impervious lagoon cover. Additionally, this section would provide that a certified energy-producing animal operation is not and cannot become a public or private nuisance due to odor.

This section would become effective December 1, 2015.

Section 16.1 would direct the Environmental Management Commission to amend its rules for Control of Odors for Animal Operations such that an odor from a certified energy-producing animal operation will not be found to be objectionable.

Section 17 would amend the definition of mining to provide that mining does not include excavation or grading when conducted solely for activities undertaken on agricultural land that are exempt from the requirements of the Sedimentation Pollution Control Act.

Section 18 would reduce the holding and advertising period for unclaimed livestock to allow the sale of unclaimed livestock within 13 days, rather than 50 days under current law. This section would also replace archaic language in the notification procedure. This section would be effective when it becomes law and would apply to livestock impounded on or after that date.

Section 19 would repeal DACS's reporting requirement for the North Carolina Dairy Stabilization and Growth Program and change the reporting date for revenues and expenditures of the Spay/Neuter Account from February to March of each year.

Section 20 would allow the Forest Service to accept a prescribed burner certification from another State or other entity. Prescribed burning is defined as "the planned and controlled application of fire to naturally occurring vegetative fuels under safe weather and safe environmental and other conditions, while following appropriate precautionary measures that will confine the fire to a predetermined area and accomplish the intended management objectives."

Section 21 would reduce the penalty for failure to guard a fire by watchman from a Class 3 misdemeanor to an infraction. Article 22 of Chapter 14 of the General Statutes contains several similar violations with more severe penalties:

- G.S. 14-136, Setting fire to grass and brushlands and woodlands, punishable as a Class 2 misdemeanor or a Class I felony.
- G.S. 14-137, Willfully or negligently setting fire to woods and fields, punishable as a Class 2 misdemeanor.
- G.S. 14-138.1, Setting fire to grassland, brushland, or woodland, punishable as a Class 3 misdemeanor.

Section 22 would establish a farm winery permit and farm winery unfortified wine permit. Any winery that produces at least 75% of its wine from honey, grapes, or other fruit or grain grown within the State would be able to obtain a farm winery permit, which would cost \$150. The holder of a farm winery permit could obtain a farm winery on-premises unfortified wine permit, which would be substantially equivalent to the existing on-premises unfortified wine permit, but would cost \$100 rather than \$400 for a standard on-premises unfortified wine permit.

The holder of a farm winery permit would have all the privileges of an unfortified winery permittee, plus the ability to sell their wine for on-premises or off-premises consumption at twice as many retail locations (three versus six), give visitors free tasting samples of the wine manufactured at the farm

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winery without obtaining a limited winery permit, and affix a label to the bottle certifying that the wine originates from a permitted farm winery.

This section would also make conforming changes and direct DACS to study ways to promote farm wineries within the State, including the development of a "passport" program where customers visiting a given number of farm wineries may receive a form of special recognition, such as a special sticker for their car. The report would be due to the Agriculture and Forestry Awareness Study Commission no later than February 1, 2016.

This section would become effective July 1, 2016, and would apply to permits issued on or after that date.

Section 23 would make a conforming change to clarify that all USDA-generated information received by DACS that is confidential under federal law must be held confidential. This section would also provide that all information collected by DACS from farm owners or animal owners, including laboratory reports received or generated from samples submitted for analysis, that may be used to identify an individual or business subject to regulation by DACS may not be disclosed without the permission of the owner, unless necessary to prevent the spread of animal disease or implement animal health programs.

Section 24 would make technical corrections overlooked in the transfer of the Forest Service from the Department of Environment and Natural Resources to DACS.

EFFECTIVE DATE: Except as otherwise provided, this act would be effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

2

SENATE BILL 513

Agriculture/Environment/Natural Resources Committee Substitute Adopted 5/12/15

Short Title: North Carolina Farm Act of 2015.

(Public)

Sponsors:

Referred to:

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE REGULATORY RELIEF TO THE AGRICULTURAL
3 COMMUNITY OF NORTH CAROLINA BY PROVIDING FOR VARIOUS
4 TRANSPORTATION AND ENVIRONMENTAL REFORMS AND BY MAKING
5 VARIOUS OTHER STATUTORY CHANGES.

6 The General Assembly of North Carolina enacts:

7
8 **REVISE HORSE INDUSTRY PROMOTION ACT TO INCREASE CAPS ON**
9 **DURATION AND AMOUNT OF AN ASSESSMENT**

10 **SECTION 1.** G.S. 106-823 reads as rewritten:

11 **"§ 106-823. Referendum.**

12 (a) The Council may conduct a referendum among horse owners upon the question of
13 whether an assessment shall be levied consistent with this Article.

14 (b) The Council shall determine all of the following:

- 15 (1) The amount of the proposed assessment, not to exceed ~~two dollars~~
16 ~~(\$2.00)~~ four dollars (\$4.00) per ton of commercial horse feed.
17 (2) The period for which the assessment shall be levied, not to exceed ~~three~~ 10
18 years.
19 (3) The time and place of the referendum.
20 (4) Procedures for conducting the referendum and counting votes.
21 (5) Any other matters pertaining to the referendum.

22"

23
24 **CONFORM COMPENSATION PAID TO AN H-2A AGRICULTURAL WORKER TO**
25 **FEDERAL WAGE WITHHOLDING STANDARDS**

26 **SECTION 2.(a)** G.S. 105-163.3(b) reads as rewritten:

27 "(b) Exemptions. – The withholding requirement does not apply to the following:

- 28 (1) Compensation that is subject to the withholding requirement of
29 G.S. 105-163.2.
30 (2) Compensation paid to an ordained or licensed member of the clergy.
31 (3) Compensation paid to an entity exempt from tax under G.S. 105-130.11.
32 (4) Compensation paid to an alien, as described by 8 U.S.C. §
33 1101(a)(15)(H)(ii)(a), that is not subject to federal income tax withholding
34 under section 1441 of the Code."

35 **SECTION 2.(b)** This section is effective for taxable years beginning on or after

36 July 1, 2015.



ESTABLISH POLICY SUPPORTING SUSTAINABLE AGRICULTURE

SECTION 3. Article 1 of Chapter 106 of the General Statutes is amended by adding a new section to read:

"§ 106-26.3. Declaration of policy supporting sustainable agriculture.

The General Assembly hereby finds and declares that it shall be the policy of this State to support and promote sustainable agriculture. For purposes of this section, "sustainable agriculture" means the use of science-based agricultural practices, technologies, or biological systems supported by research or otherwise demonstrated to lead to broad outcomes-based improvements, including such critical outcomes as increasing agricultural productivity and improving human health through access to safe, nutritious, affordable food and other agricultural products, while enhancing agricultural and surrounding environmental conditions through the stewardship of water, soil, air quality, biodiversity, and wildlife habitat. Further, the General Assembly finds and declares that it is in the interest of the people of this State to use sustainable agriculture to meet the needs of the present and to improve the ability of future generations to meet their own needs, while advancing progress toward environmental, social, and economic goals and the well-being of agricultural producers and rural communities."

MODIFY OVERSIZE VEHICLE PERMIT TIME RESTRICTIONS

SECTION 4.(a) 19A NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations). – Until the effective date of the revised permanent rule that the Department of Transportation is required to adopt pursuant to Section 4(d) of this act, the Department shall implement 19A NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations) as provided in Sections 4(b) and 4(c) of this act.

SECTION 4.(b) Implementation. – Notwithstanding subdivision (h)(1) of 19A NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations), the Secretary of Transportation shall allow movement of a permitted oversize vehicle between sunrise and sunset Monday through Sunday. However, a 16-foot-wide mobile or modular home unit with a maximum three-inch gutter edge is restricted to travel from 9:00 A.M. to 2:30 P.M. Monday through Sunday. A 16-foot-wide unit is authorized to continue operation after 2:30 P.M., but not beyond sunset, when traveling on an approved route as determined by an engineering study and the unit is being exported out-of-state.

SECTION 4.(c) Implementation. – Notwithstanding subdivision (h)(2) of 19A NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations), the Secretary of Transportation shall only prohibit movement of a permitted oversize vehicle and vehicle combination after noon on the weekday preceding the three holidays of Independence Day, Thanksgiving Day, and Christmas Day until noon on the weekday following a holiday. If the observed holiday falls on the weekend, travel is restricted from 12:00 noon on the preceding Friday until 12:00 noon on the following Monday.

SECTION 4.(d) Additional Rule-Making Authority. – The Department of Transportation shall adopt rules to amend 19A NCAC 02D .0607 (Permits-Weight, Dimensions and Limitations) consistent with Sections 4(b) and 4(c) of this act. Notwithstanding G.S. 150B-19(4), the rule adopted by the Department pursuant to this section shall be substantively identical to the provisions of Sections 4(b) and 4(c) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 4.(e) Effective Date. – Sections 4(b) and 4(c) of this act expire on the date that rules adopted pursuant to Section 4(d) of this act become effective.

ALLOW OVERSIZE TRANSPORTATION OF HAY BALES

SECTION 5. G.S. 20-116 is amended by adding a new subsection to read:

"§ 20-116. Size of vehicles and loads.

...

(o) Any vehicle carrying baled hay from place to place on the same farm, from one farm to another, from farm to market, or from market to farm that does not exceed 12 feet in width may be operated on the highways of this State. Vehicles carrying baled hay that exceed 10 feet in width may only be operated under the following conditions:

(1) The vehicle may only be operated during daylight hours.

(2) The vehicle shall display a red flag or a flashing warning light on both the rear and front ends. The flags or lights shall be attached to the equipment as to be visible from both directions at all times while being operated on the public highway for not less than 300 feet."

AMEND RIGHT-OF-CENTER REQUIREMENTS FOR CERTAIN AGRICULTURAL VEHICLES

SECTION 6.(a) G.S. 20-116(j) reads as rewritten:

"(j) Nothing in this section shall be construed to prevent the operation of self-propelled grain combines or other self-propelled farm equipment with or without implements, not exceeding 25 feet in width on any highway, unless the operation violates a provision of this subsection. Farm equipment includes a vehicle that is designed exclusively to transport compressed seed cotton from a farm to a gin and has a self-loading bed. Combines or equipment which exceed 10 feet in width may be operated only if they meet all of the conditions listed in this subsection. A violation of one or more of these conditions does not constitute negligence per se.

(1) The equipment may only be operated during daylight hours.

(2) The equipment must display a red flag on front and rear ends or a flashing warning light. The flags or lights shall be attached to the equipment as to be visible from both directions at all times while being operated on the public highway for not less than 300 feet.

(3) Equipment covered by this section, which by necessity must travel more than 10 miles or where by nature of the terrain or obstacles the flags or lights referred to in subdivision (2) of this subsection are not visible from both directions for 300 feet at any point along the proposed route, must be preceded at a distance of 300 feet and followed at a distance of 300 feet by a flagman in a vehicle having mounted thereon an appropriate warning light or flag. No flagman in a vehicle shall be required pursuant to this subdivision if the equipment is being moved under its own power or on a trailer from any field to another field, or from the normal place of storage of the vehicle to any field, for no more than ten miles and if visible from both directions for 300 feet at any point along the proposed route.

(4) Every piece of equipment so operated shall operate to the right of the center line ~~when meeting traffic coming from the opposite direction and at all other times when possible and practical.~~ unless the combined width of the traveling lane and the accessible shoulder is less than the width of the equipment.

...."

SECTION 6.(b) G.S. 20-146 is amended by adding a new subsection to read:

"§ 20-146. Drive on right side of highway; exceptions.

(a) Upon all highways of sufficient width a vehicle shall be driven upon the right half of the highway except as follows:

- 1 (1) When overtaking and passing another vehicle proceeding in the same
2 direction under the rules governing such movement;
3 (2) When an obstruction exists making it necessary to drive to the left of the
4 center of the highway; provided, any person so doing shall yield the
5 right-of-way to all vehicles traveling in the proper direction upon the
6 unobstructed portion of the highway within such distance as to constitute an
7 immediate hazard;
8 (3) Upon a highway divided into three marked lanes for traffic under the rules
9 applicable thereon; or
10 (4) Upon a highway designated and signposted for one-way traffic.

11 (a1) Self-propelled grain combines or other self-propelled farm equipment shall be
12 operated to the right of the center line except as provided in G.S. 20-116(j)(4).

13 (b) Upon all highways any vehicle proceeding at less than the legal maximum speed
14 limit shall be driven in the right-hand lane then available for thru traffic, or as close as
15 practicable to the right-hand curb or edge of the highway, except when overtaking and passing
16 another vehicle proceeding in the same direction or when preparing for a left turn.

17"

18
19 **AMEND DEFINITION OF "AGRICULTURAL SPREADER VEHICLE," INCREASE**
20 **SPEED LIMIT FOR AGRICULTURAL SPREADER VEHICLES, AND EXEMPT**
21 **ALL-TERRAIN VEHICLES AND UTILITY VEHICLES USED FOR**
22 **AGRICULTURAL PURPOSES FROM REGISTRATION AND CERTIFICATE OF**
23 **TITLE REQUIREMENTS**

24 **SECTION 7.** G.S. 20-51 reads as rewritten:

25 **"§ 20-51. Exempt from registration.**

26 The following shall be exempt from the requirement of registration and certificate of title:

27 ...

- 28 (16) A vehicle that meets all of the following conditions is exempt from the
29 requirement of registration and certificate of title. The provisions of
30 G.S. 105-449.117 continue to apply to the vehicle and to the person in whose
31 name the vehicle would be registered.

- 32 a. Is an agricultural spreader vehicle. An "agricultural spreader vehicle"
33 is a vehicle that is designed for off-highway use on a farm to spread
34 feed, fertilizer, seed, lime, or other agricultural products on a
35 field-products.
36 b. Is driven on the highway only for the purpose of going from the
37 location of its supply source for fertilizer or other products to and
38 from a farm.
39 c. Does not exceed a speed of ~~35~~45 miles per hour.
40 d. Does not drive outside a radius of 50 miles from the location of its
41 supply source for fertilizer and other products.
42 e. Is driven by a person who has a license appropriate for the class of
43 the vehicle.
44 f. Is insured under a motor vehicle liability policy in the amount
45 required under G.S. 20-309.
46 g. Displays a valid federal safety inspection decal if the vehicle has a
47 gross vehicle weight rating of at least 10,001 pounds.

48 ...

- 49 (18) An all-terrain vehicle or utility vehicle, when used for agricultural purposes."
50

1 **CLARIFY THE ROAD WEIGHT LIMITATION EXCEPTIONS FOR**
2 **TRANSPORTATION OF AGRICULTURAL PRODUCTS AND SUPPLIES**

3 **SECTION 8.(a)** G.S. 20-118(c)(12) reads as rewritten:

4 "(12) Subsections (b) and (e) of this section do not apply to a vehicle or vehicle
5 combination that meets all of the conditions set out below:

6 a. Is transporting any of the following items within 150 miles of the
7 point of origination:

- 8 1. ~~Agriculture~~ Agriculture, dairy, and crop products transported
9 from a farm to a processing plant or market.
- 10 2. Water, fertilizer, pesticides, seeds, fuel, or animal waste
11 transported to or from a ~~farm by a farm vehicle as defined in~~
12 G.S. 20-37.16(e)(3).farm.
- 13 3. Meats, livestock, or live poultry transported from the farm
14 where they were raised to a processing plant or market.
- 15 3a. Feed or feed ingredients that ~~is~~are used in the feeding of
16 poultry or livestock and transported from a storage facility,
17 holding facility, or mill to a farm.
- 18 4. Forest products originating and transported from a farm or
19 woodlands to market with delay interruption or delay for
20 further packaging or processing after initiating transport.
- 21 5. Wood residuals, including wood chips, sawdust, mulch, or
22 tree bark from any site.
- 23 6. Raw logs to market.
- 24 7. Trees grown as Christmas trees from field, farm, stand, or
25 grove to a processing point."

26 **SECTION 8.(b)** This section becomes effective July 1, 2015.

27
28 **ESTABLISH MARKING AND NOTICE REQUIREMENTS FOR**
29 **METEOROLOGICAL TOWERS**

30 **SECTION 9.(a)** Chapter 63 of the General Statutes is amended by adding a new
31 Article to read:

32 "Article 11.

33 "Marking and Notice of Meteorological Towers.

34 **"§ 63-110. Marking of meteorological towers.**

35 (a) As used in this Article, the term:

- 36 (1) "Height" means the distance from the base of a tower to the highest point of
37 the tower.
- 38 (2) "Meteorological tower" means a structure that is either self-standing or
39 supported by guy wires and ground anchors and has guy wires and accessory
40 facilities on which equipment used to measure wind speed and direction is
41 mounted. "Meteorological tower" does not include a structure that is affixed
42 or located adjacent to a building, house, or barn.

43 (b) Except as required by federal law, rule, or regulation, any meteorological tower over
44 50 feet in height shall be marked and painted or otherwise constructed to be visible in clear air
45 during daylight hours from a distance of not less than 2,000 feet. Meteorological towers shall
46 also comply with the following additional requirements:

- 47 (1) A meteorological tower shall be painted in equal alternating bands of
48 aviation orange and white, beginning with orange at the top of the tower.
- 49 (2) One marker ball shall be attached to the top third of each outside guy wire.

- (3) Guy wires shall have a seven-foot-long safety sleeve at each anchor point that extends from the anchor point along each guy wire attached to the anchor point.

"§ 63-111. Registration; notification; tower database; penalty.

(a) The Department of Transportation shall adopt rules requiring any person proposing to construct a meteorological tower to register with the Department. The person proposing to construct the tower shall notify the Department of the proposal, the location and height of the proposed tower, and any other information the Department may require to ensure aviation safety and shall pay a registration fee of three hundred fifty dollars (\$350.00). The rules shall require the owner of a meteorological tower to notify the Department upon removal or destruction of a tower.

(b) The Department of Transportation shall establish and maintain an electronic database that contains the location of all meteorological towers in the State by January 1, 2017. The Department may contract with a governmental entity or private entity to create and maintain the database. The Department shall make the contents of the database available on its Web site.

"§ 63-112. Penalties.

The Secretary of Transportation may assess a civil penalty of not more than ten thousand dollars (\$10,000) per violation against any person who violates any provision of this Article."

SECTION 9.(b) This section becomes effective January 1, 2017, and applies to meteorological towers erected on or after that date.

ALLOW SHELLFISH CULTIVATION LEASES IN AREAS CONTAINING SUBMERGED AQUATIC VEGETATION

SECTION 10.(a) G.S. 113-202(b) reads as rewritten:

"(b) The Secretary may delete any part of an area proposed for lease or may condition a lease to protect the public interest with respect to the factors enumerated in subsection (a) of this section. The Secretary may not grant a new lease in an area heavily used for recreational purposes. The Secretary shall not exclude any area from leasing solely on the basis that the area contains submerged aquatic vegetation and shall make specific findings based on the standards set forth in subsection (a) of this section prior to reaching a decision not to grant or renew a lease for shellfish cultivation for any area containing submerged aquatic vegetation."

SECTION 10.(b) This section becomes effective July 1, 2015, and applies to any new shellfish cultivation leases or renewals of existing shellfish cultivation leases issued on or after that date.

PRESENT-USE VALUE MODIFICATIONS

SECTION 11.(a) G.S. 105-277.2 reads as rewritten:

"§ 105-277.2. Agricultural, horticultural, and forestland – Definitions.

The following definitions apply in G.S. 105-277.3 through G.S. 105-277.7:

- (1) Agricultural land. – Land that is a part of a farm unit that is actively engaged in the commercial production or growing of crops, plants, or animals under a sound management program. For purposes of this definition, the commercial production or growing of animals includes the rearing, feeding, training, caring, and managing of horses. Agricultural land includes woodland and wasteland that is a part of the farm unit, but the woodland and wasteland included in the unit must be appraised under the use-value schedules as woodland or wasteland. A farm unit may consist of more than one tract of agricultural land, but at least one of the tracts must meet the requirements in G.S. 105-277.3(a)(1), and each tract must be under a sound management program. If the agricultural land includes less than 20 acres of woodland,

then the woodland portion is not required to be under a sound management program. Also, woodland is not required to be under a sound management program if it is determined that the highest and best use of the woodland is to diminish wind erosion of adjacent agricultural land, protect water quality of adjacent agricultural land, or serve as buffers for adjacent livestock or poultry operations.

...
(4) Individually owned. – Owned by one of the following:

a. An individual.

b. A business entity that meets all of the following conditions:

1. Its principal business is farming agricultural land, horticultural land, or forestland. When determining whether an applicant under G.S. 105-277.4 has as its principal business farming agricultural land, horticultural land, or forestland, the assessor shall presume the applicant's principal business to be farming agricultural land, horticultural land, or forestland if the applicant has been approved by another county for present-use value taxation for a qualifying property located within the other county; provided, however, the presumption afforded the applicant may be rebutted by the assessor and shall have no bearing on the determination of whether the individual parcel of land meets one or more of the classes defined in G.S. 105-277.3(a)(1). If the assessor is able to rebut the presumption, this shall not invalidate the determination that the applicant's principal business is farming agricultural land, horticultural land, or forestland in the other county.

2. All of its members are, directly or indirectly, individuals who are actively engaged in farming agricultural land, horticultural land, or forestland or a relative of one of the individuals who is actively engaged. An individual is indirectly a member of a business entity that owns the land if the individual is a member of a business entity or a beneficiary of a trust that is part of the ownership structure of the business entity that owns the land.

3. It is not a corporation whose shares are publicly traded, and none of its members are corporations whose shares are publicly traded.

4. If it leases the land, all of its members are individuals and are relatives. Under this condition, "principal business" and "actively engaged" include leasing.

c. A trust that meets all of the following conditions:

1. It was created by an individual who owned the land and transferred the land to the trust.

2. All of its beneficiaries are, directly or indirectly, individuals who are the creator of the trust or a relative of the creator. An individual is indirectly a beneficiary of a trust that owns the land if the individual is a beneficiary of another trust or a member of a business entity that has a beneficial interest in the trust that owns the land.

d. A testamentary trust that meets all of the following conditions:

1. It was created by an individual who transferred to the trust land that qualified in that individual's hands for classification under G.S. 105-277.3.

2. At the date of the creator's death, the creator had no relatives.

3. The trust income, less reasonable administrative expenses, is used exclusively for educational, scientific, literary, cultural, charitable, or religious purposes as defined in G.S. 105-278.3(d).

e. Tenants in common, if each tenant would qualify as an owner if the tenant were the sole owner. Tenants in common may elect to treat their individual shares as owned by them individually in accordance with G.S. 105-302(c)(9). The ownership requirements of G.S. 105-277.3(b) apply to each tenant in common who is an individual, and the ownership requirements of G.S. 105-277.3(b1) apply to each tenant in common who is a business entity or a trust.

...."

SECTION 11.(b) G.S. 105-277.4 is amended by adding a new subsection to read:

"§ 105-277.4. Agricultural, horticultural and forestland – Application; appraisal at use value; appeal; deferred taxes.

...

(f) The Department shall publish a present-use value program guide annually and make the guide available electronically on its Web site. When making decisions regarding the qualifications or appraisal of property under this section, the assessor shall adhere to the Department's present-use value program guide."

SECTION 11.(c) Section 11(a) of this act becomes effective July 1, 2015, and applies to taxes imposed for taxable years beginning on or after that date. The remainder of this section is effective when this act becomes law.

PROCEDURE FOR TERMINATION OR SUBSTANTIAL MODIFICATION OF CONSERVATION AGREEMENTS

SECTION 12.(a) Article 4 of Chapter 121 of the General Statutes is amended by adding a new section to read:

"§ 121-39A. Termination or substantial modification of agreements.

(a) For any conservation agreement subject to Council of State approval for termination or substantial modification, the Council shall deny any request for termination or substantial modification that is made for the purpose of economic development, including, but not limited to, instances where some or all of the property subject to the conservation agreement is to be commercially developed by a third party. For purposes of this section, "substantial modification" means a change to the terms of a conservation agreement that would result in a diminishment to the conservation restrictions applicable to the property contained in the agreement that would affect more than five percent (5%) of the property subject to the agreement.

(b) Notwithstanding any authority given to a public body of this State, including the State, any of its agencies, any city, county, district or other political subdivision, or municipal or public corporation, or any instrumentality of any of the foregoing, to release or terminate conservation easements under other law, this section shall apply to conservation agreements that are intended to be effective perpetually or that are terminated or substantially modified prior to the period of time stipulated in the agreement, and where at least one party to the agreement is a public body of this State, including the State, any of its agencies, any city, county, district or other political subdivision, or municipal or public corporation, or any

instrumentality of any of the foregoing. This section shall not apply to a condemnation action initiated by a public condemnor governed by Article 6 of Chapter 40A of the General Statutes.

(c) Parties to a conservation agreement may include a provision at the time an agreement is executed requiring the consent of the grantor or the grantor's successors in interest to terminate or substantially modify the agreement for any purpose.

(d) Any agency managing a conservation agreement program may adopt rules governing its procedure for termination or substantial modification of a conservation agreement, provided that any such rules may be no less stringent than the requirements of this section."

SECTION 12.(b) G.S. 106-737.1 reads as rewritten:

"§ 106-737.1. Revocation of conservation agreement.

(a) ~~By~~For conservation agreements between private parties, by written notice to the county, the landowner may revoke this conservation agreement. Such revocation shall result in loss of qualifying farm status.

(b) For conservation agreements where at least one party to the agreement is a public body of this State, including the State, any of its agencies, any city, county, district, or other political subdivision, or municipal or public corporation, the procedure set forth in G.S. 121-39A shall apply."

SECTION 12.(c) G.S. 106-743.2 reads as rewritten:

"§ 106-743.2. Conservation agreements for farmland in enhanced voluntary agricultural districts; limitation.

A conservation agreement entered into between a county or city and a landowner pursuant to G.S. 106-743.1(a)(2) shall be irrevocable for a period of at least 10 years from the date the agreement is executed. At the end of its term, a conservation agreement shall automatically renew for a term of three years, unless notice of termination is given in a timely manner by either party as prescribed in the ordinance establishing the enhanced voluntary agricultural district. Notice of termination at the end of a term under this section shall not trigger the procedure set forth in G.S. 121-39A. The benefits set forth in this Part shall be available to the farmland that is the subject of the conservation agreement for the duration of the conservation agreement."

SECTION 12.(d) G.S. 106-744 reads as rewritten:

"§ 106-744. Purchase of agricultural conservation easements; establishment of North Carolina Agricultural Development and Farmland Preservation Trust Fund and Advisory Committee.

(a) A county may, with the voluntary consent of landowners, acquire by purchase agricultural conservation easements over qualifying farmland as defined by G.S. 106-737.

(b) For purposes of this section, "agricultural conservation easement" means a negative easement in gross restricting residential, commercial, and industrial development of land for the purpose of maintaining its agricultural production capability. Such easement:

(1) May permit the creation of not more than three lots that meet applicable county zoning and subdivision regulations;

(1a) May permit agricultural uses as necessary to promote agricultural development associated with the family farm; and

(2) ~~Shall be perpetual in duration, provided that, at least 20 years after the purchase of an easement, a county may agree to reconvey the easement to the owner of the land for consideration, if the landowner can demonstrate to the satisfaction of the county that commercial agriculture is no longer practicable on the land in question.~~duration.

...."

SECTION 12.(e) G.S. 121-39A(c) becomes effective July 1, 2015, and applies to conservation agreements executed on or after that date. The remainder of this section becomes

effective July 1, 2015, and applies to agreements in effect on that date and executed on or after that date.

TRANSFER CAPTIVE CERVID PROGRAM TO THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

SECTION 13.(a) Article 49H of Chapter 106 of the General Statutes reads as rewritten:

"Article 49H.

~~"Production and Sale~~Production, Sale, and Transportation of Fallow Deer and Red Deer.Farmed Cervids.

"§ 106-549.97. Regulation by Department of Agriculture and Consumer Services of ~~certain~~farmed cervids produced and sold for commercial purposes; ~~certain authority of North Carolina Wildlife Resources Commission not affected;~~ definitions.

(a) ~~The Department of Agriculture and Consumer Services shall regulate the production and sale of farmed cervids. The Board of Agriculture shall adopt rules for the production and sale of farmed cervids in such a manner as to provide for close supervision of any person, firm, or corporation producing and selling farmed cervids and shall notify any such person, firm, or corporation that the activity is subject to compliance with Wildlife Resources Commission rules pursuant to G.S. 113-272.6.~~

(a1) The following definitions apply in this Article:

(1) Commission. – The North Carolina Wildlife Resources Commission.

(2) Department. – The North Carolina Department of Agriculture and Consumer Services.

(3) Farmed Cervid. – Any cervid, as defined by the USDA Standards, that is susceptible to Chronic Wasting Disease, or any other member of the Cervidae family that is not susceptible to Chronic Wasting Disease, that is held in captivity and produced, bought, or sold for commercial purposes. With regard to cervids that are susceptible to Chronic Wasting Disease, the term "farmed cervid" shall only include any cervid that was bred in captivity and has been continuously maintained within a herd that is enrolled in and complies with a USDA-approved Herd Certification Program. Any animal registered or tagged in any licensed captive cervid facility existing within the State as of July 1, 2015, is deemed to be a farmed cervid.

(4) Non-Farmed Cervid. – All animals in the family Cervidae other than farmed cervids.

(5) USDA. – The United States Department of Agriculture.

(6) USDA Standards. – The United States Department of Agriculture's Chronic Wasting Disease Program Standards, May 2014 edition, and subsequent updates.

(a2) The Department of Agriculture and Consumer Services shall regulate the production, sale, possession, and transportation, including importation and exportation, of farmed cervids. The Department shall have sole authority with regard to farmed cervids, including administration of the North Carolina Captive Cervid Herd Certification Program. The Department shall allow the sale of farmed cervids, whether alive or dead, whole or in part, including, but not limited to, the sale of antlers, antler velvet, hides, or meat from captive populations of farmed cervids. The Department shall follow the USDA Standards and the provisions set forth in 9 C.F.R. Part 55 and 9 C.F.R. Part 81 in the implementation of this Article with regard to cervids susceptible to Chronic Wasting Disease. The Department may adopt rules to implement this Article, including, but not limited to, requirements for captivity licenses, captivity permits, transportation permits, importation permits, and exportation permits.

1 The Department may issue new captivity licenses or permits for farmed cervid facilities that
2 will hold cervids susceptible to Chronic Wasting Disease only if Chronic Wasting
3 Disease-susceptible source animals are from a certified herd in accordance with USDA
4 Standards from an existing licensed facility. Nothing in this section shall limit the Department's
5 ability to issue new captivity licenses and permits for farmed cervid facilities that will hold
6 cervids that are not susceptible to Chronic Wasting Disease. The Department shall not issue an
7 importation permit for any farmed cervid from a Chronic Wasting Disease-positive, exposed, or
8 suspect farmed cervid facility. Until such time as the USDA has adopted an approved method
9 of testing for Chronic Wasting Disease in living cervids, cervids susceptible to Chronic
10 Wasting Disease shall not be imported into North Carolina.

11 (a3) All free-ranging cervids shall be removed from any new captive cervid facility prior
12 to stocking the facility with farmed cervids.

13 (a4) Hunt facilities as defined by USDA Standards are prohibited. Any farmed cervid
14 killed on the premises of a licensed facility shall be killed only by the licensee, the owner of the
15 facility, an employee of the facility, or a qualified veterinarian administering euthanasia.

16 (b) The North Carolina Wildlife Resources Commission shall regulate the possession
17 and transportation, including importation and exportation, of non-farmed cervids pursuant to
18 G.S. 113-272.6. No action taken by the Department shall in any way limit the authority of the
19 Commission to regulate non-farmed cervids as wildlife resources of the State belonging to the
20 people of the State as a whole. Nothing in this Article shall authorize the Department to
21 regulate hunting or any activity related to hunting.

22 (e) The following definitions apply in this Article:

23 (1) ~~Repealed by Session Laws 2003-344, s. 11, effective July 27, 2003.~~

24 (2) ~~Repealed by Session Laws 2003-344, s. 11, effective July 27, 2003.~~

25 (3) ~~Cervid or Cervidae. All animals in the Family Cervidae (elk and deer).~~

26 (4) ~~Farmed Cervid. Any member of the Cervidae family, other than~~
27 ~~white-tailed deer, elk, mule deer, or black-tailed deer, that is bought and sold~~
28 ~~for commercial purposes.~~

29 (5) ~~White-tailed deer. A member of the species Odocoileus virginianus.~~

30 (d) No county, municipality, or any other unit of local government may adopt any
31 ordinance, regulation, or law that is inconsistent with or more restrictive than the provisions of
32 this Article. Any ordinance, regulation, or law that is currently enacted that is inconsistent with
33 or more restrictive than the provisions of this Article is hereby repealed.

34 (e) In order to carry out the authority granted by this Article, the Department may
35 enforce the rules adopted by the Wildlife Resources Commission under its prior authority
36 pursuant to G.S. 150B-21.7, including the rules governing issuance of captivity licenses,
37 captivity permits, transportation permits, importation permits, and exportation permits, until
38 such time as the Department adopts rules for the implementation of this Article.

39 (f) The provisions of G.S. 113-129 shall not apply to the production, sale,
40 transportation, importation, or exportation of farmed cervids under this Article, whether alive
41 or dead, whole or in part.

42 (g) No live farmed cervid shall be transported on a public road within the State unless
43 the cervid has an official form of identification approved by the State Veterinarian for this
44 purpose and the appropriate transportation, importation, or exportation permit issued by the
45 Department.

46 (h) Any live farmed cervid that is transported on a public road within the State shall be
47 subject to inspection by a wildlife law enforcement officer to ensure that each farmed cervid
48 has official identification required under this Article and that the appropriate permit has been
49 obtained from the Department.

50 (i) Any person transporting a live farmed cervid on a public road within the State
51 without the appropriate farmed cervid identification and permit may be subject to a civil

penalty by the Department under this Article. Each cervid that fails to meet the tagging and transportation requirements of the Department shall constitute a separate violation.

(j) The Commissioner of Agriculture may assess a civil penalty of not more than five thousand dollars (\$5,000) per animal against any person who violates a provision of this Article or any rule adopted thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation. The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

"§ 106-549.98. Inspection fees.

The Commissioner may establish a fee at an hourly rate to be paid by the owner, proprietor, or operator of each slaughtering, meat canning, salting, packing, rendering, or similar establishment for the purpose of defraying the expenses incurred in the inspection of fallow deer as required by Article 49B of Chapter 106 of the General Statutes. The Commissioner may establish a fee at an hourly rate to be paid by the owner, proprietor, or operator of each slaughtering, meat canning, salting, packing, rendering, or similar establishment for the purpose of defraying the expenses incurred in the inspection of red deer as required by Article 49B of Chapter 106 of the General Statutes."

SECTION 13.(b) G.S. 113-272.6 reads as rewritten:

"§ 113-272.6. Transportation-Possession, Transportation, Importation, and Exportation of non-farmed cervids and licensing of captive cervid facilities.cervids.

(a) The Wildlife Resources Commission shall regulate the possession and transportation, including importation and exportation, and possession of non-farmed cervids, including game carcasses and parts of game carcasses extracted by hunters.hunters and carcasses and parts of carcasses imported from hunt facilities as defined by USDA Standards. For purposes of this section, the term "non-farmed cervid" has the same meaning as in G.S. 106-549.97. The Commission shall allow the sale of antlers, antler velvet, or hides from captive populations of cervids. The Commission shall follow the USDA Standards as defined in G.S. 106-549.97 and the provisions set forth in 9 C.F.R. Part 55 and 9 C.F.R. Part 81 in the implementation of this section and shall not adopt any rule or standard that is in conflict with, in lieu of, or more restrictive than the USDA Standards. The Commission shall adopt rules to implement this section, including requirements for captivity licenses, captivity permits, and transportation permits.transportation, importation, and exportation permits. The rules adopted pursuant to this section shall establish standards of care for the transportation and possession of cervids, including requirements for fencing, tagging, record keeping, and inspection of captive cervid facilities. Notwithstanding any other provision of law, the Commission may charge a fee of up to fifty dollars (\$50.00) for the processing of applications for captivity licenses, captivity permits, and transportationtransportation, importation, and exportation permits, and the renewal or modification of those licenses and permits. The fees collected shall be applied to the costs of administering this section.

(b) The Wildlife Resources Commission shall notify every applicant for a transportation permit that any permit issued is subject to the applicant's compliance with the Department of Agriculture and Consumer Services' requirements for transportation pursuant to Article 34 of Chapter 106 of the General Statutes.

(c) The Department of Agriculture and Consumer Services shall regulate the production and saleproduction, sale, and transportation, including importation and exportation, of farmed cervids for commercial purposes and the licensing of farmed cervid facilities pursuant to G.S. 106-549.97. No action taken by the Wildlife Resources Commission shall in any way limit the authority of the Department of Agriculture and Consumer Services to regulate farmed cervids.

(d) Notwithstanding any other provision of law, the North Carolina Wildlife Resources Commission shall issue captivity licenses, captivity permits, or transportation permits to any

1 person possessing cervids that were held in captivity by that person prior to May 17, 2002, if
2 the Executive Director finds that the applicant has come into compliance with all applicable
3 rules related to the holding of cervids in captivity by January 1, 2004, and that issuance of such
4 license or permit does not pose unreasonable risk to the conservation of wildlife resources.

5 (e) ~~Any captivity license, captivity permit, or cervids held contrary to the provisions of~~
6 ~~this section may be subject to forfeiture and disposition in accordance with the provisions of~~
7 ~~G.S. 113-137 or G.S. 113-276.2."~~
8

9 **ALLOW ALTERNATE DISPOSAL OF BIODEGRADABLE AGRICULTURAL**
10 **PLASTICS**

11 **SECTION 14.** G.S. 106-950 reads as rewritten:

12 **"§ 106-950. Exempt fires; no permit fees.**

13 (a) This Article shall not apply and no air quality permit shall be required for any of the
14 following:

15 (1) ~~to any~~ Any fires started, or caused to be started, within 100 feet of an
16 occupied dwelling house if such fire shall be confined (i) within an enclosure
17 from which burning material may not escape or (ii) within a protected area
18 upon which a watch is being maintained and which is provided with
19 adequate fire protection equipment.

20 (2) The burning of polyethylene agricultural plastic used in connection with
21 agricultural operations related to the growing, harvesting, or maintenance of
22 crops when the burning is conducted as quickly as possible and in a manner
23 that will minimize total emissions.

24 (b) No charge shall be made for the granting of any permit required by this Article."
25

26 **AMEND THE DEFINITION OF "NEW ANIMAL WASTE MANAGEMENT SYSTEM"**
27 **AND THE APPLICATION OF SWINE WASTE MANAGEMENT SYSTEM**
28 **PERFORMANCE STANDARDS**

29 **SECTION 15.** Section 21 of S.L. 2013-413 reads as rewritten:

30 **"SECTION 21.(a)** 15A NCAC 02T .1302 ~~(Definitions).~~(Definitions) and 15A NCAC 02T
31 .1307 (Swine Waste Management System Performance Standards). – Until the effective date of
32 the revised permanent ~~rule-rules~~ that the Environmental Management Commission is required
33 to adopt pursuant to Section 21(c) of this act, the Commission and the Department of
34 Environment and Natural Resources shall implement 15A NCAC 02T .1302 (Definitions) and
35 15A NCAC 02T .1307 (Swine Waste Management System Performance Standards) as provided
36 in Section 21(b) of this act.

37 **"SECTION 21.(b)** Implementation. – Notwithstanding 15A NCAC 02T .1302
38 (Definitions), "new animal waste management system" means animal waste management
39 systems which are constructed and operated at a site where no feedlot existed ~~previously, where~~
40 ~~a system serving a feedlot has been abandoned or unused for a period of four years or more and~~
41 ~~is then put back into service, previously~~ or where a permit for a system has been rescinded, and
42 is then reissued when the permittee confines animals in excess of the thresholds established in
43 G.S. 143-215.10B. Notwithstanding subsection (a) of 15A NCAC 02T .1307 (Swine Waste
44 Management System Performance Standards), the Swine Waste Management System
45 Performance Standards shall:

46 (1) Apply to any farm facility that receives a permit for its animal waste
47 management system that allows a level of production at the farm, as
48 measured by steady state live weight, greater than the largest production for
49 which the farm has received a permit in the past, and so that they also apply
50 to any other animal waste management system otherwise subject to
51 regulation under G.S. 143-215.10I.

- (2) Not apply to any facility that meets all of the following conditions:
- a. Has had no animals on site for five continuous years or more.
 - b. Notifies the Division of Water Resources in writing at least 60 days prior to bringing any animals back on to the site.
 - c. The system depopulated after January 1, 2005, and the system ceased operation no longer than 10 years prior to the current date.
 - d. At the time the system ceased operation, the system was in compliance with an individual permit or a general permit issued pursuant to G.S. 143-215.10C.
 - e. The Division of Water Resources issues an individual permit or certificate of coverage under a general permit issued pursuant to G.S. 143-215.10C for operation of the system before any animals are brought on the facility.
 - f. The permit for the animal waste management system does not allow production, measured by steady state live weight, to exceed the greatest steady state live weight previously permitted for the system under G.S. 143-215.10C.
 - g. No component of the animal waste management system and swine farm, other than an existing swine house or land application site, shall be constructed on land that is located within the 100-year floodplain.
 - h. The inactive animal waste management system was not closed using the expenditure of public funds and was not closed pursuant to a settlement agreement, court order, cost share agreement, or grant condition.

"SECTION 21.(c) Additional Rule-Making Authority. – The Environmental Management Commission shall adopt ~~a rule~~ rules as promptly as practicable to amend 15A NCAC 02T .1302 (Definitions) and 15A NCAC 02T .1307 (Swine Waste Management System Performance Standards) consistent with Section 21(b) of this act. Notwithstanding G.S. 150B-19(4), the ~~rule~~ rules adopted by the Commission pursuant to this section shall be substantively identical to the provisions of Section 21(b) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

"SECTION 21.(d) Sunset. – Section 21(b) of this act expires on the date that rules adopted pursuant to Section 21(c) of this act become effective."

NO ODOR NUISANCE FOR ANIMAL WASTE USED FOR ENERGY PRODUCTION

SECTION 16.(a) Article 21 of Chapter 143 of the General Statutes amended by adding a new section to read:

"§ 143-215.10U. Use of animal waste for energy production; nuisance.

(a) The Department shall certify an animal waste management system as an energy-producing animal operation if it meets the following criteria:

- (1) It is an animal operation or dry litter poultry facility that is subject to a permit under G.S. 143-215.10C for an animal waste management system.
- (2) It is a renewable energy facility as defined by G.S. 62-133.8(7) that generates energy through the use of swine or poultry waste resources.
- (3) The energy produced is used to comply with the Renewable Energy Portfolio Standards (REPS) in accordance with G.S. 62-133.8(e) or G.S. 133.8(f).

(4) The animal waste management system decreases waste volumes by anaerobic digestion or shipment of waste offsite for energy generation or closes off waste lagoons to the open atmosphere by impervious lagoon cover. Activities conducted pursuant to this subdivision shall be performed in compliance with all statutes and rules governing closure and conversion of animal waste management systems.

(b) No certified energy-producing animal operation shall be or become a nuisance, private or public, in or about the locality outside of the operation for odor.

(c) The Commission shall adopt rules to establish a certification program to implement the provisions of this section."

SECTION 16.(b) G.S. 143-215.10U(a) and (b) as enacted by this section become effective December 1, 2015. The remainder of this section is effective when this act becomes law.

SECTION 16.1.(a) Definitions. – "Control of Odors From Animal Operations Rule" means 15A NCAC 02D .1802 (Air Pollution Control Requirements: Control of Odors From Animal Operations) for purposes of this section and its implementation.

SECTION 16.1.(b) Control of Odors From Animal Operations Rule. – Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to Section 16.1(d) of this act, the Commission and the Department of Environment and Natural Resources shall implement the Control of Odor From Animal Operations Rule, as provided in Section 16.1(c) of this act.

SECTION 16.1.(c) Implementation. – Notwithstanding subsection (g) of the Control of Odors From Animal Operations Rule, the Commission shall not determine an odor to be objectionable from an energy-producing animal operation certified by the Department in accordance with G.S. 143-215.10U(a).

SECTION 16.1.(d) Additional Rule-Making Authority. – The Commission shall adopt a rule to amend the Control of Odors From Animal Operations Rule. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be consistent with the provisions of Section 16.1(c) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

AMEND DEFINITION OF MINING RELATIVE TO AGRICULTURAL ACTIVITIES

SECTION 17. G.S. 74-49(7) reads as rewritten:

"§ 74-49. Definitions.

Wherever used or referred to in this Article, unless a different meaning clearly appears from the context:

(7) "Mining" ~~means~~ means any of the following:

- a. ~~The (i) the~~ breaking of the surface soil in order to facilitate or accomplish the extraction or removal of minerals, ores, or other solid ~~matter-matter;~~
- b. ~~Any- (ii) any~~ activity or process constituting all or part of a process for the extraction or removal of minerals, ores, soils, and other solid matter from their original ~~location;~~
- e. ~~The location;~~ or (iii) the preparation, washing, cleaning, or other treatment of minerals, ores, or other solid matter so as to make them suitable for commercial, industrial, or construction use. "Mining" does not include:

- a. Those aspects of deep mining not having significant effect on the surface, where the affected land does not exceed one acre in area.
- b. Mining operations where the affected land does not exceed one acre in area.
- c. Plants engaged in processing minerals produced elsewhere and whose refuse does not affect more than one acre of land.
- d. Excavation or grading when conducted solely ~~in aid of on site farming or off~~ on-site construction for purposes other than mining.
- e. Removal of overburden and mining of limited amounts of any ores or mineral solids when done only for the purpose and to the extent necessary to determine the location, quantity, or quality of any natural deposit, provided that no ores or mineral solids removed during exploratory excavation or mining are sold, processed for sale, or consumed in the regular operation of a business, and provided further that the affected land resulting from any exploratory excavation does not exceed one acre in area.
- f. Excavation or grading where all of the following apply:
 1. The excavation or grading is conducted to provide soil or other unconsolidated material to be used without further processing for a single off-site construction project for which an erosion and sedimentation control plan has been approved in accordance with Article 4 of Chapter 113A of the General Statutes.
 2. The affected land, including nonpublic access roads, does not exceed five acres.
 3. The excavation or grading is completed within one year.
 4. The excavation or grading does not involve blasting, the removal of material from rivers or streams, the disposal of off-site waste on the affected land, or the surface disposal of groundwater beyond the affected land.
 5. The excavation or grading is not in violation of any local ordinance.
 6. An erosion and sedimentation control plan for the excavation or grading has been approved in accordance with Article 4 of Chapter 113A of the General Statutes.
- g. Excavation or grading when conducted solely for activities undertaken on agricultural land that are exempt, pursuant to G.S. 113A-52.01(1), from the requirements of Article 4 of Chapter 113A of the General Statutes."

AMEND THE HOLDING AND ADVERTISING PERIOD FOR UNCLAIMED LIVESTOCK

SECTION 18.(a) G.S. 68-20 reads as rewritten:

"§ 68-20. Notice of sale and sale where owner fails to redeem or is unknown; application of proceeds.

If the owner fails to redeem his livestock within three days after the notice and demand as provided in G.S. 68-18 is received or within three days after the determination of the costs and damages as provided in G.S. 68-19, ~~then, upon written notice fully describing the livestock, stating the place, date, and hour of sale posted at the courthouse door and three or more public places in the township where the owner resides, and after the impounder shall notify the local Sheriff's office and the Sheriff shall post a notice fully describing the livestock and stating the~~

place, date, and hour of sale on the Web site of the Sheriff's department. After 10 days from such posting, the impounder shall sell the livestock at public auction. If the owner of the livestock remains unknown to the impounder, then, ~~30-three~~ days after publication of the notice required by G.S. 68-18.1, the impounder shall ~~post at the courthouse door and three public places in the township where the livestock is impounded a written notice fully describing the livestock, and stating the place, date, and hour of sale.~~ notify the local Sheriff's office and the Sheriff shall post a notice fully describing the livestock and stating the place, date, and hour of sale on the Web site of the Sheriff's department. After ~~20~~10 days from such posting, the impounder shall sell the livestock at public auction. The proceeds of any such public sale shall be applied to pay the reasonable costs of impounding and maintaining the livestock and the damages to the impounder caused by the livestock. Reasonable costs of impounding shall include any fees paid pursuant to G.S. 68-18.1 in an attempt to locate the owner of the livestock. The balance, if any, shall be paid to the owner of the livestock, if known, or, if the owner is not known, then to the school fund of the county where the livestock was impounded."

SECTION 18.(b) This section is effective when this act becomes law and applies to livestock impounded on or after that date.

MODIFY DEPARTMENT OF AGRICULTURE REPORTING REQUIREMENTS

SECTION 19.(a) G.S. 106-815 is repealed.

SECTION 19.(b) G.S. 19A-62(c) reads as rewritten:

"(c) Report. – In ~~February~~ March of each year, the Department must report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. The report must contain information regarding all revenues and expenditures of the Spay/Neuter Account."

PRESCRIBED BURNING ACT MODIFICATIONS

SECTION 20. G.S. 106-968 reads as rewritten:

"§ 106-968. Prescribed burning.

(a) Prior to conducting a prescribed burning, the landowner shall obtain a prescription for the prescribed burning prepared by a certified prescribed burner and filed with the North Carolina Forest Service of the Department of Agriculture and Consumer Services. A copy of the prescription shall be provided to the landowner. A copy of this prescription shall be in the possession of the responsible burner on site throughout the duration of the prescribed burning. The prescription shall include:

- (1) The landowner's name and address.
- (2) A description of the area to be burned.
- (3) A map of the area to be burned.
- (4) An estimate ~~in of~~ tons of the fuel located on the area.
- (5) The objectives of the prescribed burning.
- (6) A list of the acceptable weather conditions and parameters for the prescribed burning sufficient to minimize the likelihood of smoke damage and fire escaping onto adjacent areas.
- (7) The name of the certified prescribed burner responsible for conducting the prescribed burning.
- (8) A summary of the methods that are adequate for the particular circumstances involved to be used to start, control, and extinguish the prescribed burning.
- (9) Provision for reasonable notice of the prescribed burning to be provided to nearby homes and businesses to avoid effects on health and property.

(b) The prescribed burning shall be conducted by a certified prescribed burner in accordance with a prescription that satisfies subsection (a) of this section. The certified prescribed burner shall be present on the site and shall be in charge of the burning throughout

the period of the burning. A landowner may conduct a prescribed burning and be in compliance with this Article without being a certified prescribed burner if the landowner is burning a tract of forestland of 50 acres or less owned by that landowner and is following all conditions established in a prescription prepared by a certified prescribed burner.

(c) Prior to conducting a prescribed burning, the landowner or the landowner's agent shall obtain an open-burning permit under Article 78 of this Chapter from the North Carolina Forest Service of the Department of Agriculture and Consumer Services. This open-burning permit must remain in effect throughout the period of the prescribed burning. The prescribed burning shall be conducted in compliance with all the following:

- (1) The terms and conditions of the open-burning permit under Article 78 of this Chapter.
- (2) The State's air pollution control statutes under Article 21 and Article 21B of Chapter 143 of the General Statutes and any rules adopted pursuant to these statutes.
- (3) Any applicable local ordinances relating to open burning.
- (4) The ~~voluntary~~ smoke management guidelines adopted by the North Carolina Forest Service of the Department of Agriculture and Consumer Services.
- (5) Any rules adopted by the North Carolina Forest Service of the Department of Agriculture and Consumer Services, to implement this Article.

(d) The North Carolina Forest Service may accept prescribed burner certification from another State or other entity for the purpose of prescribed burning under this Article."

MODIFY PENALTY FOR FAILURE TO GUARD A FIRE BY WATCHMAN

SECTION 21. G.S. 14-140.1 reads as rewritten:

"§ 14-140.1. Certain fire to be guarded by watchman.

Any person, firm, corporation, or other legal entity who shall burn any brush, grass, or other material whereby any property may be endangered or destroyed, without keeping and maintaining a careful watchman in charge of the burning, shall be guilty of a ~~Class 3 misdemeanor~~ infraction which may include a fine of not ~~less than ten dollars (\$10.00)~~ or more than fifty dollars (\$50.00). Fire escaping from the brush, grass, or other material while burning shall be prima facie evidence of violation of this provision."

ESTABLISH FARM WINERY PERMIT

SECTION 22.(a) G.S. 18B-902(d) reads as rewritten:

"(d) Fees. – An application for an ABC permit shall be accompanied by payment of the following application fee:

- (1) On-premises malt beverage permit – \$400.00.
- (2) Off-premises malt beverage permit – \$400.00.
- (3) On-premises unfortified wine permit – \$400.00.
- (4) Off-premises unfortified wine permit – \$400.00.
- (5) On-premises fortified wine permit – \$400.00.
- (6) Off-premises fortified wine permit – \$400.00.
- (7) Brown-bagging permit – \$400.00, unless the application is for a restaurant seating less than 50, in which case the fee shall be \$200.00.
- (8) Special occasion permit – \$400.00.
- (9) Limited special occasion permit – \$50.00.
- (10) Mixed beverages permit – \$1,000.
- (11) Culinary permit – \$200.00.
- (12) Unfortified winery permit – \$300.00.
- (13) Fortified winery permit – \$300.00.
- (14) Limited winery permit – \$300.00.

- (15) Brewery permit – \$300.00.
- (16) Distillery permit – \$300.00.
- (17) Fuel alcohol permit – \$100.00.
- (18) Wine importer permit – \$300.00.
- (19) Wine wholesaler permit – \$300.00.
- (20) Malt beverage importer permit – \$300.00.
- (21) Malt beverage wholesaler permit – \$300.00.
- (22) Bottler permit – \$300.00.
- (23) Salesman permit – \$100.00.
- (24) Vendor representative permit – \$50.00.
- (25) Nonresident malt beverage vendor permit – \$100.00.
- (26) Nonresident wine vendor permit – \$100.00.
- (27) Any special one-time permit under G.S. 18B-1002 – \$50.00.
- (28) Winery special event permit – \$200.00.
- (29) Mixed beverages catering permit – \$200.00.
- (30) Guest room cabinet permit – \$1,000.
- (31) Liquor importer/bottler permit – \$500.00.
- (32) Cider and vinegar manufacturer permit – \$200.00.
- (33) Brew on premises permit – \$400.00.
- (34) Wine producer permit – \$300.00.
- (35) Wine tasting permit – \$100.00.
- (36) Repealed by Session Laws 2005-380, s. 1, effective September 8, 2005, and applicable to wine shipper permit applications submitted on or after that date.
- (37) Wine shop permit – \$100.00.
- (38) Winemaking on premises permit – \$400.00.
- (39) Wine shipper packager permit – \$100.00.
- (40) Malt beverage special event permit – \$200.00.
- (41) Malt beverage tasting permit – \$100.00.
- (42) Spirituous liquor tasting permit – \$100.00.
- (43) Farm winery permit. – \$150.00.
- (44) Farm winery on-premises unfortified wine permit. – \$100.00."

SECTION 22.(b) G.S. 18B-1001 is amended by adding a new subdivision to read:

"§ 18B-1001. Kinds of ABC permits; places eligible.

When the issuance of the permit is lawful in the jurisdiction in which the premises are located, the Commission may issue the following kinds of permits:

...

- (20) Farm winery on-premises unfortified wine permit. – A farm winery unfortified wine permit authorizes the retail sale of unfortified wine for consumption on the premises, either alone or mixed with other beverages, and the retail sale of unfortified wine in the manufacturer's original container for consumption off the premises. The permit also authorizes the permittee to transfer unfortified wine, not more than four times per calendar year, to another farm winery on-premises unfortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by on-premises unfortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the transferor and transferee are located within the territory designated between the winery and the

wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The holder of the permit is authorized to ship unfortified wine in closed containers to individual purchasers inside and outside the State. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision. The permit may be issued only for wineries holding a farm winery permit pursuant to G.S. 18B-1103A."

SECTION 22.(c) G.S. 18B-1100 is amended by adding a new subdivision to read:

"§ 18B-1100. Commercial permits.

...

(21) Farm winery."

SECTION 22.(d) Article 11 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1103A. Authorization of farm winery permit.

(a) Special Qualifications. – Except as provided in subsection (b) of this section, any winery that produces at least seventy-five percent (75%) of its wine from honey, grapes, or other fruit or grain grown in this State may obtain a farm winery permit.

(b) Exceptions to Special Qualifications. – In the event that the Commissioner of Agriculture determines that a natural disaster, act of God, or continued adverse weather condition has destroyed no less than forty percent (40%) of a certain grape varietal grown or produced in this State and used for winemaking, the Commissioner, in consultation with the Chairman of the Alcoholic Beverage Control Commission, may give authorization to a duly licensed farm winery to manufacture or sell wine produced from grapes grown outside the State. No such authorization shall be granted to a farm winery permittee unless such permittee certifies to the Commissioner the quantity of North Carolina grown grapes unavailable to the licensee due to the natural disaster, act of God, or continuing adverse weather condition and satisfies the Commissioner that reasonable efforts were made to obtain grapes from a North Carolina source for the purpose of making wine. No farm winery shall exceed the amount of out-of-state grown grapes or juice authorized by the Commissioner.

(c) Authorized Acts. – The holder of a farm winery permit may:

(1) Manufacture unfortified wine.

(2) Sell, deliver, and ship unfortified wine in closed containers to wholesalers licensed under this Chapter as authorized by the ABC laws, except that wine may be sold to exporters and nonresident wholesalers only when the purchase is not for resale in this State.

(3) Ship its wine in closed containers to individual purchasers inside and outside this State in accordance with the provisions of G.S. 18B-1001, 18B-1001.1, and 18B-1001.2 and other applicable provisions of this Chapter.

(4) Furnish or sell "short-filled" packages, on which State taxes have been or will be paid, to its employees for the use of the employees or their families and guests in this State. A sale under this subdivision shall not be considered a retail or wholesale sale under the ABC laws.

(5) Regardless of the results of any local wine election, sell the wine owned by the winery at the winery for on- or off-premise consumption, upon obtaining the appropriate permit under G.S. 18B-1001.

- (6) Sell the wine manufactured by the winery for on- or off-premise consumption at no more than six other locations in the State, upon obtaining the appropriate permit under G.S. 18B-1001.
- (7) Receive, in closed containers, and sell at the winery, unfortified wine produced inside North Carolina under contract with the winery. Such contract wine must have the winery's name clearly displayed on each bottle. The contract wine may be sold also at affiliated retail outlets of the winery physically located on or adjacent to the winery. Any wine received by a winery under this provision must be made available for sale by the winery to wholesalers for distribution to retailers, without discrimination, in the same manner as if the wine were being imported by the winery.
- (8) Allow winemaking on premises as allowed by a permit issued pursuant to G.S. 18B-1001(17).
- (9) Give visitors free tasting samples of the wine manufactured at the farm winery. The Commission may issue rules regulating these tastings.
- (10) Affix to the bottle a label certifying that the wine originates from a permitted farm winery. The North Carolina Department of Agriculture and Consumer Services may issue rules regulating the certification label. Nothing in this subdivision shall be construed as altering or superseding any other State or federal wine labeling laws."

SECTION 22.(e) G.S. 18B-1112 reads as rewritten:

"§ 18B-1112. Authorization of vendor representative permit.

(a) Authorized Acts. – The holder of a vendor representative permit may represent an unfortified winery, fortified winery, limited winery, farm winery, brewery, bottler, importer, nonresident malt beverage vendor, or nonresident wine vendor, either as an employee or an agent, to solicit orders for that commercial permittee's product. The vendor representative may sell, deliver, and ship alcoholic beverages in this State only to permittees to whom the commercial permittee he represents may sell, deliver, or ship.

(b) Number of Permits. – A vendor representative shall secure a separate permit for each commercial permittee he represents. A permit may not be issued without the approval of the commercial permittee."

SECTION 22.(f) G.S. 18B-1114.1 reads as rewritten:

"§ 18B-1114.1. Authorization of winery special event permit.

(a) Authorization. – The holder of an unfortified winery permit, a limited winery permit, a farm winery permit, a viticulture/enology course authorization, or a wine producer permit may obtain a winery special permit allowing the winery or wine producer to give free tastings of its wine, and to sell its wine by the glass or in closed containers, at trade shows, conventions, shopping malls, wine festivals, street festivals, holiday festivals, agricultural festivals, balloon races, local fund-raisers, and other similar events approved by the Commission.

(b) Limitation. – A winery special event permit is valid only in a jurisdiction that has approved the establishment of ABC stores or has approved the sale of unfortified wine."

SECTION 22.(g) G.S. 18B-1201 reads as rewritten:

"§ 18B-1201. Definitions.

As used in this Article, unless the context requires otherwise:

- (1) "Agreement" means a commercial relationship between a wine wholesaler and a winery. The agreement may be of a definite or indefinite duration and is not required to be in writing. Any of the following constitutes prima facie evidence of an "agreement" within the meaning of this definition:
- a. A relationship whereby the wine wholesaler is granted the right to offer and sell a brand offered by a winery;

- b. A relationship whereby the wine wholesaler, as an independent business, constitutes a component of a winery's distribution system;
- c. A relationship whereby the wine wholesaler's business is substantially associated with a brand offered by a winery;
- d. A relationship whereby the wine wholesaler's business is substantially reliant on a winery for the continued supply of wine;
- e. The shipment, preparation for shipment, or acceptance of any order by any winery or its agent for any wine or beverages to a wine wholesaler within this State;
- f. The payment by a wine wholesaler and the acceptance of payment by any winery or its agent for the shipment of any order of wine or beverages intended for sale within this State.

(2) "Territory" or "sales territory" means the area of primary sales responsibility expressly or implicitly designated by any agreement between any wine wholesaler and winery for a brand offered by any winery.

(3) "Wine wholesaler" means any holder of a wine wholesaler permit, wine importer permit, or bottler permit issued under the authority of this Chapter.

(4) "Winery" means any holder of an unfortified winery permit, fortified winery permit, limited winery permit, farm winery permit, or nonresident wine vendor permit issued under the authority of this Chapter who sells at least 1,250 cases of wine in North Carolina per year."

SECTION 22.(h) The North Carolina Department of Agriculture and Consumer Services shall study ways to promote farm wineries within the State, including the development of a "passport" program where customers visiting a given number of farm wineries may receive a form of special recognition, such as a special sticker for their car. The Department shall report its findings and recommendations, including any legislative proposals, to the Agriculture and Forestry Awareness Study Commission no later than February 1, 2016.

SECTION 22.(i) Section 22(h) of this act is effective when this act becomes law. The remainder of this section becomes effective July 1, 2016, and applies to permits issued on or after that date.

LIMIT THE PERSONALLY IDENTIFYING INFORMATION THAT THE DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES MAY DISCLOSE ABOUT ITS ANIMAL HEALTH PROGRAMS

SECTION 23. G.S. 106-24.1 reads as rewritten:

"§ 106-24.1. Confidentiality of information collected and published.

All information published by the Department of Agriculture and Consumer Services pursuant to this Part shall be classified so as to prevent the identification of information received from individual farm operators. All USDA-generated information received pursuant to this Part ~~from individual farm operators that is confidential under federal law~~ shall be held confidential by the Department and its employees. All information collected by the Department ~~from individual farm operators~~ farm owners or animal owners, ~~for the purposes of its animal health programs~~, including, but not limited to, certificates of veterinary inspection, animal medical records, laboratory ~~reports~~, reports received or generated from samples submitted for analysis, or other records that may be used to identify a person or private business entity subject to regulation by the Department shall not be disclosed without the permission of the owner unless the State Veterinarian determines that disclosure is necessary to prevent the spread of an animal disease or to protect the public health, or the disclosure is necessary in the implementation of these animal health programs."

TECHNICAL CORRECTIONS

1 **SECTION 24.(a)** G.S. 14-137 reads as rewritten:

2 **"§ 14-137. Willfully or negligently setting fire to woods and fields.**

3 If any person, firm or corporation shall willfully or negligently set on fire, or cause to be set
4 on fire, any woods, lands or fields, whatsoever, every such offender shall be guilty of a Class 2
5 misdemeanor. This section shall apply only in those counties under the protection of the
6 Department of ~~Environment and Natural Resources~~Agriculture and Consumer Services in its
7 work of forest fire control. It shall not apply in the case of a landowner firing, or causing to be
8 fired, his own open, nonwooded lands, or fields in connection with farming or building
9 operations at the time and in the manner now provided by law: Provided, he shall have
10 confined the fire at his own expense to said open lands or fields."

11 **SECTION 24.(b)** G.S. 143-166.13 reads as rewritten:

12 **"§ 143-166.13. Persons entitled to benefits under Article.**

13 (a) The following persons who are subject to the Criminal Justice Training and
14 Standards Act are entitled to benefits under this Article:

- 15 (1) State Government Security Officers, Department of Administration;
- 16 (2) State Correctional Officers, Division of Adult Correction of the Department
17 of Public Safety;
- 18 (3) State Probation and Parole Officers, Division of Adult Correction of the
19 Department of Public Safety;
- 20 (4) Sworn State Law-Enforcement Officers with the power of arrest, Division of
21 Adult Correction of the Department of Public Safety;
- 22 (5) Sworn Law Enforcement Officers in the Medicaid Fraud Unit of the
23 Department of Justice;
- 24 (6) State Highway Patrol Officers, Department of Public Safety;
- 25 (7) General Assembly Special Police, General Assembly;
- 26 (8) Sworn State Law-Enforcement Officers with the power of arrest,
27 Department of Health and Human Services;
- 28 (9) Juvenile Justice Officers, Division of Juvenile Justice of the Department of
29 Public Safety;
- 30 (10) Insurance Investigators, Department of Insurance;
- 31 (11) State Bureau of Investigation Officers and Alcohol Law Enforcement
32 Agents, Department of Public Safety;
- 33 (12) Director and Assistant Director, License and Theft Enforcement Section,
34 Division of Motor Vehicles, Department of Transportation;
- 35 (13) Members of License and Theft Enforcement Section, Division of Motor
36 Vehicles, Department of Transportation, designated by the Commissioner of
37 Motor Vehicles as either "inspectors" or uniformed weigh station personnel;
- 38 (14) Utilities Commission Transportation Inspectors and Special Investigators;
- 39 (15) North Carolina Ports Authority Police, Department of Transportation;
- 40 (16) Sworn State Law-Enforcement Officers with the power of arrest,
41 Department of Environment and Natural Resources;
- 42 (17) Sworn State Law-Enforcement Officers with the power of arrest,
43 Department of Public Safety.
- 44 (18) Sworn State Law-Enforcement Officers with the power of arrest,
45 Department of Revenue.
- 46 (19) Sworn State Law-Enforcement Officers with the power of arrest, University
47 System.
- 48 (20) Sworn State Law-Enforcement Officers with the power of arrest,
49 Department of Agriculture and Consumer Services.

50 (b) The following persons are entitled to benefits under this Article regardless of
51 whether they are subject to the Criminal Justice Training and Standards Act:

- 1 (1) Driver License Examiners injured by accident arising out of and in the
2 course of giving a road test, Division of Motor Vehicles, Department of
3 Transportation;
4 (2) Employees of the Division of Adult Correction of the Department of Public
5 Safety injured by a direct and deliberate act of an offender supervised by the
6 Division or while performing supervisory duties over offenders which place
7 the employees at risk of such injury.
8 (c) As used in this Article, the term "eligible person" or "person" shall mean any
9 individual listed under subsection (a) or (b) of this section."
10

11 **EFFECTIVE DATE AND SEVERABILITY CLAUSE**

12 **SECTION 25.(a)** If any provision of this act or its application is held invalid, the
13 invalidity does not affect other provisions or applications of this act that can be given effect
14 without the invalid provisions or application, and to this end the provisions of this act are
15 severable.

16 **SECTION 25.(b)** Except as otherwise provided, this act is effective when it
17 becomes law.

SENATE PAGES ATTENDING

COMMITTEE: Transportation ROOM: 1027
 DATE: 5-13 TIME: 11 AM

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!.....or else!

	Page Name	Hometown	Sponsoring Senator
①	Will Whittington	Raleigh	sen. Alexander
②	Robbie Blankinship	Raleigh	sen. Alexander
③	Breana Daniel	Morganton	sen. Daniel
④	Haley Williams	Harrisburg	Ford
⑤	Kamiah Mock	Winston Salem	sen. Lowe
⑥	^{Mc Eek Horn} O'Dorris McEachern	Lumberton	Sen. Smith
⑦	Brandon Wash Wallace	Nashville	Angela Bryant
8.	<div style="text-align: center;"> <i>Quinn</i> <i>Eck Horn</i> </div>		
9.			
10.			

Do not add names below the grid.

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.

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SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 05-13-15

Brooks Rainey Pearson SELC

Maymade - Abill SELC

Ann Martin Pat McElrath's guest

Julie Wilsey Wilmington Intl Airport

David Baker MCOR

Doris Holloway PAT McElrath's guest

Phoebe Landon Brooks Pierce

Deek Goh DPI

Pamela Hanson Carters CSC/CCRW

MARK SHIVER Rhino Times

Amarda Horaker TSS

Osney Jones

Caroline Hansen

Sam man

Wendy D. Wicks

Ann Bundy

AC

Nique Williams

ANDY WALSH

SCOTT SCHERR

John Hansen

Tom Bean

Andy Chase

Michael Horsey

NC DOC

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Go office - is AFM

Crystal Coast Republican Women

""

NCWR

SA

CITIZEN

MFJS

NCWF

KMA

THCG

SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 05-13-15

Jake Gashion NCCC

Weldon Jones Jordan Price

Paul Perryman Nurse of the Day

Walden

Heidi Mayes NCDMV

Donna Boone NCDMV

Annaliese Ralph DL

Jeannette Owen CCRW

Kellin Beck Mutual Dist

Spencer MT

Edith Misc



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 05-13-15

JOHN COOPER CCS

Joy Hildner NCDACS

Lynde King NCDA

Clayton Dellinger NCDA

Betsy Barley CAGC

BERRY JONES CAGC

John Foster UCHAD

Debra P. Ellis NCCN

Hugh Johnson NACC

Erin Fleck Senate staff



SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 05-13-15

Allen Hardison CRESWELL

Reston Jones NC DOT

B. M. E. J. R. New + Observer

Paul Sherman NC FB

V. GRAYE SHERMAN NC FB

Dick Taylor NCAT

Philp Perry BAND

R. D. Meckes NCDA & CS

Joe Reardon NCDA & CS

Sue Gray NCHC

Laurie Payne NC GRANGE
Jeff Barabant MWC



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**Senate Committee on Transportation
Wednesday, May 20, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on May 20, 2015 in Room 1027/1128 of the Legislative Building. 10 members were present. The attending Sergeant-at-Arms: Canton Lewis and Terry Barnhardt. Attending pages: Abigail Efting of Wilmington (Sen. Lee); Jacob Noblett of Gastonia (Sen. Harrington); Daniel Haycox of Huntersville (Sen. Tarte); Mason Cregger of Concord (Sen. Hartsell); Joe Mulligan of Huntersville (Sen. Tarte); and , Kaleb Woods of Burlington (Sen. Woodard).

Senator Warren Daniel, Chair, presided.

HB 232 Study/Update Bicycle Safety Laws. (Representatives Whitmire, Shepard, Jeter)

Rep. Whitmire presented the bill as a study bill. Sen. J. Davis asked about what kind of info would be sought. Rep. Whitmire acknowledged that the Dept. of Transportation would determine what information would be needed for a successful study. There was no public comment. Sen. Hise moved for a favorable report. The committee reported the bill to the Senate Principal Clerk (SPC) as Favorable, without any recommended referrals. Sen. Lowe agreed to handle the bill on the Senate floor.

SB 448 Equalize Tax on Propane Used as a Motor Fuel. (Senator B. Jackson)

Sen. B. Jackson presented the bill and described the difference in pricing of natural gas. John Carr, lobbyist for the Natural Gas Association, explained how the tax for a propane tank fill is configured. There was a bit of committee discussion. Sen. Ford moved that S448 get a favorable report, with a referral to Senate Finance. The motioned carried and the bill was reported to the SPC as Favorable with a sequential referral to Senate Finance.

HB 127 DOT Condemnation Changes. (Representatives Stam, Jackson, Bryan) This bill was heard for discussion only. Rep. Stam presented each part of the bill. The committee discussed the concept of condemnation and how it affects property owners. Nick Tennyson, then Assistant Secretary of the NC Dept. of Transportation, spoke against the concept of the bill. He argued that the bill would create greater opportunities for real estate agents to go look for land the DOT may be interested for the purpose of raising appraisal values of the land before selling to NCDOT. He expressed concerns about Sections 1, 2 and 3. He said that there could be a compromise on Section 4. Senator Hise wanted to know how this bill might affect local governments. Erin Wynia, representing the NC League of Municipalities, spoke against the bill, because of an expected impact on cities. Jason Campbell, a private citizen that used to work in the Attorney General's office handling condemnation cases, spoke in favor of the bill because of

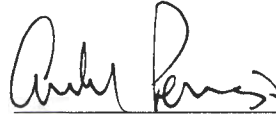


its expected benefit to land owners that cannot develop their land that has been valued by the DOT. Since this bill was for discussion only, no official action was reported to the SPC.

The meeting adjourned at 12:00 pm.

A handwritten signature in blue ink, appearing to be 'WD', written above a horizontal line.

Senator Warren Daniel, Chair
Presiding

A handwritten signature in blue ink, appearing to be 'Andy Perrigo', written above a horizontal line.

Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, May 20, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 232	Study/Update Bicycle Safety Laws.	Representative Whitmire Representative Shepard Representative Jeter
SB 448	Equalize Tax on Propane Used as a Motor Fuel.	Senator B. Jackson
HB 127	DOT Condemnation Changes.	Representative Stam Representative Jackson Representative Bryan

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, May 20, 2015

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

HB 232 (CS#1)

Study/Update Bicycle Safety Laws.

Draft Number: None

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

SB 448

Equalize Tax on Propane Used as a Motor Fuel.

Draft Number: None

Sequential Referral: Finance

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 2

Senator Michael Lee will handle HB 232

Senator W. Jackson will handle SB 448



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 232
Committee Substitute Favorable 3/31/15

Short Title: Study/Update Bicycle Safety Laws.

(Public)

Sponsors:

Referred to:

March 16, 2015

A BILL TO BE ENTITLED
AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY THE
BICYCLE SAFETY LAWS IN THIS STATE AND MAKE RECOMMENDATIONS AS
TO HOW THE LAWS MAY BE REVISED TO BETTER ENSURE THE SAFETY OF
BICYCLISTS AND MOTORISTS ON THE ROADWAYS.

The General Assembly of North Carolina enacts:

SECTION 1. Study. – The Department of Transportation shall study the bicycle safety laws in this State. The study shall focus on what statutory revisions, if any, are needed to better ensure the safety of bicyclists and motorists. In doing so, the Department shall consider at least all of the following:

- (1) How faster-moving vehicles may safely overtake bicycles on roadways where sight distance may be inhibited.
- (2) Whether bicyclists on a roadway should be required to ride single file or allowed to ride two or more abreast.
- (3) Whether bicyclists should be required to carry a form of identification.
- (4) Any other issues determined relevant by the Department.

SECTION 2. Working Group. – In conducting the study required by this act, the Department shall convene a working group of interested parties knowledgeable and interested in the bicycle safety laws of this State. The working group shall include all of the following:

- (1) A law enforcement officer.
- (2) A representative from the bicycling industry.
- (3) A representative from the agricultural industry.
- (4) A representative from the trucking industry.
- (5) A representative from county government, who may be a county law enforcement officer.
- (6) A representative from municipal government, who may be a municipal law enforcement officer.
- (7) A representative from the University of North Carolina Highway Safety Research Center.
- (8) A minimum of two staff representatives from the Department.
- (9) Any other expert or stakeholder the Department or working group determines may assist the Department in completing the study required by this act.

The Department shall designate the members listed in subdivisions (1) through (8) of this section, and the working group shall subsequently select a chair and designate the remaining members of the working group authorized under subdivision (9) of this section. In

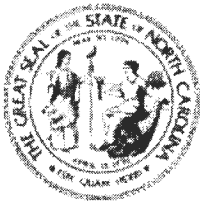


1 designating additional members, the working group shall ensure that membership composition
2 includes representation of different operator and geographical perspectives.

3 **SECTION 3.** Maximum Number of Working Group Members. – The total number
4 of members of the working group convened under Section 2 of this act shall not exceed 12
5 members.

6 **SECTION 4.** Report and Recommendations. – The Department shall report its
7 findings and recommendations, including any legislative proposals, to the Joint Legislative
8 Transportation Oversight Committee on or before December 31, 2015.

9 **SECTION 5.** Effective Date. – This act is effective when it becomes law.



HOUSE BILL 232: Study/Update Bicycle Safety Laws

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Reps. Whitmire, Shepard, Jeter
Analysis of: Second Edition

Date: May 20, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *House Bill 232 would direct the Department of Transportation to convene a working group to study bicycle safety laws and recommend changes that would better ensure the safety of cyclists and motorists. The Department would be required to report its findings by December 31, 2015.*

CURRENT LAW: The Department of Transportation's Division of Bicycle and Pedestrian Transportation is a comprehensive State program that seeks to integrate bicycle and pedestrian safety, mobility, and accessibility into the overall transportation program.

Under current law, a bicycle has the legal status of a vehicle and may be operated on State highways. Bicycles have the same rights and responsibilities as motor vehicles and must comply with the rules of the road.

BILL ANALYSIS: House Bill 232 would direct the Department of Transportation to study issues related to bicycle safety laws in North Carolina. The Department would be required to convene a working group of parties who have knowledge and interest in bicycle safety and who represent different operator and geographical perspectives to conduct the study. The Department would be required to report its findings and recommendations, including any legislative proposals, to the Joint Legislative Transportation Oversight Committee on or before December 31, 2015.

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

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 448

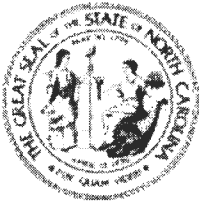
Short Title: Equalize Tax on Propane Used as a Motor Fuel. (Public)
Sponsors: Senator B. Jackson (Primary Sponsor).
Referred to: Rules and Operations of the Senate.

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO EQUALIZE THE TAXATION OF LIQUEFIED PROPANE GAS WHEN USED
3 AS A MOTOR FUEL.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** G.S. 105-449.130 is amended by adding a new subdivision to read:
6 "(1h) Gas gallon equivalent of liquefied propane gas. – The energy equivalent of
7 5.75 pounds of liquefied propane gas."
8 **SECTION 2.** G.S. 105-449.136(a) reads as rewritten:
9 "(a) Rate. – A tax at the motor fuel rate is imposed on liquid alternative fuel used to
10 operate a highway vehicle by means of a vehicle supply tank that stores fuel only for the
11 purpose of supplying fuel to operate the vehicle. The tax on liquefied natural gas is imposed on
12 each diesel gallon equivalent of liquefied natural gas. The tax on liquefied propane gas is
13 imposed on each gas gallon equivalent of liquefied propane gas. A tax at the equivalent of the
14 motor fuel rate is imposed on all other alternative fuel used to operate a highway vehicle. The
15 tax on compressed natural gas is imposed on each gas gallon equivalent of compressed natural
16 gas. The Secretary must determine the equivalent rate for all other non-liquid alternative fuels."
17 **SECTION 3.** This act becomes effective July 1, 2015.







SENATE BILL 448: Equalize Tax on Propane Used as a Motor Fuel

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	May 19, 2015
Introduced by:	Sen. B. Jackson	Prepared by:	Giles S. Perry
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 448 amends the motor fuels tax rate applicable to liquefied propane gas, when used as a motor fuel, by specifying that the gas gallon equivalent of liquefied propane gas is 5.75 pounds of liquefied propane gas.*

[As introduced, this bill was identical to H494, as introduced by Reps. Collins, Hager, Lewis, R. Moore, which is currently in House Finance.]

CURRENT LAW: Current law establishes motor fuel tax rates for alternative fuels used to operate a motor vehicles. Under current law:

- The motor fuels tax on liquefied natural gas, when used as a motor fuel, is imposed on each diesel gallon equivalent of liquefied natural gas. The diesel gallon equivalent of liquefied natural gas is established by State law to be 6.06 pounds of liquefied natural gas.¹
- The motor fuels tax on compressed natural gas, when used as a motor fuel, is imposed on each gas gallon equivalent of compressed natural gas. The gas gallon equivalent of compressed natural gas is established by State law to be 5.66 pounds of compressed natural gas.²
- The motor fuels tax on liquefied propane gas, when used as a motor fuel, is currently imposed on a gallon, by volume, of liquefied propane gas. A gallon of liquefied propane, at 70°F, weighs 4.2 lbs. A gallon of liquefied propane gas has 73% of the energy of a gallon of gasoline.³

BILL ANALYSIS: Senate Bill 448 amends the motor fuels tax rate applicable to liquefied propane gas, when used as a motor fuel, by specifying that the gas gallon equivalent of liquefied propane gas is 5.75 pounds of liquefied propane gas.

EFFECTIVE DATE: This act becomes effective July 1, 2015.

¹ G.S. 105-449.130(1f), G.S. 105-449.136(a). Rate enacted by S.L. 2014-4

² G.S. 105-449.130(1g), G.S. 105-449.136(a). Rate enacted by S.L. 2014-4

³ Data is from the Alternative Fuels Data Center, US Department of Energy. www.afdc.energy.gov

O. Walker Reagan
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: Senate Bill 448 (First Edition)

SHORT TITLE: Equalize Tax on Propane Used as a Motor Fuel.

SPONSOR(S): Senator B. Jackson

FISCAL IMPACT (\$ in millions)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
State Impact					
Highway Fund Revenues:	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)
Highway Fund Expenditures:					
Trust Fund Revenues:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Highway Trust Fund Expenditures:					
State Positions:					
NET STATE IMPACT	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation					
EFFECTIVE DATE: July 1, 2015					
TECHNICAL CONSIDERATIONS: None					

BILL SUMMARY:

This bill amends G.S. 105-449.130, definitions for alternative fuel, providing a new term - gas gallon equivalent of liquefied propane gas. It is defined as the energy equivalent of 5.75 pounds of liquefied propane gas. The bill amends G.S. 105-449.136(a), tax rates for alternative fuel, providing that the tax on liquefied propane gas is imposed on each gas gallon equivalent of liquefied propane gas.

ASSUMPTIONS AND METHODOLOGY:

The North Carolina Department of Revenue's (DOR) "Uniformity Guide" states that the current equivalent weight for liquefied natural gas is 4.22 lbs. per gallon. This bill increases the weight to 5.75 lbs. per gallon. Therefore, less revenue will be collected since a gallon equivalent will contain 36.5% more weight than currently taxed.

DOR estimates that it collects \$275,000 to \$300,000 annually from the taxation of liquefied natural gas that is used as a motor fuel. This bill will reduce transportation revenues by \$100,000 to \$110,000 annually. The Highway Fund revenue loss is forecast to be \$75,000 to \$82,500 annually and Highway Trust Fund revenue loss is forecast to be \$25,000 to \$27,500 annually.

SOURCES OF DATA: North Carolina Department of Revenue



TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Amna Cameron

APPROVED BY:

Mark Trogdon, Director
Fiscal Research Division

DATE: May 14, 2015



Signed Copy Located in the NCGA Principal Clerk's Offices



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 127
Committee Substitute Favorable 3/25/15

Short Title: DOT Condemnation Changes.

(Public)

Sponsors:

Referred to:

March 3, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE MEASURE OF DAMAGES IN A CONDEMNATION ACTION
3 INITIATED BY THE DEPARTMENT OF TRANSPORTATION; TO PROVIDE THAT
4 INTEREST ON A DOT CONDEMNATION AWARD SHALL BE PAID FROM THE
5 DATE OF TAKING UNTIL THE DATE THE JUDGMENT IS PAID; TO AUTHORIZE
6 A DEFENDANT IN SUCH AN ACTION TO RECOVER ATTORNEYS' FEES AND
7 COSTS IF THE JUDGMENT EXCEEDS THE DEPOSIT BY TWENTY-FIVE PERCENT
8 OR MORE; AND TO PROVIDE THAT THE DEPARTMENT OF TRANSPORTATION
9 SHALL SEND ANY RELOCATION NOTICE REQUIRED BY FEDERAL LAW
10 WITHIN A SPECIFIED PERIOD OF TIME.

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** G.S. 136-112 reads as rewritten:

13 **"§ 136-112. Measure of damages.**

14 The following shall be the measure of damages to be followed by the commissioners, jury
15 or judge who determines the issue of damages:

16 (1) Where only a part of a tract is taken, the measure of damages for said taking
17 shall be the difference between the fair market value of the entire tract
18 immediately prior to said taking and the fair market value of the remainder
19 immediately after said taking, ~~with~~ without consideration being given to any
20 special or general benefits resulting from the utilization of the part taken for
21 highway purposes.

22 (2) Where the entire tract is taken the measure of damages for said taking shall
23 be the fair market value of the property at the time of taking."

24 **SECTION 2.** G.S. 136-113 reads as rewritten:

25 **"§ 136-113. Interest as a part of just compensation.**

26 To said amount awarded as damages by the commissioners or a jury or judge, the judge
27 shall, as a part of just compensation, add interest at the legal rate as provided in G.S. 24-1 on
28 said amount from the date of taking to the date of judgment; ~~the judgment is paid;~~ but interest
29 shall not be allowed from the date of deposit on so much thereof as shall have been paid into
30 court as provided in this Article."

31 **SECTION 3.** G.S. 136-119 reads as rewritten:

32 **"§ 136-119. Costs and appeal.**

33 (a) The Department of Transportation shall pay all court costs taxed by the court. Either
34 party shall have a right of appeal to the Supreme Court for errors of law committed in any
35 proceedings provided for in this Article in the same manner as in any other civil actions and it
36 shall not be necessary that an appeal bond be posted.



(b) The court having jurisdiction of the condemnation action instituted by the Department of Transportation to acquire real property by condemnation shall award the owner of any right, or title to, or interest in, such real property such sum as will in the opinion of the court reimburse such owner for his reasonable cost, costs, disbursements, and expenses, as specified in G.S. 40A-8, ~~including reasonable attorney fees, appraisal, and engineering fees,~~ actually incurred because of the condemnation proceedings, ~~if (i) the and reasonable attorneys' fees, if any of the following apply:~~

(1) ~~The final judgment is that the Department of Transportation cannot acquire real property by condemnation; or (ii) the condemnation.~~

(2) ~~The proceeding is abandoned by the Department of Transportation.~~

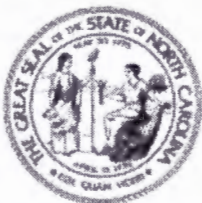
(3) ~~The final judgment exceeds the amount of the deposit, including additional deposits made at least six months before the verdict, by twenty-five percent (25%) or more. Attorneys' fees awarded pursuant to this subdivision shall not exceed one-third of the difference between the judgment award, plus interest, and the deposit. In considering what attorneys' fees are reasonable, the judge shall consider the extent to which the party has provided to the other party, in advance of the trial, the written appraisal reports of those witnesses testifying at trial.~~

(c) The judge rendering a judgment for the plaintiff in a proceeding brought under G.S. 136-111 awarding compensation for the taking of property, shall determine and award or allow to such plaintiff, as a part of such judgment, such sum as will in the opinion of the judge reimburse such plaintiff for his reasonable cost, disbursements and expenses, including reasonable attorney, appraisal, and engineering fees, actually incurred because of such proceeding."

SECTION 4. G.S. 136-103(a) reads as rewritten:

"(a) In case condemnation shall become necessary the Department of Transportation shall institute a civil action by filing in the superior court of any county in which the land is located a complaint and a declaration of taking declaring that such land, easement, or interest therein is thereby taken for the use of the Department of Transportation. The Department of Transportation shall provide any written notice of relocation required by federal law together with the summons, complaint, declaration of taking, and notice of deposit required by G.S. 136-103(d)."

SECTION 5. Sections 2 and 4 of this act become effective October 1, 2015, and apply to condemnation actions filed on or after that date. The remainder of this act becomes effective July 1, 2016, and applies to condemnation actions filed on or after that date.



HOUSE BILL 127: DOT Condemnation Changes

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Judiciary I	Date:	May 19, 2015
Introduced by:	Reps. Stam, Jackson, Bryan	Prepared by:	Giles S. Perry
Analysis of:	Second Edition		Committee Counsel

SUMMARY: *House Bill 127 would make the following changes: 1) modify the measure of damages for Department of Transportation (DOT) condemnations for partial takings by excluding consideration for any special or general benefits resulting from the utilization of the part taken for highway purposes; 2) provide for interest on a DOT condemnation award from date of taking until judgment is paid; 3) authorize reimbursements as provided in a Chapter 40A eminent domain proceeding if certain conditions were met, including a new condition allowing defendants to recover attorney fees and costs if judgment exceeds deposit by 25% or more in DOT condemnations; and 5) provide that DOT must send any relocation notice required by federal law with the required summons, complaint, declaration of taking and notice of deposit.*

CURRENT LAW: Under Article 9 of Chapter 136, the Department of Transportation (DOT) has authority to initiate a condemnation by instituting a civil action in the superior court of any county in which the land is located. DOT must file a complaint and a declaration of taking declaring that the land, easement, or interest is taken for the use of DOT. The complaint and declaration shall be accompanied by the deposit of a sum estimated by the DOT to be just compensation for the taking.

G.S. 136-112 provides the measure of damages as follows:

- Where only a part of a tract is taken, the measure of damages is the difference between the fair market value of the entire tract immediately prior to the taking and the fair market value of the remainder immediately after said taking, with consideration being given to any special or general benefits resulting from the utilization of the part taken for highway purposes.
- Where the entire tract is taken, the measure of damages for the taking is the fair market value of the property at the time of taking. In determining just compensation, interest is added from the date of taking to the date of judgment.

G.S. 136-113 requires the judge to add interest at the legal rate of 8% to the damage award from the date of taking to the date of judgment.

G.S. 136-119 requires DOT to pay all court costs taxed by the court. The court must reimburse the owner for reasonable costs, including reasonable attorney fees, appraisal, and engineering fees, if (i) the final judgment is that the DOT cannot acquire real property by condemnation; or (ii) the proceeding is abandoned by the DOT.

Article 6D of Chapter 136 provides for controlled-access facilities, which are State highways especially designed for through traffic, and over, from or to which highway owners or occupants of abutting property, or others, have only a controlled right or easement of access. G.S. 136-89.53 provides that when the DOT designates an existing street or highway within a controlled-access facility, the owners of land abutting such existing street or highway are entitled to compensation for the taking of or injury to their easements of access.

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Director



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House Bill 127

Page 2

BILL ANALYSIS:

Section 1: Would provide that the measure of damages for a partial taking in a DOT condemnation action be made without consideration being given to any special or general benefits resulting from the utilization of the part taken for highway purposes.

Section 2: Would provide that the interest in a DOT condemnation be calculated from the date of the taking to the date the judgment is paid (rather than the date of judgment).

This section would become effective October 1, 2015, and apply to condemnation actions filed on or after that date.

Section 3: Would provide that the owner of a property subject to a condemnation action would be awarded reasonable costs, disbursements, and expenses, as provided in the costs statute for eminent domain proceedings (G.S. 40A-8), and reasonable attorney fees if any of the following applied:

1. The final judgment was that DOT could not acquire the property by condemnation.
2. DOT abandoned the proceeding.
3. The final judgment exceeded the amount of the deposit by 25% or more, including additional deposits made in the 6 months prior to the verdict. Attorney fees awarded under this provision could not exceed one-third of the difference between the judgment award plus interest, and the deposit. In considering what attorneys' fees are reasonable, the judge would be required to consider the extent to which the party has provided to the other party, in advance of the trial, the written appraisal reports of those witnesses testifying at trial.

Section 4: The federal Uniform Relocation Assistance and Real Property Acquisition Policies Act requires relocation notices to be provided to persons displaced by eminent domain actions in certain cases. Section 5 would require the DOT to provide any written notice of relocation required under federal law together with the summons, complaint, declaration of taking and notice of deposit required to be served under G.S. 136-103(d).

This section would become effective October 1, 2015, and apply to condemnation actions filed on or after that date.

EFFECTIVE DATE: Except as otherwise noted, the act would become effective July 1, 2016, and would apply to condemnation actions filed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 127 (Second Edition)

SHORT TITLE: DOT Condemnation Changes.

SPONSOR(S): Representatives Stam, Jackson, and Bryan

FISCAL IMPACT (\$ in millions)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
State Impact	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
General Fund Revenues:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
General Fund Expenditures:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
HTF Revenues:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
HTF Expenditures:	\$0.0	Minimal	\$1.0	\$3.7	\$5.2
State Positions:					
NET STATE IMPACT	\$0.0	\$0.0	\$1.0	\$3.7	\$5.2
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation, Administrative Office of the Courts					
EFFECTIVE DATE: Varies					
TECHNICAL CONSIDERATIONS: Yes - See Technical Considerations Section					

BILL SUMMARY:

Section 1 of the bill amends G.S. 136-112 to eliminate the measure of damage on tracts partly taken to include financial consideration for any special or general benefits resulting from the utilization of the part taken for highway purposes.

Section 2 of the bill requires interest on the Department of Transportation (DOT) condemnation award to be paid from the date of taking to the date the judgment is paid.

Section 3 of the bill authorizes the court in a DOT condemnation action to award reasonable attorney fees, appraisal fees, and engineering fees, if final judgment exceeds the amount of the deposit plus any additional deposits made at least six months before the verdict, by 25% or more. Attorneys' fees awarded are not to exceed one-third of the difference between the judgment award, plus interest, and the deposit. The judge will also consider factors determining what attorneys' fees are reasonable.

Section 4 of the bill requires DOT to provide summons, complaint, declaration of taking, and notice of deposit along with the written notice of relocation, which is required by federal law.

ASSUMPTIONS AND METHODOLOGY:

Section 1:

Section 1 prohibits the appraiser from considering any increase in per acre value due to a change in valuation of the property being taken for highway purposes. By eliminating any consideration resulting from the benefits obtained, the section is likely to lead to minor reductions in appraised values on partially taken tracts, but the amount is not known.

Section 2:

Section 2 expands the amount of time DOT must pay interest from the date of judgment to the date the judgment is paid. This change adds approximately 10 to 30 days to the time DOT will pay interest. The chart below summarizes the impact of Section 2 had this law been in effect when the condemnations occurred. The Department would have paid additional interest ranging from \$170,726 to \$523,887 in FY2014.

Chart One: Interest Accrued if Section 2 in Effect from FY2009-FY2014					
			Additional Interest Accrued		
FY	Number of Judgments	Total Awards Less Deposits	10 Days	20 Days	One Month
FY2014	443	\$68,589,421	\$170,726	\$338,982	\$523,887
FY2013	527	\$67,869,393	\$148,634	\$297,268	\$452,689
FY2012	315	\$49,546,998	\$108,508	\$217,016	\$330,478
FY2011	287	\$36,706,133	\$80,386	\$160,773	\$244,830
FY2010	197	\$19,827,940	\$43,458	\$86,917	\$132,186
FY2009	181	\$22,857,814	\$50,099	\$100,199	\$152,385

Based on Section 2, no fiscal impact is expected until FY 2017 and the impact is expected to be minimal in FY 2017 and represent only consent judgments, not any jury awards. It will take three to four fiscal years for the fiscal impact to be fully realized, which will occur when all settlements or jury verdicts are based on condemnations that include the resulting interest accrual. The fiscal impact from the additional interest accrual is expected to increase in each fiscal year after FY 2017 as more applicable condemnations reach settlement or jury award. It is assumed that the condemnations affected one year after this bill become law will reach jury trial by FY 2019. It is reasonable to assume the impact will be at least \$300,000 by FY 2019.

DOT states "It is anticipated that the number of condemnation claims will increase significantly as a result of the passage of this bill, thereby increasing the expenditures." This analysis does not address DOT's concern.

The Administrative Office of the Courts (AOC) does not expect any fiscal impact to the courts from Section 2.

Section 3:

Section 3 requires that DOT pay reasonable attorney's fees, and appraisal and engineering fees as specified in G.S. 40A-8, that were incurred by the property owner if the final judgment in a jury trial exceeds the amount of deposit by 25% or more. The amount of deposit includes deposits

made at least six months before the verdict. Based on 2014 data, 4.4% of condemnations include an amended filing, which results when there is a change in the areas taken or an improvement is determined to have more damages than initially appraised. The monetary difference in the original appraisal and the newer revised appraisal is deposited at the time of the amended filing. DOT did not provide data to determine the fiscal impact resulting from a potentially higher combined deposit amount. Any fiscal impact is expected to be minimal.

Attorney's fees cannot exceed one-third the difference between the jury award, plus interest, less deposit. According to DOT, all jury verdicts have exceeded the 25% threshold. DOT believes the bill will "reduce any incentive to settle by the property owner or his attorney."

Chart Two: Cases Filed and % Increase of Award over Deposit

FY	Number of Cases Filed			Award Less Deposit		Additional Interest	
	Condemnations	Consent Judgement	Jury Verdict	Consent Judgement	Jury Verdict	Consent Judgement	Jury Verdict
FY2014	477	427	16	\$ 62,426,043	\$ 6,163,378	85%	184%
FY2013	510	347	18	\$ 52,115,291	\$ 14,754,102	82%	210%
FY2012	649	298	17	\$ 43,873,646	\$ 5,673,352	90%	175%
FY2011	444	269	18	\$ 30,546,709	\$ 6,159,424	75%	120%
FY2010	488	188	9	\$ 17,364,993	\$ 2,462,947	63%	201%
FY2009	303	169	12	\$ 20,814,197	\$ 2,043,617	105%	124%

DOT believes all FY2014 jury verdicts exceeded the bill's 25% threshold. Therefore, the analysis assumes all jury trial fees will be paid by DOT in the future once this bill applies to all condemnation proceedings. Based on feedback from several NC attorneys specializing in condemnation, most attorneys charge a contingency fee that ranges from 25% to 33% of the award plus interest less deposit. This bill requires the State to pay legal fees based on the typical attorney practice to base condemnation legal fees on a contingency basis. The property owner will be responsible for any contingency-based legal fees that exceed the amount reimbursed by the State.

Disagreement exists between DOT and attorneys specializing in condemnation as to whether this bill will increase or decrease the number of jury trials. Incurring the additional cost of fees may encourage DOT to increase settlement offers to avoid trial. Some attorneys specializing in condemnation also believe DOT uses internal appraisal staff and contracted appraisers that may generate appraisals lower than other appraisers, or use different methodologies to produce lower damage assessments. This uncertainty makes determining a fiscal impact difficult. A higher initial appraisal will likely encourage more settlements, but the appraisal process is regulated to prevent discrepancies. While the argument may be legitimate, it is anecdotal and has not been proven. In terms of the potential to increase jury trials, it is feasible that some landowners will risk going to trial in order to benefit from the State's payment of legal, appraisal, and engineering fees. The inclusion of interest as part of the reimbursable allowable expense incurred by the State may also increase costs to the State on a case-by-case basis. The attorney fee contingency plus interest brings more credence to the possibility that property owners will pursue trial in condemnations

involving substantial sums. Given the data in Chart 2, a property owner may reasonably conclude that jury trials produce higher awards than settlements, and that awards predominantly exceed the bill's 25% threshold. This analysis assumes that the arguments that lead to both fewer and more trials will both factor into a property owner's decision whether to settle, whether to hire a lawyer, and whether to go to trial. Given the minimal number of condemnations that end in jury trial, this analysis assumes these factors will cancel each other out and the small number of jury trials will continue.

Chart 3 indicates a fiscal impact of \$1,045,400 in FY2018 and \$4,860,000 in FY 2020 based on attorney fees limited to one-third of the difference between the verdict, plus interest, and the deposit.

Therefore, the fiscal analysis for Section 3, based on the reimbursement rate of one-third of the difference between the judgment award, plus interest, and the deposit, makes the following assumptions:

1. Given the level of percentage increase of the award in existing verdict trials (184% in FY2014), this analysis assumes that all jury award cases will apply to this bill.
2. This analysis does not assume the bill will lead to a decrease or increase in the number of cases going to jury verdict. The number of jury trials is based on an annual average of 20 cases per year by FY2018, prorated to the number that are applicable based on the bill's effective date.
3. The jury award less deposit will range from \$5 million to \$15 million annually, or \$521,388 per case, without interest. These figures represent the average of the last three years of actual data, as presented in Chart 2.
4. This analysis assumes the average time from condemnation to trial is 3 ½ years for the purposes of calculating interest for FY 2020 and prorates the time limits to determine the fiscal impact in FY 2018 and FY 2019.
5. This analysis assumes the time period at which deposit is based for all cases identified in Chart 3 is the bill's effective date.
6. While the bill states the award "may not exceed one-third" of the difference in judgment, plus interest, less deposit, for purposes of this analysis 30% reimbursement is used to calculate attorney fees.
7. Appraisal fees average \$2,500 per case.
8. Engineering fees average \$5,000 and are used in 50% of jury trials.
9. Due to the bill's effective date, it is assumed that 25% of the annualized fiscal impact will be incurred in FY2018 and 75% of the fiscal impact will be felt in FY2019. The full fiscal impact of this bill will occur after FY 2019.
10. DOT states "It is anticipated that the number of condemnation claims will increase significantly as a result of the passage of this bill, thereby increasing the expenditures." This analysis does not address DOT's concern that DOT will be required to condemn more property because property owners may be less likely to settle. If DOT's assertion is correct, it is assumed that 5% of all additional condemnation proceedings will proceed to trial.

Chart Three: Potential Fiscal Impact of Section 3					
	Potential Number of Jury Trials on Condemnations Filed after 1/1/16	Attorney Fees	Appraisal Fees	Engineering Fees	Total
FY2016	0				\$0
FY2017	0				\$0
FY2018	5	\$1,020,400	\$12,500	\$12,500	\$1,045,400
FY2019	15	\$3,306,000	\$37,500	\$37,500	\$3,381,000
FY2020	20	\$4,760,000	\$50,000	\$50,000	\$4,860,000

Noteworthy is the acknowledgement that the payment of interest may be significantly higher than shown in this analysis for cases that span many years. Additionally, cases will exist in which substantial award payments are made. These awards will far exceed the averages used in this analysis and significantly increase the interest payment calculated in the reimbursed attorney expenses. These exceptions are not represented in this fiscal analysis.

AOC does not expect any fiscal impact to the courts from Section 3.

SOURCES OF DATA: NC Department of Transportation, Administrative Office of the Courts, NC Bar Association, NC Justice Department, and Attorneys from 1) Cranfill, Sumer & Hartzog, 2) Hansen Law Firm, PLLC, 3) Brooks Pierce, and 4) Manning Fulton.

TECHNICAL CONSIDERATIONS: DOT states that "Regarding the Relocation Notice requirements, the Department has concerns that Section Four may establish a conflict with federal requirements regarding relocation and could lead to a loss of funding."

FISCAL RESEARCH DIVISION: (919) 733-4910

William H Childs
PREPARED BY: Amna Cameron and William Childs

APPROVED BY:

Mark Trogdon, Director
Fiscal Research Division

DATE: April 14, 2015



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SENATE PAGES ATTENDING

COMMITTEE: Transportation ROOM: 1027
DATE: 5-20 TIME: 11^{am}

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④.	Mason Cregger	Concord	Hartsell
⑤.	Joe Mulligan	Huntersville	Tarte
⑥.	Kaleb Woods	Burlington	Woodard
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Do not add names below the grid.

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



SENATE TRANSPORTATION
PROSPECTIVE SPEAKER SIGN-IN

NAME

ORGANIZATION

BILL
NO.

✓ Bonnie Haus

NC Road Safety Coalition
NC State Grange

HB 232

Nick Tennyson

NCSA

HB 127

✓ Erin Wynia

NCLM

Anti-127

HB 127

✓ Jason Campbell

Attorney

pro: tried to work in AL on bkgd now in private practice

HB 127

Josh Hansen

Attorney

HB 127

✓ Jon Carr

Lobbyist Nat Gas Assoc.

SB 48



2.



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 05-20-2015

Erin Robinson	NCRMA
Stewart Warrs	NCRMA
Travis Villa-Grove	NCR
Jon Carr	Jordan Price
John Jessup	Nc Propane Gas
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Courtney Lockamy	Randolph Cloud & Assoc.
Lisa Martin	Cap-Advis.
Mary Kerrigan	NCDOT
Rian Merwald	WM



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 05-20-2015

Laurie Payne

NC STATE GRANGE

Lisa Riegel

Bike Walk NC

Harry Riegel

Bike Walk NC

John Riegel

NCAAPA

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AB Smith

WASTE IND

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Butch Gunnells

Nc Bev

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DC DOT

Mia Guglielmi

NCMMC

Tommy Hardy

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Lexi Morgan

NCRMA

Joey Stansbury

Sen. Tucker's office

Jake Ashion

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Mike Canty

NCHSA

Philip L. Lyle

Blue

CAD Thomas

Fokus Carlinz

Wendy Kelly

11

Kate Dixon

Friends of the Mountains -

Michelle Frazier

to-Sea Trail

MF+S

SENATE TRANSPORTATION

VISITOR SIGN-IN

DATE 05-20-2015

Samantha Cohen

Manning-Fulton

John McMillan

Mf + S

Donna B. Clarke

UNC Dept. Gov.

Reston Jones

NC DOT

Nick Tennyson

NC DOT

Megan Kibb

LA

Phoebe Landon

Brooks Pierce

Dana Fenton

City of Charlotte

Erin Wylie

NCLM

Bonnie Haug

Rural Road Safety
NC Grange



SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE 05-20-2015

Joni Kroll Novant Health
Mark McEnroe Carolina Healthcare

Tracy Kimbrell Parker Poe
John Handlin MF 1/5



**Senate Committee on Transportation
Wednesday, June 10, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on June 10, 2015 in Room 1027/1128 of the Legislative Building. 10 members were present. Attending Sergeant-at-Arms: Hal Roach and Ed Kesler. Attending Senate pages: Savannah Bell of Forest City (Sen. Hise); Warren Breden of Wilkesboro (Sen. Randleman); Clara Booker of Raleigh (Sen. Stein); Hankins Feichter of Raleigh (Sen. Stein); Michael Davis of Wilkesboro (Sen. Randleman); and, Campbell Fowler of Raleigh (Sen. Apodaca).

Senator Warren Daniel, Chair, presided.

HB 86 Utility Line Relocation/School Board. (Representatives McNeill, Hurley, Shepard) Rep. McNeill presented this bill. There was very little discussion that confirmed costs and responsibilities. Sen. Gunn moved to give the bill a favorable report; and, the committee reported the bill to the Senate Principal Clerk (SPC) as Favorable, with no referrals to other committees. Sen. Gunn agreed to handle the bill on the floor.

SB 541 Regulate Transportation Network Companies. (Senators Rabon, McKissick) This bill was for discussion only. There was a Proposed Committee Substitute (PCS) that was motioned in for discussion by Sen. Ford. Sen. McKissick explained the PCS. He said that 17 stakeholders are almost in agreement on this bill. Staff member Greg Roney explained each section of the bill. Jeff Barnhardt, representing Uber, spoke for the bill. There was extensive committee discussion about how ride-sharing works. There was also discussion on how Uber would have an effect on private automobile insurance. Also, there was discussion of how ride-sharing programs affect taxi operators. No action was taken on the bill, ergo the bill was not reported to the SPC.

HB 476 Drivers License Donation/Donate Life NC. (Representatives Saine, Hager, Wray, Presnell) Rep. Saine presented this bill. After no one on the committee wanted to discuss the bill, Sen. Hise motioned to report the bill as favorable. The committee reported the bill to the SPC Favorable with a sequential referral to Senate Finance Committee. Sen. Gunn agreed to handle the bill on the floor.

The meeting adjourned at 11:46 am.



Senator Warren Daniel, Chair
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, June 10, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 86	Utility Line Relocation/School Board.	Representative McNeill Representative Hurley Representative Shepard
SB 541	Regulate Transportation Network Companies.	Senator Rabon Senator McKissick
HB 476	Drivers License Donation/Donate Life NC.	Representative Saine Representative Hager Representative Wray Representative Presnell

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, June 10, 2015

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

HB 86	Utility Line Relocation/School Board.
	Draft Number: None
	Sequential Referral: None
	Recommended Referral: None
	Long Title Amended: No
HB 476 (CS#1)	Drivers License Donation/Donate Life NC.
	Draft Number: None
	Sequential Referral: Finance
	Recommended Referral: None
	Long Title Amended: No

TOTAL REPORTED: 2

Senator Richard Gunn will handle HB 86

Senator Richard Gunn will handle HB 476



* C M R 4 3 1 - V - 1 *



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

1

HOUSE BILL 86

Short Title: Utility Line Relocation/School Board. (Public)

Sponsors: Representatives McNeill, Hurley, and Shepard (Primary Sponsor).
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Public Utilities, if favorable, Transportation.

February 16, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY THE
3 NONBETTERMENT COST OF RELOCATING WATER AND SEWER LINES OWNED
4 BY LOCAL BOARDS OF EDUCATION.

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~~ municipalities,**
8 **nonprofit water or sewer corporations or ~~associations~~ associations, and local**
9 **boards of education.**

10 The Department of Transportation shall pay the nonbetterment cost for the relocation of
11 water and sewer lines, located within the existing State transportation project right-of-way, that
12 are necessary to be relocated for a State transportation improvement project and that are owned
13 by: (i) a municipality with a population of 5,500 or less according to the latest decennial
14 census; (ii) a nonprofit water or sewer association or corporation; (iii) any water or sewer
15 system organized pursuant to Chapter 162A of the General Statutes; (iv) a rural water system
16 operated by a County as an enterprise system; (v) any sanitary district organized pursuant to
17 Part 2 of Article 2 of Chapter 130A of the General Statutes; ~~or~~ (vi) constructed by a water or
18 sewer system organized pursuant to Chapter 162A of the General Statutes and then sold or
19 transferred to a municipality with a population of greater than 5,500 according to the latest
20 decennial ~~census~~ census; or (vii) a local board of education."

21 **SECTION 2.** This act becomes effective July 1, 2015, and applies to relocations of
22 water and sewer lines on or after that date.







HOUSE BILL 86: Utility Line Relocation/School Board

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Reps. McNeill, Hurley, Shepard
Analysis of: First Edition

Date: June 10, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *House Bill 86 would require the Department of Transportation to pay the nonbetterment costs of moving water and sewer lines for a local board of education, when the lines are located in the right-of-way of a State transportation improvement project.*

CURRENT LAW: The NC Department of Transportation is authorized by G.S. 136-18(10) to allow entities that provide various utility services to locate their utility lines on DOT rights-of-way. The cost to move the lines because of a DOT project must be paid by the utility, unless State law provides otherwise.

G.S. 136-27.1¹ requires the Department of Transportation to pay the nonbetterment² cost of relocating the water and sewer lines owned by certain entities in the transportation right-of-way when the lines must be moved for a transportation improvement project.

The Department must pay the nonbetterment cost to move water and sewer lines belonging to the following:

- Municipalities with a population of 5,500 or less, including lines for systems that were initially organized under Chapter 162A.³
- Nonprofit water or sewer associations and corporations.
- A water or sewer system organized under Chapter 162A.
- A rural water system operated as a County enterprise system.
- Sanitary Districts.

BILL ANALYSIS: House Bill 86 would add water and sewer lines owned by local boards of education to the type of lines that the Department of Transportation must pay to relocate for transportation improvement projects.

EFFECTIVE DATE: This act becomes effective July 1, 2015, and applies to relocations on or after that date.

Heather Fennell, counsel to House Public Utilities, substantially contributed to this summary.

¹ G.S. 136-27.2 also requires DOT to pay the nonbetterment cost for the relocation of county owned natural gas lines, located in DOT right-of-way, that the DOT needs to relocate due to a State transportation improvement project.

² "Nonbetterment cost" refers to the cost to move, but not improve, the utility line.

³ Systems authorized under Chapter 162A are Metropolitan Water Districts, Metropolitan Sewerage Districts, Metropolitan Water and Sewerage Districts, and County Water and Sewerage Districts.

O. Walker Reagan
Director



Research Division
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House Bill 86

Page 2

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 476*
Committee Substitute Favorable 4/28/15

Short Title: Drivers License Donation/Donate Life NC.

(Public)

Sponsors:

Referred to:

April 2, 2015

A BILL TO BE ENTITLED
AN ACT TO ALLOW VOLUNTARY DONATIONS AT THE TIME OF A REMOTE
RENEWAL OF A DRIVERS LICENSE TO THE LICENSE TO GIVE TRUST FUND
AND TO DISTRIBUTE THE DONATION TO DONATE LIFE NORTH CAROLINA.

The General Assembly of North Carolina enacts:

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

"§ 20-7. Issuance and renewal of drivers licenses.

...

(j1) License to Give Trust Fund. – The Division must offer to accept a voluntary contribution of two or more whole dollars from every person submitting payment of the fee collected under subsection (i) of this section for the remote renewal of drivers licenses and credit all donations to the License to Give Trust Fund established under G.S. 20-7.4.

...."

SECTION 2. G.S. 20-7.4 reads as rewritten:

"§ 20-7.4. License to Give Trust Fund established.

(a) There is established the License to Give Trust Fund. Revenue in the Fund includes amounts credited by the Division as required by law, and other funds. Any surplus in the Fund shall not revert but shall be used for the purposes stated in this section. The Fund shall be kept on deposit with the State Treasurer, as in the case of other State Funds, and may be invested by the State Treasurer in any lawful securities for investment of State funds. The License to Give Trust Fund is subject to oversight by the State Auditor pursuant to Article 5A of Chapter 147 of the General Statutes.

(a1) All funds credited to the Fund under G.S. 20-7(j1) must be expended by the Fund as a quarterly grant to Donate Life North Carolina for the following purposes so long as the Give Trust Fund Commission determines Donate Life North Carolina effectively conducts these purposes:

(1) Managing the online organ donation registry operated by Donate Life North Carolina.

(2) Promoting organ donation throughout the State.

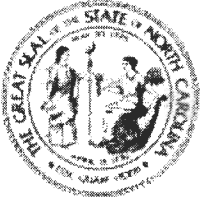
(b) The purposes for which any remaining funds may be expended by the License to Give Trust Fund Commission from the License to Give Trust Fund are as follows:

(1) As grants-in-aid for initiatives that educate about and promote organ and tissue donation and health care decision making at life's end.

(2) Expenses of the License to Give Trust Fund Commission as authorized in G.S. 20-7.5."



1 **SECTION 3.** This act becomes effective January 1, 2016, and applies to drivers
2 license remote renewals on or after that date.



HOUSE BILL 476: Drivers License Donation/Donate Life NC

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Reps. Saine, Hager, Wray, Presnell
Analysis of: Second Edition

Date: June 10, 2015
Prepared by: Wendy Graf Ray
Committee Counsel

SUMMARY: *House Bill 476 would require the Division of Motor Vehicles (DMV) to accept a voluntary contribution of \$2 or more from every person paying for a remote renewal of a drivers license and to credit all donations to the License to Give Trust Fund for the benefit of Donate Life North Carolina.*

[As introduced, this bill was identical to S443, as introduced by Sens. Gunn, Brock, which is currently in Senate Transportation. If fav, re-ref to Finance.]

CURRENT LAW: A portion of fees for issuance, renewal, and duplication of drivers licenses is currently used to educate, promote, and facilitate organ and tissue donation. The Division of Motor Vehicles (DMV) retains \$0.05 of the fee collected for each license to reimburse DMV for maintaining a statewide online organ donor site to give organ procurement organizations and eye banks timely access to the names of organ donors and to fund the License to Give Trust Fund.

The License to Give Trust Fund Commission allocates funds from the License to Give Trust Fund for the following purposes:

- Grants for initiatives that educate about and promote organ and tissue donation and health care decision making at life's end.
- Expenses of the License to Give Trust Fund Commission.

Donate Life North Carolina is a nonprofit corporation that maintains a searchable organ donor registry that compiles organ donor information from DMV.

BILL ANALYSIS: House Bill 476 would require DMV to accept a voluntary contribution of \$2 or more from every person renewing a drivers license using the remote renewal process. Any donations would be credited to the License to Give Trust Fund.

The License to Give Trust Fund would be required to grant the donations to Donate Life North Carolina for the following purposes:

- Managing the online organ donation registry operated by Donate Life North Carolina.
- Promoting organ donation throughout the State.

Donate Life North Carolina would only be eligible to receive the funds as long as the License to Give Trust Fund Commission determines that it is effectively conducting these purposes.

EFFECTIVE DATE: The act would become effective January 1, 2016, and would apply to drivers license remote renewals on or after that date.

Greg Roney, counsel to House Finance, substantially contributed to this summary.

O. Walker Reagan
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 86 (First Edition)

SHORT TITLE: Utility Line Relocation/School Board.

SPONSOR(S): Representatives McNeill, Hurley, and Shepard

FISCAL IMPACT (\$ in millions)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
State Impact	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Highway Trust Fund Revenues:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Highway Trust Fund Expenditures:	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
State Positions:	0.0	0.0	0.0	0.0	0.0
NET STATE IMPACT	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.1)
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation					
EFFECTIVE DATE:	July 1, 2015				
TECHNICAL CONSIDERATIONS:	None				

BILL SUMMARY:

H86. UTILITY LINE RELOACTION/SCHOOL BOARD. (February 12, 2015)

AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO PAY THE NONBETTERMENT COST OF RELOCATING WATER AND SEWER LINES OWNED BY LOCAL BOARDS OF EDUCATION.

This bill amends G.S. 136-27.1 to include the relocation of water and sewer lines of local boards of education. It requires the Department of Transportation to also pay the nonbetterment cost for the relocation of water and sewer lines located within existing state transportation project rights-of-way that must be relocated for a state transportation improvement project and that are owned by local boards of education.

ASSUMPTIONS AND METHODOLOGY:

S.L. 2013-183, Strategic Transportation Investment Act, required DOT to reformulate projects in its State Transportation Improvement Program (STIP) based on a new prioritization process. As a result, the Draft STIP includes numerous projects without well-developed designs, which are necessary to accurately estimate the water and sewer relocation impacts to local boards of education.

Projects affecting local boards of education planned or implemented between January 2014 and December 2016 are used to estimate future annual costs to DOT to pay the nonbetterment cost to

relocate water and sewer lines owned by local boards of education. Four STIP projects were identified totaling \$70,310 in calendar year 2014, \$35,000 in calendar year 2015, and \$185,000 in calendar year 2016. The average cost of \$97,000 per year is used to estimate the fiscal impact resulting from this bill.

SOURCES OF DATA: Department of Transportation

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Amna Cameron

APPROVED BY:

Mark Trogdon, Director
Fiscal Research Division

DATE: February 27, 2015



Signed Copy Located in the NCGA Principal Clerk's Offices

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 541
PROPOSED COMMITTEE SUBSTITUTE S541-CSTMxfr-30 [v.3]

6/9/2015 9:12:03 PM

Short Title: Regulate Transportation Network Companies.

(Public)

Sponsors:

Referred to:

March 30, 2015

A BILL TO BE ENTITLED
AN ACT TO REGULATE TRANSPORTATION NETWORK COMPANIES.

The General Assembly of North Carolina enacts:

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

"Article 10A.

"Transportation Network Companies.

"§ 20-280.1. Definitions.

The following definitions apply in this Article:

- (1) Airport operator. – Any person with police powers that owns or operates an airport.
- (2) Brokering transportation network company. – A transportation network company, as defined by this section, that exclusively dispatches TNC drivers that operate either of the following:
 - a. For-hire passenger vehicles regulated under G.S. 160A-304.
 - b. For-hire passenger vehicles regulated under G.S. 62-260(f) and subject to the requirements for security for protection of the public and safety of operation established for regulated motor common carriers.
- (3) Prearranged transportation services. – Transportation services available by advance request excluding for-hire passenger vehicles soliciting passengers for immediate transportation. No minimum waiting period is required between the advance request and the provision of the transportation services.
- (4) TNC driver. – An individual that uses a passenger vehicle in connection with a transportation network company's online-enabled application or platform to connect with passengers.
- (5) TNC service. – Prearranged transportation service provided by a TNC driver in connection with a transportation network company. The TNC service begins when the TNC driver accepts a ride request on the transportation network company's online-enabled application or platform and ends at the later of the following:
 - a. The time that the driver completes the transaction on the online-enabled application or platform.
 - b. The time that all passengers completely exit the vehicle and leave the immediate vicinity of the vehicle.



* S 5 4 1 - C S T M X F R - 3 0 - V - 3 *

- (6) Transportation network company. – Any person that uses an online-enabled application or platform to connect passengers with TNC drivers who provide prearranged transportation services.

"§ 20-280.2. Permissible services and limitations.

(a) A transportation network company holding a valid permit issued under this Article and continuously meeting the requirements of this Article may operate in the State. The transportation network company may charge a fee for the TNC service. The fee must meet the following requirements:

- (1) The transportation network company's online-enabled application or platform must disclose the fee calculation method before a passenger makes a ride request.
- (2) The transportation network company's online-enabled application or platform must provide the option for a passenger to receive an estimated fee before the passenger makes a ride request.
- (3) The transportation network company must send an electronic receipt to the customer that includes the following:
 - a. The locations where the TNC service started and ended.
 - b. The total time and distance of the TNC service.
 - c. An itemization and calculation of the total fee paid.
- (4) The fee must be paid electronically through the transportation network company's online-enabled application or platform. No cash may be exchanged for the TNC service.

(b) A TNC driver may provide TNC service for compensation in the State.

"§ 20-280.3. Permits.

(a) Every transportation network company must obtain a permit from the Division before operating in the State. Every transportation network company must pay to the Division a nonrefundable application fee of five thousand dollars (\$5,000).

(b) Every transportation network company must renew the permit annually and pay to the Division a nonrefundable renewal fee of five thousand dollars (\$5,000).

(c) The Division must prescribe the form of the application for a permit and renewal of a permit.

(d) The initial application and renewal application must require information sufficient to confirm compliance with this Article and include the following:

- (1) Proof of insurance meeting the requirements of G.S. 20-280.4. This subdivision does not apply to brokering transportation network companies.
- (2) Resident agent for service of process.
- (3) Proof the transportation network company is registered with the Secretary of State to do business in the State if the transportation network company is a foreign corporation.
- (4) Policy of nondiscrimination based on customers' geographic departure point or destination.

(e) The Division may retain the fees collected under this section and use the funds for its operations.

"§ 20-280.4. Financial responsibility.

(a) Except as provided in subsection (m) of this section, TNC drivers or transportation network companies must maintain primary automobile insurance that meets all of the following requirements:

- (1) Recognizes that the driver is a TNC driver or uses a vehicle to transport passengers for compensation.

(2) The following automobile insurance requirements apply while a TNC driver is logged on to the transportation network company's online-enabled application or platform but is not providing TNC service:

- a. Primary automobile liability insurance in the amount of at least fifty thousand dollars (\$50,000) because of death of or bodily injury to one person in any one accident and, subject to said limit for one person, one hundred thousand dollars (\$100,000) because of death of or bodily injury to two or more persons in any one accident, and at least twenty-five thousand dollars (\$25,000) because of injury to or destruction of property of others in any one accident.
- b. Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage which at least equals the bodily injury liability limits of the policy, and which otherwise complies with the requirements of G.S. 20-279.21(b)(3) and (b)(4).

(3) The following automobile insurance requirements apply while a TNC driver is engaged in TNC service:

- a. Primary automobile liability insurance in the amount of at least one million five hundred thousand dollars (\$1,500,000) because of death of one or more persons, bodily injury to one or more persons, injury to or destruction of property of others, or any combination thereof, in any one accident.
- b. Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage of at least one million five hundred thousand dollars (\$1,500,000), and which otherwise complies with the requirements of G.S. 20-279.21(b)(3) and (b)(4).

(4) The coverage requirements of subdivisions (2) and (3) of this subsection may be satisfied by any of the following:

- a. Automobile insurance maintained by the TNC driver.
- b. Automobile insurance maintained by the transportation network company.
- c. Any combination of sub-subdivisions a. and b.

(b) If insurance maintained by the TNC driver under subsection (a) of this section has lapsed or does not provide the required coverage, insurance maintained by the transportation network company must provide the coverage required under subsection (a) of this section beginning with the first dollar of a claim and must provide the defense of the claim.

(c) Insurance coverage under an automobile insurance policy maintained by the transportation network company must not be dependent on a personal automobile insurer denying a claim.

(d) Insurance required by this section may be placed with an insurer licensed in the State or with a surplus lines insurer eligible to write policies in the State.

(e) Insurance satisfying the requirements of this section satisfies the financial responsibility requirement for a motor vehicle.

(f) A TNC driver must carry proof of coverage satisfying the requirements of this section at all times during use of a vehicle in connection with a transportation network company's online-enabled application or platform.

(g) Before any vehicle is used in connection with a transportation network company's online-enabled application or platform, a TNC driver must notify the insurer of the vehicle of the TNC driver's intent to use the vehicle in connection with a transportation network company's online-enabled application or platform.

1 (h) Transportation network companies must disclose in writing to potential TNC drivers
2 the following before the TNC driver provides TNC service:

3 (1) The insurance coverage, including the types of coverage and the limits for
4 each coverage, that the transportation network company provides while the
5 TNC driver uses a private passenger vehicle in connection with a
6 transportation network company's online-enabled application or platform.

7 (2) The TNC driver may not have any coverage under a personal automobile
8 insurance policy while using the transportation network company's
9 online-enabled application or platform.

10 (i) Insurers that write automobile insurance in the State may exclude coverage under
11 the policy issued to an owner or operator of a personal vehicle for any loss that occurs while the
12 driver is logged on to a transportation network company's online-enabled application or
13 platform or while the driver provides TNC service. This right to exclude all coverage applies to
14 any coverage included in an automobile insurance policy, including all of the following:

15 (1) Liability coverage for bodily injury and property damage.

16 (2) Personal injury protection coverage.

17 (3) Uninsured and underinsured motorist coverage.

18 (4) Medical payments coverage.

19 (5) Comprehensive physical damage coverage.

20 (6) Collision physical damage coverage.

21 (j) Automobile insurers that exclude the coverage described in subsection (h) of this
22 section have no duty to defend or indemnify any claim expressly excluded. An automobile
23 insurer that defends or indemnifies a claim against a driver that is excluded under the terms of
24 its policy has a right of contribution against other insurers that provide automobile insurance to
25 the same driver in satisfaction of the coverage requirements of this section.

26 (k) No insurer is required to sell a policy of insurance providing the coverage required
27 by this section.

28 (l) Notwithstanding G.S. 58-37-35(b)(1)(e), no insurance policy providing coverage
29 required by this section is cedable to the North Carolina Reinsurance Facility due solely to the
30 requirements of this section.

31 (m) This section does not apply to brokering transportation network companies.

32 **"§ 20-280.5. Safety requirements.**

33 (a) The transportation network company must require TNC drivers have their vehicles
34 inspected annually to meet State safety requirements. The Division may, by regulation, specify
35 alternative inspections that are acceptable as equivalent inspections such as an inspection
36 performed in another state.

37 (b) The transportation network company's online-enabled application or platform must
38 provide the following information to customers after a ride request is accepted by a TNC
39 driver:

40 (1) Photograph of the TNC driver.

41 (2) License plate number of the TNC driver's vehicle.

42 (3) Description of the TNC driver's vehicle.

43 (4) Approximate location of the TNC driver's vehicle displayed on a map.

44 (c) The transportation network company must maintain the following records:

45 (1) The record of each TNC service provided in this State for one year from the
46 date the TNC service occurred.

47 (2) The record of each TNC driver in this State for one year from the date the
48 TNC driver terminated their relationship with the transportation network
49 company.

(d) In a claims coverage investigation or accident, a TNC driver, transportation network companies, any insurer potentially providing coverage under this section, and other directly involved parties must exchange the following information:

- (1) Description of the coverage, exclusions, and limits provided under any insurance policy.
- (2) Precise times that a TNC driver logged on and off of the transportation network company's online-enabled application or platform in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident.
- (3) Precise times that a TNC driver provided TNC service in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident.

"§ 20-280.6. Background checks.

(a) Prior to permitting an individual to act as a TNC driver, the transportation network company must do all of the following:

- (1) Require the individual to submit an application to the transportation network company, including, at a minimum, the following:
 - a. Address.
 - b. Age.
 - c. Drivers license number.
 - d. Driving history.
 - e. Motor vehicle registration.
 - f. Automobile liability insurance information.
- (2) Conduct, or have a third party conduct, a local and national criminal background check for each applicant, including, at a minimum, the following:
 - a. Multi-State/Multi-Jurisdiction Criminal Records Locator or other similar commercial nationwide database with validation (primary source search).
 - b. National Sex Offender Registry.
- (3) Review a driving history research report for such individual.

(b) The transportation network company must confirm that every TNC driver continues to meet all the requirements of this section every five years starting from the date the TNC driver met all the requirements of this section.

(c) The transportation network company must not permit an individual to act as a TNC driver if any of the following apply:

- (1) Has had more than three moving violations in the prior three-year period or one major violation in the prior three-year period, including attempting to evade the police, reckless driving, or driving on a suspended or revoked license.
- (2) Has been convicted within the past seven years of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, or a crime involving property damage, theft, acts of violence, or acts of terror.
- (3) Is a match in the National Sex Offender Registry.
- (4) Does not possess a valid drivers license.
- (5) Does not possess proof of registration for the motor vehicle to be used to provide TNC services.
- (6) Does not possess proof of automobile liability insurance for the motor vehicle to be used to provide TNC services.
- (7) Is not at least 19 years of age.

(d) This section does not apply to brokering transportation network companies.

"§ 20-280.7. Authority of Division.

The Division may issue regulations to implement this Article.

"§ 20-280.8. Presumption that TNC drivers are independent contractors.

A rebuttable presumption exists that a TNC driver is an independent contractor and not an employee. The presumption may be rebutted by application of the common law test for determining employment status.

"§ 20-280.9. Airport operators.

(a) An airport operator is authorized to require a transportation network company that holds a permit under this Chapter to complete a single application for a permit that will authorize the transportation network company's TNC drivers to conduct TNC services at the airport. The airport operator may charge a reasonable annual application fee. The application and permit cannot impose additional requirements on transportation network companies that hold a permit under this Chapter. An airport operator may not charge an application or permit fee based on a per-driver basis, per-vehicle basis, gross receipts basis, or income basis.

(b) An airport operator is authorized to require an identifying decal be displayed by TNC drivers.

(c) An airport operator is authorized to require the purchase and use equipment to monitor compliance unless a transportation network company agrees to provide data that enables the airport operator to monitor and audit compliance.

(d) An airport operator is authorized to charge a transportation network company a reasonable fee for its use of the airport's facility.

(e) If an airport operator imposes the same fee on transportation network companies and for-hire vehicles, the airport operator may not impose a higher fee on a transportation network company unless the transportation network company agrees to a higher fee.

(f) An airport operator is authorized to designate a location where TNC drivers may stage on the airport operator's facility, drop-off passengers, and pick up passengers.

"§ 20-280.10. Statewide regulation.

(a) Notwithstanding any other provision of law and except as authorized by this Chapter, no county, city, airport operator, or other governmental agency is authorized to impose fees, require licenses, limit the operation of TNC services, or otherwise regulate TNC services. TNC services remain subject to all ordinances and local laws outside the scope of this Chapter, including parking and traffic regulation.

(b) Any contract provision or term of service contrary to this Article is void as against public policy."

SECTION 2. G.S. 20-4.01(27) reads as rewritten:

"(27) Passenger Vehicles. –

a. Excursion passenger vehicles. – Vehicles transporting persons on sight-seeing or travel tours.

b. ~~For-hire~~ For-hire passenger vehicles. – Vehicles transporting persons for compensation. This classification shall not include the following:

1. ~~vehicles~~ Vehicles operated as ~~ambulances~~;ambulances.

2. ~~vehicles~~ Vehicles operated by the owner where the costs of operation are shared by the ~~passengers~~;passengers.

3. ~~vehicles~~ Vehicles operated pursuant to a ridesharing arrangement as defined in G.S. ~~136-44.21~~;G.S. 136-44.21.

4. ~~vehicles~~ Vehicles transporting students for the public school system under contract with the State Board of ~~Education~~ Education.

5. ~~or vehicles~~ Vehicles leased to the United States of America or any of its agencies on a nonprofit ~~basis~~;basis.

6. ~~or vehicles~~ Vehicles used for human service or service.
7. Vehicles used for volunteer transportation.
8. Vehicles operated in a TNC service, excluding vehicles operated in connection with a brokering transportation network company, regulated under Article 10A of Chapter 20 of the General Statutes.

...."

SECTION 3. G.S. 20-87 reads as rewritten:

"§ 20-87. Passenger vehicle registration fees.

These fees shall be paid to the Division annually for the registration and licensing of passenger vehicles, according to the following classifications and schedules:

- (1) For-Hire Passenger Vehicles. – The fee for a for-hire passenger vehicle ~~that is operated for compensation and has with~~ a capacity of 15 passengers or less is seventy-eight dollars (\$78.00). The fee for a for-hire passenger vehicle ~~that is operated for compensation and has with~~ a capacity of more than 15 passengers is one dollar and forty cents (\$1.40) per hundred pounds of empty weight of the vehicle.

...."

SECTION 4. G.S. 153A-134 reads as rewritten:

"§ 153A-134. Regulating and licensing businesses, trades, etc.

(a) A county may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the county may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor. This section does not authorize a county to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(b) This section does not impair the county's power to levy privilege license taxes on occupations, businesses, trades, professions, and other activities pursuant to G.S. 153A-152.

(c) Nothing in this section shall authorize a county to regulate and license ~~digital dispatching services for prearranged transportation services for hire.~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes."

SECTION 5. G.S. 160A-194 reads as rewritten:

"§ 160A-194. Regulating and licensing businesses, trades, etc.

(a) A city may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the city may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor.

(b) Nothing in this section shall authorize a city to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(c) Nothing in this section shall authorize a city to regulate and license ~~digital dispatching services for prearranged transportation services for hire.~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes."

SECTION 6. G.S. 160A-304 reads as rewritten:

"§ 160A-304. Regulation of taxis.

(a) A city may by ordinance license and regulate all vehicles operated for hire in the city. The ordinance may require that the drivers and operators of taxicabs engaged in the business of transporting passengers for hire over the public streets shall obtain a license or

1 permit from the city; provided, however, that the license or permit fee for taxicab drivers shall
2 not exceed fifteen dollars (\$15.00). As a condition of licensure, the city may require an
3 applicant for licensure to pass a controlled substance examination. The ordinances may also
4 specify the types of taxicab services that are legal in the municipality; provided, that in all cases
5 shared-ride services as well as exclusive-ride services shall be legal. Shared-ride service is
6 defined as a taxi service in which two or more persons with either different origins or with
7 different destinations, or both, occupy a taxicab at one time. Exclusive-ride service is defined
8 as a taxi service in which the first passenger or party requests exclusive use of the taxicab. In
9 the event the applicant is to be subjected to a national criminal history background check, the
10 ordinance shall specifically authorize the use of FBI records. The ordinance shall require any
11 applicant who is subjected to a national criminal history background check to be fingerprinted.

12 The Department of Public Safety may provide a criminal record check to the city for a
13 person who has applied for a license or permit through the city. The city shall provide to the
14 Department of Public Safety, along with the request, the fingerprints of the applicant, any
15 additional information required by the Department of Public Safety, and a form signed by the
16 applicant consenting to the check of the criminal record and to the use of the fingerprints and
17 other identifying information required by the State or national repositories. The applicant's
18 fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's
19 criminal history record file, and the State Bureau of Investigation shall forward a set of the
20 fingerprints to the Federal Bureau of Investigation for a national criminal history check. The
21 city shall keep all information pursuant to this subsection privileged, in accordance with
22 applicable State law and federal guidelines, and the information shall be confidential and shall
23 not be a public record under Chapter 132 of the General Statutes.

24 The Department of Public Safety may charge each applicant a fee for conducting the checks
25 of criminal history records authorized by this subsection.

26 The following factors shall be deemed sufficient grounds for refusing to issue a permit or
27 for revoking a permit already issued:

- 28 (1) Conviction of a felony against this State, or conviction of any offense
29 against another state which would have been a felony if committed in this
30 State;
- 31 (2) Violation of any federal or State law relating to the use, possession, or sale
32 of alcoholic beverages or narcotic or barbiturate drugs;
- 33 (3) Addiction to or habitual use of alcoholic beverages or narcotic or barbiturate
34 drugs;
- 35 (4) Violation of any federal or State law relating to prostitution;
- 36 (5) Noncitizenship in the United States;
- 37 (6) Habitual violation of traffic laws or ordinances.

38 The ordinance may also require operators and drivers of taxicabs to display prominently in each
39 taxicab, so as to be visible to the passengers, the city taxi permit, the schedule of fares, a
40 photograph of the driver, and any other identifying matter that the council may deem proper
41 and advisable. The ordinance may also establish rates that may be charged by taxicab operators,
42 may limit the number of taxis that may operate in the city, and may grant franchises to taxicab
43 operators on any terms that the council may deem advisable.

44 (b) When a city ordinance grants a taxi franchise for operation of a stated number of
45 taxis within the city, the holder of the franchise shall report at least quarterly to the council the
46 average number of taxis actually in operation during the preceding quarter. The council may
47 amend a taxi franchise to reduce the number of authorized vehicles by the average number not
48 in actual operation during the preceding quarter, and may transfer the unused allotment to
49 another franchised operator. Such amendments of taxi franchises shall not be subject to
50 G.S. 160A-76. Allotments of taxis among franchised operators may be transferred only by the

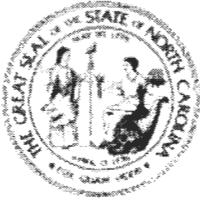
city council, and it shall be unlawful for any franchised operator to sell, assign, or otherwise transfer allotments under a taxi franchise.

(c) Nothing in this Chapter authorizes a city to adopt an ordinance doing any of the following: following with respect to a TNC service regulated under Article 10A of Chapter 20 of the General Statutes:

- (1) ~~Requiring licensing or regulation of digital dispatching services for prearranged transportation services for hire connected with vehicles operated for hire in the city if the business providing the digital dispatching services does not own or operate the vehicles for hire in the city; regulating.~~
- (2) ~~Setting a minimum rate or minimum increment of time used to calculate a rate for prearranged transportation services for hire.~~
- (3) ~~Requiring an operator to use a particular formula or method to calculate rates charged.~~
- (4) ~~Setting a minimum waiting period between requesting prearranged transportation services and the provision of those transportation services when the prearranged transportation services are digitally dispatched.~~
- (5) ~~Requiring a final destination to be set at the time of requesting prearranged transportation services through digital dispatching services.~~
- (6) ~~Requiring or prohibiting taxi franchises or taxi operators from contracting with a person in the business of digital dispatching services for prearranged transportation services for hire; transportation network company regulated under Article 10A of Chapter 20 of the General Statutes."~~

SECTION 7. This act becomes effective October 1, 2015.





SENATE BILL 541: Regulate Transportation Network Companies

This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	June 10, 2015
Introduced by:	Sens. Rabon, McKissick	Prepared by:	Greg Roney
Analysis of:	PCS to First Edition S541-CSTMxfr-30		Committee Counsel

SUMMARY: *The Proposed Committee Substitute (PCS) for Senate Bill 541 would regulate transportation network companies (TNC) by requiring a State permit to operate, maintenance of liability insurance for cars, and background checks for drivers. The PCS would impose a \$5,000 application fee for the permit and a \$5,000 renewal fee.*

[As introduced, this bill was identical to H680, as introduced by Reps. Brawley, Bradford, Saine, Hanes, which is currently in House Commerce and Job Development, if favorable, Transportation, if favorable, Finance.]

CURRENT LAW: G.S. 20-4.01(27) defines for-hire passenger vehicles as any vehicles transporting persons for compensation excluding the following 7 types of vehicles: (1) vehicles operated as ambulances; (2) vehicles operated by the owner where the costs of operation are shared by the passengers; (3) vehicles operated pursuant to a ridesharing arrangement; (4) vehicles transporting students for the public school system under contract with the State Board of Education; (5) vehicles leased to the United States or its agencies on a nonprofit basis; (6) vehicles used for human service; and (7) vehicles used for human service volunteer transportation.

G.S. 20-87(1) imposes a \$78 fee for a for-hire license plate.

G.S. 20-280(b) requires taxis have liability insurance equal to \$30,000 for bodily injury to or death of 1 person in any 1 accident and, subject to said limit for 1 person, \$60,000 for bodily injury to or death of 2 or more persons in any 1 accident, and \$25,000 for injury to or destruction of property of others in any 1 accident ("30/60/25"). G.S. 20-280(c) exempts taxi operators from the liability limits if the taxi operator joined a trust fund approved by the governing body of any city with a population of over 50,000.

NC Utilities Commission Rules and Regulations, Rule R2-36(a), Passenger Equipment, requires liability insurance equal to \$1.5 million for vehicles with a seating capacity of 15 passengers or less.

Personal auto policies (PAP) in the State use uniform language. The language excludes insurance coverage when the vehicle is used for commercial purposes ("livery exclusion").

BILL ANALYSIS: The PCS for Senate Bill 541 would create a new Article 10A in Chapter 20, titled "Transportation Network Companies."

New Article 10A defines 4 key terms:

- **Prearranged transportation services.** – Transportation services available by advance request excluding for-hire passenger vehicles soliciting passengers for immediate transportation. No minimum waiting period is required between the advance request and the provision of the transportation services.

O. Walker Reagan
Director



Research Division
(919) 733-2578

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- TNC driver. – An individual that uses a passenger vehicle in connection with a transportation network company's online enabled application or platform to connect with passengers.
- TNC service. – Prearranged transportation service provided by a TNC driver in connection with a transportation network company. The TNC service begins when the TNC driver accepts a ride request on the transportation network company's online-enabled application or platform and ends at the later of the time that the driver completes the transaction on the application or the time that all passengers completely exit the vehicle and leave the immediate vicinity of the vehicle.
- Transportation network company. – Any person that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers.

A TNC holding a valid permit issued under new Article 10A may operate in the State. The permit must be obtained before operating in the State. The application fee is \$5,000. The annual renewal fee is \$5,000.

A TNC may charge a fee if the calculation method is disclosed by the application before a passenger makes a ride request; the application provides the option for a passenger to receive an estimated fee before the passenger makes a ride request; the TNC sends an electronic receipt to the customer that includes the location where the TNC service started and ended, the total time and distance of the TNC service, and an itemization and calculation of the total fee paid; and the fee is paid electronically.

A TNC must provide liability insurance as follows:

- During the TNC service
 - \$1,500,000 because of death of one or more persons, bodily injury to one or more persons, injury to or destruction of property of others, or any combination thereof, in any one accident ("1.5 million combined single limit").
 - \$1,500,000 of combined uninsured and underinsured motorist coverage.
- During the time such driver is available on the TNC's online-enabled application
 - \$50,000 because of bodily injury or death of 1 person in any 1 accident and, subject to said limit for 1 person, \$100,000 because of bodily injury or death of 2 or more persons in any 1 accident, and \$25,000 because of injury or destruction of property of others in any 1 accident ("50/100/25").
 - Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage which at least equals the bodily injury liability limits of the policy (i.e., 50/100/25).

A TNC must disclose in writing to potential TNC drivers the following before the TNC driver provides TNC service:

- The insurance coverage and limits of liability that the transportation network company provides while the TNC driver uses a private passenger vehicle to provide TNC service.
- The TNC driver may not have coverage under their personal insurance policy while using the transportation network company's online-enabled application.

A TNC must conduct a local and national criminal background check for each applicant to be a TNC driver.

Brokering transportation network companies are TNC that exclusively dispatches TNC drivers that operate either for-hire passenger vehicles regulated under G.S. 160A-304 (i.e., taxis) or for-hire

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passenger vehicles regulated under G.S. 62-260(f) and subject to the requirements for security for protection of the public and safety of operation established for regulated motor common carriers (limousines with \$1.5 million liability insurance). Brokering transportation network companies are exempt from the insurance requirements and background checks.

The Division of Motor Vehicles is authorized to issue regulations to implement new Article 10A.

A rebuttable presumption exists that a TNC driver is an independent contractor and not an employee. The presumption may be rebutted by application of the common law test for determining employment status.

New Article 10A is the exclusive regulation of TNC services, and no local authority, including an airport authority, is authorized to impose fees, require licenses, limit the operation of TNC services, or otherwise regulate TNC services. TNC services remain subject to all ordinances and local laws outside the scope of Article 10A including parking and traffic regulation. Any contract provision or term of service contrary to new Article 10A is void as against public policy.

EFFECTIVE DATE: The Proposed Committee Substitute (PCS) for Senate Bill 541 would become effective October 1, 2015.

BACKGROUND: TNC use smartphone applications ("apps") to match customers with drivers. The apps use the smartphone's GPS functions to identify the location of the customer and the TNC driver. The TNC driver uses an unmarked, private passenger vehicle with a standard license plate to transport the customer. TNC drivers do not have for-hire license plates.

Three TNC are known to operate in the State: Uber, Lyft, and Sidecar. Uber operates in 10 cities in the State.

Brokering transportation network companies also operate in the State. These companies dispatch vehicles that are licensed in the local jurisdiction. For example, Uber Black service operates in Charlotte and dispatches limousines that are regulated by the City of Charlotte. Other apps exist that dispatch licensed taxis in multiple states.

According to the National Association of Insurance Commissions (NAIC), TNC are voluntarily providing the following insurance coverages:

TNC	Insurer	Period 1 (Pre-match)	Periods 2 & 3 (Match accepted, passenger pick up, Passenger occupying the vehicle)
Raiser LLC/UberX	James River	Contingent Liability (\$50,000 per person/\$100,000 per accident/\$25,000 property damage)	Commercial auto liability and uninsured motorist/underinsured motorist coverage up to \$1 million per occurrence Contingent collision and comprehensive equal to the amount maintained by the driver in PAP (\$1,000 deductible)
LYFT (valid in all states except New York)	James River	Contingent Liability (\$50,000 per person/\$100,000 per accident/\$25,000 property damage)	Commercial auto liability and uninsured motorist/underinsured motorist coverage up to \$1 million per occurrence Contingent collision and comprehensive up to \$50,000 per

Senate Bill 541

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			accident (\$2,500 deductible)
SIDECAR (liability limits differ for the state of Washington and for Chicago)	Nautilus Insurance Company		Commercial auto liability and uninsured motorist/underinsured motorist coverage up to \$1 million per occurrence Liability limits (\$50,000 per person/\$100,000 per accident/\$30,000 property damage) Contingent collision \$50,000 per accident (\$500 deductible)

On March 31, 2015, the TNC industry (Uber, Lyft), insurance industry trade groups (NAMIC, PCI), and some national insurers endorsed a compromise model bill on TNC services. The model language only addresses insurance coverage issues. The model bill contains the following terms:

- Mandates primary insurance coverage during the pre-match period of 50/100/25 and includes all state-mandated coverages (e.g., uninsured and underinsured). The mandate does not include comprehensive or collision.
- Mandates primary insurance of \$1 million in liability coverage, as well as any other coverage mandated by the state's financial responsibility laws, once a driver has accepted a ride request and while the fare-paying passenger is in the vehicle.
- These coverage mandates can be satisfied by a policy maintained by the TNC driver, by the TNC itself, or a combination of both.
- The primary TNC coverage shall not be dependent upon a personal auto policy denying a claim before coverage is triggered.
- TNC drivers will be required to carry proof of TNC insurance coverage.
- TNC must disclose to their drivers that their current personal auto policy may not provide any coverage for TNC-related driving.
- After an accident, TNC drivers must disclose whether they were logged into the TNC system.
- TNC and insurers will be compelled to cooperate in coverage investigations.

The PCS does not adopt the model language in its entirety. The PCS imposes insurance coverage requirements of \$1.5 million versus \$1 million in the model bill.

Senate Sergeant At Arms

Hal Roach
Ed Kesler

Melton
Milton
Milton



VISITOR REGISTRATION SHEET

Transportation

(Committee Name)

06/10/15

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	<u>FIRM OR AGENCY</u>
Michelle Frazier	MFS
John McMillan	MFS
John Hardin	MFS
NICK TENNYSON	NC DOT
Reston Jones	NC DOT
Susan Harmon	NC DOT SEA
Penny Huff	School Gov.
Edith Davis	NC Reinsurance Facility
Joanna Biliouris	NC Rate Bureau
Tim Lucas	NC Rate Bureau
Tonya Horton	TSS
Susan Valauri	National
Michael Farmer	NC DOT IT
Hope Mozengo	NCDMV
Kelly Thomas	DMV
Susan Keel	Duke Energy
Lauren Whaley	CCUL



VISITOR REGISTRATION SHEET

Sen. Trans

(Committee Name)

6-10-15

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	<u>FIRM OR AGENCY</u>
Peter Magner	NCLCV
Nanette Choyce	Sierra Club
Phoebe Landon	Brooks Pierce
Josue Berduo	Seneca Indian
William K...	Seneca
Susanna Davis	NCEA
Carol Abney	NCEA
Harry L...	MLC
Hebbie Jones	DMV
Betty Barley	CAGC
Xamir Amato	COLIC
Stan Segan	Spokane STAFF
Patric Buff	MCAC
Carlene Hoully	MVA
Ed Hurler	ISP



Senate Pages Attending

COMMITTEE: Transportation ROOM: 1027

DATE: 6-10 TIME: 11 AM

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!

	Page Name	Hometown	Sponsoring Senator
1.	Camron Poff	Wilkesboro	Boyd
2.	Savannah Belo	Forest City	Hise
3.	Warren Breden	Wilkesboro	Randleman
4.	Clara Booker	Raleigh	Stein
5.	Hankins Feichter	Raleigh	Stein
6.	Michael Davis	Wilkesboro	Randleman
7.	Campbell Fowler	Raleigh	Apodaca
8.			
9.			
10.			

Do not add names below the grid.

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



1. The first part of the document is a list of names and addresses, followed by a list of names and addresses. The list of names and addresses is as follows:

Name	Address
John Doe	123 Main St.
Jane Smith	456 Elm St.
Bob Johnson	789 Oak St.
Alice Brown	101 Pine St.
Charlie White	202 Cedar St.
Diana Green	303 Birch St.
Frank Black	404 Spruce St.
Grace Lee	505 Willow St.
Henry King	606 Ash St.
Ivy Hill	707 Hickory St.
Jack Adams	808 Sycamore St.
Karen Baker	909 Magnolia St.
Liam Clark	1010 Dogwood St.
Mia Evans	1111 Redwood St.
Noah Foster	1212 Cypress St.
Olivia Gibson	1313 Juniper St.
Peter Hall	1414 Fir St.
Quinn Harris	1515 Palm St.
Rachel King	1616 Cedar St.
Samuel Lee	1717 Birch St.
Tina Miller	1818 Spruce St.
Victor Moore	1919 Willow St.
Wendy Taylor	2020 Ash St.
Xavier White	2121 Hickory St.
Yara Young	2222 Sycamore St.
Zoe Adams	2323 Magnolia St.
Adam Baker	2424 Dogwood St.
Bella Clark	2525 Redwood St.
Chloe Evans	2626 Cypress St.
Daniel Foster	2727 Juniper St.
Ella Gibson	2828 Fir St.
Frank Hall	2929 Palm St.
Grace Harris	3030 Cedar St.
Henry King	3131 Birch St.
Ivy Lee	3232 Spruce St.
Jack Miller	3333 Willow St.
Karen Moore	3434 Ash St.
Liam Taylor	3535 Hickory St.
Mia White	3636 Sycamore St.
Noah Adams	3737 Magnolia St.
Olivia Baker	3838 Dogwood St.
Peter Clark	3939 Redwood St.
Quinn Evans	4040 Cypress St.
Rachel Foster	4141 Juniper St.
Samuel Gibson	4242 Fir St.
Tina Hall	4343 Palm St.
Victor Harris	4444 Cedar St.
Wendy King	4545 Birch St.
Xavier Lee	4646 Spruce St.
Yara Miller	4747 Willow St.
Zoe Moore	4848 Ash St.
Adam Taylor	4949 Hickory St.
Bella White	5050 Sycamore St.
Chloe Adams	5151 Magnolia St.
Daniel Baker	5252 Dogwood St.
Ella Clark	5353 Redwood St.
Frank Evans	5454 Cypress St.
Grace Foster	5555 Juniper St.
Henry Gibson	5656 Fir St.
Ivy Hall	5757 Palm St.
Jack Harris	5858 Cedar St.
Karen King	5959 Birch St.
Liam Lee	6060 Spruce St.
Mia Miller	6161 Willow St.
Noah Moore	6262 Ash St.
Olivia Taylor	6363 Hickory St.
Peter White	6464 Sycamore St.
Quinn Adams	6565 Magnolia St.
Rachel Baker	6666 Dogwood St.
Samuel Clark	6767 Redwood St.
Tina Evans	6868 Cypress St.
Victor Foster	6969 Juniper St.
Wendy Gibson	7070 Fir St.
Xavier Hall	7171 Palm St.
Yara Harris	7272 Cedar St.
Zoe King	7373 Birch St.
Adam Lee	7474 Spruce St.
Bella Miller	7575 Willow St.
Chloe Moore	7676 Ash St.
Daniel Taylor	7777 Hickory St.
Ella White	7878 Sycamore St.
Frank Adams	7979 Magnolia St.
Grace Baker	8080 Dogwood St.
Henry Clark	8181 Redwood St.
Ivy Evans	8282 Cypress St.
Jack Foster	8383 Juniper St.
Karen Gibson	8484 Fir St.
Liam Hall	8585 Palm St.
Mia Harris	8686 Cedar St.
Noah King	8787 Birch St.
Olivia Lee	8888 Spruce St.
Peter Miller	8989 Willow St.
Quinn Moore	9090 Ash St.
Rachel Taylor	9191 Hickory St.
Samuel White	9292 Sycamore St.
Tina Adams	9393 Magnolia St.
Victor Baker	9494 Dogwood St.
Wendy Clark	9595 Redwood St.
Xavier Evans	9696 Cypress St.
Yara Foster	9797 Juniper St.
Zoe Gibson	9898 Fir St.
Adam Hall	9999 Palm St.
Bella Harris	10000 Cedar St.



VISITOR REGISTRATION SHEET

TRANSPORTATION

(Committee Name)

6/10/15

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	<u>FIRM OR AGENCY</u>
Seth Fisher	NCAR
Jim Tugan	NMRS
Marna Jenkins	DCR
Fred Bone	Doe Co
Dan Siper	SIA
Andy Walsh	SIA
Richard Stevens	SA
Bob Hester	McGuire Woods
John	MWCL
K Parker	MWCL
JAKE PARKER	NCFB



VISITOR REGISTRATION SHEET

TRANSPORTATION

(Committee Name)

6/10/15

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	<u>FIRM OR AGENCY</u>
Jonathan Meyer	NCLM
Sarah Collins	NCLM
<i>[Signature]</i>	Misc
<i>[Signature]</i>	
Robert Sawyer	NC DMV
ASHLEY SKINNER	NCACC
David McGowan	NPC
Joseph Rodri	Student
Buffie Pohn	Accenture
Steve Metcalf	Dento L. Pa
Sheron Hirsch	Donate Liza NC
Charlotte Boyd-Malette	DMV
Mia Auglielmi	NCMMC
Nathan Batts	NCBA
BILL SUGGIN	TS
<i>[Signature]</i>	<i>[Signature]</i>
Rose Williams	NCLM



Senate Committee on Transportation
Wednesday, July 1, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 11:00 AM on July 1, 2015 in Room 1027/1128 of the Legislative Building. 11 members were present. Attending Sergeant-at-Arms: Terry Barnhard, Steve McKaig, and Larry Hancock. Attending Pages: Lauren Hardin of Clinton (Sen. B. Jackson); Lillie Rhodes of Farmville (Sen. D. Davis); Mary Allison Page of Gibsonville (Sen. Krawiec); Allison Gallagher of Grimesland (Sen. D. Davis); Simone Smith of Charlotte (Sen. Ford); Chloe Hollifield of Spruce Pine (Sen. Hise); Matthew Joyner of Charlotte (Sen. Rucho) and Ryan Kleissler of Chapel Hill (Sen. McKissick).

Senator Bill Rabon, Chair, presided.

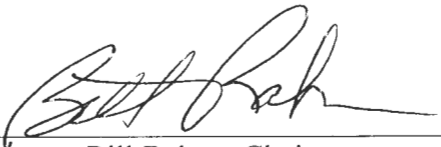
SB 541 Regulate Transportation Network Companies. (Senators Rabon, McKissick) Prior to any presentation, and upon the motion of Sen. J. Davis, Sen. Hise presented amendment, S541-ATM-22 [v.], which was explained by Fiscal Research staff member, Greg Roney, and adopted by the committee. The amendment changed page 3, lines 23-27 by setting bodily insurance coverage requirements. The committee continued on in a discussion about how these network companies work. The Uber General Manager for NC, Arathi Mehrotra, addressed the committee to explain the Uber process and emphasized that Uber was satisfied with the bill. More committee discussion centered around insurance responsibilities, accessibility to the handicapped, and reliability. Lee Churchill, a licensed taxi operator, spoke against the bill. She presented a multipage document as her evidence that transportation network companies (TNC) aren't safe for the public. Her document also had hundreds of license plate numbers of cars she claims to be TNC operators around the downtown Raleigh restaurant district. After a motion by Sen. Lowe, the committee voted to amend the submitted PCS and engross the amendment into a new PCS. The new PCS, S541-PCS35296-TMxfr-37, was reported to the Senate Principal Clerk as Unfavorable as to the Bill, But Favorable as to the Committee Substitute Bill, with a referral to Senate Finance.

HB 268 Amend Transportation Laws.-AB (Representatives Iler, Torbett, Shepard, Tine) Sen. Daniel motioned for H268-PCS20377CSRW-35 be brought in front of the committee. After the motion carried, Rep. Iler explained that this was an "agency bill" brought by NCDOT. Sen. Harrington asked from where the money and responsibility for the clean-up would come. Bobby Lewis of NCDOT explained that costs would be covered with present resources and wouldn't require new appropriations. Sen. Ford motioned that the PCS be reported favorable. The Committee reported the bill to the SPC as Unfavorable as to the Committee Substitute Bill No. 1, but Favorable as to the Senate Committee Substitute Bill. Sen. Hise agreed to handle the bill on the Senate floor. There were no requested referrals.

HB 127 DOT Condemnation Changes. (Representatives Stam, Jackson, Bryan) Rep. Stam re-presented this bill. Sen. Tucker immediately asked questions about the attorney fees involved in condemnation cases. NCDOT Dep. Secretary Nick Tennyson reiterated the concern that costs for NCDOT would dramatically rise. Sen. Daniel offered a handwritten amendment that would modify the attorney fees provisions in the bill. The amendment was *not* adopted. Sen. Hise asked that the bill be withdrawn. Rep. Stam decided he'd rather have a vote on the bill that day, so the committee voted and gave the bill an unfavorable report. Therefore, the bill was reported to the SPC as Unfavorable.

SB 639 Transportation Funding Bill. (Senator Tarte) This bill was not heard.

The meeting adjourned at 12:15.



Senator Bill Rabon, Chair
Presiding



Andy Perrigo, Committee Clerk

**Senate Committee on Transportation
Wednesday, July 1, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 541	Regulate Transportation Network Companies.	Senator Rabon
HB 268	Amend Transportation Laws.-AB	Senator McKissick Representative Iler Representative Torbett Representative Shepard Representative Tine
HB 127	DOT Condemnation Changes.	Representative Stam Representative Jackson
SB 639	Transportation Funding Bill.	Representative Bryan Senator Tarte

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, July 01, 2015

Senator Rabon,
submits the following with recommendations as to passage:

UNFAVORABLE

HB 127 (CS#1)

DOT Condemnation Changes.

Draft Number:	None
Sequential Referral:	None
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Warren Daniel will handle HB 127



* C M R 4 9 0 - V - 1 *

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

**Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, July 01, 2015

Senator Rabon,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 541

Regulate Transportation Network Companies.

Draft Number: S541-PCS35296-TMxfr-37

Sequential Referral: Finance

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 1

Senator Floyd McKissick will handle SB 541



* C M R 4 9 1 - V - 1 *

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, July 01, 2015

Senator Rabon,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE AS TO
SENATE COMMITTEE SUBSTITUTE BILL**

HB 268 (CS#1)

Amend Transportation Laws.-AB

Draft Number:	H268-PCS20377-RW-35
Sequential Referral:	None
Recommended Referral:	None
Long Title Amended:	Yes

TOTAL REPORTED: 1

Senator Ralph Hise will handle HB 268



* C M R 4 9 2 - V - 1 *

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 26, 2015
S.B. 541
PRINCIPAL CLERK

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D

SENATE DRS45258-TMxf-3A (02/11)

Short Title: Regulate Transportation Network Companies. (Public)

Sponsors: Senator Rabon (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REGULATE TRANSPORTATION NETWORK COMPANIES BY
3 REQUIRING A PERMIT FROM DIVISION OF MOTOR VEHICLES, MAINTENANCE
4 OF LIABILITY INSURANCE, AND BACKGROUND CHECKS FOR DRIVERS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Chapter 20 of the General Statutes is amended by adding a new
7 Article to read:

8 "Article 10A.

9 "Transportation Network Companies.

10 "**§ 20-280.1. Definitions.**

11 The following definitions apply in this Article:

- 12 (1) Prearranged transportation services. – Transportation services available by
13 advance request excluding for-hire passenger vehicles soliciting passengers
14 for immediate transportation. No minimum waiting period is required
15 between the advance request and the provision of the transportation services.
16 (2) TNC driver. – An individual that uses a passenger vehicle in connection with
17 a transportation network company's online-enabled application or platform
18 to connect with passengers.
19 (3) TNC service. – Prearranged transportation service provided by a TNC driver
20 in connection with a transportation network company. The TNC service
21 begins when the TNC driver accepts a ride request on the transportation
22 network company's online-enabled application or platform and ends at the
23 later of the following:
24 a. The time that the driver completes the transaction on the
25 online-enabled application or platform.
26 b. The time that all passengers completely exit the vehicle and leave the
27 immediate vicinity of the vehicle.
28 (4) Transportation network company. – Any person that provides prearranged
29 transportation services for compensation using an online-enabled application
30 or platform to connect passengers with drivers.

31 "**§ 20-280.2. Permissible services and limitations.**

32 (a) A transportation network company holding a valid permit issued under this Article
33 and continuously meeting the requirements of this Article may operate in the State. The
34 transportation network company may charge a fee for the TNC service. The fee must meet the
35 following requirements:



- (1) The transportation network company's online-enabled application or platform must disclose the fee calculation method before a passenger makes a ride request.
- (2) The transportation network company's online-enabled application or platform must provide the option for a passenger to receive an estimated fee before the passenger makes a ride request.
- (3) The transportation network company must send an electronic receipt to the customer that includes the following:
 - a. The location where the TNC service started and ended.
 - b. The total time and distance of the TNC service.
 - c. An itemization and calculation of the total fee paid.
- (4) The fee must be paid electronically. No cash may be exchanged for the TNC service.

(b) A TNC driver may provide transportation services for compensation in the State. A TNC driver may provide transportation services other than TNC services if the TNC driver meets the requirements to operate a for-hire passenger vehicle.

"§ 20-280.3. Permits.

(a) Every transportation network company must obtain a permit from the Division before operating in the State. Every transportation network company must pay to the Division a nonrefundable application fee of five thousand dollars (\$5,000).

(b) Every transportation network company must renew the permit annually and pay to the Division a nonrefundable renewal fee of five thousand dollars (\$5,000).

(c) The Division must prescribe the form of the application for a permit and renewal of a permit.

(d) The initial application and renewal application must require information sufficient to confirm compliance with this Article and include the following:

- (1) Proof of insurance meeting the requirements of G.S. 20-280.4.
- (2) Resident agent for service of process.
- (3) Proof the transportation network company is registered with the Secretary of State to do business in the State if the transportation network company is a foreign corporation.

"§ 20-280.4. Financial responsibility.

(a) The transportation network company must provide liability insurance for bodily injury or death of others and for injury or destruction of property of others during the TNC service for each vehicle utilized by a TNC driver, exclusive of interest and costs, in an amount equal to or greater than one million five hundred thousand dollars (\$1,500,000). The insurance provided may exclude coverage if the vehicle being utilized by the TNC driver is covered by insurance which affords liability coverage equal to or greater than the amount required by this subsection.

(b) The transportation network company must provide liability insurance for each vehicle being utilized by a TNC driver during the time such driver is available on the transportation network company's online-enabled application or platform subject to limits, exclusive of interest and costs, as follows: fifty thousand dollars (\$50,000) because of bodily injury or death of one person in any one accident and, subject to said limit for one person, one hundred thousand dollars (\$100,000) because of bodily injury or death of two or more persons in any one accident, and twenty-five thousand dollars (\$25,000) because of injury or destruction of property of others in any one accident. The insurance provided may exclude coverage if the TNC driver affords liability coverage equal to or greater than the amount required by this subsection.

(c) Transportation network companies must disclose in writing to potential TNC drivers the following before the TNC driver provides TNC service:

(1) The insurance coverage and limits of liability that the transportation network company provides while the TNC driver uses a private passenger vehicle to provide TNC service.

(2) The TNC driver may not have coverage under their personal insurance policy while using the transportation network company's online-enabled application or platform.

"§ 20-280.5. Safety requirements.

(a) The transportation network company must require TNC drivers have their vehicles inspected annually to meet State safety requirements.

(b) The transportation network company's online-enabled application or platform must provide the following information to customers after a ride request is accepted by a TNC driver:

(1) License plate number of the TNC driver's vehicle.

(2) Description of the TNC driver's vehicle.

(3) Approximate location of the TNC driver's vehicle displayed on a map.

(c) The transportation network company must maintain the following records:

(1) The record of each TNC service provided in this State for one year from the date the TNC service occurred.

(2) The record of each TNC driver in this State for one year from the date the TNC driver terminated their relationship with the transportation network company.

(d) Prior to permitting an individual to act as a TNC driver, the transportation network company must:

(1) Require the individual to submit an application to the transportation network company including, at a minimum, the following:

a. Address.

b. Age.

c. Driver's license number.

d. Driving history.

e. Motor vehicle registration.

f. Automobile liability insurance information.

(2) Conduct, or have a third party conduct, a local and national criminal background check for each applicant including, at a minimum, the following:

a. Multi-State/Multi-Jurisdiction Criminal Records Locator or other similar commercial nationwide database with validation (primary source search).

b. National Sex Offender Registry.

(3) Review a driving history research report for such individual.

(b) The transportation network company must not permit an individual to act as a TNC driver if any of the following apply:

(1) Has had more than three moving violations in the prior three-year period, or one major violation in the prior three-year period (including, but not limited to, attempting to evade the police, reckless driving, or driving on a suspended or revoked license).

(2) Has been convicted, within the past seven years, of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, theft, acts of violence, or acts of terror.

(3) Is a match in the National Sex Offender Registry.

(4) Does not possess a valid driver's license.

(5) Does not possess proof of registration for the motor vehicle to be used to provide TNC service.

(6) Does not possess proof of automobile liability insurance for the motor vehicle to be used to provide TNC services.

(7) Is not at least 19 years of age.

"§ 20-280.6. Authority of Division.

The Division may issue regulations to implement this Article.

"§ 20-280.7. Presumption that TNC drivers are independent contractors.

A rebuttable presumption exists that a TNC driver is an independent contractor and not an employee. The presumption may be rebutted by application of the common law test for determining employment status.

"§ 20-280.8. Statewide regulation.

(a) Notwithstanding any other provision of law, no local authority, including an airport authority, is authorized to impose fees, require licenses, limit the operation of TNC services, or otherwise regulate TNC services. TNC services remain subject to all ordinances and local laws outside the scope of this Chapter including parking and traffic regulation.

(b) Any contract provision or term of service contrary to this Article are void as against public policy."

SECTION 2. G.S. 20-4.01(27) reads as rewritten:

"(27) Passenger Vehicles. –

a. Excursion passenger vehicles. – Vehicles transporting persons on sight-seeing or travel tours.

b. ~~For hire~~ For-hire passenger vehicles. – Vehicles transporting persons for compensation. This classification shall not include the following:

1. ~~vehicles~~ Vehicles operated as ~~ambulances~~;ambulances.

2. ~~vehicles~~ Vehicles operated by the owner where the costs of operation are shared by the ~~passengers~~;passengers.

3. ~~vehicles~~ Vehicles operated pursuant to a ridesharing arrangement as defined in G.S. ~~136-44.21~~;G.S. 136-44.21.

4. ~~vehicles~~ Vehicles transporting students for the public school system under contract with the State Board of ~~Education~~ Education.

5. ~~or vehicles~~ Vehicles leased to the United States of America or any of its agencies on a nonprofit ~~basis~~;basis.

6. ~~or vehicles~~ Vehicles used for human ~~service~~ or service.

7. Vehicles used for volunteer ~~transportation~~;transportation.

8. Vehicles operated in a TNC service regulated under Article 10A of Chapter 20 of the General Statutes.

...."

SECTION 3. G.S. 20-87 reads as rewritten:

"§ 20-87. Passenger vehicle registration fees.

These fees shall be paid to the Division annually for the registration and licensing of passenger vehicles, according to the following classifications and schedules:

(1) For-Hire Passenger Vehicles. – The fee for a ~~for-hire~~ passenger vehicle ~~that is operated for compensation and has with~~ a capacity of 15 passengers or less is seventy-eight dollars (\$78.00). The fee for a ~~for-hire~~ passenger vehicle ~~that is operated for compensation and has with~~ a capacity of more than 15 passengers is one dollar and forty cents (\$1.40) per hundred pounds of empty weight of the vehicle.

...."

SECTION 4. G.S. 153A-134 reads as rewritten:

"§ 153A-134. Regulating and licensing businesses, trades, etc.

(a) A county may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the county may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor. This section does not authorize a county to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(b) This section does not impair the county's power to levy privilege license taxes on occupations, businesses, trades, professions, and other activities pursuant to G.S. 153A-152.

(c) Nothing in this section shall authorize a county to regulate and license ~~digital dispatching services for prearranged transportation services for hire~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes."

SECTION 5. G.S. 160A-194 reads as rewritten:

"§ 160A-194. Regulating and licensing businesses, trades, etc.

(a) A city may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the city may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor.

(b) Nothing in this section shall authorize a city to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(c) Nothing in this section shall authorize a city to regulate and license ~~digital dispatching services for prearranged transportation services for hire~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes."

SECTION 6. G.S. 160A-304 reads as rewritten:

"§ 160A-304. Regulation of taxis.

(a) A city may by ordinance license and regulate all vehicles operated for hire in the city. The ordinance may require that the drivers and operators of taxicabs engaged in the business of transporting passengers for hire over the public streets shall obtain a license or permit from the city; provided, however, that the license or permit fee for taxicab drivers shall not exceed fifteen dollars (\$15.00). As a condition of licensure, the city may require an applicant for licensure to pass a controlled substance examination. The ordinances may also specify the types of taxicab services that are legal in the municipality; provided, that in all cases shared-ride services as well as exclusive-ride services shall be legal. Shared-ride service is defined as a taxi service in which two or more persons with either different origins or with different destinations, or both, occupy a taxicab at one time. Exclusive-ride service is defined as a taxi service in which the first passenger or party requests exclusive use of the taxicab. In the event the applicant is to be subjected to a national criminal history background check, the ordinance shall specifically authorize the use of FBI records. The ordinance shall require any applicant who is subjected to a national criminal history background check to be fingerprinted.

The Department of Public Safety may provide a criminal record check to the city for a person who has applied for a license or permit through the city. The city shall provide to the Department of Public Safety, along with the request, the fingerprints of the applicant, any additional information required by the Department of Public Safety, and a form signed by the applicant consenting to the check of the criminal record and to the use of the fingerprints and other identifying information required by the State or national repositories. The applicant's fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of the

1 fingerprints to the Federal Bureau of Investigation for a national criminal history check. The
2 city shall keep all information pursuant to this subsection privileged, in accordance with
3 applicable State law and federal guidelines, and the information shall be confidential and shall
4 not be a public record under Chapter 132 of the General Statutes.

5 The Department of Public Safety may charge each applicant a fee for conducting the checks
6 of criminal history records authorized by this subsection.

7 The following factors shall be deemed sufficient grounds for refusing to issue a permit or
8 for revoking a permit already issued:

- 9 (1) Conviction of a felony against this State, or conviction of any offense
10 against another state which would have been a felony if committed in this
11 State;
- 12 (2) Violation of any federal or State law relating to the use, possession, or sale
13 of alcoholic beverages or narcotic or barbiturate drugs;
- 14 (3) Addiction to or habitual use of alcoholic beverages or narcotic or barbiturate
15 drugs;
- 16 (4) Violation of any federal or State law relating to prostitution;
- 17 (5) Noncitizenship in the United States;
- 18 (6) Habitual violation of traffic laws or ordinances.

19 The ordinance may also require operators and drivers of taxicabs to display prominently in each
20 taxicab, so as to be visible to the passengers, the city taxi permit, the schedule of fares, a
21 photograph of the driver, and any other identifying matter that the council may deem proper
22 and advisable. The ordinance may also establish rates that may be charged by taxicab operators,
23 may limit the number of taxis that may operate in the city, and may grant franchises to taxicab
24 operators on any terms that the council may deem advisable.

25 (b) When a city ordinance grants a taxi franchise for operation of a stated number of
26 taxis within the city, the holder of the franchise shall report at least quarterly to the council the
27 average number of taxis actually in operation during the preceding quarter. The council may
28 amend a taxi franchise to reduce the number of authorized vehicles by the average number not
29 in actual operation during the preceding quarter, and may transfer the unused allotment to
30 another franchised operator. Such amendments of taxi franchises shall not be subject to
31 G.S. 160A-76. Allotments of taxis among franchised operators may be transferred only by the
32 city council, and it shall be unlawful for any franchised operator to sell, assign, or otherwise
33 transfer allotments under a taxi franchise.

34 (c) Nothing in this Chapter authorizes a city to adopt an ordinance doing any of the
35 ~~following:~~following with respect to a TNC service regulated under Article 10A of Chapter 20
36 of the General Statutes:

- 37 (1) Requiring licensing or ~~regulation of digital dispatching services for~~
38 ~~prearranged transportation services for hire connected with vehicles operated~~
39 ~~for hire in the city if the business providing the digital dispatching services~~
40 ~~does not own or operate the vehicles for hire in the city regulating.~~
- 41 (2) Setting a minimum rate or minimum increment of time used to calculate a
42 ~~rate for prearranged transportation services for hire rate.~~
- 43 (3) Requiring an operator to the use of a particular formula or method to
44 calculate rates charged.
- 45 (4) Setting a minimum waiting period between requesting prearranged
46 transportation services and the provision of those transportation ~~services~~
47 ~~when the prearranged transportation services are digitally~~
48 ~~dispatched services.~~
- 49 (5) Requiring a final destination to be set at the time of requesting prearranged
50 transportation ~~services through digital dispatching services services.~~

1 (6) Requiring or prohibiting taxi franchises or taxi operators from contracting
2 with a ~~person in the business of digital dispatching services for prearranged~~
3 ~~transportation services for hire~~ transportation network company regulated
4 under Article 10A of Chapter 20 of the General Statutes."

5 **SECTION 7.** This act becomes effective July 1, 2015.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 541
PROPOSED COMMITTEE SUBSTITUTE S541-PCS35296-TMxfr-37

Short Title: Regulate Transportation Network Companies.

(Public)

Sponsors:

Referred to:

March 30, 2015

A BILL TO BE ENTITLED
AN ACT TO REGULATE TRANSPORTATION NETWORK COMPANIES.
The General Assembly of North Carolina enacts:

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

"Article 10A.

"Transportation Network Companies.

"§ 20-280.1. Definitions.

The following definitions apply in this Article:

- (1) Airport operator. – Any person with police powers that owns or operates an airport.
- (2) Brokering transportation network company. – A transportation network company, as defined by this section, that exclusively dispatches TNC drivers that operate either of the following:
 - a. For-hire passenger vehicles regulated under G.S. 160A-304.
 - b. For-hire passenger vehicles regulated under G.S. 62-260(f) and subject to the requirements for security for protection of the public and safety of operation established for regulated motor common carriers.
- (3) Prearranged transportation services. – Transportation services available by advance request excluding for-hire passenger vehicles soliciting passengers for immediate transportation. No minimum waiting period is required between the advance request and the provision of the transportation services.
- (4) TNC driver. – An individual that uses a passenger vehicle in connection with a transportation network company's online-enabled application or platform to connect with passengers in exchange for payment of a fee to the transportation network company.
- (5) TNC service. – Prearranged transportation service provided by a TNC driver in connection with a transportation network company. The TNC service begins when the TNC driver accepts a ride request on the transportation network company's online-enabled application or platform and ends at the later of the following:
 - a. The time that the driver completes the transaction on the online-enabled application or platform.
 - b. The time that all passengers exit the vehicle and complete unloading of the vehicle.



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- (6) Transportation network company. – Any person that uses an online-enabled application or platform to connect passengers with TNC drivers who provide prearranged transportation services.

"§ 20-280.2. Permissible services and limitations.

(a) A transportation network company holding a valid permit issued under this Article and continuously meeting the requirements of this Article may operate in the State. The transportation network company may charge a fee for the TNC service. The fee must meet the following requirements:

- (1) The transportation network company's online-enabled application or platform must disclose the fee calculation method before a passenger makes a ride request.
- (2) The transportation network company's online-enabled application or platform must provide the option for a passenger to receive an estimated fee before the passenger makes a ride request.
- (3) The transportation network company must send an electronic receipt to the customer that includes the following:
 - a. The locations where the TNC service started and ended.
 - b. The total time and distance of the TNC service.
 - c. An itemization and calculation of the total fee paid.
- (4) The fee must be paid electronically through the transportation network company's online-enabled application or platform. No cash may be exchanged for the TNC service.

(b) A TNC driver may provide TNC service for compensation in the State.

"§ 20-280.3. Permits.

(a) Every transportation network company must obtain a permit from the Division before operating in the State. Every transportation network company must pay to the Division a nonrefundable application fee of five thousand dollars (\$5,000).

(b) Every transportation network company must renew the permit annually and pay to the Division a nonrefundable renewal fee of five thousand dollars (\$5,000).

(c) The Division must prescribe the form of the application for a permit and renewal of a permit.

(d) The initial application and renewal application must require information sufficient to confirm compliance with this Article and include the following:

- (1) Proof of insurance meeting the requirements of G.S. 20-280.4. This subdivision does not apply to brokering transportation network companies.
- (2) Resident agent for service of process.
- (3) Proof the transportation network company is registered with the Secretary of State to do business in the State if the transportation network company is a foreign corporation.
- (4) Policy of nondiscrimination based on customers' geographic departure point or destination.

(e) The Division may retain the fees collected under this section and use the funds for its operations.

"§ 20-280.4. Financial responsibility.

(a) Except as provided in subsection (n) of this section, TNC drivers or transportation network companies must maintain primary automobile insurance that meets all of the following requirements:

- (1) Recognizes that the driver is a TNC driver or uses a vehicle to transport passengers for compensation.



(2) The following automobile insurance requirements apply while a TNC driver is logged on to the transportation network company's online-enabled application or platform but is not providing TNC service:

- a. Primary automobile liability insurance in the amount of at least fifty thousand dollars (\$50,000) because of death of or bodily injury to one person in any one accident and, subject to said limit for one person, one hundred thousand dollars (\$100,000) because of death of or bodily injury to two or more persons in any one accident, and at least twenty-five thousand dollars (\$25,000) because of injury to or destruction of property of others in any one accident.
- b. Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage which at least equals the bodily injury liability limits of the policy, and which otherwise complies with the requirements of G.S. 20-279.21(b)(3) and (b)(4).

(3) The following automobile insurance requirements apply while a TNC driver is engaged in TNC service:

- a. Primary automobile liability insurance in the amount of at least one million five hundred thousand dollars (\$1,500,000) because of death of one or more persons, bodily injury to one or more persons, injury to or destruction of property of others, or any combination thereof, in any one accident.
- b. Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage of at least one million five hundred thousand dollars (\$1,500,000), and which otherwise complies with the requirements of G.S. 20-279.21(b)(3) and (b)(4).

(4) The coverage requirements of subdivisions (2) and (3) of this subsection may be satisfied by any of the following:

- a. Automobile insurance maintained by the TNC driver.
- b. Automobile insurance maintained by the transportation network company.
- c. Any combination of sub-subdivisions a. and b. of this subdivision.

(b) If insurance maintained by the TNC driver under subsection (a) of this section has lapsed or does not provide the required coverage, insurance maintained by the transportation network company must provide the coverage required under subsection (a) of this section beginning with the first dollar of a claim and must provide the defense of the claim.

(c) Insurance coverage under an automobile insurance policy maintained by the transportation network company must not be dependent on a personal automobile insurer denying a claim.

(d) Insurance required by this section may be placed with an insurer licensed in the State or with a surplus lines insurer eligible to write policies in the State.

(e) Insurance satisfying the requirements of this section satisfies the financial responsibility requirement for a motor vehicle.

(f) A TNC driver must carry proof of coverage satisfying the requirements of this section at all times during use of a vehicle in connection with a transportation network company's online-enabled application or platform. In the event of an accident, a TNC driver must provide insurance coverage information directly to interested parties, automobile insurers, and investigating police officers, upon request. Upon such request, a TNC driver must also disclose to directly interested parties, automobile insurers, and investigating police officers



whether the TNC driver was logged on or off of the transportation network company's online-enabled application or platform at the time of the accident.

(g) Before any vehicle is used in connection with a transportation network company's online-enabled application or platform, a TNC driver must notify both the insurer of the vehicle and any lienholder with an interest in the vehicle of the TNC driver's intent to use the vehicle in connection with a transportation network company's online-enabled application or platform.

(h) Transportation network companies must disclose in writing to potential TNC drivers the following before the TNC driver provides TNC service:

(1) The insurance coverage, including the types of coverage and the limits for each coverage, that the transportation network company provides while the TNC driver uses a private passenger vehicle in connection with a transportation network company's online-enabled application or platform.

(2) The TNC driver may not have any coverage under a personal automobile insurance policy while using the transportation network company's online-enabled application or platform.

(3) The following notice in a distinctive clause: "If the vehicle with which you provide transportation network company services has a lien against it, you must notify the lien holder that you provide transportation network company services with the vehicle. Providing such transportation network company services may violate the terms of your contract with the lienholder."

(i) Insurers that write automobile insurance in the State may exclude coverage under the policy issued to an owner or operator of a personal vehicle for any loss that occurs while the driver is logged on to a transportation network company's online-enabled application or platform or while the driver provides TNC service. This right to exclude all coverage applies to any coverage included in an automobile insurance policy, including all of the following:

(1) Liability coverage for bodily injury and property damage.

(2) Personal injury protection coverage.

(3) Uninsured and underinsured motorist coverage.

(4) Medical payments coverage.

(5) Comprehensive physical damage coverage.

(6) Collision physical damage coverage.

(j) Automobile insurers that exclude the coverage described in subsection (i) of this section have no duty to defend or indemnify any claim expressly excluded. An automobile insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy has a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of this section.

(k) No insurer is required to sell a policy of insurance providing the coverage required by this section.

(l) Notwithstanding G.S. 58-37-35(b)(1)e., no insurance policy providing coverage required by this section is cedable to the North Carolina Reinsurance Facility due solely to the requirements of this section.

(m) In a claims coverage investigation or accident, a TNC driver, transportation network companies, any insurer potentially providing coverage under this section, and other directly involved parties must exchange the following information:

(1) Description of the coverage, exclusions, and limits provided under any insurance policy.

(2) Precise times that a TNC driver logged on and off of the transportation network company's online-enabled application or platform in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident.



(3) Precise times that a TNC driver provided TNC service in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident.

(n) This section does not apply to brokering transportation network companies.

"§ 20-280.5. Safety requirements.

(a) The transportation network company must require TNC drivers have their vehicles inspected annually to meet State safety requirements. The Division may, by regulation, specify alternative inspections that are acceptable as equivalent inspections, such as an inspection performed in another state. This subsection does not apply to brokering transportation network companies.

(b) The transportation network company's online-enabled application or platform must provide the following information to customers after a ride request is accepted by a TNC driver:

(1) Photograph of the TNC driver.

(2) License plate number of the TNC driver's vehicle.

(3) Description of the TNC driver's vehicle.

(4) Approximate location of the TNC driver's vehicle displayed on a map.

(c) The transportation network company must maintain the following records:

(1) The record of each TNC service provided in this State for one year from the date the TNC service occurred.

(2) The record of each TNC driver in this State for one year from the date the TNC driver terminated their relationship with the transportation network company.

"§ 20-280.6. Background checks.

(a) Prior to permitting an individual to act as a TNC driver, the transportation network company must do all of the following:

(1) Require the individual to submit an application to the transportation network company, including, at a minimum, the following:

a. Address.

b. Age.

c. Drivers license number.

d. Driving history.

e. Motor vehicle registration.

f. Automobile liability insurance information.

(2) Conduct, or have a third party conduct, a local and national criminal background check for each applicant, including, at a minimum, the following:

a. Multi-State/Multi-Jurisdiction Criminal Records Locator or other similar commercial nationwide database with validation (primary source search).

b. National Sex Offender Registry.

(3) Review, or have a third party review, a driving history research report for such individual.

(b) The transportation network company must confirm that every TNC driver continues to meet all the requirements of this section every five years starting from the date the TNC driver met all the requirements of this section.

(c) The transportation network company must not permit an individual to act as a TNC driver if any of the following apply:

(1) Has had more than three moving violations in the prior three-year period or one major violation in the prior three-year period, including attempting to



evade the police, reckless driving, or driving on a suspended or revoked license.

(2) Has been convicted within the past seven years of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, or a crime involving property damage, theft, acts of violence, or acts of terror.

(3) Is a match in the National Sex Offender Registry.

(4) Does not possess a valid drivers license.

(5) Does not possess proof of registration for the motor vehicle to be used to provide TNC services.

(6) Does not possess proof of automobile liability insurance for the motor vehicle to be used to provide TNC services.

(7) Is not at least 19 years of age.

(d) This section does not apply to brokering transportation network companies.

"§ 20-280.7. Authority of Division.

The Division may issue regulations to implement this Article.

"§ 20-280.8. Presumption that TNC drivers are independent contractors.

A rebuttable presumption exists that a TNC driver is an independent contractor and not an employee. The presumption may be rebutted by application of the common law test for determining employment status.

"§ 20-280.9. Airport operators.

(a) An airport operator is authorized to charge transportation network companies and TNC drivers a reasonable fee for their use of the airport's facility.

(b) An airport operator is authorized to require an identifying decal be displayed by TNC drivers.

(c) An airport operator is authorized to require the purchase and use of equipment or establish other appropriate mechanisms for monitoring and auditing compliance, including having a transportation network company provide data for purposes of monitoring and auditing compliance.

(d) An airport operator is authorized to designate a location where TNC drivers may stage on the airport operator's facility, drop-off passengers, and pick up passengers.

"§ 20-280.10. Statewide regulation.

(a) Notwithstanding any other provision of law and except as authorized by this Chapter, no county, city, airport operator, or other governmental agency is authorized to impose fees, require licenses, limit the operation of TNC services, or otherwise regulate TNC services. TNC services remain subject to all ordinances and local laws outside the scope of this Chapter, including parking and traffic regulation.

(b) Any contract provision or term of service in a transportation network company's contract with a State resident or person present in the State contrary to this Article is void as against public policy."

SECTION 2. G.S. 20-4.01(27) reads as rewritten:

"(27) Passenger Vehicles. –

a. Excursion passenger vehicles. – Vehicles transporting persons on sight-seeing or travel tours.

b. For hire-For-hire passenger vehicles. – Vehicles transporting persons for compensation. This classification shall not include the following:

1. ~~vehicles~~ Vehicles operated as ~~ambulances~~;ambulances.

2. ~~vehicles~~ Vehicles operated by the owner where the costs of operation are shared by the ~~passengers~~;passengers.

3. ~~vehicles~~ Vehicles operated pursuant to a ridesharing arrangement as defined in G.S. 136-44.21;G.S. 136-44.21.



4. ~~vehicles~~ Vehicles transporting students for the public school system under contract with the State Board of ~~Education~~ Education.
5. ~~or vehicles~~ Vehicles leased to the United States of America or any of its agencies on a nonprofit ~~basis;~~ basis.
6. ~~or vehicles~~ Vehicles used for human ~~service or~~ service.
7. Vehicles used for volunteer ~~transportation~~ transportation.
8. Vehicles operated in a TNC service, excluding vehicles operated in connection with a brokering transportation network company, regulated under Article 10A of Chapter 20 of the General Statutes.

...."

SECTION 3. G.S. 20-87 reads as rewritten:

"§ 20-87. Passenger vehicle registration fees.

These fees shall be paid to the Division annually for the registration and licensing of passenger vehicles, according to the following classifications and schedules:

- (1) For-Hire Passenger Vehicles. – The fee for a for-hire passenger vehicle ~~that is operated for compensation and has with~~ a capacity of 15 passengers or less is seventy-eight dollars (\$78.00). The fee for a for-hire passenger vehicle ~~that is operated for compensation and has with~~ a capacity of more than 15 passengers is one dollar and forty cents (\$1.40) per hundred pounds of empty weight of the vehicle.

...."

SECTION 4. G.S. 153A-134 reads as rewritten:

"§ 153A-134. Regulating and licensing businesses, trades, etc.

(a) A county may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the county may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor. This section does not authorize a county to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(b) This section does not impair the county's power to levy privilege license taxes on occupations, businesses, trades, professions, and other activities pursuant to G.S. 153A-152.

(c) Nothing in this section shall authorize a county to regulate and license ~~digital dispatching services for prearranged transportation services for hire~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes."

SECTION 5. G.S. 160A-194 reads as rewritten:

"§ 160A-194. Regulating and licensing businesses, trades, etc.

(a) A city may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the city may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor.

(b) Nothing in this section shall authorize a city to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(c) Nothing in this section shall authorize a city to regulate and license ~~digital dispatching services for prearranged transportation services for hire~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes."



SECTION 6. G.S. 160A-304 reads as rewritten:

"§ 160A-304. Regulation of taxis.

(a) A city may by ordinance license and regulate all vehicles operated for hire in the city. The ordinance may require that the drivers and operators of taxicabs engaged in the business of transporting passengers for hire over the public streets shall obtain a license or permit from the city; provided, however, that the license or permit fee for taxicab drivers shall not exceed fifteen dollars (\$15.00). As a condition of licensure, the city may require an applicant for licensure to pass a controlled substance examination. The ordinances may also specify the types of taxicab services that are legal in the municipality; provided, that in all cases shared-ride services as well as exclusive-ride services shall be legal. Shared-ride service is defined as a taxi service in which two or more persons with either different origins or with different destinations, or both, occupy a taxicab at one time. Exclusive-ride service is defined as a taxi service in which the first passenger or party requests exclusive use of the taxicab. In the event the applicant is to be subjected to a national criminal history background check, the ordinance shall specifically authorize the use of FBI records. The ordinance shall require any applicant who is subjected to a national criminal history background check to be fingerprinted.

The Department of Public Safety may provide a criminal record check to the city for a person who has applied for a license or permit through the city. The city shall provide to the Department of Public Safety, along with the request, the fingerprints of the applicant, any additional information required by the Department of Public Safety, and a form signed by the applicant consenting to the check of the criminal record and to the use of the fingerprints and other identifying information required by the State or national repositories. The applicant's fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of the fingerprints to the Federal Bureau of Investigation for a national criminal history check. The city shall keep all information pursuant to this subsection privileged, in accordance with applicable State law and federal guidelines, and the information shall be confidential and shall not be a public record under Chapter 132 of the General Statutes.

The Department of Public Safety may charge each applicant a fee for conducting the checks of criminal history records authorized by this subsection.

The following factors shall be deemed sufficient grounds for refusing to issue a permit or for revoking a permit already issued:

- (1) Conviction of a felony against this State, or conviction of any offense against another state which would have been a felony if committed in this State;
- (2) Violation of any federal or State law relating to the use, possession, or sale of alcoholic beverages or narcotic or barbiturate drugs;
- (3) Addiction to or habitual use of alcoholic beverages or narcotic or barbiturate drugs;
- (4) Violation of any federal or State law relating to prostitution;
- (5) Noncitizenship in the United States;
- (6) Habitual violation of traffic laws or ordinances.

The ordinance may also require operators and drivers of taxicabs to display prominently in each taxicab, so as to be visible to the passengers, the city taxi permit, the schedule of fares, a photograph of the driver, and any other identifying matter that the council may deem proper and advisable. The ordinance may also establish rates that may be charged by taxicab operators, may limit the number of taxis that may operate in the city, and may grant franchises to taxicab operators on any terms that the council may deem advisable.

(b) When a city ordinance grants a taxi franchise for operation of a stated number of taxis within the city, the holder of the franchise shall report at least quarterly to the council the average number of taxis actually in operation during the preceding quarter. The council may



1 amend a taxi franchise to reduce the number of authorized vehicles by the average number not
2 in actual operation during the preceding quarter, and may transfer the unused allotment to
3 another franchised operator. Such amendments of taxi franchises shall not be subject to
4 G.S. 160A-76. Allotments of taxis among franchised operators may be transferred only by the
5 city council, and it shall be unlawful for any franchised operator to sell, assign, or otherwise
6 transfer allotments under a taxi franchise.

7 (c) Nothing in this Chapter authorizes a city to adopt an ordinance doing any of the
8 ~~following:~~following with respect to a TNC service regulated under Article 10A of Chapter 20
9 of the General Statutes:

- 10 (1) ~~Requiring licensing or regulation of digital dispatching services for~~
11 ~~prearranged transportation services for hire connected with vehicles operated~~
12 ~~for hire in the city if the business providing the digital dispatching services~~
13 ~~does not own or operate the vehicles for hire in the city regulating.~~
- 14 (2) ~~Setting a minimum rate or minimum increment of time used to calculate a~~
15 ~~rate for prearranged transportation services for hire.~~
- 16 (3) ~~Requiring an operator to use a particular formula or method to calculate rates~~
17 ~~charged.~~
- 18 (4) ~~Setting a minimum waiting period between requesting prearranged~~
19 ~~transportation services and the provision of those transportation services~~
20 ~~when the prearranged transportation services are digitally dispatched.~~
- 21 (5) ~~Requiring a final destination to be set at the time of requesting prearranged~~
22 ~~transportation services through digital dispatching services.~~
- 23 (6) ~~Requiring or prohibiting taxi franchises or taxi operators from contracting~~
24 ~~with a person in the business of digital dispatching services for prearranged~~
25 ~~transportation services for hire.~~transportation network company regulated
26 under Article 10A of Chapter 20 of the General Statutes."

27 **SECTION 7.** This act becomes effective October 1, 2015.





NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 541

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

S541-ATM-22 [v.1]

Page 1 of 1

Amends Title [NO]
S541-CSTMxfr-37

Date _____, 2015

Senator Wise

1 moves to amend the bill on page 3, lines 23-27, by rewriting the lines to read:

2 "b. Combined uninsured and underinsured motorist coverage, with limits
3 for combined uninsured and underinsured motorist bodily injury
4 coverage of at least one million dollars (\$1,000,000), and which
5 otherwise complies with the requirements of G.S. 20-279.21(b)(3)
6 and (b)(4)."

SIGNED

[Signature]
Amendment Sponsor

SIGNED

[Signature]
Committee Chair if Senate Committee Amendment

ADOPTED

✓ FAILED

TABLED



* S 5 4 1 - A T M - 2 2 - V - 1 *

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 541
PROPOSED COMMITTEE SUBSTITUTE S541-PCS35296-TMxfr-37

Short Title: Regulate Transportation Network Companies.

(Public)

Sponsors:

Referred to:

March 30, 2015

A BILL TO BE ENTITLED
AN ACT TO REGULATE TRANSPORTATION NETWORK COMPANIES.
The General Assembly of North Carolina enacts:

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

"Article 10A.

"Transportation Network Companies.

"§ 20-280.1. Definitions.

The following definitions apply in this Article:

- (1) Airport operator. – Any person with police powers that owns or operates an airport.
- (2) Brokering transportation network company. – A transportation network company, as defined by this section, that exclusively dispatches TNC drivers that operate either of the following:
 - a. For-hire passenger vehicles regulated under G.S. 160A-304.
 - b. For-hire passenger vehicles regulated under G.S. 62-260(f) and subject to the requirements for security for protection of the public and safety of operation established for regulated motor common carriers.
- (3) Prearranged transportation services. – Transportation services available by advance request excluding for-hire passenger vehicles soliciting passengers for immediate transportation. No minimum waiting period is required between the advance request and the provision of the transportation services.
- (4) TNC driver. – An individual that uses a passenger vehicle in connection with a transportation network company's online-enabled application or platform to connect with passengers in exchange for payment of a fee to the transportation network company.
- (5) TNC service. – Prearranged transportation service provided by a TNC driver in connection with a transportation network company. The TNC service begins when the TNC driver accepts a ride request on the transportation network company's online-enabled application or platform and ends at the later of the following:
 - a. The time that the driver completes the transaction on the online-enabled application or platform.
 - b. The time that all passengers exit the vehicle and complete unloading of the vehicle.



* S 5 4 1 - P C S 3 5 2 9 6 - T M X F R - 3 7 *

- (6) Transportation network company. – Any person that uses an online-enabled application or platform to connect passengers with TNC drivers who provide prearranged transportation services.

"§ 20-280.2. Permissible services and limitations.

(a) A transportation network company holding a valid permit issued under this Article and continuously meeting the requirements of this Article may operate in the State. The transportation network company may charge a fee for the TNC service. The fee must meet the following requirements:

- (1) The transportation network company's online-enabled application or platform must disclose the fee calculation method before a passenger makes a ride request.
- (2) The transportation network company's online-enabled application or platform must provide the option for a passenger to receive an estimated fee before the passenger makes a ride request.
- (3) The transportation network company must send an electronic receipt to the customer that includes the following:
 - a. The locations where the TNC service started and ended.
 - b. The total time and distance of the TNC service.
 - c. An itemization and calculation of the total fee paid.
- (4) The fee must be paid electronically through the transportation network company's online-enabled application or platform. No cash may be exchanged for the TNC service.

(b) A TNC driver may provide TNC service for compensation in the State.

"§ 20-280.3. Permits.

(a) Every transportation network company must obtain a permit from the Division before operating in the State. Every transportation network company must pay to the Division a nonrefundable application fee of five thousand dollars (\$5,000).

(b) Every transportation network company must renew the permit annually and pay to the Division a nonrefundable renewal fee of five thousand dollars (\$5,000).

(c) The Division must prescribe the form of the application for a permit and renewal of a permit.

(d) The initial application and renewal application must require information sufficient to confirm compliance with this Article and include the following:

- (1) Proof of insurance meeting the requirements of G.S. 20-280.4. This subdivision does not apply to brokering transportation network companies.
- (2) Resident agent for service of process.
- (3) Proof the transportation network company is registered with the Secretary of State to do business in the State if the transportation network company is a foreign corporation.
- (4) Policy of nondiscrimination based on customers' geographic departure point or destination.

(e) The Division may retain the fees collected under this section and use the funds for its operations.

"§ 20-280.4. Financial responsibility.

(a) Except as provided in subsection (n) of this section, TNC drivers or transportation network companies must maintain primary automobile insurance that meets all of the following requirements:

- (1) Recognizes that the driver is a TNC driver or uses a vehicle to transport passengers for compensation.

- (2) The following automobile insurance requirements apply while a TNC driver is logged on to the transportation network company's online-enabled application or platform but is not providing TNC service:
- a. Primary automobile liability insurance in the amount of at least fifty thousand dollars (\$50,000) because of death of or bodily injury to one person in any one accident and, subject to said limit for one person, one hundred thousand dollars (\$100,000) because of death of or bodily injury to two or more persons in any one accident, and at least twenty-five thousand dollars (\$25,000) because of injury to or destruction of property of others in any one accident.
 - b. Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage which at least equals the bodily injury liability limits of the policy, and which otherwise complies with the requirements of G.S. 20-279.21(b)(3) and (b)(4).
- (3) The following automobile insurance requirements apply while a TNC driver is engaged in TNC service:
- a. Primary automobile liability insurance in the amount of at least one million five hundred thousand dollars (\$1,500,000) because of death of one or more persons, bodily injury to one or more persons, injury to or destruction of property of others, or any combination thereof, in any one accident.
 - b. Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage of at least one million five hundred thousand dollars (\$1,500,000), and which otherwise complies with the requirements of G.S. 20-279.21(b)(3) and (b)(4).
- (4) The coverage requirements of subdivisions (2) and (3) of this subsection may be satisfied by any of the following:
- a. Automobile insurance maintained by the TNC driver.
 - b. Automobile insurance maintained by the transportation network company.
 - c. Any combination of sub-subdivisions a. and b. of this subdivision.
- (b) If insurance maintained by the TNC driver under subsection (a) of this section has lapsed or does not provide the required coverage, insurance maintained by the transportation network company must provide the coverage required under subsection (a) of this section beginning with the first dollar of a claim and must provide the defense of the claim.
- (c) Insurance coverage under an automobile insurance policy maintained by the transportation network company must not be dependent on a personal automobile insurer denying a claim.
- (d) Insurance required by this section may be placed with an insurer licensed in the State or with a surplus lines insurer eligible to write policies in the State.
- (e) Insurance satisfying the requirements of this section satisfies the financial responsibility requirement for a motor vehicle.
- (f) A TNC driver must carry proof of coverage satisfying the requirements of this section at all times during use of a vehicle in connection with a transportation network company's online-enabled application or platform. In the event of an accident, a TNC driver must provide insurance coverage information directly to interested parties, automobile insurers, and investigating police officers, upon request. Upon such request, a TNC driver must also disclose to directly interested parties, automobile insurers, and investigating police officers

whether the TNC driver was logged on or off of the transportation network company's online-enabled application or platform at the time of the accident.

(g) Before any vehicle is used in connection with a transportation network company's online-enabled application or platform, a TNC driver must notify both the insurer of the vehicle and any lienholder with an interest in the vehicle of the TNC driver's intent to use the vehicle in connection with a transportation network company's online-enabled application or platform.

(h) Transportation network companies must disclose in writing to potential TNC drivers the following before the TNC driver provides TNC service:

(1) The insurance coverage, including the types of coverage and the limits for each coverage, that the transportation network company provides while the TNC driver uses a private passenger vehicle in connection with a transportation network company's online-enabled application or platform.

(2) The TNC driver may not have any coverage under a personal automobile insurance policy while using the transportation network company's online-enabled application or platform.

(3) The following notice in a distinctive clause: "If the vehicle with which you provide transportation network company services has a lien against it, you must notify the lien holder that you provide transportation network company services with the vehicle. Providing such transportation network company services may violate the terms of your contract with the lienholder."

(i) Insurers that write automobile insurance in the State may exclude coverage under the policy issued to an owner or operator of a personal vehicle for any loss that occurs while the driver is logged on to a transportation network company's online-enabled application or platform or while the driver provides TNC service. This right to exclude all coverage applies to any coverage included in an automobile insurance policy, including all of the following:

(1) Liability coverage for bodily injury and property damage.

(2) Personal injury protection coverage.

(3) Uninsured and underinsured motorist coverage.

(4) Medical payments coverage.

(5) Comprehensive physical damage coverage.

(6) Collision physical damage coverage.

(j) Automobile insurers that exclude the coverage described in subsection (i) of this section have no duty to defend or indemnify any claim expressly excluded. An automobile insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy has a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of this section.

(k) No insurer is required to sell a policy of insurance providing the coverage required by this section.

(l) Notwithstanding G.S. 58-37-35(b)(1)e., no insurance policy providing coverage required by this section is cedable to the North Carolina Reinsurance Facility due solely to the requirements of this section.

(m) In a claims coverage investigation or accident, a TNC driver, transportation network companies, any insurer potentially providing coverage under this section, and other directly involved parties must exchange the following information:

(1) Description of the coverage, exclusions, and limits provided under any insurance policy.

(2) Precise times that a TNC driver logged on and off of the transportation network company's online-enabled application or platform in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident.

(3) Precise times that a TNC driver provided TNC service in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident.

(n) This section does not apply to brokering transportation network companies.

"§ 20-280.5. Safety requirements.

(a) The transportation network company must require TNC drivers have their vehicles inspected annually to meet State safety requirements. The Division may, by regulation, specify alternative inspections that are acceptable as equivalent inspections, such as an inspection performed in another state. This subsection does not apply to brokering transportation network companies.

(b) The transportation network company's online-enabled application or platform must provide the following information to customers after a ride request is accepted by a TNC driver:

- (1) Photograph of the TNC driver.
- (2) License plate number of the TNC driver's vehicle.
- (3) Description of the TNC driver's vehicle.
- (4) Approximate location of the TNC driver's vehicle displayed on a map.

(c) The transportation network company must maintain the following records:

- (1) The record of each TNC service provided in this State for one year from the date the TNC service occurred.
- (2) The record of each TNC driver in this State for one year from the date the TNC driver terminated their relationship with the transportation network company.

"§ 20-280.6. Background checks.

(a) Prior to permitting an individual to act as a TNC driver, the transportation network company must do all of the following:

- (1) Require the individual to submit an application to the transportation network company, including, at a minimum, the following:
 - a. Address.
 - b. Age.
 - c. Drivers license number.
 - d. Driving history.
 - e. Motor vehicle registration.
 - f. Automobile liability insurance information.
- (2) Conduct, or have a third party conduct, a local and national criminal background check for each applicant, including, at a minimum, the following:
 - a. Multi-State/Multi-Jurisdiction Criminal Records Locator or other similar commercial nationwide database with validation (primary source search).
 - b. National Sex Offender Registry.
- (3) Review, or have a third party review, a driving history research report for such individual.

(b) The transportation network company must confirm that every TNC driver continues to meet all the requirements of this section every five years starting from the date the TNC driver met all the requirements of this section.

(c) The transportation network company must not permit an individual to act as a TNC driver if any of the following apply:

- (1) Has had more than three moving violations in the prior three-year period or one major violation in the prior three-year period, including attempting to

- 1 evade the police, reckless driving, or driving on a suspended or revoked
2 license.
- 3 (2) Has been convicted within the past seven years of driving under the
4 influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle
5 to commit a felony, or a crime involving property damage, theft, acts of
6 violence, or acts of terror.
- 7 (3) Is a match in the National Sex Offender Registry.
- 8 (4) Does not possess a valid drivers license.
- 9 (5) Does not possess proof of registration for the motor vehicle to be used to
10 provide TNC services.
- 11 (6) Does not possess proof of automobile liability insurance for the motor
12 vehicle to be used to provide TNC services.
- 13 (7) Is not at least 19 years of age.

14 (d) This section does not apply to brokering transportation network companies.

15 **"§ 20-280.7. Authority of Division.**

16 The Division may issue regulations to implement this Article.

17 **"§ 20-280.8. Presumption that TNC drivers are independent contractors.**

18 A rebuttable presumption exists that a TNC driver is an independent contractor and not an
19 employee. The presumption may be rebutted by application of the common law test for
20 determining employment status.

21 **"§ 20-280.9. Airport operators.**

22 (a) An airport operator is authorized to charge transportation network companies and
23 TNC drivers a reasonable fee for their use of the airport's facility.

24 (b) An airport operator is authorized to require an identifying decal be displayed by
25 TNC drivers.

26 (c) An airport operator is authorized to require the purchase and use of equipment or
27 establish other appropriate mechanisms for monitoring and auditing compliance, including
28 having a transportation network company provide data for purposes of monitoring and auditing
29 compliance.

30 (d) An airport operator is authorized to designate a location where TNC drivers may
31 stage on the airport operator's facility, drop-off passengers, and pick up passengers.

32 **"§ 20-280.10. Statewide regulation.**

33 (a) Notwithstanding any other provision of law and except as authorized by this
34 Chapter, no county, city, airport operator, or other governmental agency is authorized to
35 impose fees, require licenses, limit the operation of TNC services, or otherwise regulate TNC
36 services. TNC services remain subject to all ordinances and local laws outside the scope of this
37 Chapter, including parking and traffic regulation.

38 (b) Any contract provision or term of service in a transportation network company's
39 contract with a State resident or person present in the State contrary to this Article is void as
40 against public policy."

41 **SECTION 2. G.S. 20-4.01(27) reads as rewritten:**

42 **"(27) Passenger Vehicles. –**

- 43 a. Excursion passenger vehicles. – Vehicles transporting persons on
44 sight-seeing or travel tours.
- 45 b. For hire-For-hire passenger vehicles. – Vehicles transporting persons
46 for compensation. This classification shall not include the following:
- 47 1. ~~vehicles~~ Vehicles operated as ~~ambulances~~;ambulances.
- 48 2. ~~vehicles~~ Vehicles operated by the owner where the costs of
49 operation are shared by the ~~passengers~~;passengers.
- 50 3. ~~vehicles~~ Vehicles operated pursuant to a ridesharing
51 arrangement as defined in G.S. 136-44.21;G.S. 136-44.21.

4. ~~vehicles~~ Vehicles transporting students for the public school system under contract with the State Board of ~~Education~~ Education.
5. ~~or vehicles~~ Vehicles leased to the United States of America or any of its agencies on a nonprofit ~~basis~~ basis.
6. ~~or vehicles~~ Vehicles used for human ~~service~~ or service.
7. Vehicles used for volunteer transportation.
8. Vehicles operated in a TNC service, excluding vehicles operated in connection with a brokering transportation network company, regulated under Article 10A of Chapter 20 of the General Statutes.

...."

SECTION 3. G.S. 20-87 reads as rewritten:

"§ 20-87. Passenger vehicle registration fees.

These fees shall be paid to the Division annually for the registration and licensing of passenger vehicles, according to the following classifications and schedules:

- (1) For-Hire Passenger Vehicles. – The fee for a for-hire passenger vehicle ~~that is operated for compensation and has with~~ a capacity of 15 passengers or less is seventy-eight dollars (\$78.00). The fee for a for-hire passenger vehicle ~~that is operated for compensation and has with~~ a capacity of more than 15 passengers is one dollar and forty cents (\$1.40) per hundred pounds of empty weight of the vehicle.

...."

SECTION 4. G.S. 153A-134 reads as rewritten:

"§ 153A-134. Regulating and licensing businesses, trades, etc.

(a) A county may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the county may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor. This section does not authorize a county to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(b) This section does not impair the county's power to levy privilege license taxes on occupations, businesses, trades, professions, and other activities pursuant to G.S. 153A-152.

(c) Nothing in this section shall authorize a county to regulate and license ~~digital dispatching services for prearranged transportation services for hire~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes.

SECTION 5. G.S. 160A-194 reads as rewritten:

"§ 160A-194. Regulating and licensing businesses, trades, etc.

(a) A city may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the city may, consistent with the general law of the State, require applicants for licenses to be examined and charge a reasonable fee therefor.

(b) Nothing in this section shall authorize a city to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(c) Nothing in this section shall authorize a city to regulate and license ~~digital dispatching services for prearranged transportation services for hire~~ a TNC service regulated under Article 10A of Chapter 20 of the General Statutes.

1 **SECTION 6.** G.S. 160A-304 reads as rewritten:

2 **"§ 160A-304. Regulation of taxis.**

3 (a) A city may by ordinance license and regulate all vehicles operated for hire in the
4 city. The ordinance may require that the drivers and operators of taxicabs engaged in the
5 business of transporting passengers for hire over the public streets shall obtain a license or
6 permit from the city; provided, however, that the license or permit fee for taxicab drivers shall
7 not exceed fifteen dollars (\$15.00). As a condition of licensure, the city may require an
8 applicant for licensure to pass a controlled substance examination. The ordinances may also
9 specify the types of taxicab services that are legal in the municipality; provided, that in all cases
10 shared-ride services as well as exclusive-ride services shall be legal. Shared-ride service is
11 defined as a taxi service in which two or more persons with either different origins or with
12 different destinations, or both, occupy a taxicab at one time. Exclusive-ride service is defined
13 as a taxi service in which the first passenger or party requests exclusive use of the taxicab. In
14 the event the applicant is to be subjected to a national criminal history background check, the
15 ordinance shall specifically authorize the use of FBI records. The ordinance shall require any
16 applicant who is subjected to a national criminal history background check to be fingerprinted.

17 The Department of Public Safety may provide a criminal record check to the city for a
18 person who has applied for a license or permit through the city. The city shall provide to the
19 Department of Public Safety, along with the request, the fingerprints of the applicant, any
20 additional information required by the Department of Public Safety, and a form signed by the
21 applicant consenting to the check of the criminal record and to the use of the fingerprints and
22 other identifying information required by the State or national repositories. The applicant's
23 fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's
24 criminal history record file, and the State Bureau of Investigation shall forward a set of the
25 fingerprints to the Federal Bureau of Investigation for a national criminal history check. The
26 city shall keep all information pursuant to this subsection privileged, in accordance with
27 applicable State law and federal guidelines, and the information shall be confidential and shall
28 not be a public record under Chapter 132 of the General Statutes.

29 The Department of Public Safety may charge each applicant a fee for conducting the checks
30 of criminal history records authorized by this subsection.

31 The following factors shall be deemed sufficient grounds for refusing to issue a permit or
32 for revoking a permit already issued:

- 33 (1) Conviction of a felony against this State, or conviction of any offense
34 against another state which would have been a felony if committed in this
35 State;
- 36 (2) Violation of any federal or State law relating to the use, possession, or sale
37 of alcoholic beverages or narcotic or barbiturate drugs;
- 38 (3) Addiction to or habitual use of alcoholic beverages or narcotic or barbiturate
39 drugs;
- 40 (4) Violation of any federal or State law relating to prostitution;
- 41 (5) Noncitizenship in the United States;
- 42 (6) Habitual violation of traffic laws or ordinances.

43 The ordinance may also require operators and drivers of taxicabs to display prominently in each
44 taxicab, so as to be visible to the passengers, the city taxi permit, the schedule of fares, a
45 photograph of the driver, and any other identifying matter that the council may deem proper
46 and advisable. The ordinance may also establish rates that may be charged by taxicab operators,
47 may limit the number of taxis that may operate in the city, and may grant franchises to taxicab
48 operators on any terms that the council may deem advisable.

49 (b) When a city ordinance grants a taxi franchise for operation of a stated number of
50 taxis within the city, the holder of the franchise shall report at least quarterly to the council the
51 average number of taxis actually in operation during the preceding quarter. The council may

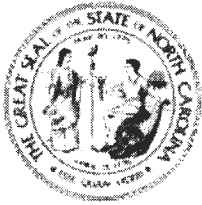
1 amend a taxi franchise to reduce the number of authorized vehicles by the average number not
2 in actual operation during the preceding quarter, and may transfer the unused allotment to
3 another franchised operator. Such amendments of taxi franchises shall not be subject to
4 G.S. 160A-76. Allotments of taxis among franchised operators may be transferred only by the
5 city council, and it shall be unlawful for any franchised operator to sell, assign, or otherwise
6 transfer allotments under a taxi franchise.

7 (c) Nothing in this Chapter authorizes a city to adopt an ordinance doing any of the
8 ~~following:~~following with respect to a TNC service regulated under Article 10A of Chapter 20
9 of the General Statutes:

- 10 (1) ~~Requiring licensing or regulation of digital dispatching services for~~
11 ~~prearranged transportation services for hire connected with vehicles operated~~
12 ~~for hire in the city if the business providing the digital dispatching services~~
13 ~~does not own or operate the vehicles for hire in the city; regulating.~~
- 14 (2) ~~Setting a minimum rate or minimum increment of time used to calculate a~~
15 ~~rate for prearranged transportation services for hire.~~
- 16 (3) ~~Requiring an operator to use a particular formula or method to calculate rates~~
17 ~~charged.~~
- 18 (4) ~~Setting a minimum waiting period between requesting prearranged~~
19 ~~transportation services and the provision of those transportation services~~
20 ~~when the prearranged transportation services are digitally dispatched.~~
- 21 (5) ~~Requiring a final destination to be set at the time of requesting prearranged~~
22 ~~transportation services through digital dispatching services.~~
- 23 (6) ~~Requiring or prohibiting taxi franchises or taxi operators from contracting~~
24 ~~with a person in the business of digital dispatching services for prearranged~~
25 ~~transportation services for hire; transportation network company regulated~~
26 ~~under Article 10A of Chapter 20 of the General Statutes."~~

27 **SECTION 7.** This act becomes effective October 1, 2015.





SENATE BILL 541: Regulate Transportation Network Companies

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	July 1, 2015
Introduced by:	Sens. Rabon, McKissick	Prepared by:	Greg Roney
Analysis of:	PCS to First Edition S541-CSTMxfr-37		Committee Counsel

SUMMARY: *The Proposed Committee Substitute (PCS) for Senate Bill 541 would regulate transportation network companies (TNC) by requiring a State permit to operate, maintenance of liability insurance for cars, and background checks for drivers. The PCS would impose a \$5,000 application fee for the permit and a \$5,000 renewal fee.*

[As introduced, this bill was identical to H680, as introduced by Reps. Brawley, Bradford, Saine, Hanes, which is currently in House Commerce and Job Development, if favorable, Transportation, if favorable, Finance.]

CURRENT LAW: G.S. 20-4.01(27) defines for-hire passenger vehicles as any vehicles transporting persons for compensation excluding the following 7 types of vehicles: (1) vehicles operated as ambulances; (2) vehicles operated by the owner where the costs of operation are shared by the passengers; (3) vehicles operated pursuant to a ridesharing arrangement; (4) vehicles transporting students for the public school system under contract with the State Board of Education; (5) vehicles leased to the United States or its agencies on a nonprofit basis; (6) vehicles used for human service; and (7) vehicles used for human service volunteer transportation.

G.S. 20-87(1) imposes a \$78 fee for a for-hire license plate.

G.S. 20-280(b) requires taxis have liability insurance equal to \$30,000 for bodily injury to or death of 1 person in any 1 accident and, subject to said limit for 1 person, \$60,000 for bodily injury to or death of 2 or more persons in any 1 accident, and \$25,000 for injury to or destruction of property of others in any 1 accident ("30/60/25"). G.S. 20-280(c) exempts taxi operators from the liability limits if the taxi operator joined a trust fund approved by the governing body of any city with a population of over 50,000.

NC Utilities Commission Rules and Regulations, Rule R2-36(a), Passenger Equipment, requires liability insurance equal to \$1.5 million for vehicles with a seating capacity of 15 passengers or less.

Personal auto policies (PAP) in the State use uniform language. The language excludes insurance coverage when the vehicle is used for commercial purposes ("livery exclusion").

BILL ANALYSIS: The PCS for Senate Bill 541 would create a new Article 10A in Chapter 20, titled "Transportation Network Companies."

New Article 10A defines 4 key terms:

- Prearranged transportation services. – Transportation services available by advance request excluding for-hire passenger vehicles soliciting passengers for immediate transportation. No minimum waiting period is required between the advance request and the provision of the transportation services.

O. Walker Reagan
Director



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- TNC driver. – An individual that uses a passenger vehicle in connection with a transportation network company's online enabled application or platform to connect with passengers.
- TNC service. – Prearranged transportation service provided by a TNC driver in connection with a transportation network company. The TNC service begins when the TNC driver accepts a ride request on the transportation network company's online-enabled application or platform and ends at the later of the time that the driver completes the transaction on the application or the time that all passengers exit the vehicle and complete unloading of the vehicle.
- Transportation network company. – Any person that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers.

A TNC holding a valid permit issued under new Article 10A may operate in the State. The permit must be obtained before operating in the State. The application fee is \$5,000. The annual renewal fee is \$5,000.

A TNC may charge a fee if the calculation method is disclosed by the application before a passenger makes a ride request; the application provides the option for a passenger to receive an estimated fee before the passenger makes a ride request; the TNC sends an electronic receipt to the customer that includes the location where the TNC service started and ended, the total time and distance of the TNC service, and an itemization and calculation of the total fee paid; and the fee is paid electronically.

A TNC must provide liability insurance as follows:

- During the TNC service
 - \$1,500,000 because of death of one or more persons, bodily injury to one or more persons, injury to or destruction of property of others, or any combination thereof, in any one accident ("1.5 million combined single limit").
 - \$1,500,000 of combined uninsured and underinsured motorist coverage.
- During the time such driver is available on the TNC's online-enabled application
 - \$50,000 because of bodily injury or death of 1 person in any 1 accident and, subject to said limit for 1 person, \$100,000 because of bodily injury or death of 2 or more persons in any 1 accident, and \$25,000 because of injury or destruction of property of others in any 1 accident ("50/100/25").
 - Combined uninsured and underinsured motorist coverage, with limits for combined uninsured and underinsured motorist bodily injury coverage which at least equals the bodily injury liability limits of the policy (i.e., 50/100/25).

A TNC must disclose in writing to potential TNC drivers the following before the TNC driver provides TNC service:

- The insurance coverage and limits of liability that the transportation network company provides while the TNC driver uses a private passenger vehicle to provide TNC service.
- The TNC driver may not have coverage under their personal insurance policy while using the transportation network company's online-enabled application.
- The following in a distinctive clause: "If the vehicle with which you provide transportation network company services has a lien against it, you must notify the lien holder that you provide transportation network company services with the vehicle. Providing such transportation network company services may violate the terms of your contract with the lienholder."

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A TNC must conduct a local and national criminal background check for each applicant to be a TNC driver.

Brokering transportation network companies are TNC that exclusively dispatches TNC drivers that operate either for-hire passenger vehicles regulated under G.S. 160A-304 (i.e., taxis) or for-hire passenger vehicles regulated under G.S. 62-260(f) and subject to the requirements for security for protection of the public and safety of operation established for regulated motor common carriers (i.e., limousines with \$1.5 million liability insurance). Brokering transportation network companies are exempt from the insurance requirements and background checks.

The Division of Motor Vehicles is authorized to issue regulations to implement new Article 10A.

A rebuttable presumption exists that a TNC driver is an independent contractor and not an employee. The presumption may be rebutted by application of the common law test for determining employment status.

Airport operators are given the following specific regulatory authority over TNC:

- Charge TNC and TNC drivers a reasonable fee for use of the airport's facility.
- Require an identifying decal be displayed by TNC drivers.
- Require the purchase and use of equipment or establish other appropriate mechanisms for monitoring and auditing compliance, including having a TNC provide data.
- Designate a location where TNC drivers may stage on the airport's facility, drop off passengers, and pick up passengers.

New Article 10A is the exclusive regulation of TNC services, and no local authority is authorized to impose fees, require licenses, limit the operation of TNC services, or otherwise regulate TNC services. TNC services remain subject to all ordinances and local laws outside the scope of Article 10A including parking and traffic regulation. Any contract provision or term of service contrary to new Article 10A is void as against public policy.

EFFECTIVE DATE: The Proposed Committee Substitute (PCS) for Senate Bill 541 would become effective October 1, 2015.

BACKGROUND: TNC use smartphone applications ("apps") to match customers with drivers. The apps use the smartphone's GPS functions to identify the location of the customer and the TNC driver. The TNC driver uses an unmarked, private passenger vehicle with a standard license plate to transport the customer. TNC drivers do not have for-hire license plates.

Three TNC are known to operate in the State: Uber, Lyft, and Sidecar. Uber operates in 10 cities in the State.

Brokering transportation network companies also operate in the State. These companies dispatch vehicles that are licensed in the local jurisdiction. For example, Uber Black service operates in Charlotte and dispatches limousines that are regulated by the City of Charlotte. Other apps exist that dispatch licensed taxis in multiple states.

According to the National Association of Insurance Commissions (NAIC), TNC are voluntarily providing the following insurance coverages:

Senate Bill 541

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TNC	Insurer	Period 1 (Pre-match)	Periods 2 & 3 (Match accepted, passenger pick up, Passenger occupying the vehicle)
Raiser LLC/UberX	James River	Contingent Liability (\$50,000 per person/\$100,000 per accident/\$25,000 property damage)	Commercial auto liability and uninsured motorist/underinsured motorist coverage up to \$1 million per occurrence Contingent collision and comprehensive equal to the amount maintained by the driver in PAP (\$1,000 deductible)
LYFT (valid in all states except New York)	James River	Contingent Liability (\$50,000 per person/\$100,000 per accident/\$25,000 property damage)	Commercial auto liability and uninsured motorist/underinsured motorist coverage up to \$1 million per occurrence Contingent collision and comprehensive up to \$50,000 per accident (\$2,500 deductible)
SIDECAR (liability limits differ for the state of Washington and for Chicago)	Nautilus Insurance Company		Commercial auto liability and uninsured motorist/underinsured motorist coverage up to \$1 million per occurrence Liability limits (\$50,000 per person/\$100,000 per accident/\$30,000 property damage) Contingent collision \$50,000 per accident (\$500 deductible)

On March 31, 2015, the TNC industry (Uber, Lyft), insurance industry trade groups (NAMIC, PCI), and some national insurers endorsed a compromise model bill on TNC services. The model language only addresses insurance coverage issues. The model bill contains the following terms:

- Mandates primary insurance coverage during the pre-match period of 50/100/25 and includes all state-mandated coverages (e.g., uninsured and underinsured). The mandate does not include comprehensive or collision.
- Mandates primary insurance of \$1 million in liability coverage, as well as any other coverage mandated by the state's financial responsibility laws, once a driver has accepted a ride request and while the fare-paying passenger is in the vehicle.
- These coverage mandates can be satisfied by a policy maintained by the TNC driver, by the TNC itself, or a combination of both.
- The primary TNC coverage shall not be dependent upon a personal auto policy denying a claim before coverage is triggered.

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- TNC drivers will be required to carry proof of TNC insurance coverage.
- TNC must disclose to their drivers that their current personal auto policy may not provide any coverage for TNC-related driving.
- After an accident, TNC drivers must disclose whether they were logged into the TNC system.
- TNC and insurers will be compelled to cooperate in coverage investigations.

The PCS does not adopt the model language in its entirety. The PCS imposes insurance coverage requirements of \$1.5 million versus \$1 million in the model bill.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 268
Committee Substitute Favorable 4/21/15
PROPOSED SENATE COMMITTEE SUBSTITUTE H268-CSRW-35 [v.4]
6/30/2015 5:15:46 PM

Short Title: Amend Transportation Laws.-AB

(Public)

Sponsors:

Referred to:

March 18, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND AND CLARIFY THE STATUTES GOVERNING THE CLEARANCE
3 OF WRECKED VEHICLES AND OTHER TRAFFIC OBSTACLES FROM PUBLIC
4 HIGHWAYS; TO AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO
5 PERMIT ENCROACHMENT OF AIR SPACE ABOVE STATE ROAD 1347, NEVADA
6 BOULEVARD, IN THE CITY OF CHARLOTTE, FOR THE CONSTRUCTION OF A
7 MATERIAL CONVEYANCE SYSTEM; AND TO EXTEND TO DECEMBER 31, 2015
8 THE EXPIRATION DATE FOR A NATIVE BROOK TROUT SPECIAL LICENSE
9 PLATE.

10 The General Assembly of North Carolina enacts:

11
12 AMEND HIGHWAY OBSTRUCTION QUICK CLEARANCE REQUIREMENTS

13 SECTION 1. G.S. 20-161(f) reads as rewritten:

14 "(f) ~~Any~~ An investigating law enforcement officer, with the concurrence of the
15 Department of Transportation, or the Department of Transportation, with the concurrence of an
16 investigating law enforcement officer, may immediately remove or cause to be removed from
17 the State highway system any wrecked, abandoned, disabled, unattended, burned, or partially
18 dismantled vehicle, cargo, or other personal property interfering with the regular flow of traffic
19 or which otherwise constitutes a hazard. In the event of a motor vehicle crash involving serious
20 personal injury or death, no removal shall occur until the investigating law enforcement officer
21 determines that adequate information has been obtained for preparation of a crash report. No
22 state or local law enforcement officer, Department of Transportation employee, or person or
23 firm contracting or assisting in the removal or disposition of any such vehicle, cargo, or other
24 personal property shall be held criminally or civilly liable for any damage or economic injury
25 related to carrying out or enforcing the provisions of this section."
26

27 AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO PERMIT
28 ENCROACHMENT OF AIR SPACE ABOVE STATE ROAD 1347

29 SECTION 2. The Department of Transportation is hereby authorized to permit
30 private use and encroachment upon the air space above State Road 1347, Nevada Boulevard, in
31 the City of Charlotte, for the purpose of construction of a material conveyance system,
32 provided, in the opinion of the Department of Transportation, the material conveyance system
33 will not unreasonably interfere with or impair the property rights or easements of abutting
34 owners nor unreasonably interfere with or obstruct the public use of Nevada Boulevard. This
35 encroachment shall be subject to all other rules, regulations, and conditions of the Department



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1 of Transportation for encroachments. The location, plans, and specifications for the material
2 conveyance system shall be approved by the Department.

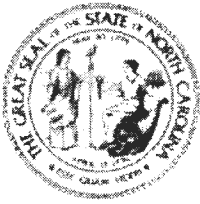
3
4 **EXTEND TO DECEMBER 31, 2015, THE EXPIRATION DATE FOR A NATIVE**
5 **BROOK TROUT SPECIAL LICENSE PLATE.**

6 **SECTION 3.** G.S. 20-79.8(a) reads as rewritten:

7 (a) Expiration of Plates Authorized Prior to October 1, 2014. – A special registration
8 plate authorized after July 1, 2011, and before October 1, 2014, pursuant to G.S. 20-79.4 shall
9 expire, as a matter of law, on July 1 of the second calendar year following the year in which the
10 special plate was authorized if the number of required applications for the authorized special
11 plate has not been received by the Division. The Division shall not accept applications for nor
12 advertise any special registration plate that has expired pursuant to this section.
13 Notwithstanding the provisions of this subsection, the Native Brook Trout plate authorized by
14 G.S. 20-79.4(b)(139) shall expire, as a matter of law, on December 31 of the second calendar
15 year following the year in which the special plate was authorized if the number of required
16 applications for the authorized special plate has not been received by the Division."

17
18 **EFFECTIVE DATE**

19 **SECTION 4.** Section 1 of this act is effective when it becomes law and applies to
20 any obstructions to traffic arising on or after 12:01 A.M. of the day following that date. The
21 remainder of this act is effective when it becomes law.



HOUSE BILL 127: DOT Condemnation Changes

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Judiciary I	Date:	June 22, 2015
Introduced by:	Reps. Stam, Jackson, Bryan	Prepared by:	Giles S. Perry
Analysis of:	PCS to Second Edition H127-CSRW-31		Committee Counsel

SUMMARY: *House Bill 127 (proposed committee substitute) makes the following changes: (1) modifies the measure of damages for Department of Transportation (DOT) condemnations for partial takings by excluding consideration for any special or general benefits resulting from the utilization of the part taken for highway purposes; (2) provides for interest on a DOT condemnation award from date of taking until judgment is paid; (3) requires reimbursements to person whose property is condemned for appraisal and engineering fees; and (4) provides that DOT must send any relocation notice required by federal law with the required summons, complaint, declaration of taking and notice of deposit.*

CURRENT LAW: Under Article 9 of Chapter 136, the Department of Transportation (DOT) has authority to initiate a condemnation by instituting a civil action in the superior court of any county in which the land is located. DOT must file a complaint and a declaration of taking declaring that the land, easement, or interest is taken for the use of DOT. The complaint and declaration shall be accompanied by the deposit of a sum estimated by the DOT to be just compensation for the taking.

G.S. 136-112 provides the measure of damages as follows:

- Where only a part of a tract is taken, the measure of damages is the difference between the fair market value of the entire tract immediately prior to the taking and the fair market value of the remainder immediately after said taking, with consideration being given to any special or general benefits resulting from the utilization of the part taken for highway purposes.
- Where the entire tract is taken, the measure of damages for the taking is the fair market value of the property at the time of taking. In determining just compensation, interest is added from the date of taking to the date of judgment.

G.S. 136-113 requires the judge to add interest at the legal rate of 8% to the damage award from the date of taking to the date of judgment.

G.S. 136-119 requires DOT to pay all court costs taxed by the court. The court must reimburse the owner for reasonable costs, including reasonable attorney fees, appraisal, and engineering fees, if (i) the final judgment is that the DOT cannot acquire real property by condemnation; or (ii) the proceeding is abandoned by the DOT.

BILL ANALYSIS:

Section 1: Provides that the measure of damages for a partial taking in a DOT condemnation action be made without consideration being given to any special or general benefits resulting from the utilization of the part taken for highway purposes.

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Director



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House Bill 127

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Section 2: Provides that the interest in a DOT condemnation be calculated from the date of the taking to the date the judgment is paid (rather than the date of judgment).

Section 3: Provides that the owner of a property subject to a condemnation action must be awarded reasonable costs, disbursements, and expenses, such as appraisal and engineering fees (but not attorneys' fees) as provided in the costs statute for eminent domain proceedings (G.S. 40A-8).

In addition, provides for the award of reasonable attorneys' fees if any of the following applies:

1. The final judgment was that DOT could not acquire the property by condemnation.
2. DOT abandoned the proceeding.

Section 4: The federal Uniform Relocation Assistance and Real Property Acquisition Policies Act requires relocation notices to be provided to persons displaced by eminent domain actions in certain cases. Section 4 requires DOT to provide any written notice of relocation required under federal law together with the summons, complaint, declaration of taking and notice of deposit required to be served under G.S. 136-103(d).

EFFECTIVE DATE: Sections 2 and 4 would become effective October 1, 2015, and apply to condemnation actions filed on or after that date. Sections 1 and 3 would become effective July 1, 2016, and would apply to condemnation actions filed on or after that date. Section 5 becomes effective when it becomes law.

Kara McCraw, counsel to House Judiciary IV, substantially contributed to this summary.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 639
PROPOSED COMMITTEE SUBSTITUTE S639-CSRWx-34 [v.1]

6/25/2015 2:19:21 PM

Short Title: Trans. Funding/I-77 Toll Lanes Restriction.

(Public)

Sponsors:

Referred to:

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE MOTOR FUEL EXCISE TAX RATE, TO ESTABLISH A
3 TRANSPORTATION INFRASTRUCTURE ACCESS FEE, TO IMPOSE A ROAD
4 USAGE TAX ON CERTAIN MOTOR CARRIERS, TO ELIMINATE THE STATUTORY
5 TRANSFER OF PROCEEDS FROM THE MOTOR FUEL EXCISE TAX, TO PROHIBIT
6 THE CONSTRUCTION OF TOLL PROJECTS UNLESS AUTHORIZED PURSUANT
7 TO A LOCAL GOVERNMENT REFERENDUM, AND TO PROHIBIT TOLL LANES
8 ON INTERSTATE 77 BETWEEN EXITS 23 AND IN MECKLENBURG AND IREDELL
9 COUNTIES.

10 The General Assembly of North Carolina enacts:

11
12 PART I. MOTOR FUELS TAX RATE

13 SECTION 1.(a) G.S. 105-449.80 reads as rewritten:

14 "§ 105-449.80. Tax rate.

15 (a) Rate.—The motor fuel excise tax rate is ~~a flat rate of seventeen and one-half cents~~
16 ~~(17 1/2¢) a gallon plus a variable wholesale component. The variable wholesale component is~~
17 ~~either three and one-half cents (3 1/2¢) a gallon or seven percent (7%) of the average wholesale~~
18 ~~price of motor fuel for the applicable base period, whichever is greater, as follows:~~

19 (1) A flat rate of nineteen cents (19¢) a gallon on diesel fuel.

20 (2) A flat rate of nine cents (9¢) a gallon on all other motor fuels.

21 ~~The two base periods are six month periods; one ends on September 30 and one ends on~~
22 ~~March 31. The Secretary must set the tax rate twice a year based on the wholesale price for~~
23 ~~each base period. A tax rate set by the Secretary using information for the base period that ends~~
24 ~~on September 30 applies to the six month period that begins the following January 1. A tax rate~~
25 ~~set by the Secretary using information for the base period that ends on March 31 applies to the~~
26 ~~six month period that begins the following July 1.~~

27 (b) Wholesale Price.—~~The Secretary must determine the average wholesale price of~~
28 ~~motor fuel for each base period. To do this, the Secretary must use information on refiner and~~
29 ~~gas plant operator sales prices of finished motor gasoline and No. 2 diesel fuel for resale,~~
30 ~~published by the United States Department of Energy in the "Monthly Energy Review", or~~
31 ~~equivalent data.~~

32 ~~The Secretary must compute the average sales price of finished motor gasoline for the base~~
33 ~~period, compute the average sales price for No. 2 diesel fuel for the base period, and then~~
34 ~~compute a weighted average of the results of the first two computations based on the proportion~~
35 ~~of tax collected on each under this Article for the base period. The Secretary must then convert~~
36 ~~the weighted average price to a cents-per-gallon rate and round the rate to the nearest one-tenth~~



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of a cent (1/10¢). If the converted cents per gallon rate is exactly between two tenths of a cent (2/10¢) the Secretary must round the rate up to the higher of the two.

(e) Notification. — The Secretary must notify affected taxpayers of the tax rate to be in effect for each six month period beginning January 1 and July 1."

SECTION 1.(b) G.S. 105-449.107(c) reads as rewritten:

"(c) Sales Tax Amount. — Article 5 of Subchapter I of this Chapter determines the amount of State sales and use tax to be deducted under this section from a motor fuel excise tax refund. Articles 39, 40, and 42 of Subchapter VIII of this Chapter and the Mecklenburg First 1% Sales Tax Act determine the amount of local sales and use tax to be deducted under this section from a motor fuel excise tax refund. ~~The sales price and the cost price of motor fuel to be used in determining the amount to deduct is the average of the wholesale prices used under G.S. 105-449.80 to determine the excise tax rates in effect for the two six month periods of the year for which the refund is claimed.~~"

SECTION 1.(c) G.S. 150B-2(8a) reads as rewritten:

"(8a) "Rule" means any agency regulation, standard, or statement of general applicability that implements or interprets an enactment of the General Assembly or Congress or a regulation adopted by a federal agency or that describes the procedure or practice requirements of an agency. The term includes the establishment of a fee and the amendment or repeal of a prior rule. The term does not include the following:

...

j. Establishment of the interest rate that applies to tax assessments under ~~G.S. 105-241.21 and the variable component of the excise tax on motor fuel under G.S. 105-449.80.~~ G.S. 105-241.21.

...."

SECTION 1.(d) This section becomes effective for taxable years beginning on or after January 1, 2018.

PART II. INFRASTRUCTURE ACCESS FEE

SECTION 2.(a) Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

"§ 20-97.1. Infrastructure Access Fee.

(a) Fee. — In addition to the fees imposed by G.S. 20-87 and G.S. 20-88, the following fees are imposed on each vehicle; the fees are based on the weight of the vehicle:

SCHEDULE OF WEIGHTS AND FEES

	Amount
<u>Not over 4,000 pounds</u>	<u>\$100.00</u>
<u>4,001 to 9,000 pounds inclusive</u>	<u>\$125.00</u>
<u>9,001 to 13,000 pounds inclusive</u>	<u>\$150.00</u>
<u>13,001 to 17,000 pounds inclusive</u>	<u>\$175.00</u>
<u>Over 17,000 pounds</u>	<u>\$200.00</u>

(b) Payment Frequency. — The fees imposed under subsection (a) of this section are annual and due at the same time as the fees imposed by G.S. 20-87 and G.S. 20-88.

(c) Exceptions. — This section shall not apply to any of the following:

(1) A mobile home subject to G.S. 20-87.

(2) A semitrailer or trailer subject to G.S. 20-88(c).

(3) A motor vehicle eligible for a permanent registration plate under G.S. 20-84.

(d) Use of Proceeds. — Twenty-five percent (25%) of the total revenue collected from the per-vehicle fees imposed under subsection (a) of this section shall be credited to the North Carolina Highway Trust Fund. The remainder of the fee revenue shall be credited to the North Carolina Highway Fund. Notwithstanding any other provision of law, no fee revenue generated

under this section shall be transferred to the General Fund or to other State agencies or departments. Upon appropriation by the General Assembly, all fee revenue generated under this section shall be used by the Department of Transportation and for transportation purposes only."

SECTION 2.(b) This section becomes effective January 1, 2017, and applies to the registration and licensing of motor vehicles on or after that date.

PART III. MOTOR CARRIER TAX

SECTION 3.(a) Article 36B of Chapter 105 of the General Statutes reads as rewritten:

"Article 36B.

"~~Tax~~Taxes on Motor Carriers.

"§ 105-449.37. Definitions; tax liability; application.

...

(b) **Liability.** – A motor carrier who operates on one or more days of a reporting period is liable for the ~~tax~~taxes imposed by this Article for that reporting period and is entitled to the credits allowed for that reporting period.

(c) **Application.** – A motor carrier who operates a qualified motor vehicle in this State must register the vehicle as provided in this Article and obtain the appropriate license and decals for the vehicle. The Article applies to both an interstate motor carrier subject to the International Fuel Tax Agreement and to an intrastate motor carrier.

"§ 105-449.38. ~~Tax~~Taxes levied.

(a) **Taxes Levied.** – A road tax for the privilege of using the streets and highways of this State is imposed upon every motor carrier on (i) the amount of motor fuel or alternative fuel used by the carrier in its operations within this ~~State~~State and (ii) the frequency of the motor carrier's use of the streets and highways of this State. The tax on the amount of motor fuel or alternative fuel used by the carrier in its operations shall be at the rate established by the Secretary pursuant to G.S. 105-449.80 or G.S. 105-449.136, as appropriate. ~~This tax is in addition to any other taxes imposed on motor carriers. The tax on the frequency of the motor carrier's use of the streets and highways of this State shall be in accordance with the weight group tax rates set forth in subsection (b) of this section.~~

(b) **Weight Group Tax Rates.** – The tax on the frequency of the motor carrier's use of the streets and highways of this State shall be computed by multiplying the mileage of travel in this State by the appropriate weight group tax rate as it appears in the tables below:

Weight Groups of 80,000 Pounds and Below		
Declared Combined Weight Groups		Fee Rates Per Mile
(Pounds)		(Mills)
26,001 to	28,000	49.8
28,001 to	30,000	52.8
30,001 to	32,000	55.2
32,001 to	34,000	57.6
34,001 to	36,000	59.9
36,001 to	38,000	63.0
38,001 to	40,000	65.4
40,001 to	42,000	67.7
42,001 to	44,000	70.2
44,001 to	46,000	72.6
46,001 to	48,000	74.9
48,001 to	50,000	77.4
50,001 to	52,000	80.3

1	<u>52,001 to</u>	<u>54,000</u>	<u>83.3</u>
2	<u>54,001 to</u>	<u>56,000</u>	<u>86.4</u>
3	<u>56,001 to</u>	<u>58,000</u>	<u>90.0</u>
4	<u>58,001 to</u>	<u>60,000</u>	<u>94.1</u>
5	<u>60,001 to</u>	<u>62,000</u>	<u>99.0</u>
6	<u>62,001 to</u>	<u>64,000</u>	<u>104.5</u>
7	<u>64,001 to</u>	<u>66,000</u>	<u>110.4</u>
8	<u>66,001 to</u>	<u>68,000</u>	<u>118.3</u>
9	<u>68,001 to</u>	<u>70,000</u>	<u>126.6</u>
10	<u>70,001 to</u>	<u>72,000</u>	<u>135.0</u>
11	<u>72,001 to</u>	<u>74,000</u>	<u>142.7</u>
12	<u>74,001 to</u>	<u>76,000</u>	<u>150.0</u>
13	<u>76,001 to</u>	<u>78,000</u>	<u>157.2</u>
14	<u>78,001 to</u>	<u>80,000</u>	<u>163.8</u>

Weight Groups of Above 80,000 Pounds

	<u>Declared Combined</u>	<u>Number of Axles and Fee Rates Per Mile</u>				
	<u>Weight Groups</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9 or more</u>
	<u>(Pounds)</u>			<u>(Mills)</u>		
17						
18						
19						
20	<u>80,001 to 82,000</u>	<u>169.2</u>	<u>154.8</u>	<u>144.7</u>	<u>137.4</u>	<u>129.6</u>
21	<u>82,001 to 84,000</u>	<u>174.7</u>	<u>157.2</u>	<u>147.0</u>	<u>139.2</u>	<u>131.3</u>
22	<u>84,001 to 86,000</u>	<u>179.9</u>	<u>160.9</u>	<u>149.4</u>	<u>140.9</u>	<u>133.2</u>
23	<u>86,001 to 88,000</u>	<u>186.0</u>	<u>164.3</u>	<u>151.8</u>	<u>143.4</u>	<u>135.0</u>
24	<u>88,001 to 90,000</u>	<u>193.2</u>	<u>168.6</u>	<u>154.3</u>	<u>145.8</u>	<u>137.4</u>
25	<u>90,001 to 92,000</u>	<u>201.6</u>	<u>173.4</u>	<u>156.5</u>	<u>148.2</u>	<u>139.8</u>
26	<u>92,001 to 94,000</u>	<u>210.7</u>	<u>178.2</u>	<u>159.0</u>	<u>150.5</u>	<u>141.7</u>
27	<u>94,001 to 96,000</u>	<u>220.2</u>	<u>183.6</u>	<u>162.0</u>	<u>153.0</u>	<u>143.9</u>
28	<u>96,001 to 98,000</u>	<u>230.4</u>	<u>190.2</u>	<u>165.6</u>	<u>155.5</u>	<u>146.4</u>
29	<u>98,001 to 100,000</u>		<u>197.3</u>	<u>169.2</u>	<u>158.4</u>	<u>148.8</u>
30	<u>100,001 to 102,000</u>			<u>172.8</u>	<u>162.0</u>	<u>151.3</u>
31	<u>102,001 to 104,000</u>			<u>176.4</u>	<u>165.6</u>	<u>154.3</u>
32	<u>104,001 to 105,500</u>			<u>181.1</u>	<u>169.2</u>	<u>157.2</u>

(c) Declared Combined Weight. – The declared combined weight of a motor carrier shall be determined in accordance with G.S. 20-88.

(d) Construction. – Nothing in this section shall be construed as prohibiting the imposition or assessment of other taxes and fees required by law.

(e) Prohibition on Use of Funds. – Notwithstanding any other provision of law, no revenue generated under this section shall be transferred to the General Fund or to other State agencies or departments. Upon appropriation by the General Assembly, all revenue generated under this section shall be used by the Department of Transportation and for transportation purposes only.

"§ 105-449.39. Credit for payment of motor fuel tax.

Every motor carrier subject to the tax levied by this Article on the amount of motor fuel or alternative fuel used by the motor carrier is entitled to a credit on its quarterly return for tax paid by the carrier on fuel purchased in the State. The amount of the credit is determined using ~~the flat cents per gallon rate plus the variable cents per gallon rate of tax~~ motor fuel excise tax rate in effect during the quarter covered by the return. To obtain a credit, the motor carrier must furnish evidence satisfactory to the Secretary that the tax for which the credit is claimed has been paid.

If the amount of a credit to which a motor carrier is entitled for a quarter exceeds the motor carrier's liability for that quarter, the excess is refundable in accordance with G.S. 105-241.7.

"§ 105-449.40. Secretary may require bond.

(a) Authority. – The Secretary may require a motor carrier to furnish a bond when any of the following occurs:

- (1) The motor carrier fails to file a return within the time required by this Article.
- (2) The motor carrier fails to pay ~~a tax~~ the taxes when due under this Article.
- (3) After auditing the motor carrier's records, the Secretary determines that a bond is needed to protect the State from loss in collecting the ~~tax~~ taxes due under this Article.

(b) Amount. – A bond required of a motor carrier under this section may not be more than the larger of the following amounts:

- (1) Five hundred dollars (\$500.00).
- (2) Four times the motor carrier's average tax liability or refund for a reporting period.

A bond must be in the form required by the Secretary.

...

"§ 105-449.42. Payment of tax.

The ~~tax~~ taxes levied by this Article ~~is~~ are due when a motor carrier files a quarterly return under G.S. 105-449.45. The amount of tax due on the amount of motor fuel or alternative fuel used by the motor carrier is calculated on the amount of motor fuel or alternative fuel used by the motor carrier in its operations within this State during the quarter covered by the return. The amount of tax due on the frequency of the motor carrier's use of the streets and highways of this State is calculated in accordance with G.S. 105-449.38(b) for the quarter covered by the return.

...

"§ 105-449.44. How to determine the amount of fuel used in the State; presumption of amount used.

(a) Calculation. – The amount of motor fuel or alternative fuel a motor carrier uses in its operations in this State for a reporting period is the number of miles the motor carrier travels in this State during that period divided by the calculated miles per gallon for the motor carrier for all qualified motor vehicles during that period.

(b) Presumption. – The Secretary must check returns filed under this Article against the weigh station records and other records of the Division of Motor Vehicles of the Department of Transportation and the State Highway Patrol of the Department of Public Safety concerning motor carriers to determine if motor carriers that are operating in this State are filing the returns required by this Article. If the records indicate that a motor carrier operated in this State in a quarter and either did not file a return for that quarter or understated its mileage in this State on a return filed for that quarter by at least twenty-five percent (25%), the Secretary may assess the motor carrier for an amount based on the motor carrier's presumed operations. The motor carrier is presumed to have mileage in this State equal to 10 trips of 450 miles each for each of the motor carrier's qualified motor vehicles and to have fuel usage of four miles per gallon.

(c) Vehicles. – The number of qualified motor vehicles of a motor carrier that is registered under this Article is the number of sets of decals issued to the carrier. The number of qualified motor vehicles of a carrier that is not registered under this Article is the number of qualified motor vehicles registered by the motor carrier in the carrier's base state under the International Registration Plan.

...

"§ 105-449.46. Inspection of books and records.

The Secretary and his authorized agents and representatives shall have the right at any reasonable time to inspect the books and records of any motor carrier subject to the ~~tax~~ taxes imposed by this Article or to the registration fee imposed by Article 3 of Chapter 20 of the General Statutes.

"§ 105-449.47. Registration of vehicles.

(a) Requirement. – A motor carrier may not operate or cause to be operated in this State a qualified motor vehicle unless both the motor carrier and at least one qualified motor vehicle are registered as provided in this subsection. This subsection applies to a motor carrier that operates a recreational vehicle that is considered a qualified motor vehicle. A motor carrier that is subject to the International Fuel Tax Agreement must register with the motor carrier's base state jurisdiction. A motor carrier that is not subject to the International Fuel Tax Agreement must register with the Secretary for purposes of the ~~tax~~ taxes imposed by this Article.

"§ 105-449.49. Temporary permits.

(b) Refusal. – The Secretary may refuse to issue a temporary permit to any of the following:

- (1) A motor carrier whose registration has been withheld or revoked.
- (2) A motor carrier who the Secretary determines is evading payment of ~~tax~~ taxes through the successive purchase of temporary permits.

"§ 105-449.57. Cooperative agreements between jurisdictions.

(a) Authority. – The Secretary may enter into cooperative agreements with other jurisdictions for exchange of information in administering the ~~tax~~ taxes imposed by this Article. No agreement, arrangement, declaration, or amendment to an agreement is effective until stated in writing and approved by the Secretary.

(b) Content. – An agreement may provide for determining the base state for motor carriers, records requirements, audit procedures, exchange of information, persons eligible for tax licensing, defining qualified motor vehicles, determining if bonding is required, specifying reporting requirements and periods, including defining uniform penalty and interest rates for late reporting, determining methods for collecting and forwarding of motor carrier taxes and penalties to another jurisdiction, and any other provisions that will facilitate the administration of the agreement.

(c) Disclosure. – In accordance with G.S. 105-259, the Secretary may, as required by the terms of an agreement, forward to officials of another jurisdiction any information in the Department's possession relative to the use of motor fuel or alternative fuel by any motor carrier. The Secretary may disclose to officials of another jurisdiction the location of offices, motor vehicles, and other real and personal property of motor carriers.

(d) Audits. – An agreement may provide for each jurisdiction to audit the records of motor carriers based in the jurisdiction to determine if the taxes due each jurisdiction are properly reported and paid. Each jurisdiction must forward the findings of the audits performed on motor carriers based in the jurisdiction to each jurisdiction in which the carrier has ~~taxable use of motor fuel or alternative fuel taxes due~~. For motor carriers not based in this State, the Secretary may utilize the audit findings received from another jurisdiction as the basis upon which to propose assessments of taxes against the carrier as though the audit had been conducted by the Secretary. Penalties and interest must be assessed at the rates provided in the agreement.

...."

SECTION 3.(b) This section becomes effective for taxable years beginning on or after January 1, 2017.

PART IV. ELIMINATE STATUTORY TRANSFERS OF PROCEEDS FROM MOTOR FUEL EXCISE TAX

SECTION 4.(a) G.S. 75A-3(c) reads as rewritten:

"(c) The Boating Account is established within the Wildlife Resources Fund created under G.S. 143-250. Interest and other investment income earned by the Account accrues to the Account. All moneys collected pursuant to the numbering and titling provisions of this Chapter shall be credited to this Account. ~~Motor fuel excise tax revenue is credited to the Account under G.S. 105-449.126.~~ The Commission shall use revenue in the Account, subject to the Executive Budget Act and the Personnel Act, for the administration and enforcement of this Chapter; for activities relating to boating and water safety including education and waterway marking and improvement; and for boating access area acquisition, development, and maintenance. The Commission shall use at least three dollars (\$3.00) of each one-year certificate of number fee and at least nine dollars (\$9.00) of each three-year certificate of number fee collected under the numbering provisions of G.S. 75A-5 for boating access area acquisition, development, and maintenance. The Commission shall transfer on a quarterly basis fifty percent (50%) of each one-year certificate of number fee and fifty percent (50%) of each three-year certificate of number fee collected under the numbering provisions of G.S. 75A-5 to the Shallow Draft Navigation Channel Dredging and Lake Maintenance Fund established by G.S. 143-215.73F."

SECTION 4.(b) G.S. 105-449.125 reads as rewritten:

"§ 105-449.125. Distribution of tax revenue among various funds and accounts.

~~The Secretary shall allocate the amount of revenue collected under this Article from an excise tax of one half cent (1/2¢) a gallon to the following funds and accounts in the fraction indicated:~~

<u>Fund or Account</u>	<u>Amount</u>
Commercial Leaking Petroleum	
Underground Storage Tank Cleanup Fund	Nineteen thirty-seconds
Noncommercial Leaking Petroleum	
Underground Storage Tank Cleanup Fund	Three thirty-seconds
Water and Air Quality Account	Five sixteenths.

The Secretary shall allocate seventy-five percent (75%) of the ~~remaining~~ excise tax revenue collected under this Article to the Highway Fund and shall allocate twenty-five percent (25%) to the Highway Trust Fund.

The Secretary shall charge a proportionate share of a refund allowed under this Article to each fund or account to which revenue collected under this Article is credited. The Secretary shall credit revenue or charge refunds to the appropriate funds or accounts on a monthly basis."

SECTION 4.(c) G.S. 105-449.126 is repealed.

SECTION 4.(d) G.S. 136-41.1(a) reads as rewritten:

~~"(a) There is annually appropriated out of the State Highway Fund a sum equal to ten and four tenths percent (10.4%) of the net amount after refunds that was produced during the fiscal year by the tax imposed under Article 36C of Chapter 105 of the General Statutes and on the equivalent amount of alternative fuel taxed under Article 36D of that Chapter. One-half Upon appropriation of funds by the General Assembly from the Highway Fund to municipalities for State street-aid, one-half of the amount appropriated shall be allocated in cash on or before October 1 of each year to the cities and towns of the State in accordance with this section. The second one-half of the amount appropriated shall be allocated in cash on or before January 1 of each year to the cities and towns of the State in accordance with this section. The appropriation from the Highway Fund shall be based on revenue collected during the fiscal year preceding the date the distribution is made.~~

~~...."~~

SECTION 4.(e) G.S. 143-215.3A(a) reads as rewritten:

"(a) The Water and Air Quality Account is established as an account within the Department. Revenue in the Account shall be applied to the costs of administering the programs for which the fees were collected. ~~Revenue credited~~ Any funds appropriated by the

General Assembly from the Highway Fund to the Account pursuant to ~~G.S. 105-449.43, G.S. 105-449.125, and G.S. 105-449.136~~ Account shall be used to administer the air quality program. Any funds credited to the Account from fees collected for laboratory facility certifications under G.S. 143-215.3(a)(10) that are not expended at the end of each fiscal year for the purposes for which these fees may be used under G.S. 143-215.3(a)(10) shall revert. Any other funds credited to the Account that are not expended at the end of each fiscal year shall not revert. Except for the following fees, all application fees and permit administration fees collected by the State for permits issued under Articles 21, 21A, 21B, and 38 of this Chapter shall be credited to the Account:

- (1) Fees collected under Part 2 of Article 21A and credited to the Oil or Other Hazardous Substances Pollution Protection Fund.
- (2) Fees credited to the Title V Account.
- (3) Repealed by Session Laws 2005-454, s. 7, effective January 1, 2006.
- (4) Fees collected under G.S. 143-215.28A.
- (5) Fees collected under G.S. 143-215.94C shall be credited to the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund."

SECTION 4.(f) G.S. 143-215.73F reads as rewritten:

"§ 143-215.73F. Shallow Draft Navigation Channel Dredging and Lake Maintenance Fund.

The Shallow Draft Navigation Channel Dredging and Lake Maintenance Fund is established as a special revenue fund. The Fund consists of fees credited to it under ~~G.S. 75A-3, 75A-38, and 105-449.126~~. G.S. 75A-3 and G.S. 75A-38. Revenue in the Fund may only be used to provide the State's share of the costs associated with any dredging project designed to keep shallow draft navigation channels located in State waters or waters of the state located within lakes navigable and safe, or for aquatic weed control projects in waters of the State located within lakes under Article 15 of Chapter 113A of the General Statutes. Funding for aquatic weed control projects is limited to five hundred thousand dollars (\$500,000) in each fiscal year. Any project funded by revenue from the Fund must be cost-shared with non-State dollars on a one-to-one basis, provided that the cost-share for a lake located within a component of the State Parks System shall be provided by the Division of Parks and Recreation of the Department of Environment and Natural Resources. The Division of Parks and Recreation may use funds allocated to the State Parks System for capital projects under G.S. 113-44.15 for the cost-share. For purposes of this section, "shallow draft navigation channel" means (i) a waterway connection with a maximum depth of 16 feet between the Atlantic Ocean and a bay or the Atlantic Intracoastal Waterway, (ii) a river entrance to the Atlantic Ocean through which tidal and other currents flow, or (iii) other interior coastal waterways. "Shallow draft navigation channel" includes the Atlantic Intracoastal Waterway and its side channels, Beaufort Harbor, Bogue Inlet, Carolina Beach Inlet, the channel from Back Sound to Lookout Back, channels connected to federal navigation channels, Lockwoods Folly River, Manteo/Shallowbag Bay, including Oregon Inlet, Masonboro Inlet, New River, New Topsail Inlet, Rodanthe, Rollinson, Shallotte River, Silver Lake Harbor, and the waterway connecting Pamlico Sound and Beaufort Harbor."

SECTION 4.(g) Notwithstanding G.S. 143C-5-2, and beginning in the 2017-2018 fiscal year, appropriations of recurring funds from the Highway Fund shall be made according to the following schedule:

- (1) One hundred forty-six million six hundred forty thousand dollars (\$146,640,000) to the Department of Transportation to be allocated and used in accordance with G.S. 136-41.1.
- (2) Two million three hundred fifty thousand dollars (\$2,350,000) to the Wildlife Resources Fund to be used in accordance with G.S. 143-250.

- (3) Eight million three hundred fifty-nine thousand sixty-three dollars (\$8,359,063) to the Water and Air Quality Account to be used in accordance with G.S. 143-215.3A(a).
- (4) Two million three hundred fifty thousand dollars (\$2,350,000) to the Shallow Draft Navigation Channel Dredging and Lake Maintenance Fund to be used in accordance with G.S. 143-215.73F.
- (5) Fifteen million eight hundred eighty-two thousand two hundred nineteen dollars (\$15,882,219) to the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund to be used in accordance with G.S. 143-215.94B.
- (6) Two million five hundred seven thousand seven hundred nineteen dollars (\$2,507,719) to the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund to be used in accordance with G.S. 143-215.94D.

SECTION 4.(h) This section becomes effective July 1, 2017.

PART V. PROHIBITION ON NEW TOLLING, SUBJECT TO A LOCAL REFERENDUM

SECTION 5.(a) G.S. 136-11.1 reads as rewritten:

"§ 136-11.1. Local consultation on transportation ~~projects~~projects; toll project referendum.

(a) Requirement. — Prior to any action of the Board on a transportation project, the Department shall inform all municipalities and counties affected by a planned transportation project and request each affected municipality or county to submit within 45 days a written resolution expressing their views on the project. A municipality or county may designate a Transportation Advisory Committee to submit its response to the Department's request for a resolution. Upon receipt of a written resolution from all affected municipalities and counties or their designees, or the expiration of the 45-day period, whichever occurs first, the Board may take action. The Department and the Board shall consider, but shall not be bound by, the views of the affected municipalities and counties on each transportation project. The failure of a county or municipality to express its views within the time provided shall not prevent the Department or the Board from taking action. The Department shall not be required to send notice under this section if it has already received a written resolution from the affected county or municipality on the planned transportation project. "Action of the Board", as used in this section, means approval by the Board of: the Transportation Improvement Program and amendments to the Transportation Improvement Program; the Secondary Roads Paving Program and amendments to the Secondary Roads Paving Program; and individual applications for access and public service road projects, contingency projects, small urban projects, and spot safety projects that exceed one hundred fifty thousand dollars (\$150,000). The 45-day notification provision may be waived upon a finding by the Secretary of Transportation that emergency action is required. Such findings must be reported to the Joint Legislative Transportation Oversight Committee.

(b) Toll Project Referendum. — Effective August 1, 2015, the Department or the Turnpike Authority, as applicable, shall not establish or construct a road, bridge, or tunnel project that will be financed with tolls, user fees, or any other direct charge to users of the transportation infrastructure, unless approved by a majority of the voters in each of the counties in which the road, bridge, or tunnel project will be located. The Department or the Turnpike Authority, as applicable, may direct the respective county board or boards of elections to conduct an advisory referendum on the question of whether the Department or the Turnpike Authority, as applicable, may establish or construct a road, bridge, or tunnel project in the county that will be financed with tolls, user fees, or any other direct charge to users of the

1 transportation infrastructure. The election shall be held on a date jointly agreed upon by the
2 Department or the Turnpike Authority, as applicable, the county board or boards of
3 commissioners, and the county board or boards of elections and shall be held on a date
4 permitted by and in accordance with the procedures of G.S. 163-287."

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

6 **"§ 136-18. Powers of Department of Transportation.**

7 The said Department of Transportation is vested with the following powers:

8 ...
9 (39) To enter into partnership agreements with private entities, and authorized
10 political subdivisions to finance, by tolls, contracts, and other financing
11 methods authorized by law, the cost of acquiring, constructing, equipping,
12 maintaining, and operating transportation infrastructure in this State, and to
13 plan, design, develop, acquire, construct, equip, maintain, and operate
14 transportation infrastructure in this ~~State~~ State, provided that the Department
15 shall not enter into any partnership agreement or any construction contract
16 under a partnership agreement providing for financing with tolls, user fees,
17 or any other direct charge to users of the transportation infrastructure on or
18 after August 1, 2015, unless authorized pursuant to a referendum under
19 G.S. 136-11.1. An agreement entered into under this subdivision requires the
20 concurrence of the Board of Transportation. The Department shall report to
21 the Chairs of the Joint Legislative Transportation Oversight Committee, the
22 Chairs of the House of Representatives Appropriations Subcommittee on
23 Transportation, and the Chairs of the Senate Appropriations Committee on
24 the Department of Transportation, at the same time it notifies the Board of
25 Transportation of any proposed agreement under this subdivision. No
26 contract for transportation infrastructure subject to such an agreement that
27 commits the Department to make nonretainage payments for undisputed
28 capital costs of a completed transportation infrastructure to be made later
29 than 18 months after final acceptance by the Department of such
30 transportation infrastructure shall be executed without approval of the Local
31 Government Commission. Any contracts for construction of highways,
32 roads, streets, and bridges which are awarded pursuant to an agreement
33 entered into under this section shall comply with the competitive bidding
34 requirements of Article 2 of this Chapter.

35 (39a) a. The Department of Transportation or Turnpike Authority, as
36 applicable, may enter into up to three agreements with a private
37 entity as provided under subdivision (39) of this section for which
38 the provisions of this section apply.

39 ...

40 f. Agreements entered into under this subdivision shall comply with the
41 following additional provisions:

- 42 1. The Department shall solicit proposals for agreements.
- 43 2. Agreement shall be limited to no more than 50 years from the
44 date of the beginning of operations on the toll facility.
- 45 3. Notwithstanding the provisions of G.S. 136-89.183(a)(5), and
46 subject to the limitation on tolling set forth in subdivision
47 (39) of this section, all initial tolls or fees to be charged by a
48 private entity shall be reviewed by the Turnpike Authority
49 Board. Prior to setting toll rates, either a set rate or a
50 minimum and maximum rate set by the private entity, the
51 private entity shall hold a public hearing on the toll rates,

including an explanation of the toll setting methodology, in accordance with guidelines for the hearing developed by the Department. After tolls go into effect, the private entity shall report to the Turnpike Authority Board 30 days prior to any increase in toll rates or change in the toll setting methodology by the private entity from the previous toll rates or toll setting methodology last reported to the Turnpike Authority Board.

...."

SECTION 5.(c) 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:

...

(2) To study, plan, develop, and undertake preliminary design work on up to nine Turnpike Projects. At the conclusion of these activities, the Turnpike Authority is authorized to design, establish, purchase, construct, operate, and maintain the following projects:

a. Triangle Expressway, including segments also known as N.C. 540, Triangle Parkway, and the Western Wake Freeway in Wake and Durham Counties. The described segments constitute three projects.

b. Repealed by Session Laws 2013-183, s. 5.1, effective July 1, 2013.

c. Monroe Connector/Bypass.

d., e. Repealed by Session Laws 2013-183, s. 5.1, effective July 1, 2013.

Any other project proposed by the Authority in addition to the projects listed in this subdivision requires (i) authorization pursuant to a referendum under G.S. 136-11.1 and (ii) prior consultation with the Joint Legislative Commission on Governmental Operations pursuant to G.S. 120-76.1 no less than 180 days prior to initiating the process required by Article 7 of Chapter 159 of the General Statutes.

With the exception of the four projects set forth in sub-subdivisions a. and c. of this subdivision, the Turnpike projects selected for construction by the Turnpike Authority, prior to the letting of a contract for the project, shall meet the following conditions: (i) two of the projects must be ranked in the top 35 based on total score on the Department-produced list entitled "Mobility Fund Project Scores" dated June 6, 2012, and, in addition, may be subject to G.S. 136-18(39a); (ii) of the projects not ranked as provided in (i), one may be subject to G.S. 136-18(39a); (iii) the projects shall be included in any applicable locally adopted comprehensive transportation plans; (iv) the projects shall be shown in the current State Transportation Improvement Program; and (v) toll projects must be approved by all affected Metropolitan Planning Organizations and Rural Transportation Planning Organizations for tolling.

f. Repealed by Session Laws 2008-225, s. 4, effective August 17, 2008. Any other project proposed by the Authority in addition to the projects listed in this subdivision must be approved by the General Assembly prior to construction.

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.

...

- (5) To fix, revise, charge, retain, enforce, 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. Projects, provided that the Authority shall not establish or increase any tolls, user fees, or any other direct charge to users of a Turnpike Project on or after August 1, 2015, except (i) as necessary to satisfy construction bonds and other contractual financial obligations entered into prior to August 1, 2015, or (ii) unless authorized pursuant to a referendum under G.S. 136-11.1.~~

...."

SECTION 5.(d) G.S. 136-89.198 reads as rewritten:

"§ 136-89.198. Authority to toll existing interstate highways.

(a) General. – Notwithstanding any other provision of this Article, the Authority may collect tolls established prior to August 1, 2015, on any existing interstate highway for which the United States Department of Transportation has granted permission by permit, or any other lawful means, to do so. The revenue generated from the collected tolls shall be used by the Authority to repair and maintain the interstate on which the tolls were collected. These revenues shall not be used to repair, maintain, or upgrade any State primary or secondary road adjacent to or connected with the interstate highways.

...."

SECTION 5.(e) G.S. 136-89.199 reads as rewritten:

"§ 136-89.199. Designation of high-occupancy toll and managed lanes.

(a) Authority. – Notwithstanding any other provision of this Article, the Authority may designate one or more lanes of any highway, or portion thereof, within the State, including lanes that may previously have been designated as HOV lanes under G.S. 20-146.2, as high-occupancy toll (HOT) or other type of managed lanes; provided, however, that such designation shall not reduce the number of existing non-toll general purpose lanes. In making such designations, the Authority shall specify the high-occupancy requirement or other conditions for use of such lanes, which may include restricting vehicle types, access controls, or the payment of tolls for vehicles that do not meet the high-occupancy requirements or conditions for use.

(b) Limitation. – The Authority may not designate any new high-occupancy toll lanes or increase tolls on existing high-occupancy toll lanes after August 1, 2015, unless authorized pursuant to a referendum under G.S. 136-11.1."

SECTION 5.(f) G.S. 136-89.211 reads as rewritten:

"§ 136-89.211. Tolls for use of Turnpike project.

In exercising its authority under G.S. 136-89.183 to set tolls for the use of a Turnpike project, the Authority may not do any of the following:

- (1) Set open road tolls that vary for the same class of motor vehicle depending on the method by which the Authority identifies a motor vehicle that drives on the Turnpike project. This does not preclude the Authority from allowing a discount for a motor vehicle equipped with an electronic toll collection transponder or a motor vehicle that has prepaid its toll.
- (2) Exempt a motor vehicle that is not a law enforcement vehicle, an emergency fire or rescue vehicle, or an emergency medical services vehicle from the requirement of paying a toll for the use of a Turnpike project.
- (3) Establish a new toll or increase an existing toll after August 1, 2015, except (i) as necessary to satisfy construction bonds and other contractual financial

obligations entered into prior to August 1, 2015, or (ii) unless authorized pursuant to a referendum under G.S. 136-11.1."

SECTION 5.(g) G.S. 136-89.212 reads as rewritten:

"§ 136-89.212. Payment of toll required for use of tolled Turnpike project, projects.

(a) A motor vehicle that is driven on a tolled Turnpike project is subject to a toll imposed by the Authority for the use of the project. If the toll is an open road toll, the person who is the registered owner of the motor vehicle is liable for payment of the toll unless the registered owner establishes that the motor vehicle was in the care, custody, and control of another person when it was driven on the Turnpike project.

...."

SECTION 5.(h) Nothing in this section shall be construed as altering or superseding the time frame in which projects programmed in the five-year State Transportation Improvement Program (STIP) are to be completed. All projects programmed in the five-year STIP shall be completed on schedule.

SECTION 5.(i) This section becomes effective August 1, 2015.

PART VI. I-77 TOLL LANES PROHIBITED BETWEEN EXITS 23 AND 36 IN MECKLENBURG AND IREDELL COUNTIES

SECTION 6.(a) Notwithstanding any other provision of law, the Department of Transportation is prohibited from expending funds, or participating in any way, in the construction of toll lanes on or adjacent to Interstate 77 between exits 23 and 36 in Mecklenburg and Iredell Counties.

SECTION 6.(b) This section becomes effective when it becomes law.

PART VII. HEADINGS/EFFECTIVE DATE

SECTION 7.(a) The headings to the parts of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

SECTION 7.(b) Except as otherwise provided in this act, this act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

D

HOUSE BILL 127
Committee Substitute Favorable 3/25/15
PROPOSED SENATE COMMITTEE SUBSTITUTE H127-CSRW-31 [v.6]

6/30/2015 2:26:00 PM

Short Title: DOT Condemnation Changes.

(Public)

Sponsors:

Referred to:

March 3, 2015

A BILL TO BE ENTITLED
AN ACT TO MODIFY THE MEASURE OF DAMAGES IN A CONDEMNATION ACTION
INITIATED BY THE DEPARTMENT OF TRANSPORTATION; TO PROVIDE THAT
INTEREST ON A DOT CONDEMNATION AWARD SHALL BE PAID FROM THE
DATE OF TAKING UNTIL THE DATE THE JUDGMENT IS PAID; TO PROVIDE
THAT THE OWNER OF THE CONDEMNED PROPERTY SHALL BE AWARDED
REASONABLE COSTS SUCH AS APPRAISAL AND ENGINEERING FEES; AND TO
PROVIDE THAT THE DEPARTMENT OF TRANSPORTATION SHALL SEND ANY
RELOCATION NOTICE REQUIRED BY FEDERAL LAW WITHIN A SPECIFIED
PERIOD OF TIME.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-112 reads as rewritten:

"§ 136-112. Measure of damages.

The following shall be the measure of damages to be followed by the commissioners, jury
or judge who determines the issue of damages:

(1) Where only a part of a tract is taken, the measure of damages for said taking
shall be the difference between the fair market value of the entire tract
immediately prior to said taking and the fair market value of the remainder
immediately after said taking, ~~with~~ without consideration being given to any
special or general benefits resulting from the utilization of the part taken for
highway purposes.

(2) Where the entire tract is taken the measure of damages for said taking shall
be the fair market value of the property at the time of taking."

SECTION 2. G.S. 136-113 reads as rewritten:

"§ 136-113. Interest as a part of just compensation.

To said amount awarded as damages by the commissioners or a jury or judge, the judge
shall, as a part of just compensation, add interest at the legal rate as provided in G.S. 24-1 on
said amount from the date of taking to the date of judgment; ~~the judgment is paid;~~ but interest
shall not be allowed from the date of deposit on so much thereof as shall have been paid into
court as provided in this Article."

SECTION 3. G.S. 136-119 reads as rewritten:

"§ 136-119. Costs and appeal.

(a) The Department of Transportation shall pay all court costs taxed by the court. Either
party shall have a right of appeal to the Supreme Court for errors of law committed in any



proceedings provided for in this Article in the same manner as in any other civil actions and it shall not be necessary that an appeal bond be posted.

(b) The court having jurisdiction of the condemnation action instituted by the Department of Transportation to acquire real property by condemnation shall award the owner of any right, or title to, or interest in, such real property such sum as will in the opinion of the court reimburse such owner for his reasonable cost, costs, disbursements, and expenses, as specified in G.S. 40A-8, including appraisal ~~reasonable attorney fees, appraisal, and engineering fees,~~ fees actually incurred because of the condemnation proceedings, if (i) the proceedings, and excluding reasonable attorneys' fees. In addition, the court shall award reasonable attorneys' fees, if any of the following apply:

(1) The final judgment is that the Department of Transportation cannot acquire real property by ~~condemnation; or (ii) the~~ condemnation.

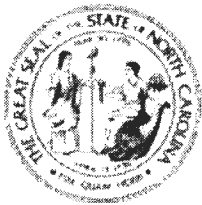
(2) The proceeding is abandoned by the Department of Transportation.

(c) The judge rendering a judgment for the plaintiff in a proceeding brought under G.S. 136-111 awarding compensation for the taking of property, shall determine and award or allow to such plaintiff, as a part of such judgment, such sum as will in the opinion of the judge reimburse such plaintiff for his reasonable cost, disbursements and expenses, including reasonable attorney, appraisal, and engineering fees, actually incurred because of such proceeding."

SECTION 4. G.S. 136-103(a) reads as rewritten:

"(a) In case condemnation shall become necessary the Department of Transportation shall institute a civil action by filing in the superior court of any county in which the land is located a complaint and a declaration of taking declaring that such land, easement, or interest therein is thereby taken for the use of the Department of Transportation. The Department of Transportation shall provide any written notice of relocation required by federal law together with the summons, complaint, declaration of taking, and notice of deposit required by G.S. 136-103(d)."

SECTION 5. Section 5 of this act becomes effective when it becomes law. Sections 2 and 4 of this act become effective October 1, 2015, and apply to condemnation actions filed on or after that date. Sections 1 and 3 of this act becomes effective July 1, 2016, and apply to condemnation actions filed on or after that date.



HOUSE BILL 127: DOT Condemnation Changes

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Judiciary I	Date:	June 22, 2015
Introduced by:	Reps. Stam, Jackson, Bryan	Prepared by:	Giles S. Perry
Analysis of:	PCS to Second Edition H127-CSRW-31		Committee Counsel

SUMMARY: *House Bill 127 (proposed committee substitute) makes the following changes: (1) modifies the measure of damages for Department of Transportation (DOT) condemnations for partial takings by excluding consideration for any special or general benefits resulting from the utilization of the part taken for highway purposes; (2) provides for interest on a DOT condemnation award from date of taking until judgment is paid; (3) requires reimbursements to person whose property is condemned for appraisal and engineering fees; and (4) provides that DOT must send any relocation notice required by federal law with the required summons, complaint, declaration of taking and notice of deposit.*

CURRENT LAW: Under Article 9 of Chapter 136, the Department of Transportation (DOT) has authority to initiate a condemnation by instituting a civil action in the superior court of any county in which the land is located. DOT must file a complaint and a declaration of taking declaring that the land, easement, or interest is taken for the use of DOT. The complaint and declaration shall be accompanied by the deposit of a sum estimated by the DOT to be just compensation for the taking.

G.S. 136-112 provides the measure of damages as follows:

- Where only a part of a tract is taken, the measure of damages is the difference between the fair market value of the entire tract immediately prior to the taking and the fair market value of the remainder immediately after said taking, with consideration being given to any special or general benefits resulting from the utilization of the part taken for highway purposes.
- Where the entire tract is taken, the measure of damages for the taking is the fair market value of the property at the time of taking. In determining just compensation, interest is added from the date of taking to the date of judgment.

G.S. 136-113 requires the judge to add interest at the legal rate of 8% to the damage award from the date of taking to the date of judgment.

G.S. 136-119 requires DOT to pay all court costs taxed by the court. The court must reimburse the owner for reasonable costs, including reasonable attorney fees, appraisal, and engineering fees, if (i) the final judgment is that the DOT cannot acquire real property by condemnation; or (ii) the proceeding is abandoned by the DOT.

BILL ANALYSIS:

Section 1: Provides that the measure of damages for a partial taking in a DOT condemnation action be made without consideration being given to any special or general benefits resulting from the utilization of the part taken for highway purposes.

O. Walker Reagan
Director



Research Division
(919) 733-2578

House Bill 127

Page 2

Section 2: Provides that the interest in a DOT condemnation be calculated from the date of the taking to the date the judgment is paid (rather than the date of judgment).

Section 3: Provides that the owner of a property subject to a condemnation action must be awarded reasonable costs, disbursements, and expenses, such as appraisal and engineering fees (but not attorneys' fees) as provided in the costs statute for eminent domain proceedings (G.S. 40A-8).

In addition, provides for the award of reasonable attorneys' fees if any of the following applies:

1. The final judgment was that DOT could not acquire the property by condemnation.
2. DOT abandoned the proceeding.

Section 4: The federal Uniform Relocation Assistance and Real Property Acquisition Policies Act requires relocation notices to be provided to persons displaced by eminent domain actions in certain cases. Section 4 requires DOT to provide any written notice of relocation required under federal law together with the summons, complaint, declaration of taking and notice of deposit required to be served under G.S. 136-103(d).

EFFECTIVE DATE: Sections 2 and 4 would become effective October 1, 2015, and apply to condemnation actions filed on or after that date. Sections 1 and 3 would become effective July 1, 2016, and would apply to condemnation actions filed on or after that date. Section 5 becomes effective when it becomes law.

Kara McCraw, counsel to House Judiciary IV, substantially contributed to this summary.

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 127

DATE _____

S. B. No. _____

Amendment No. _____

(to be filled in by
Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Attkisson
Sen.) Daniel

1 moves to amend the bill on page _____, line _____

2 () WHICH CHANGES THE TITLE

3 by _____

4 page 2, lines 13-14, by adding between those
5 lines:

6 "(b1) If the case is settled by the consent
7 of the parties, the trial court shall not
8 tax ~~cost~~ costs specified in subsection (b)
9 of this section, unless specifically reserved
10 by the parties. j' and

11 _____
12 page 2, line 3, by adding after "(b)"
13 the following:

14 "At the conclusion of a trial to
15 determine just compensation, "j' and

16 _____
17 page 2, line 4, by adding after "award"
18 "in the trial judgment "j' and

19 page 2, line 25, by deleting "any" and
20 "together"
21 and adding "when" after "relocation".

SIGNED _____

ADOPTED _____ FAILED ✓ TABLED _____



Miss Lee Churchill
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Raleigh, North Carolina 27611
lcgloryusa1776@gmail.com
919-601-8268
25 June 2015

**TECHNOLOGY NETWORK COMPANIES
-TNC-**

To all elected, administrative officials and parties of concern,

The Federal Codes and The North Carolina General Statues that are governing The TNC issues, along with Due Process and Fair Trade Practice issues, before you are:

THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION PARTS 365 AND 387.
THE NORTH CAROLINA STATE STATUES, DMV CHAPTER 20-4.01 11a and 29a, 4.02 and 20-86. CHAPTER 20-10 and 280. TRANSPORTATION CHAPTER 136, 136-44.21. INSURANCE CHAPTER 58, 58-40-10. PUBLIC UTILITIES, CHAPTER 62, 260A 2 and 8. CHAPTER 160A-304. Then finally, CHAPTER 153A-134c and CHAPTER 160A-194c. All **started** from Rider Bills, under Revenue **HB 74 and HB 272. Pending Now are: SB 414, SB 541, SB 567 and HB 680 on these issues.**

INSURANCE - Coverage should be a 24/7 policy as stated in Codes and Statues, which MANDATES: \$1.5 Million for commercial coverage (**FOR-HIRE** license plates). NCGS 20-86 MANDATES: **NO PRIVATE LIABILITY INSURANCE!!!**

WHY - TNC drivers, at times, USE their **PERSONAL credit card machines** and will also **accept CASH** transactions for transportation of passengers. Under that scenario, should an accident occur, **passengers would not be covered.** Further, with a commercial license, there is greater coverage **should a pedestrian or bicyclist be involved, while they are working.**

FINGERPRINTING AND BACKGROUND CHECKS BY LAW ENFORCEMENT SHOULD BE REQUIRED.

A permit to drive should be issued only **after identity** of the person can be **confirmed.** Passengers don't know who they are riding with otherwise. **KEEP TAXICAB INSPECTORS OFFICE, (RENAME) -TRANSPORTATION OFFICE.**

SURGE PRICING - DURING MAJOR EVENTS AND (TRAGIC) EVENTS AND PEAK HOURS WHEN DEMAND FOR SERVICE IS HIGH.

WHY - The public should know what the fare for service is. The **local** city governments **SHOULD SET** the rates. This high surge-pricing and **ABUSE OF CREDIT CARDS** IS called PRICE GOUGING, CUSTOMER SCAMMING.

METER CALIBRATIONS FOR TIME AND DISTANCE.

WHY - North Carolina's procedure is through The North Carolina Department of AGRICULTURE, WEIGHTS AND MEASURES DIVISION for taxi inspections, **BY THE STATE EVERY YEAR, WHICH SEALS THE METERS, and ADDS A STICKER ON TOP.** This should be applicable to all carriers during the

Taxi Inspections. BY The Taxicab Inspectors, (NOT BY DMV) they have too much to handle!!! MAKE OFFICE OF TRANSPORTATION!!!

AMERICANS DISABILITY ACT.

WHY - If you are HANDICAPPED, BLIND WITH A SEEING EYE, or A GUIDE DOG, OR IN A WHEELCHAIR, TNC'S **WILL NOT** TRANSPORT YOU!!! When you are ADVERTISING TO THE PUBLIC, ISN'T IT ILLEGAL to DISCRIMINATE?

SELECTIVE TARGETING - REFUSING CASH TRIPS AND ONLY ACCEPTING SMART PHONE CUSTOMERS.

WHY - WHEN IN BUSINESS, ADVERTISING, YOU GIVE SERVICE TO ALL, (NOT) BY SELECTING WHO MAY USE YOUR SERVICE!!! YOU CAN NOT HAIL DOWN FROM CURB OR ASK THE BAR TENDER TO CALL YOU AN UBER.

STRIPPING THE RALEIGH DURHAM AIRPORT AND OTHER AIRPORTS, THE RIGHT TO REGULATE, FINE AND LEVY FEES, ARREST FOR VIOLATIONS OF THEIR ORDINANCES.

WHY - In my opinion you need rules and regulations to MAINTAIN ORDER AND PEACE, TO HAVE SECURITY FOR THE SAFETY AND PROTECTION OF THE PUBLIC. TO PROTECT the WORKERS there, WHO ARE CONDUCTING BUSINESS THERE. Rules concerning parking and ticketing. The rules and regulations should be applicable to all working within the same framework!

There is a serious disparity, both operate as a for-hire transportation service. There is a 24/7 a day SERVICE ON DEMAND. Both OPERATE by CHARGING BY **TIME AND DISTANCE ON DEMAND SERVICE**. NOTE: USING APP SYSTEM NOT CALIBRATED OR SET by the state.

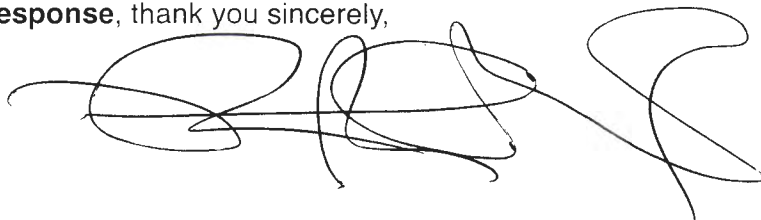
I have documented 634 LICENSE PLATE NUMBERS OF PRIVATE VEHICLES, WITH PRIVATE LICENSE PLATES, with PRIVATE LIABILITY INSURANCE. NOTE: About forty have for-hire commercial plates. I hereby provide this list, if you would like to verify.

If these license plates were run, is it possible that some of the drivers may have criminal records or poor driving records? One example was aired by WBTV.COM BY Nick Ochsner - DRIVER TERMINATED AFTER ON YOUR SIDE INVESTIGATED 29 May 2015. This is one story, there are many others. **CHECK the Internet, Twitter** for stories, complaints and law suits on **UBER!!!**

THINK ABOUT WHETHER OR NOT YOU WOULD WANT YOUR LOVED ONES AND YOUR FRIENDS RIDING IN THESE VEHICLES WITH LITTLE OR NO REGULATIONS, WHO ARE BEING DRIVEN BY PEOPLE, WHO HAVEN'T BEEN FINGERPRINTED AND BACKGROUND CHECKED BY LAW ENFORCEMENT?

I will appreciate your kind consideration of the important issues I have presented. I am available to speak with or to attend and address any committee meetings, should you feel that it would be helpful, for THE HEALTH SAFETY AND WELFARE OF THE PUBLIC!!!

Looking forward to your response, thank you sincerely,
Miss Lee Churchill

A handwritten signature in black ink, appearing to be 'Lee Churchill', written in a cursive, flowing style.

**MAJORITY ARE ILLEGAL TNC PLATES, (without) BACKGROUND
CHECKS. WEEKENDS - on Glenwood Avenue and Fayetteville
Street. By Lee Churchill lcgloryusa1776@gmail.com 919-601-8268.**

(1) - AAP-9274	(35) - AHW-1927	(69) - BDL-1450	(103) - BHJ-3713
(2) - AAP-9296	(36) - AHW-3918	(70) - BDL-2574	(104) - BHM-2379
(3) - AAT-6578	(37) - AJN-9237	(71) - BED-6453	(105) - BJJ-6524
(4) - ABB-6543	(38) - AJP-4115	(72) - BED-6463	(106) - BJJ-9668
(5) - ABS-5015	(39) - AJP-7024	(73) - BEE KIND	(107) - BJK-3803
(6) - ACB-7659	(40) - AKC-3128	(74) - BEE-7713	(108) - BJK-5564
(7) - ACC-1869	(41) - ALN-1526	(75) - BEF-4233	(109) - BJK-6489
(8) - ACC-1889	(42) - ALV-3159	(76) - BEJ-4991	(110) - BJK-7128
(9) - ACC-5082	(43) - ALZ-7196	(77) - BEJ-5883	(111) - BJK-8605
(10) - ACC-6702	(44) - AMW-9810	(78) - BEK-2296	(112) - BJK-9803
(11) - ACD-5225	(45) - ANGEL*93	(79) - BEK-4781	(113) - BJL-5324
(12) - ACD-8787	(46) - ARSENAL1	(80) - BEK-4787	(114) - BJL-7576
(13) - ACK-6684	(47) - B*KR-8IV	(81) - BEK-5741	(115) - BJL-8914
(14) - ADJ-6576	(48) - BAA-1436	(82) - BEL-2507	(116) - BJM-4758
(15) - ADN-3908	(49) - BAJ-4077	(83) - BEL-2899	(117) - BJP-1677
(16) - AEE-7779	(50) - BAL-7012	(84) - BEL-5398	(118) - BJS-6412
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(578) - ZFH-8007	(612) - ZXP-9392	





SENATE TRANSPORTATION

COMMITTEE

JULY 1, 2015

11:00 am

Room 1027

SENATE SERGEANT-AT-ARMS

✓ TERRY BARNHARDT

✓ STEVE MCKAIG

✓ Larry Harrell



Senate Pages Attending

COMMITTEE: Transportation ROOM: 1027
 DATE: 7-1 TIME: 11 AM

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3.	May Alison Page	Gibsonville	Krawiec
4.	Allison Gallagher	Grimesland	D. Davis
5.	Blake Flinchum	Dobson	Randtman
6.	Chandler Euliss	Graham	Gunn
7.	Simone Smith	Charlotte	Sen. Ford
8.	Chloe Hollifield	Spruce Pine	R. Hise
9.	Matthew Joyner	Charlotte	B. Rucho
10.	Ryan Kleissler	Chapel Hill	McKissick

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SENATE TRANSPORTATION
PROSPECTIVE SPEAKER SIGN-IN

NAME

Speaker Person
ORGANIZATION

BILL
NO.

See Churchill *Tactical Industry* *SH1*

John Campbell *HB 127* *ATTY*

Nathan Batts *NCSA*

[Signature]

Joe McClees *McClees Consulting*

(potentially for Rose Williams)
Erin Wynia, NC League of Municipalities *HB 127*

Josh Hansen *Hansen Law Firm, PLLC* *HB 127*



VISITOR REGISTRATION SHEET

(Committee Name)

Date

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SAN HOEKSTRA	NCACC
Ben Popkin	NCDOI
Rose Williams	NCLM
Sarah Collins	NCLM
Laura Lansford	NC DOR
Carl McLamb	TSS
Christopher Rivers	NC DOI
ANDY WALSH	SA
VAT Procopio	LOLLC
Z. J. W.	NCLMA & other
M. J. Zimmon	Power
Brakeberry Pearson	SELC
Myr M. Kelly Abill	SELC
Isabel Villa-Loria	WCAD



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Senate Transportation

(Committee Name)

7/1/15

Date

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Michelle Frazier	MFS
John McMullen	MFS
RAY EVANS	NCRB
Edith Davis	NCRF
<i>[Signature]</i>	MWC
<i>[Signature]</i>	MWC
J. GRAYE SHERILL	NCFB
Reston Jones	NC DOT
Julie White	NCMMC
Michael Higley	NCMMC
Trey Rabon	AT&T
D. Jesse Inman	GW Strategies
Sheree Us de du	NC VMCA
Ed Insley	USA
Nathan Batts	NBA
Weldon Jones	Jordan Price

Michael Housev

THCG



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Senate Transportation
(Committee Name)

7/1/15
Date

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Jeff Barnhart	MWC
Keri Burke	MWC
Arathi Mehrotra	Uber
BRAD NAIL	Uber
Tim Bennett	UBER
Lauren Whaley	CCML
John P. ...	NCMAA
Erwin T Fletcher	FWW
Tim Lucas	NC Rate Bureau
Chris Thomas	Focus Carolina
John Handlin	MF & S
Paul Sherrin	NCFB
John Parker	NCFB
Lisa Martin	CAA
Kevin Mennald	WM
Annaliese Dolph	DL




SENATE TRANSPORTATION
VISITOR SIGN-IN

DATE _____

<u>Britton Allen</u>	<u>NC TCC</u>
<u>Austin Pruitt</u>	<u>Perkinson Law</u>
<u>Dwight Allen</u>	<u>Allen Law Office</u>
<u>Chig Kilbrian</u>	<u>Nelson Mullin</u>
<u>Gerry Cohen</u>	<u>" "</u>
<u>H. A. Tatarico</u>	<u>NC DOT</u>
<u>Michael Farmer</u>	<u>NC DOT</u>
<u>Lexi Morgan Arthur</u>	<u>NCRMA</u>
<u>David Collins</u>	<u>SEANC</u>
<u>Flint Benson</u>	<u>SEANC</u>
<u>Bob Mack</u>	<u>NC DOT</u>
<u>Donna Boone</u>	<u>NC DOT/DNV</u>

Josh Hansen
Philip Dwyer
Billy WARDEN

Hansen Law Firm, PLLC

LAW

Senate Pages Attending

Charles Matusch
Domen Blake

COMMITTEE: Transportation ROOM: 1027
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Page Name	Hometown	Sponsoring Senator
1. caroline putze	Raleigh	Berger
2. Kristanna McLamb	Dunn	Brown
3. John Beasley	Dunn	Rabin
4. Carrie Ruff	Rutherfordton	Hise
5.		
6.		
7.		
8.		
9.		
10.		

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1

**Senate Committee on Transportation
Wednesday, July 15, 2015 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on July 15, 2015 in Room 1027/1128 of the Legislative Building. 11 members were present. Attending Sergeant-at-Arms: Charles Marsalis and Donna Blake. Attending pages: Caroline Putze of Raleigh (Sen. Berger); KrisAnna McLamb of Dunn (Sen. Brown); John Beasley of Dunn (Sen. Rabin); and, Carrie Ruff of Rutherfordton (Sen. Hise).

Senator Warren Daniel, Chair, presided.

HB 492 Rutherford Cty/Rutherford Airport Authority. (Representative Hager) Rep. Hager presented the bill. There was not any committee discussion nor public comment. Motion was made by Sen. Hise for a Favorable report. The motion carried and the bill was reported to the Senate Principal Clerk (SPC) as Favorable as to the Bill, with a sequential referral to Senate Finance. Sen. Hise agreed to handle the bill on the Senate floor.

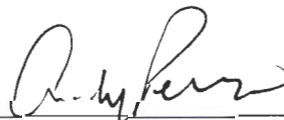
HB 6 Autocycle Definition and Regulation. (Representative Torbett) Rep. Torbett presented the bill and took questions from the committee regarding the difference between an autocycle and a motorcycle or ATV. Rep. Torbett also answered questions about insurance. There wasn't any public comment. Sen. Rabon motioned for a Favorable report. The motion carried and the bill was reported to the SPC as Favorable as to the bill, with no referrals. Sen. Jim Davis agreed to handle the bill on the Senate floor.

SB 509 Public Authority/Weight & Perm. Plates. (Senator Lee) The committee agreed to consider a PCS, S509-PCS45384-RWf-36, to this bill based on a motion from Sen. Hise. Sen. Lee presented the bill. Sen. Lowe moved to give the PCS a Favorable report. The committee reported S509 to the SPC as Unfavorable as to the Bill, but Favorable as to the Committee Substitute Bill.

The meeting adjourned at 11:15 am.



Senator Warren Daniel, Chair
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Wednesday, July 15, 2015, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 492	Rutherford Cty/Rutherford Airport Authority.	Representative Hager
HB 6	Autocycle Definition and Regulation.	Representative Torbett
SB 509	Public Authority/Weight & Perm. Plates.	Senator Lee

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, July 15, 2015

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

HB 6 (CS#1)

Autocycle Definition and Regulation.

Draft Number: None

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

HB 492

Rutherford Cty/Rutherford Airport Authority.

Draft Number: None

Sequential Referral: Finance

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 2

Senator James Davis will handle HB 6
Senator Ralph Hise will handle HB 492



★ C M R 5 0 2 - V - 1 ★

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, July 15, 2015

Senator Daniel,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 509

Public Authority/Weight & Perm. Plates.

Draft Number: S509-PCS45384-RWf-36

Sequential Referral: None

Recommended Referral: None

Long Title Amended: Yes

TOTAL REPORTED: 1

Senator Michael Lee will handle SB 509



* C M R 5 0 3 - V - 1 *

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015**

H

1

HOUSE BILL 492

Short Title: Rutherford Cty/Rutherford Airport Authority. (Local)

Sponsors: Representative Hager (Primary Sponsor).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Local Government, if favorable, Finance.

April 2, 2015

A BILL TO BE ENTITLED
AN ACT AUTHORIZING THE RUTHERFORD COUNTY BOARD OF COMMISSIONERS
TO TERMINATE AND DISSOLVE THE RUTHERFORD AIRPORT AUTHORITY
AND TO OPERATE THE RUTHERFORD COUNTY AIRPORT AS A PUBLIC
ENTERPRISE.

The General Assembly of North Carolina enacts:

SECTION 1. The Board of Commissioners of Rutherford County (hereinafter "Board") may, in its discretion, terminate and dissolve the Rutherford Airport Authority (hereinafter "Authority"). It is the intent of this act to enable, but not require, the termination and dissolution of the Authority.

SECTION 2. If the Board terminates and dissolves the Authority as authorized by Section 1 of this act, the Board may order the Authority to do all of the following:

(1) To transfer to Rutherford County all real and personal property owned by the Authority. Upon the order of the Board to do so, the Authority shall execute any deeds, bills of sale, and any other necessary documents to effect the transfer of ownership to the County. Notwithstanding the provisions of this section, the ownership of all real and personal property shall automatically be deemed transferred to the County on the effective date of the termination and dissolution of the Authority.

(2) To assign to the County within a certain time period all executory contracts to which the Authority is a party. Notwithstanding the provisions of this section, all the executory contracts and the rights and obligations thereunder shall be deemed assigned to the County on the effective date of the termination and dissolution of the Authority.

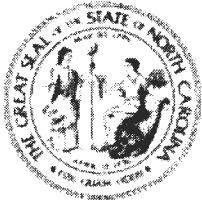
SECTION 3. If the Board terminates and dissolves the Authority as authorized by Section 1 of this act, the following local acts are repealed: Chapter 335 of the 1971 Session Laws, Section 10 of Chapter 955 of the 1989 Session Laws, S.L. 2005-105, and S.L. 2013-181.

SECTION 4. If the Board terminates and dissolves the Authority as authorized by Section 1 of this act, the County may operate the Rutherford County Airport as a public enterprise under G.S. 153A-274.

SECTION 5. This act is effective when it becomes law.







HOUSE BILL 492: Rutherford Cty/Rutherford Airport Authority

2015-2016 General Assembly

Committee:	Senate Re-ref to Transportation. If fav, re-ref to Finance	Date:	July 15, 2015
Introduced by:	Rep. Hager	Prepared by:	Giles S. Perry
Analysis of:	First Edition		Committee Counsel

SUMMARY: *House Bill 492 would authorize the Rutherford County Board of Commissioners to dissolve the Rutherford Airport Authority.*

CURRENT LAW: The Rutherford Airport Authority was authorized by the General Assembly in 1971.

BILL ANALYSIS: House Bill 492 would authorize the Board of Commissioners of Rutherford County to dissolve the Rutherford Airport Authority, transfer its property to the County, assign the Authority's contracts to the County, and operate the airport as a county public enterprise.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND: Legislation authorizing a county or city to dissolve an airport authority has previously been enacted for: City of Gastonia Airport Authority S.L. 1993-646; and Macon and Jackson Counties S.L. 2005-219.

The membership of the Rutherford County Board of Commissioners and the Rutherford Airport Authority are identical. The Airport Authority is currently treated as part of the County.

O. Walker Reagan
Director



Research Division
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 6
Committee Substitute Favorable 3/3/15

Short Title: Autocycle Definition and Regulation.

(Public)

Sponsors:

Referred to:

January 29, 2015

A BILL TO BE ENTITLED
AN ACT TO DEFINE AND REGULATE AUTOCYCLES.
The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-4.01(27) reads as rewritten:
"§ 20-4.01. Definitions.

Unless the context requires otherwise, the following definitions apply throughout this Chapter to the defined words and phrases and their cognates:

...
(27) Passenger Vehicles. –

a. Autocycle. – A three-wheeled motorcycle that has a steering wheel, pedals, seat safety belts for each occupant, antilock brakes, air bag protection, completely enclosed seating that does not require the operator to straddle or sit astride, and is otherwise manufactured to comply with federal safety requirements for motorcycles.

~~a-1.~~ Excursion passenger vehicles. – Vehicles transporting persons on sight-seeing or travel tours.

...
d. Motorcycles. – Vehicles having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including ~~motor scooters~~ autocycles, motor scooters, and motor-driven bicycles, but excluding tractors and utility vehicles equipped with an additional form of device designed to transport property, three-wheeled vehicles while being used by law-enforcement agencies and mopeds as defined in subdivision d1 of this subsection.

..."
SECTION 2. G.S. 20-7 reads as rewritten:
"§ 20-7. Issuance and renewal of drivers licenses.

...
(a2) Motorcycle Learner's Permit. – The following persons are eligible for a motorcycle learner's permit:

(1) A person who is at least 16 years old but less than 18 years old and has a full provisional license issued by the Division.

(2) A person who is at least 18 years old and has a license issued by the Division.



To obtain a motorcycle learner's permit, an applicant shall pass a vision test, a road sign test, and a knowledge test specified by the Division. An applicant who is less than 18 years old shall successfully complete the North Carolina Motorcycle Safety Education Program Basic Rider Course or any course approved by the Commissioner consistent with the instruction provided through the Motorcycle Safety Instruction Program established under G.S. 115D-72. A motorcycle learner's permit expires twelve months after it is issued and may be renewed for one additional six-month period. The holder of a motorcycle learner's permit may not drive a motorcycle with a passenger. The fee for a motorcycle learner's permit is the amount set in G.S. 20-7(l) for a learner's permit.

(a3) Autocycles. – For purposes of this section, the term "motorcycle" shall not include autocycles. To drive an autocycle, a person shall have a regular drivers license.

...

(c) Tests. – To demonstrate physical and mental ability, a person must pass an examination. The examination may include road tests, vision tests, oral tests, and, in the case of literate applicants, written tests, as the Division may require. The tests must ensure that an applicant recognizes the handicapped international symbol of access, as defined in G.S. 20-37.5. The Division may not require a person who applies to renew a license that has not expired to take a written test or a road test unless one or more of the following applies:

- (1) The person has been convicted of a traffic violation since the person's license was last issued.
- (2) The applicant suffers from a mental or physical condition that impairs the person's ability to drive a motor vehicle.

The Division may not require a person who is at least 60 years old to parallel park a motor vehicle as part of a road test. A person shall not use an autocycle to complete a road test under this subsection.

...."

SECTION 3. G.S. 20-37.16(c) reads as rewritten:

"(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. For purposes of this subsection, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the requirements under this section for motor vehicles."

SECTION 4. G.S. 20-124(d) reads as rewritten:

"(d) Every motorcycle and every motor-driven cycle when operated upon a highway shall be equipped with at least one brake which may be operated by hand or foot. For purposes

of this section, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the requirements under this section for motor vehicles."

SECTION 5. G.S. 20-125.1(d) reads as rewritten:

"(d) Nothing in this section shall apply to motorcycles. For purposes of this section, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the requirements under this section for motor vehicles."

SECTION 6. G.S. 20-129(c) reads as rewritten:

"(c) Headlamps on Motorcycles. – Every motorcycle shall be equipped with at least one and not more than two headlamps which shall comply with the requirements and limitations set forth in G.S. 20-131 or 20-132. The headlamps on a motorcycle shall be lighted at all times while the motorcycle is in operation on highways or public vehicular areas. For purposes of this section, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the requirements under this section for motor vehicles."

SECTION 7. G.S. 20-130(a) reads as rewritten:

"(a) Spot Lamps. – Any motor vehicle may be equipped with not to exceed two spot lamps, except that a motorcycle shall not be equipped with more than one spot lamp, and every lighted spot lamp shall be so aimed and used upon approaching another vehicle that no part of the beam will be directed to the left of the center of the highway nor more than 100 feet ahead of the vehicle. No spot lamps shall be used on the rear of any vehicle. For purposes of this section, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the requirements under this section for motor vehicles."

SECTION 8. G.S. 20-131(a) reads as rewritten:

"(a) The headlamps of motor vehicles shall be so constructed, arranged, and adjusted that, except as provided in subsection (c) of this section, they will at all times mentioned in G.S. 20-129, and under normal atmospheric conditions and on a level road, produce a driving light sufficient to render clearly discernible a person 200 feet ahead, but any person operating a motor vehicle upon the highways, when meeting another vehicle, shall so control the lights of the vehicle operated by him by shifting, depressing, deflecting, tilting, or dimming the headlight beams in such manner as shall not project a glaring or dazzling light to persons within a distance of 500 feet in front of such headlamp. Every new motor vehicle, other than a motorcycle or motor-driven cycle, registered in this State after January 1, 1956, which has multiple-beam road-lighting equipment shall be equipped with a beam indicator, which shall be lighted whenever the uppermost distribution of light from the headlamps is in use, and shall not otherwise be lighted. Said indicator shall be so designed and located that when lighted it will be readily visible without glare to the driver of the vehicle so equipped. For purposes of this section, the term "motorcycle" shall not include autocycles. Autocycles shall be subject to the requirements under this section for motor vehicles."

SECTION 9. G.S. 20-135.2 is amended by adding a new subsection to read:

"(d) For purposes of this section, the term "motorcycle" shall not include autocycles. Every autocycle registered in this State shall be equipped with seat safety belts for the front seats of the autocycle. The seat safety belts shall meet the same construction, design, and strength requirements under this section for seat safety belts in motor vehicles."

SECTION 10. G.S. 20-135.3 reads as rewritten:

"§ 20-135.3. Seat belt anchorages for rear seats of motor vehicles.

(a) Every new motor vehicle registered in this State and manufactured, assembled or sold after July 1, 1966, shall be equipped with sufficient anchorage units at the attachment points for attaching at least two sets of seat safety belts for the rear seat of the motor vehicle. Such anchorage units at the attachment points shall be of such construction, ~~design~~ design, and strength to support a loop load strength of not less than 5,000 pounds for each belt.

(b) The provisions of this section shall apply to passenger vehicles of nine-passenger capacity or less, except motorcycles.

1 (c) For purposes of this section, the term "motorcycle" shall not include autocycles.
2 Every autocycle registered in this State shall be equipped with sufficient anchorage units at the
3 attachment points for attaching seat safety belts for the rear seat of the autocycle. The
4 anchorage unit shall meet the same construction, design, and strength requirements under this
5 section for anchorage units in motor vehicles."

6 **SECTION 11.** G.S. 20-140.4(a) reads as rewritten:

7 "(a) No person shall operate a motorcycle or moped upon a highway or public vehicular
8 area:

9 (1) When the number of persons upon or within such motorcycle or moped,
10 including the operator, shall exceed the number of persons which it was
11 designed to carry.

12 (2) Unless the operator and all passengers thereon wear on their heads, with a
13 retention strap properly secured, safety helmets of a type that complies with
14 Federal Motor Vehicle Safety Standard (FMVSS) 218. This subdivision
15 shall not apply to an operator of an autocycle or any passengers within an
16 autocycle."

17 **SECTION 12.** G.S. 20-146.1(b) reads as rewritten:

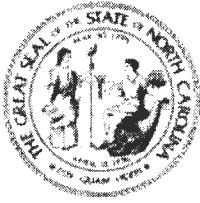
18 "(b) Motorcycles shall not be operated more than two abreast in a single lane. For
19 purposes of this subsection, the term "motorcycle" shall not include autocycles. Autocycles
20 shall not be operated more than one abreast in a single lane."

21 **SECTION 13.** G.S. 20-127(c)(1) reads as rewritten:

22 "(c) Tinting Exceptions. – The window tinting restrictions in subsection (b) of this
23 section apply without exception to the windshield of a vehicle. The window tinting restrictions
24 in subdivisions (b)(1) and (b)(2) of this section do not apply to any of the following vehicle
25 windows:

26 (1) A window of an excursion passenger vehicle, as defined in
27 ~~G.S. 20-4.01(27)~~a.G.S. 20-4.01(27)."

28 **SECTION 14.** This act becomes effective October 1, 2015. Prosecutions for
29 offenses committed before the effective date of this act are not abated or affected by this act,
30 and the statutes that would be applicable but for this act remain applicable to those
31 prosecutions.



HOUSE BILL 6: Autocycle Definition and Regulation

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Rep. Torbett
Analysis of: Second Edition

Date: July 15, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *House Bill 6 would amend the motor vehicle laws of the State to define and regulate three-wheeled enclosed motorcycles, known as autocycles. Operators of autocycles would only need a regular driver's license and would not have to wear a helmet.*

CURRENT LAW: Under current law, autocycles are treated as motorcycles under the State's motor vehicle laws. This includes a requirement for operators of these vehicles to wear a motorcycle type helmet.

BILL ANALYSIS: House Bill 6 amends the State's motor vehicle laws to specially address autocycles. Specifically, the bill makes the following changes:

Section 1 of the bill defines autocycles as a special type of three-wheeled motorcycle with: a steering wheel, pedals, seat safety belts for each occupant, antilock brakes, airbags, an enclosed seating area, no saddle seat, and otherwise manufactured to comply with federal laws.

Sections 2 and 3 of the bill amend the States' driver's license law to require a regular driver's license, with no motorcycle endorsement, to operate an autocycle.

Section 4 of the bill specifies that State motor vehicle law concerning brakes applies to autocycles.

Section 5 of the bill specifies that State motor vehicle law concerning turn signals applies to autocycles.

Section 6 of the bill specifies that State motor vehicle law concerning lights applies to autocycles.

Section 7 of the bill specifies that State motor vehicle law concerning spot lamps applies to autocycles.

Section 8 of the bill specifies that State motor vehicle law concerning headlamps applies to autocycles.

Sections 9 and 10 amend the State seat belt law to require a seat safety belt for each front and rear seat of the autocycle. The belts must meet the same standards as required in State law for a motor vehicle belt.

Section 11 of the bill exempts the operator and any passenger inside an autocycle from the State motorcycle helmet law.

Section 12 of the bill amends State law allowing the riding of motorcycles two abreast, to specify that autocycles may only be ridden one abreast in a single lane.

Section 13 of the bill is a conforming change to a statutory citation.

EFFECTIVE DATE: House Bill 6 would become effective October 1, 2015.

BACKGROUND: An example of an autocycle is the proposed Elio vehicle. More information about this vehicle can be found at: <http://www.eliomotors.com/>





GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 6 (Second Edition)

SHORT TITLE: Autocycle Definition and Regulation.

SPONSOR(S): Representative Torbett

FISCAL IMPACT (\$ in thousands)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
State Impact	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Highway Fund Revenues:	No estimate available. See Assumptions & Methodology section.				
Highway Fund Expenditures:	\$90.0	\$9.0	\$9.0	\$9.0	\$9.0
Highway Trust Fund Revenues:	No estimate available. See Assumptions & Methodology section.				
Highway Trust Fund Expenditures:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State Positions:	0.0	0.0	0.0	0.0	0.0
NET STATE IMPACT	(\$90.0)	(\$9.0)	(\$9.0)	(\$9.0)	(\$9.0)

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:
Division of Motor Vehicles; Department of Transportation, Information Technology Section

EFFECTIVE DATE: 10/1/2015

TECHNICAL CONSIDERATIONS:
Yes - See Technical Considerations Section

BILL SUMMARY:

Section 1 amends G.S. 20-4.01(27) to add an autocycle as a type of passenger vehicle, amending the definition for motorcycles to include autocycles. An autocycle is defined as "a three-wheeled motorcycle with a steering wheel, pedals, seat safety belts for each occupant, anti-lock brakes, air bag protection, completely enclosed seating that does not require the operator to straddle or sit astride, and is otherwise manufactured to comply with federal safety requirements for motorcycles."

Section 2 requires a regular drivers license for autocycle operation in lieu of the permitting requirements for motorcycle operation. Additionally, use of an autocycle to complete a road test for license issuance is prohibited.

Section 3 exempts autocycles from motorcycle endorsement requirements, treating them instead as motor vehicles.

Sections 4 – 10 distinguish autocycles from motorcycles, subjecting them to applicable equipment standards for motor vehicles, including brakes, lamps, and safety belts, and requiring belt anchorage units for rear seats.

Section 11 prohibits the operation of a motorcycle or moped if the number of persons within the vehicle exceeds design capacity, and exempts autocycle operators from helmet requirements.

Section 12 prohibits the operation of multiple autocycles abreast in a single lane.

Section 13 makes a conforming change to G.S. 20-127(c)(1).

Section 14 provides that the act is effective October 1, 2015.

ASSUMPTIONS AND METHODOLOGY:

Division of Motor Vehicles

The proposed classification of autocycles subjects this vehicle type to the same titling, registration, safety inspection, Highway Use Tax, and property tax assessments as for motorcycles. Prospective transactions are therefore expected to yield additional revenues for the Highway Fund and the Highway Trust Fund, as well as compensatory transactions for license plate agents and licensed inspection stations. However, Fiscal Research cannot reliably estimate the existing fleet of autocycles or annual sales, therefore estimates cannot be provided at this time. Additionally, Fiscal Research cannot estimate the costs of resultant administrative hearings or civil penalty collections.

DMV IT Systems

Addition of the autocycle vehicle style necessitates modifications to the State Titling and Registration System (STARS), Crash Reporting System (CRS), North Carolina Traffic and Criminal Software (NC TraCS), Electronic Crash Reporting System (ECRS), and interfacing systems. The Department of Transportation, IT Section (DOT-IT) estimates that approximately 222 labor hours could be accommodated with existing resources, equaling an estimated \$19,971 in non-recurring development costs and \$1,997 in recurring system maintenance costs. However, DOT-IT projects that an additional 1,000 hours of development would be required for STARS modifications at an assumed contractual rate of \$90/hr., with estimated system maintenance at \$9,000 recurring.

SOURCES OF DATA: Division of Motor Vehicles; Department of Transportation, IT Section

TECHNICAL CONSIDERATIONS: DOT-IT recommends an effective date of December 1, 2016 to accommodate the required system modifications.

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Bryce Ball

APPROVED BY:
Mark Trogdon, Director
Fiscal Research Division

DATE: March 24, 2015



Signed Copy Located in the NCGA Principal Clerk's Offices



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Mar 25, 2015
S.B. 509
PRINCIPAL CLERK

S

D

SENATE DRS15193-MLf-183 (03/16)

Short Title: Public Authority/Weight & Perm. Plates. (Public)

Sponsors: Senator Lee (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT CERTAIN PUBLIC AUTHORITIES FROM THE LIGHT-TRAFFIC
3 ROAD LIMITATIONS ESTABLISHED BY THE DEPARTMENT OF
4 TRANSPORTATION AND TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES
5 TO ISSUE PERMANENT REGISTRATION PLATES FOR MOTOR VEHICLES
6 OWNED AND OPERATED BY CERTAIN PUBLIC AUTHORITIES.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 20-118(c)(6) reads as rewritten:

9 "(6) A truck or other motor vehicle shall be exempt from ~~such~~the light-traffic
10 road limitations provided by G.S. 20-118(b)(4) when ~~such~~the motor vehicles
11 are owned, operated by or under contract to a public utility, electric or
12 telephone membership corporation or municipality and ~~such~~the motor
13 vehicles are used in connection with installation, restoration or emergency
14 maintenance of utility services. For purposes of this subdivision, the term
15 "public utility" includes authorities created pursuant to Article 1 of Chapter
16 162A of the General Statutes."

17 **SECTION 2.** G.S. 20-84(b) is amended by adding a new subdivision to read:

18 "(20) A motor vehicle that is owned and operated by an authority created pursuant
19 to Article 1 of Chapter 162A of the General Statutes."

20 **SECTION 3.** This act is effective when it becomes law and applies to violations
21 committed on or after that date.



* D R S 1 5 1 9 3 - M L F - 1 8 3 *



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 509
PROPOSED COMMITTEE SUBSTITUTE S509-CSRWF-36 [v.2]

7/14/2015 4:39:25 PM

Short Title: Public Authority/Weight & Perm. Plates.

(Public)

Sponsors:

Referred to:

March 26, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT CERTAIN PUBLIC AUTHORITIES FROM THE LIGHT-TRAFFIC
3 ROAD LIMITATIONS ESTABLISHED BY THE DEPARTMENT OF
4 TRANSPORTATION AND TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES
5 TO ISSUE PERMANENT REGISTRATION PLATES FOR MOTOR VEHICLES
6 OWNED AND OPERATED BY CERTAIN PUBLIC AUTHORITIES AND ANY RADIO
7 EMERGENCY ASSOCIATED COMMUNICATIONS TEAM THAT PROVIDES ITS
8 SERVICES PURSUANT TO A CONTRACT WITH A COUNTY OR MUNICIPALITY.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. G.S. 20-118(c)(6) reads as rewritten:

11 "(6) A truck or other motor vehicle shall be exempt from ~~such~~the light-traffic
12 road limitations provided by G.S. 20-118(b)(4) when ~~such~~the motor vehicles
13 are owned, operated by or under contract to a public utility, electric or
14 telephone membership corporation or municipality and ~~such~~the motor
15 vehicles are used in connection with installation, restoration or emergency
16 maintenance of utility services. For purposes of this subdivision, the term
17 "public utility" includes authorities created pursuant to Article 1 of Chapter
18 162A of the General Statutes."

19 SECTION 2. G.S. 20-84(b) is amended by adding the following subdivisions to
20 read:

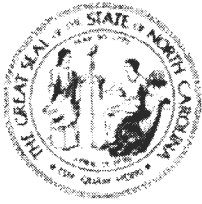
21 "(20) A motor vehicle that is owned and operated by an authority created pursuant
22 to Article 1 of Chapter 162A of the General Statutes.

23 (21) A motor vehicle owned by an incorporated REACT ("Radio Emergency
24 Associated Communications Teams") team that provides its services
25 pursuant to a contract with a county or municipality."

26 SECTION 3. This act is effective when it becomes law and applies to violations
27 committed on or after that date.







SENATE BILL 509: Public Authority/Weight & Perm. Plates

2015-2016 General Assembly

Committee: Senate Transportation
Introduced by: Sen. Lee
Analysis of: PCS to First Edition
S509-CSRWF-36

Date: July 14, 2015
Prepared by: Giles S. Perry
Committee Counsel

SUMMARY: *Senate Bill 509 (proposed committee substitute) exempts Chapter 162A water and sewer authorities from light traffic road weight limits established by NC DOT; and authorizes DMV to issue permanent registration plates for motor vehicles owned and operated by Chapter 162A water and sewer authorities, and for a REACT (radio emergency associated communications teams) team that provides its services pursuant to a contract with a county or municipality.*

CURRENT LAW:

- Under current law, the following weight limits apply on State roads, unless there is a statutory exception: single-axle weight: 20,000 lbs., tandem-axle weight 38,000 lbs., gross weight 80,000 lbs. NC DOT is authorized to impose additional axle weight limits on light traffic roads.
- Under current law, DMV is authorized to issue permanent licenses plates, for a one-time \$6 fee, to specified organizations.¹

BILL ANALYSIS: Senate Bill 509 (proposed committee substitute) makes the following changes to State law:

- Exempts Chapter 162A water and sewer authorities from the light traffic road weight limitations established by NC DOT when vehicles are used in connection with installation, restoration, or emergency maintenance of utility services.
- Authorizes DMV to issue permanent registration plates for motor vehicles owned and operated by Chapter 162A water and sewer authorities and for vehicles owned by a REACT

¹ G.S. 20-84(b) Permanent Registration Plates. – The Division may issue permanent plates for the following motor vehicles:

- (1) A motor vehicle owned by the State or one of its agencies.
- (2) A motor vehicle owned by a county, city or town.
- (3) A motor vehicle owned by a board of education.
- (3a) **(Repealed effective July 1, 2015)** A motor vehicle that is owned and exclusively operated by a nonprofit corporation authorized under G.S. 115C-218.5 to operate a charter school and identified by a permanent decal or painted marking disclosing the name of the nonprofit corporation. The motor vehicle shall only be used for student transportation and official charter school related activities.
- (4) Repealed by Session Laws 2012-159, s. 1, effective July 1, 2012.
- (5) A motor vehicle owned by the civil air patrol.
- (6) A motor vehicle owned by an incorporated emergency rescue squad.
- (7) through (9) Repealed by Session Laws 2012-159, s. 1, effective July 1, 2012.
- (10) A motor vehicle owned by a rural fire department, agency, or association.
- (11) Repealed by Session Laws 2012-159, s. 1, effective July 1, 2012.
- (12) A motor vehicle owned by a local chapter of the American National Red Cross and used for emergency or disaster work.
- (13) through (16) Repealed by Session Laws 2012-159, s. 1, effective July 1, 2012.

O. Walker Reagan
Director



Research Division
(919) 733-2578

Senate Bill 509

Page 2

(radio emergency associated communications teams) team that provides its services pursuant to a contract with a county or municipality.

EFFECTIVE DATE: The act is effective when it becomes law and applies to violations committed on or after that date.

- (17) A motor vehicle owned by a community college. A community college vehicle purchased with State equipment funds shall be issued a permanent registration plate with the same distinctive color and design as a permanent registration plate issued under subdivision (1) of this subsection.
- (18) A motor vehicle that is owned and operated by a sanitary district created under Part 2 of Article 2 of Chapter 130A of the General Statutes.
- (19) Any motor vehicle owned by a federally recognized tribe.

DATE _____

SENATE TRANSPORTATION VISITOR SIGN-IN

NAME

ORGANIZATION

BILL
NO.

Bertie Gurnell

Nc B-v

Kelly Thomas

Dmv

GERRY COHEN

Nelson Mullins

ERIC H. BUNNETT

EHL.



DATE 7-15-15

SENATE TRANSPORTATION VISITOR SIGN-IN

NAME	ORGANIZATION	BILL NO.
Kevin Lacy	NCDOT	H6
H. Iamico	NCDOT	ALL
Robert Sawyer	NCDMV	
Debbie Jones	NCDMV	H6
Donna Boone	NCDOT/DMV	509
Alison Roach	NCDMV	H6
Michael Farmer	NCDOT	H6
Robert Quinn	NCDMV	H6
Ed Sucke	OSP	
Rian Menwald	WM	
Perry Haffin	School of Gov.	



DATE 7-15-15

SENATE TRANSPORTATION VISITOR SIGN-IN

NAME

ORGANIZATION

BILL
NO.

JW Jaynes NEW FRAME

Elizabeth Biser Brooks Pierce

Chris McCune Brooks Pierce

Jim Misc.

Erwin Fletcher LWM

John Patrick NCADA

Henry Jones John Price & Co.

Weldon Jones John Price

Andy Walsh SA

Robert Andrews PA

13

14



DATE _____

SENATE TRANSPORTATION VISITOR SIGN-IN

NAME

ORGANIZATION

BILL
NO.

Reston Jones

NC DOT

Nique William

NCGA

Erin Wynia

NCLM

Matthew Durre

Road

John Cals

NCCR



Committee	Member's Name		
Senate Transportation	<u>CO-Chair Tamara Barringer</u>	620	733-5653
Senate Transportation	<u>Co-Chair Warren Daniel</u>	623	715-7823
Senate Transportation	<u>Co-Chair Shirley B. Randleman</u>	628	733-5743
Senate Transportation	<u>Sen. John M. Alexander, Jr</u>	2115	733-5850
Senate Transportation	<u>Sen. Chad Barefoot</u>	308	715-3036
Senate Transportation	<u>Sen. Stan Bingham</u>	625	733-5665
Senate Transportation	<u>Sen. Angela R. Bryant,</u>	516	733-5878
Senate Transportation	<u>Sen. Bill Cook</u>	525	715-8293
Senate Transportation	<u>Sen. David L. Curtis</u>	410	715-3038
Senate Transportation	<u>Sen. Jim Davis</u>	408	733-5875
Senate Transportation	<u>Sen. Jeff Jackson</u>	1104	715-8331
Senate Transportation	<u>Sen. Joyce Krawiec</u>	2117	733-7850
Senate Transportation	<u>Sen. Paul A. Lowe, Jr</u>	1121	733-5620
Senate Transportation	<u>Sen. Tom McInnis</u>	2106	733-5953
Senate Transportation	<u>Sen. Erica Smith-Ingram</u>	1118	715-3040
Senate Transportation	<u>Sen. Terry Van Duyn</u>	1025	715-3001
Senate Transportation	<u>Sen. Andy Wells</u>	2113	733-5876
Senate Transportation	<u>Sen. Mike Woodard</u>	518	733-4809
Senate Transportation			
Senate Transportation	Research Bill Patterson	545	733-2578
Senate Transportation	Research Janice Paul	545	733-2578
Senate Transportation	Committee Clerk Andy Perrigo	623	715-7823





Warren Daniel
Co-Chair
Room 623
Ph: 5-7823
Burke, Cleveland



Bill Rabon
Co-Chair
Room 311
Ph: 3-5963
Bladen, Brunswick



Kathy Harrington
Vice-Chair
Room 300-C
Ph: 3-5734
Gaston

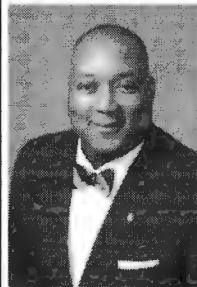


Wesley Meredith
Vice-Chair
Room 314
Ph: 3-5776
Cumberland



Sen. Jim Davis

Room 408-B
Ph: 3-5875
Cherokee, Swain



Sen. Joel Ford

Room 1119
Ph: 3-5955
Mecklenburg



Sen. Rick Gunn

Room 312
Ph: 1-1446
Alamance, Randolph



Sen. Ralph Hise

Room 1026
Ph: 3-3460
Mitchell, Yancy





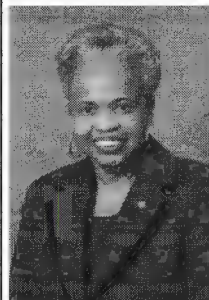
Sen. Joyce Krawiec

Room 2117
Ph: 3-7850
Forsyth, Yadkin



Sen. Terry Van Duyn

Room 1025
Ph: 5-3001
Buncombe



Sen. Gladys Robinson

Room 1120
Ph: 5-3042
Guilford



Sen. Erica
Smith-Ingram
Room 1118
Ph: 5-3040
Northampton...



Sen. Tommy Tucker

Room 1127
Ph: 3-7659
Union

MEMBERSHIP

Senate Transportation Committee
2015-2016 Biennium

Staff: Giles Perry 3-2578
Wendy Graf Ray
Clerk: Andy Perrigo
daniella@ncleg.net



SENATE TRANSPORTATION COMMITTEE MEETING BILL INDEX

DATE	BILLS
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5/11/16	S723
	S761
	S772
	S778

6/15/16	H959
	H464
	H971
	H256

6/24/16	H594
	H523



**Senate Committee on Transportation
Wednesday, May 11, 2016 at 11:00 AM
Room 1027/1128 of the Legislative Building**

MINUTES

The Senate Committee on Transportation met at 11:00 AM on May 11, 2016 in Room 1027/1128 of the Legislative Building. 11 members were present. Sergeant at Arms: Jim Hamilton, Becky Myrick, Sham Patel. Pages: Emilyann Marsh of Zebulon (Newton); Audra Cloer of Franklin (J. Davis); Carly Davis of Franklin (J. Davis); Tucker Hartley of Angier (Rabin); Sarah Shugart of Jacksonville (Brown).

Senator Warren Daniel, Chair, presided.

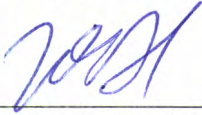
SB 723 DOT Proposed Legislative Changes. (Senators Harrington, Rabon) Sen. Harrington introduced this 'agency' bill and asked Giles Perry to go over the bill. Committee discussion ensued. Kelly Thomas of NC DMV handled questions regarding fees and licensure. There was no public comment. The bill was amended by Sen. Ford. The bill was not reported out.

SB 761 Short-Line RRs Assistance. (Senators J. Davis, Rabon) Sen. J. Davis presented the bill. Sen. Gunn asked some questions regarding economic development and the involvement of RR's. Sen. Smith-Ingram asked about the cost of RR corridors. J. Davis answered grants about the fund that is proposed and how grants work. Sen. Gunn motioned for a Favorable report. The bill was reported to the Senate Principal Clerk as Favorable.

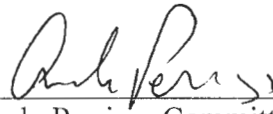
SB 772 Rename Cape Fear River Bridge at Tar Heel. (Senators Rabon, Meredith) Sen. Rabon explained the bill. The bill summary describes Melvin's life. Tucker motioned for a favorable report. The bill was reported to the Senate Principal Clerk as Favorable as to the bill with a referral to Finance.

SB 778 Performance Guarantees/Subdivision Streets. (Senators Wade, Brock, B. Jackson) Sen. Wade presented the bill as a study bill for NCDOT. Sen. Rabon presented an amendment. Sen. Tucker had one question regarding 'classic cars' and their registration. Staff Attorney, Giles Perry, answered the question. The amendment was adopted by the committee. Sen. Ford motioned for a Favorable Report on the bill as amended. The amendment was ordered to be engrossed into a Committee Substitute Bill. The bill was reported to the Senate Principal Clerk as Unfavorable as to the bill, Favorable as to the Committee Substitute Bill.

The meeting adjourned at 11:40.



Senator Warren Daniel, Chair
Presiding



Andy Perrigo, Committee Clerk

**Senate Committee on Transportation
Wednesday, May 11, 2016, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 723	DOT Proposed Legislative Changes.	Senator Harrington Senator Rabon
SB 761	Short-Line RRs Assistance.	Senator J. Davis Senator Rabon
SB 772	Rename Cape Fear River Bridge at Tar Heel.	Senator Rabon Senator Meredith
SB 778	DOT to study SEPA reform impacts.	Senator Wade Senator Brock Senator B. Jackson

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Wednesday, May 11, 2016

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

SB 761

Short-Line RRs Assistance.

Draft Number: None

Sequential Referral: Appropriations/Base Budget

Recommended Referral: None

Long Title Amended: No

SB 772

Rename Cape Fear River Bridge at Tar Heel.

Draft Number: None

Sequential Referral: Appropriations/Base Budget

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 2

Senator James Davis will handle SB 761

Senator William Rabon will handle SB 772



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**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, May 11, 2016

Senator Daniel,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL

SB 778

DOT to study SEPA reform impacts.

Draft Number: S778-PCS15362-SU-40

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

TOTAL REPORTED: 1

Senator Trudy Wade will handle SB 778



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SENATE BILL 723: DOT Proposed Legislative Changes.

2016-2017 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Harrington, Rabon
Analysis of: PCS to First Edition
S723-CSRWF-57

Date: May 10, 2016
Prepared by: Giles Perry
Committee Counsel

SUMMARY: *Senate Bill 723 makes various changes to the transportation and motor vehicles laws of the State*

The proposed committee substitute adds Section 2.1, revises Section 13, and makes a technical change to Section 2.

[As introduced, this bill was identical to H959, as introduced by Reps. Iler, Torbett, which is currently in House Transportation.]

CURRENT LAW AND BILL ANALYSIS:

PART I. DIVISION OF HIGHWAYS

Section 1. Small Transportation Projects/Local Consultation

Current law requires the Department of Transportation to consult with local governments affected by a planned transportation project before taking action. However, consultation is not required for small projects with a cost of \$150,000 or less. This section would increase that dollar amount from \$150,000 to \$250,000, exempting small projects with a cost of \$250,000 or less from the local consultation requirement.

Section 2. Broadband and Fiber Optic in DOT Right-of-Way/Fees

Current law authorizes DOT to locate and acquire ROW for placement of utility lines operated by regulated public utilities or local governments. This section authorizes DOT to also allow placement of non-utility owned or operated communications or data transmission infrastructure on DOT right-of-way. This section also authorizes DOT to charge a one-time fee to defray the Department's administrative cost of reviewing encroachment submittals, payable upon initial application for the encroachment. This section also clarifies that no agreement for use of Department right-of-way shall abrogate the Department's ownership and control of the right of way, and clarifies that DOT can use existing ROW for placement of utilities. This section would become effective July 1, 2016.

Section 2.1 Weight Limits Applicable to Metal Commodities and Steel Coils, and Extending Certain Federal Weight Exemptions to the State's Highways.

This section makes the following changes:

- Section 2.1(a) authorizes a higher weight limit for vehicles transporting metal commodities: up to 22,000 lbs. single axle and 42,000 lbs. tandem axle; maximum gross weight 90,000 lbs.

Karen Cochrane-
Brown
Director



Legislative Analysis
Division
919-733-2578

Senate PCS 723

Page 2

- Section 2.1(a) also extends additional federal weight allowances for natural gas powered vehicles, emergency vehicles, heavy duty towing vehicles, and vehicles with idle reduction technology, currently applicable only to interstate highways in the State, to all State roads, except for posted bridges or roads, or unless specifically prohibited by NC DOT.
- Section 2.1(b) authorizes DOT to issue an overweight or overwidth permit for the transport of up to three steel coils on one truck.

This section would become effective October 1, 2016.

PART II. NORTH CAROLINA TURNPIKE AUTHORITY

Allow Electronic Billing for Tolls

Section 3. Current law authorizes Turnpike Authority toll bills to be sent by first class mail. This section would authorize the Turnpike Authority to send bills for tolls via electronic mail, rather than by first-class mail, if the registered owner or person who had custody of the vehicle consents in writing.

Repeal NCTA Semiannual Reports to JLTOC

Section 4. Current law requires the Turnpike Authority submit semi-annual reports, and more frequent reports if requested, on its activities to the Joint Legislative Transportation Oversight Committee. This section would repeal that requirement. The Authority would continue to be required by statute to submit annual reports on its activities to the General Assembly.

PART III. DIVISION OF BICYCLE AND PEDESTRIAN TRANSPORTATION

Repeal requirement to Maintain Off-Road Cycling Records

Section 5 Current law requires that notice of State land restricted or removed from use by bicyclists be filed with the Division of Bicycle and Pedestrian Transportation of the Department of Transportation. This section repeals that requirement. Also, this section repeals the requirement that the Division keep records of State lands open and available for use by bicyclists.

PART IV. DIVISION OF MOTOR VEHICLES

Commercial Driver's License Changes

Section 6 This section would amend State commercial driver's license laws to conform with federal requirements as follows:

- Delete a provision allowing the Division of Motor Vehicles to issue a restricted instruction permit to an applicant for certification as a school bus driver.
- Make commercial learner's permits valid for 180 days with no limit on renewal. Currently, permits are valid for 6 months but are limited to one renewal in a two-year period.
- Increase commercial driver's license disqualification periods for convictions of violating out-of-service orders, and require violations to be committed in a commercial motor vehicle.
- Establish statutory authority for the Division to issue intrastate medical waivers to individuals not able to meet federal medical qualification standards for commercial driver's license holders.

Senate PCS 723

Page 3

The waiver would authorize intrastate operation of a commercial motor vehicle subject to regulation by the Division. This is current practice by the Division.

This section would become effective January 1, 2017, and apply to offenses committed on or after that date.

Extend Registration Period for Certain Plates

Section 7. Current law provides that the registration of a motor vehicle renewed by means of a renewal sticker expires at midnight on the last day of the month designated on the sticker. This section provides that the registration of a motor vehicle renewed by means other than a renewal sticker (typically a new registration plate) expires at midnight on February 15 of each year. This section would become effective October 1, 2016 and apply to registration renewals on or after that date.

Temporary Driving Certificate Use/Uniformity

Section 8. Current law provides that a temporary driving certificate is valid for 60 days for an applicant seeking a commercial driver's license and 20 days for an applicant seeking a non-commercial driver's license. In addition, current law prohibits the use of a temporary driving certificate for identification purposes. This section sets the period of validity for all temporary driving certificates at 60 days and allows a certificate to be used for identification purposes when conducting business with the DMV. This section would become effective January 1, 2017, and the change to period of validity applies to certificates issued on or after that date.

DMV Driver's License Testing Requirements/Remote Renewal

Section 9 eliminates the current statutory requirement for sign and symbol testing when a person is renewing a driver's license remotely via the internet or at a DMV kiosk. Sign and symbol testing will still be required for initial issuance of a drivers' license, and for in-person, in-office renewal. This section would become effective October 1, 2016.

DMV/Electronic Notice

Section 10 Current law authorizes DMV to send notice of vehicle registration renewal by e-mail, if the customer has consented. This section (i) specifies that a person who has provided an e-mail address to DMV shall notify the Division of any change or discontinuance of that e-mail address within 30 after the change or discontinuance; (ii) clarifies current law limiting disclosure of personal information in DMV motor vehicle records to provide that e-mail addresses provided to DMV are personal information; and (iii) provides that instead of providing notice by personal delivery or United States mail, DMV may give notice for *any* DMV business by e-mail, if the person to be notified has consented to receiving notices via electronic means, and has provided the Division an e-mail address for receiving the notices. This section would become effective October 1, 2016.

DMV/Inspection of Pre-1981 Motor Vehicles/Titling

Section 11. Current law requires DMV to inspect out-of-state vehicles that are 35 years or older prior to issuing an initial NC title for the vehicle. Section 11 changes the requirement to vehicles from the 1980 model year or older. This section would become effective January 1, 2017.

Repeal Signature Requirement/Registration Card

Section 12. Current law makes it an infraction for the owner of a registered motor vehicle to fail to sign their vehicle registration card with pen and ink upon receipt. This section repeals that requirement. This section would become effective December 1, 2016, and apply to registration cards issued on or after that date.

Senate PCS 723

Page 4

Amend Moped Definition

Section 13 establishes a definition for "electric assisted bicycles", and exempts them from the definition of motor vehicles. In addition, this section moves the definition of "moped" to Chapter 20, clarifies that the definition includes mopeds powered by electricity or alternative fuel, but does not include motor-driven bicycles or electric assisted bicycles. This section also makes several conforming changes to statutory references.

This section would become effective December 1, 2016, and apply to offenses committed on or after that date.

EFFECTIVE DATE: Except as otherwise provided, this act is effective when it becomes law.

BACKGROUND: Senate Bill 723 was recommended by the Joint Legislative Transportation Oversight Committee.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 723
PROPOSED COMMITTEE SUBSTITUTE S723-CSRwf-57 [v.5]
05/10/2016 04:51:05 PM

Short Title: DOT Proposed Legislative Changes.

(Public)

Sponsors:

Referred to:

April 26, 2016

A BILL TO BE ENTITLED
AN ACT TO MAKE VARIOUS CHANGES TO THE TRANSPORTATION LAWS OF THE
STATE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION
OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DIVISION OF HIGHWAYS

SMALL TRANSPORTATION PROJECTS/LOCAL CONSULTATION

SECTION 1. G.S. 136-11.1 reads as rewritten:

"§ 136-11.1. Local consultation on transportation projects.

Prior to any action of the Board on a transportation project, the Department shall inform all municipalities and counties affected by a planned transportation project and request each affected municipality or county to submit within 45 days a written resolution expressing their views on the project. A municipality or county may designate a Transportation Advisory Committee to submit its response to the Department's request for a resolution. Upon receipt of a written resolution from all affected municipalities and counties or their designees, or the expiration of the 45-day period, whichever occurs first, the Board may take action. The Department and the Board shall consider, but shall not be bound by, the views of the affected municipalities and counties on each transportation project. The failure of a county or municipality to express its views within the time provided shall not prevent the Department or the Board from taking action. The Department shall not be required to send notice under this section if it has already received a written resolution from the affected county or municipality on the planned transportation project. "Action of the Board", as used in this section, means approval by the Board of: the Transportation Improvement Program and amendments to the Transportation Improvement Program; the Secondary Roads Paving Program and amendments to the Secondary Roads Paving Program; and individual applications for access and public service road projects, contingency projects, small urban projects, and spot safety projects that exceed ~~one-two~~ hundred fifty thousand dollars ~~(\$150,000)-(\$250,000)~~. The 45-day notification provision may be waived upon a finding by the Secretary of Transportation that emergency action is required. Such findings must be reported to the Joint Legislative Transportation Oversight Committee."

BROADBAND AND FIBER OPTIC IN DOT RIGHT-OF-WAY/FEES

SECTION 2.(a) G.S. 136-18(2) reads as rewritten:

"§ 136-18. Powers of Department of Transportation.

The said Department of Transportation is vested with the following powers:



- ...
- (2) Related to right-of-way:
- a. To take over and assume exclusive control for the benefit of the State of any existing county or township ~~roads, and roads.~~
- b. ~~to~~ To locate and acquire rights-of-way for any new roads that may be necessary for a State highway ~~system, and system.~~
- c. ~~subject~~ Subject to the provisions of G.S. 136-19.5(a) and ~~(b) also (b), to use existing rights-of-way, or locate and acquire such additional rights-of-way rights-of-way,~~ as may be necessary for the present or future relocation or initial location, above or below ground, ~~of of:~~
1. ~~telephone.~~ Telephone, telegraph, distributed antenna systems (DAS), broadband communications, electric and other lines, as well as gas, water, sewerage, oil and other pipelines, to be operated by public utilities as defined in G.S. 62-3(23) and which are regulated under Chapter 62 of the General Statutes, or by municipalities, counties, any entity created by one or more political subdivisions for the purpose of supplying any such utility services, electric membership corporations, telephone membership corporations, or any combination ~~thereof, thereof;~~ and
2. Nonutility owned or operated communications or data transmission infrastructure.
- The Department retains with full power to widen, relocate, change or alter the grade or location thereof, or alter the location or configuration of such lines or systems above or below ground, and ground. No agreement for use of Department right-of-way under this sub-subdivision shall abrogate the Department's ownership and control of the right-of-way. The Department is authorized to adopt policies and rules necessary to implement the provisions of this sub-subdivision. The Department is authorized to charge a one-time fee to defray the Department's administrative cost of reviewing encroachment submittals, payable upon initial application for the encroachment.
- d. ~~to~~ To change or relocate any existing roads that the Department of Transportation may now own or may ~~acquire; acquire.~~
- e. ~~to~~ To acquire by gift, purchase, or otherwise, any road or highway, or tract of land or other property whatsoever that may be necessary for a State transportation system and adjacent utility ~~rights-of-way; rights-of-way.~~
- f. Provided, all changes or alterations authorized by this subdivision shall be subject to the provisions of G.S. 136-54 to 136-63, to the extent that said sections are ~~applicable; applicable.~~
- e. Provided, that nothing in this Chapter shall be construed to authorize or permit the Department of Transportation to allow or pay anything to any county, township, city or town, or to any board of commissioners or governing body thereof, for any existing road or part of any road heretofore constructed by any such county, township, city or town, unless a contract has already been entered into with the Department of Transportation."

SECTION 2.(b) This section becomes effective July 1, 2016.

**WEIGHTS LIMITS APPLICABLE TO METAL COMMODITIES AND STEEL COILS,
AND EXTENDING CERTAIN FEDERAL WEIGHT EXCEPTIONS TO THE STATE'S
HIGHWAYS.**

SECTION 2.1.(a) G.S. 20-118(c) is amended by adding the following new subdivisions to read:

"(18) Subsections (b) and (e) of this section do not apply to a vehicle or vehicle combination that meets all of the conditions set out below:

a. Is transporting metal commodities.

b. Does not operate on an interstate highway, a posted light traffic road, or exceed any posted bridge weight limit.

c. Does not exceed a single-axle weight of 22,000 pounds, a tandem-axle weight of 42,000 pounds, or a gross weight of 90,000 pounds.

"(19) Any additional weight allowance authorized by 23 U.S.C. §127, and applicable to all interstate highways, shall also apply to all State roads, unless the road is a posted road or posted bridge, or unless specifically prohibited by State law or a Department ordinance applicable to a specific road."

SECTION 2.1.(b) G.S. 20-119 is amended by adding a new subsection to read:

"(i) One, two, or three steel coils, transported on the same vehicle, shall be considered a non-divisible load for purposes of permit issuance pursuant to this section."

SECTION 2.1.(c) This section becomes effective October 1, 2016.

PART II. NORTH CAROLINA TURNPIKE AUTHORITY

ALLOW ELECTRONIC BILLING FOR TOLLS

SECTION 3. G.S. 136-89.214(a) reads as rewritten:

"(a) Bill. – If a motor vehicle travels on a Turnpike project that uses an open road tolling system and a toll for traveling on the project is not paid prior to travel or at the time of travel, the Authority must send a bill by first-class mail to the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as established under G.S. 136-89.212(b) for the amount of the unpaid toll, provided, however, that with the written consent of the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as set forth above, the Authority may send the bill via electronic mail to a designated electronic mail account rather than by first-class mail. The Authority must send the bill within 90 days after the travel occurs, or within 90 days of receipt of a sworn affidavit submitted under G.S. 136-89.212(b) identifying the person who had care, custody, and control of the motor vehicle. If a bill is not sent within the required time, the Authority waives collection of the toll. The Authority must establish a billing period for unpaid open road tolls that is no shorter than 15 days. A bill for a billing period must include all unpaid tolls incurred by the same person during the billing period."

REPEAL NCTA SEMIANNUAL REPORTS TO JLTOC

SECTION 4. G.S. 136-89.193(c) is repealed.

PART III. DIVISION OF BICYCLE AND PEDESTRIAN TRANSPORTATION

REPEAL REQUIREMENT TO MAINTAIN OFF-ROAD CYCLING RECORDS

SECTION 5. G.S. 143B-135.100 reads as rewritten:

"§ 143B-135.100. **Use of State land for bicycling; creation of trails by volunteers.**

...

(b) Notwithstanding the provisions of subsection (a) of this section, any land may be restricted or removed from use by bicyclists if it is determined by the State, an agency of the State,

or the holder of land purchased or leased with State funds that the use would cause substantial harm to the land or the environment or that the use would violate another State or federal law. Before restricting or removing land from use by bicyclists, the State, the agency of the State, or the holder of the land purchased or leased with State funds must show why the lands should not be open for use by bicyclists. Local cycling groups or organizations shall be notified of the intent to restrict or remove the land from use by bicyclists and provided an opportunity to show why cycling should be allowed on the land. ~~Notice of any land restricted or removed from use by bicyclists pursuant to this subsection shall be filed with the Division of Bicycle and Pedestrian Transportation of the Department of Transportation.~~

~~(e) The Division of Bicycle and Pedestrian Transportation of the Department of Transportation shall keep a record of all lands made open and available for use by bicyclists pursuant to this section and shall make the information available to the public upon request.~~

...

(e) Notwithstanding any other provision of this section, any hiking, walking, or use of bicycles on game lands administered by the Wildlife Resources Commission shall be restricted to roads and trails designated for vehicular use. Hiking, walking, or bicycle use by persons not hunting shall be restricted to days closed to hunting. The Wildlife Resources Commission may restrict the use of bicycles on game lands where necessary to protect sensitive wildlife habitat or species ~~and shall file notice of any restrictions with the Division of Bicycle and Pedestrian Transportation of the Department of Transportation.~~ species."

PART IV. DIVISION OF MOTOR VEHICLES

COMMERCIAL DRIVERS LICENSE CHANGES

SECTION 6.(a) G.S. 20-7(m) reads as rewritten:

"(m) Instruction Permit. – The Division upon receiving proper application may in its discretion issue a restricted instruction permit effective for a school year or a lesser period to any of the following applicants:

(1) An applicant who is less than 18 years old and is enrolled in a drivers education program that is approved by the State Superintendent of Public Instruction and is offered at a public high school, a nonpublic secondary school, or a licensed drivers training school.

~~(2) An applicant for certification under G.S. 20-218 as a school bus driver.~~

A restricted instruction permit authorizes the holder of the permit to drive a specified type or class of motor vehicle when in possession of the permit, subject to any restrictions imposed by the Division. The restrictions the Division may impose on a permit include restrictions to designated areas and highways and restrictions prohibiting operation except when an approved instructor is occupying a seat beside the permittee. A restricted instruction permit is not required to have a distinguishing number or a picture of the person to whom the permit is issued."

SECTION 6.(b) G.S. 20-37.13(e) reads as rewritten:

"(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.~~ 180 days. 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 6.(c) G.S. 20-17.4(g) reads as rewritten:

"(g) Violation of Out-of-Service Order. – Any person holding a commercial learner's permit or commercial drivers license or required to have a commercial learner's permit or commercial

1 drivers license convicted for violating an out-of-service order, except as described in subsection
2 (h) of this section, shall be disqualified as follows:

- 3 (1) A person is disqualified from driving a commercial vehicle for a period of ~~90~~
4 ~~days~~ no less than 180 days and no more than one year if convicted of a first
5 violation of an out-of-service ~~order~~ order while operating a commercial motor
6 vehicle.
7 (2) A person is disqualified for a period of ~~one year~~ no less than two years and no
8 more than five years if convicted of a second violation of an out-of-service
9 order while operating a commercial motor vehicle during any 10-year period,
10 arising from separate incidents.
11 (3) A person is disqualified for a period of ~~three years~~ no less than three years and
12 no more than five years if convicted of a third or subsequent violation of an
13 out-of-service order while operating a commercial motor vehicle during any
14 10-year period, arising from separate incidents."

15 **SECTION 6.(d)** G.S. 20-17.4(h) reads as rewritten:

16 "(h) Violation of Out-of-Service Order; Special Rule for Hazardous Materials and
17 Passenger Offenses. – Any person holding a commercial learner's permit or commercial drivers
18 license or required to have a commercial learner's permit or commercial drivers license convicted
19 for violating an out-of-service order while transporting hazardous ~~materials~~ materials, as defined
20 in 49 C.F.R. § 383.5, or while operating a commercial vehicle designed or used to transport more
21 than 15 passengers, 16 or more passengers, including the driver, shall be disqualified as follows:

- 22 (1) A person is disqualified for a period of ~~180 days~~ no less than 180 days and no
23 more than two years if convicted of a first violation of an out-of-service
24 order order while operating a commercial motor vehicle.
25 (2) A person is disqualified for a period of ~~three years~~ no less than three years and
26 no more than five years if convicted of a second or subsequent violation of an
27 out-of-service order while operating a commercial motor vehicle during any
28 10-year period, arising from separate incidents.
29 (3) A person is disqualified for a period of no less than three years and no more
30 than five years if convicted of a third or subsequent violation of an
31 out-of-service order while operating a commercial motor vehicle during any
32 10-year period, arising from separate incidents."

33 **SECTION 6.(e)** Article 2C of Chapter 20 of the General Statutes is amended by
34 adding the following new section to read:

35 **"§ 20-37.13A. Medical qualifications standards; waiver for intrastate drivers.**

36 (a) Medical Qualifications Standards Applicable to Commercial Drivers. – All commercial
37 drivers license holders and applicants for commercial drivers licenses must meet the medical
38 qualifications standards set forth in 49 C.F.R. § 391.41.

39 (b) Intrastate Medical Waiver. – Any person unable to meet the standards in 49 C.F.R. §
40 391.41, as adopted by the Division, may apply for a medical waiver that, if approved, will
41 authorize intrastate operation of a commercial motor vehicle. Applications for the medical waiver
42 must be submitted to the Division in writing. Waivers may be granted for no more than two years.

43 (c) Intrastate Operation Subject to Waiver. – Any person granted an intrastate commercial
44 drivers license medical waiver is permitted to maintain a commercial drivers license and operate a
45 commercial motor vehicle in intrastate commerce subject to the following conditions:

- 46 (1) The commercial drivers license must display a restriction to signify it is only
47 valid for intrastate operation.
48 (2) The holder of the license must submit to medical recertification at intervals set
49 by the Division.
50 (3) The holder of the license must timely submit all documentation required by the
51 Division.

- (4) Failure to meet any condition within the time period allowed will result in an automatic downgrade of the license holder's commercial drivers license to a Class C regular drivers license."

SECTION 6.(f) This section becomes effective January 1, 2017, and applies to offenses committed on or after that date.

EXTEND REGISTRATION PERIOD FOR CERTAIN PLATES

SECTION 7.(a) G.S. 20-66 is amended by adding a new subsection to read:

"(g1) Expiration of Registration by Other Means. – The registration of a vehicle renewed by means of a new registration plate expires at midnight on February 15 of each year."

SECTION 7.(b) This section becomes effective October 1, 2016, and applies to registration renewals on or after that date.

TEMPORARY DRIVING CERTIFICATE/USE AND UNIFORMITY

SECTION 8.(a) G.S. 20-7(f)(5) reads as rewritten:

"(f) Duration and Renewal of Licenses. – Drivers licenses shall be issued and renewed pursuant to the provisions of this subsection:

...

- (5) License to be sent by mail. – The Division shall issue to the applicant a temporary driving certificate valid for ~~20 days, and 60 days for a commercial drivers license days,~~ unless the applicant is applying for renewal by mail under subdivision (4) of this subsection. The temporary driving certificate shall be valid for driving purposes ~~only~~ and shall not be valid for identification ~~purposes.~~ purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's drivers license at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the drivers license to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division."

SECTION 8.(b) This section becomes effective January 1, 2017. The extended period of validity applies to temporary driving certificates issued on or after that date.

DMV DRIVERS LICENSE TESTING REQUIREMENTS/REMOTE RENEWAL

SECTION 9.(a) G.S. 20-7(c) reads as rewritten:

"(c) Tests. – To demonstrate physical and mental ability, a person must pass an examination. The examination may include road tests, vision tests, oral tests, and, in the case of literate applicants, written tests, as the Division may require. The tests must ensure that an applicant recognizes the handicapped international symbol of access, as defined in G.S. 20-37.5. The Division may not require a person who applies to renew a license that has not expired to take a written test or a road test unless one or more of the following applies:

- (1) The person has been convicted of a traffic violation since the person's license was last issued.
- (2) The applicant suffers from a mental or physical condition that impairs the person's ability to drive a motor vehicle.

1 The Division shall require sign and symbol testing upon initial issuance of a license. The
2 Division shall require vision testing as a part of in-person, in-office renewals of a license.

3 The Division may not require a person who is at least 60 years old to parallel park a motor
4 vehicle as part of a road test. A person shall not use an autocycle to complete a road test under this
5 subsection."

6 **SECTION 9.(b)** This section becomes effective October 1, 2016.

7
8 **DMV/ELECTRONIC NOTICE**

9 **SECTION 10.(a)** G.S. 20-7.1 reads as rewritten:

10 **"§ 20-7.1. Notice of change of address or name.**

11 (a) Address. – A person whose address changes from the address stated on a drivers
12 license must notify the Division of the change within 60 days after the change occurs. If the
13 person's address changed because the person moved, the person must obtain a duplicate license
14 within that time limit stating the new address. A person who does not move but whose address
15 changes due to governmental action may not be charged with violating this subsection. A person
16 who has provided an e-mail or electronic address to the Division pursuant to G.S. 20-48(a) shall
17 notify the Division of any change or discontinuance of that e-mail or electronic address within 30
18 days after the change or discontinuance.

19 (b) Name. – A person whose name changes from the name stated on a drivers license must
20 notify the Division of the change within 60 days after the change occurs and obtain a duplicate
21 drivers license stating the new name.

22 (c) Fee. – G.S. 20-14 sets the fee for a duplicate license."

23 **SECTION 10.(b)** G.S. 20-43.1 reads as rewritten:

24 **"§ 20-43.1. Disclosure of personal information in motor vehicle records.**

25 (a) The Division shall disclose personal information contained in motor vehicle records in
26 accordance with the federal Driver's Privacy Protection Act of 1994, as amended, 18 U.S.C. §§
27 2721, et seq.

28 (b) As authorized in 18 U.S.C. § 2721, the Division shall not disclose personal information
29 for the purposes specified in 18 U.S.C. § 2721(b)(11).

30 (c) The Division shall not disclose personal information for the purposes specified in 18
31 U.S.C. § 2721(b)(12) unless the Division receives prior written permission from the person about
32 whom the information is requested.

33 (d) As authorized in 18 U.S.C. § 2721, the Division may disclose personal information to
34 federally designated organ procurement organizations and eye banks operating in this State for the
35 purpose of identifying individuals who have indicated an intent to be an organ donor. Personal
36 information authorized under this subsection is limited to the individual's first, middle, and last
37 name, date of birth, address, sex, county of residence, and drivers license number. Employees of
38 the Division who provide access to or disclosure of information in good-faith compliance with this
39 subsection are not liable in damages for access to or disclosure of the information.

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

49 (f) E-mail addresses or other electronic addresses provided to the Division are personal
50 information for purposes of this section and shall only be disclosed in accordance with this
51 section."

1 **SECTION 10.(c)** G.S. 20-48 reads as rewritten:

2 **"§ 20-48. Giving of notice.**

3 (a) Whenever the Division is authorized or required to give any notice under this Chapter
4 or other law regulating the operation of vehicles, unless a different method of giving such notice is
5 otherwise expressly prescribed, such notice shall be given either by personal delivery thereof to
6 the person to be so notified or by deposit in the United States mail of such notice in an envelope
7 with postage prepaid, addressed to such person at his address as shown by the records of the
8 Division. The giving of notice by mail is complete upon the expiration of four days after such
9 deposit of such notice. In lieu of providing notice by personal delivery or United States mail, the
10 Division may give notice under this Chapter by e-mail or other electronic means, if the person to
11 be notified has consented to receiving notices via electronic means and has provided the Division
12 an e-mail address or other like electronic address for receiving the notices. Proof of the giving of
13 notice in either any such manner pursuant to this section may be made by a notation in the records
14 of the Division that the notice was sent to a particular address—address, physical or electronic, and
15 the purpose of the notice. A certified copy of the Division's records may be sent by the Police
16 Information Network, facsimile, or other electronic means. A copy of the Division's records sent
17 under the authority of this section is admissible as evidence in any court or administrative agency
18 and is sufficient evidence to discharge the burden of the person presenting the record that notice
19 was sent to the person named in the record, at the physical or electronic address indicated in the
20 record, and for the purpose indicated in the record. There is no requirement that the actual notice
21 or letter be produced.

22 (a1) A person who consents to electronic notification pursuant to this section shall notify
23 the Division of any change or discontinuance of any e-mail or electronic address provided to the
24 Division in accordance with the provisions of this section and G.S. 20-7.1(a). Upon the failure of a
25 person to notify the Division of any change or discontinuance of an electronic notification
26 pursuant to this section, any notices sent to the original or discontinued electronic address shall be
27 deemed to have been received by the person and a copy of the Division's records sent under the
28 authority of this section is sufficient evidence that notice was sent to the person named in the
29 record, at the physical or electronic address indicated in the record, and for the purpose indicated
30 in the record.

31 (b) Notwithstanding any other provision of this Chapter at any time notice is now required
32 by registered mail with return receipt requested, certified mail with return receipt requested may
33 be used in lieu thereof and shall constitute valid notice to the same extent and degree as notice by
34 registered mail with return receipt requested.

35 (c) The Commissioner shall appoint such agents of the Division as may be needed to serve
36 revocation notices required by this Chapter. The fee for service of a notice shall be fifty dollars
37 (\$50.00)."

38 **SECTION 10.(d)** This section becomes effective October 1, 2016.

39
40 **DMV/INSPECTION OF PRE-1981 MOTOR VEHICLES/TITLING**

41 **SECTION 11.(a)** G.S. 20-53(e) reads as rewritten:

42 "(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are ~~35~~
43 1980 model years-old-year or older or (ii) a specially constructed vehicle prior to the completion of
44 a vehicle verification conducted by the License and Theft Bureau of the Division of Motor
45 Vehicles. These verifications shall be conducted as soon as practical. For an out-of-state vehicle
46 that is ~~35-1980 model years-old-year~~ or older, this inspection shall consist of verifying the public
47 vehicle identification number to ensure that it matches the vehicle and ownership documents. No
48 covert vehicle identification numbers are to be examined on an out-of-state vehicle ~~35-1980 model~~
49 years-year or older unless the inspector develops probable cause to believe that the ownership
50 documents or public vehicle identification number presented does not match the vehicle being
51 examined. However, upon such application and the submission of any required documentation, the

1 Division shall be authorized to register the vehicle pending the completion of the verification of
2 the vehicle. The registration shall be valid for one year but shall not be renewed unless and until
3 the vehicle examination has been completed.

4 If an inspection and verification is not conducted by the License and Theft Bureau of the
5 Division of Motor Vehicles within 15 days after receiving a request for such and the inspector has
6 no probable cause to believe that the ownership documents or public vehicle identification number
7 presented does not match the vehicle being examined, the vehicle shall be deemed to have
8 satisfied all inspection and verification requirements and title shall issue to the owner within 15
9 days thereafter. If an inspection and verification is timely performed and the vehicle passes the
10 inspection and verification, title shall issue to the owner within 15 days of the date of the
11 inspection."

12 **SECTION 11.(b)** This section becomes effective January 1, 2017.

13 14 **REPEAL SIGNATURE REQUIREMENT/REGISTRATION CARD**

15 **SECTION 12.(a)** G.S. 20-57(c) reads as rewritten:

16 "(c) ~~Every owner upon receipt of a registration card, shall write his signature thereon with~~
17 ~~pen and ink in the space provided.~~ Every such registration card shall at all times be carried in the
18 vehicle to which it refers or in the vehicle to which transfer is being effected, as provided by
19 G.S. 20-64 at the time of its operation, and such registration card shall be displayed upon demand
20 of any peace officer or any officer of the Division: Provided, however, any person charged with
21 failing to so carry such registration card shall not be convicted if he produces in court a
22 registration card theretofore issued to him and valid at the time of his arrest: Provided further, that
23 in case of a transfer of a license plate from one vehicle to another under the provisions of
24 G.S. 20-72, evidence of application for transfer shall be carried in the vehicle in lieu of the
25 registration card."

26 **SECTION 12.(b)** G.S. 20-176(a1)(2) is repealed.

27 **SECTION 12.(c)** This section becomes effective December 1, 2016, and applies to
28 registration cards issued on or after that date.

29 30 **AMEND "MOPED" DEFINITION**

31 **SECTION 13.(a)** G.S. 20-4.01 is amended by adding a new subdivision to read:

32 **"§ 20-4.01. Definitions.**

33 Unless the context requires otherwise, the following definitions apply throughout this Chapter
34 to the defined words and phrases and their cognates:

35 ...

36 (7a) Electric Assisted Bicycle.—A bicycle with two or three wheels that is equipped
37 with a seat or saddle for use by the rider, fully operable pedals for human
38 propulsion, and an electric motor of no more than 750 watts, whose maximum
39 speed on a level surface when powered solely by such a motor is no greater
40 than 20 miles per hour.

41 ~~(7a)~~(7b) Electric Personal Assistive Mobility Device. – A self-balancing nontandem
42 two-wheeled device, designed to transport one person, with a propulsion system
43 that limits the maximum speed of the device to 15 miles per hour or less.

44 ~~(7b)~~(7c) Employer. – Any person who owns or leases a commercial motor vehicle or
45 assigns a person to drive a commercial motor vehicle and would be subject to
46 the alcohol and controlled substance testing provisions of 49 C.F.R. § 382 and
47 also includes any consortium or third-party administrator administering the
48 alcohol and controlled substance testing program on behalf of owner-operators
49 subject to the provisions of 49 C.F.R. § 382.

50 ...

51 ~~(21a)~~ Moped. – A type of passenger vehicle as defined in G.S. 105-164.3.

...
(23) Motor Vehicle. – Every vehicle which is self-propelled and every vehicle designed to run upon the highways which is pulled by a self-propelled vehicle. Except as specifically provided otherwise, this term shall not include ~~mopeds as defined in G.S. 20-4.01(27)d1.~~ mopeds, or electric assisted bicycles.

...
(27) Passenger Vehicles. –

c2. Motor-driven bicycle. – A vehicle with two or three wheels, a steering handle, one or two saddle seats, pedals, and a motor that cannot propel the vehicle at a speed greater than 20 miles per hour on a level surface. This term shall not include an electric assisted bicycle as defined in G.S. 20-4.01(7a).

d. Motorcycles. – Vehicles having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including autocycles, motor scooters, and motor-driven bicycles, but excluding tractors and utility vehicles equipped with an additional form of device designed to transport property, three-wheeled vehicles while being used by law-enforcement ~~agencies~~ agencies, electric assisted bicycles, and mopeds as defined in subdivision ~~d1~~ d1, of this subsection.

d1. ~~Moped. – Defined in G.S. 105-164.3.~~ A vehicle, other than a motor-driven bicycle or electric assisted bicycle, that has two or three wheels, no external shifting device, a motor that does not exceed 50 cubic centimeters piston displacement and cannot propel the vehicle at a speed greater than 30 miles per hour on a level surface. The motor may be powered by electricity, alternative fuel, motor fuel, or a combination of each.

...
(49) Vehicle. – Every device in, upon, or by which any person or property is or may be transported or drawn upon a highway, excepting devices moved by human power or used exclusively upon fixed rails or tracks; provided, that for the purposes of this Chapter bicycles and electric assisted bicycles shall be deemed vehicles and every rider of a bicycle or an electric assisted bicycle upon a highway shall be subject to the provisions of this Chapter applicable to the driver of a vehicle except those which by their nature can have no application. This term shall not include a device which is designed for and intended to be used as a means of transportation for a person with a mobility impairment, or who uses the device for mobility enhancement, is suitable for use both inside and outside a building, including on sidewalks, and is limited by design to 15 miles per hour when the device is being operated by a person with a mobility impairment, or who uses the device for mobility enhancement. This term shall not include an electric personal assistive mobility device as defined in ~~G.S. 20-4.01(7a).~~ G.S. 20-4.01(7b)."

SECTION 13.(b) G.S. 20-10.1

"§ 20-10.1. Mopeds.

It shall be unlawful for any person who is under the age of 16 years to operate a moped as defined in ~~G.S. 105-164.3~~ G.S. 20-4.01(27)d1, upon any highway or public vehicular area of this State."

SECTION 13.(c) G.S. 20-175.6 reads as rewritten:

"§ 20-175.6. Electric personal assistive mobility devices.

(a) Electric Personal Assistive Mobility Device. – As defined in ~~G.S. 20-4.01(7a)~~, G.S. 20-4.01(7b).

..."

SECTION 13.(d) G.S. 58-36-3 reads as rewritten:

"§ 58-36-3. Limitation of scope; motorcycle and moped endorsements allowed; Department of Insurance report.

(a) The Bureau has no jurisdiction over:

...

(8) Liability insurance and theft or physical damage insurance on mopeds, as defined in ~~G.S. 105-164.3~~, G.S. 20-4.01(27)d1."

..."

SECTION 13.(e) G.S. 58-37-1 reads as rewritten:

"§ 58-37-1. Definitions.

As used in this Article:

...

(6) "Motor vehicle" means every self-propelled vehicle that is designed for use upon a highway, including trailers and semitrailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels, and well drillers). "Motor vehicle" also means a motorcycle, as defined in G.S. 20-4.01(27)d. "Motor vehicle" does not mean a moped, as defined in ~~G.S. 105-164.3~~, G.S. 20-4.01(27)d1. Notwithstanding any other provisions of this Article, liability insurance on a moped is not eligible for cession to the Facility.

..."

SECTION 13.(f) G.S. 58-40-10 reads as rewritten:

"§ 58-40-10. Other definitions.

As used in this Article and in Articles 36 and 37 of this Chapter:

(1) "Private passenger motor vehicle" means:

...

c. A motorcycle, motorized scooter or other similar motorized vehicle not used for commercial purposes. A moped, as defined in ~~G.S. 105-164.3~~, G.S. 20-4.01(27)d1., is not considered a motorcycle, motorized scooter, or other similar motorized vehicle.

..."

SECTION 13.(g) G.S. 105-164.3 reads as rewritten:

"§ 105-164.3. Definitions.

The following definitions apply in this Article:

...

(22) Moped. – ~~A vehicle that has two or three wheels, no external shifting device, and a motor that does not exceed 50 cubic centimeters piston displacement and cannot propel the vehicle at a speed greater than 30 miles per hour on a level surface.~~ As defined in G.S. 20-4.01(27)d1.

..."

SECTION 13.(h) This section becomes effective December 1, 2016, and applies to offenses committed on or after that date.

PART V. EFFECTIVE DATE

SECTION 14. Except as otherwise provided, this act is effective when it becomes law.





SENATE BILL 761: Short-Line RRs Assistance.

2016-2017 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Appropriations/Base Budget	Date:	May 11, 2016
Introduced by:	Sens. J. Davis, Rabon	Prepared by:	Wendy Ray
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 761 would allow funds from the Freight Rail & Rail Crossing Safety Improvement Fund to be used to assist short-line railroads.*

CURRENT LAW: G.S. 124-5.1 provides that dividends from the North Carolina Railroad are to be deposited in the Freight Rail & Rail Crossing Safety Improvement Fund, which is to be used for the enhancement of freight rail service and railroad-roadway crossing safety

BILL ANALYSIS: Senate Bill 761 would make clear that funds from the Freight Rail & Rail Crossing Safety Improvement Fund may be used for short-line railroad projects.

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

Karen Cochrane-
Brown
Director



Legislative Analysis
Division
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Apr 26, 2016
S.B 761
PRINCIPAL CLERK

S

D

SENATE BILL DRS15313-RW-18 (04/01)

Short Title: Short-Line RRs Assistance.

(Public)

Sponsors: Senators J. Davis and Rabon (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THAT THE FREIGHT RAIL AND RAIL CROSSING SAFETY
3 IMPROVEMENT FUND MAY BE USED TO ASSIST SHORT-LINE RAILROADS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 124-5.1 reads as rewritten:

6 "§ 124-5.1. North Carolina Railroad Company dividends deposited to Highway Fund.

7 Any dividends of the North Carolina Railroad Company received by the State shall be
8 deposited into the Freight Rail & Rail Crossing Safety Improvement Fund within the Highway
9 Fund and administered by the Rail Division of the Department of Transportation. The Fund shall
10 be used for the enhancement of freight rail ~~service~~ service, short-line railroad assistance, and
11 railroad-roadway crossing safety, which may include the following project types:

12 (1) Track and associated infrastructure improvements for freight service.

13 (2) Grade crossing protection, elimination, and hazard removal.

14 (3) Signalization improvements.

15 (4) Assistance for projects to improve rail access to industrial, port, and military
16 facilities and for freight intermodal facility improvements, provided that
17 funding assistance under this subdivision shall be subject to the same limits as
18 that for short-line railroads under G.S. 136-44.39.

19 (5) Corridor protection and reactivation.

20 (6) Other short-line railroad projects.

21 The Fund may also be used to supplement funds allocated for freight rail or railroad-roadway
22 crossing safety projects approved as part of the Transportation Improvement Program."

23 SECTION 2. G.S. 136-44.39 reads as rewritten:

24 "§ 136-44.39. Department to provide State and federal financial assistance to short-line
25 railroads.

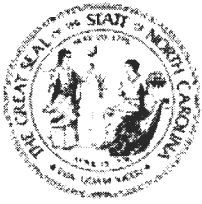
26 The Department of Transportation is authorized to provide assistance to short-line railroads to
27 continue and enhance rail service in the State so as to assist in economic development and access
28 to ports and military installations. Assistance under this section may ~~involve both~~ include funds
29 from the Rail Industrial Access Program and the Short Line Infrastructure Access Program, as
30 well as other innovative programs, and such other programs as may exist or be established for
31 these purposes. Grants under this section shall not exceed fifty percent (50%) of the nonfederal
32 share and must be matched by equal or greater funding from the applicant."

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



* D R S 1 5 3 1 3 - R W - 1 8 *





SENATE BILL 772: Rename Cape Fear River Bridge at Tar Heel.

2016-2017 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Appropriations/Base Budget	Date:	May 11, 2016
Introduced by:	Sens. Rabon, Meredith	Prepared by:	Wendy Ray
Analysis of:	First Edition		Committee Counsel

SUMMARY: *Senate Bill 772 would rename the Cape Fear River Bridge the "David B. Melvin Memorial Bridge" and appropriate \$1,000 to be used for signage.*

[As introduced, this bill was identical to H1008, as introduced by Reps. Brisson, Waddell, which is currently in House Appropriations.]

CURRENT LAW: G.S. 136-18(8) gives the Department of Transportation the authority to give suitable names to State highways and bridges.

BILL ANALYSIS: Senate Bill 772 would direct the Department of Transportation to rename the Cape Fear River Bridge located in the Town of Tar Heel in Bladen County the "David B. Melvin Memorial Bridge." The bill would also appropriate \$1,000 from the Highway Fund to the Department to be used for signage.

EFFECTIVE DATE: The act would become effective July 1, 2016.

BACKGROUND: In 2014, the Bladen County Board of Commissioners adopted a resolution supporting the renaming of the Cape Fear River Bridge at Tar Heel in memory of David B. Melvin. Mr. Melvin served as the ferry skipper at the Tar Heel/White Oak crossing of the Cape Fear River. In September of 1954, Mr. Melvin fell and drowned in the Cape Fear River while operating the ferry at night.

Karen Cochran-
Brown
Director



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Legislative Analysis
Division
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

FILED SENATE
Apr 27, 2016
S.B 772
PRINCIPAL CLERK

S

D

SENATE BILL DRS55003-MLa-263A* (04/26)

Short Title: Rename Cape Fear River Bridge at Tar Heel. (Public)

Sponsors: Senators Rabon and Meredith (Primary Sponsors).

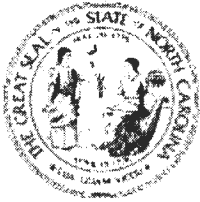
Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO NAME THE CAPE FEAR RIVER BRIDGE LOCATED IN THE TOWN OF TAR
3 HEEL IN BLADEN COUNTY THE "DAVID B. MELVIN MEMORIAL BRIDGE."
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** Naming of Bridge. – Notwithstanding G.S. 136-18(8) and any other
6 provision of law to the contrary, the Department of Transportation shall name the Cape Fear River
7 Bridge located in the Town of Tar Heel in Bladen County the "David B. Melvin Memorial
8 Bridge."
9 **SECTION 2.** Appropriation. – For the 2016-2017 fiscal year, there is appropriated
10 from the Highway Fund to the Department of Transportation the sum of one thousand dollars
11 (\$1,000) in nonrecurring funds to be used for signage displaying the name of the David B. Melvin
12 Memorial Bridge.
13 **SECTION 3.** Effective Date. – This act becomes effective July 1, 2016.



* D R S 5 5 0 0 3 - M L A - 2 6 3 A *





SENATE BILL 778: DOT to study SEPA reform impacts.

2016-2017 General Assembly

Committee: Senate Transportation
Introduced by: Sens. Wade, Brock, B. Jackson
Analysis of: First Edition

Date: May 11, 2016
Prepared by: Wendy Ray
Committee Counsel

SUMMARY: *Senate Bill 778 directs the Department of Transportation to study the fiscal impact of reforms passed in 2015 to the State Environmental Policy Act, as recommended by the Environmental Review Commission.*

[As introduced, this bill was identical to H1003, as introduced by Rep. Dixon, which is currently in House Transportation.]

CURRENT LAW: House Bill 795 (S.L. 2015-90) was enacted in 2015 to reform the State Environmental Policy Act (SEPA). The bill increased the thresholds for when SEPA applies, increased the number of exemptions from the Act, and otherwise amended the Act.

BILL ANALYSIS: Senate Bill 778 would direct the Department of Transportation to study the impact of the SEPA reforms enacted in S.L. 2015-90 on transportation projects. Specifically, the Department would be required to assess cost savings resulting from shortening of project time lines.

The Department must report the results of the study to the Environmental Review Commission by December 1, 2016, including any recommendations for other changes that would result in significant cost savings.

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

Karen Cochrane-
Brown
Director



Legislative Analysis
Division
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

D

SENATE BILL 778
PROPOSED COMMITTEE SUBSTITUTE S778-PCS15362-SU-40

Short Title: DOT to Study SEPA Reform Impacts.

(Public)

Sponsors:

Referred to:

April 28, 2016

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY THE
3 FISCAL IMPACT OF SEPA REFORM, AS RECOMMENDED BY THE
4 ENVIRONMENTAL REVIEW COMMISSION.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** The Department of Transportation shall study the impact on
7 transportation projects from reforms to the State Environmental Policy Act enacted by S.L.
8 2015-90 (House Bill 795). The Department shall specifically assess impacts on transportation
9 project permitting costs and any other savings due to shortening of project construction time lines.
10 The Department shall report the results of this study, including any recommendations for other
11 changes in State environmental law that would result in significant cost savings, to the
12 Environmental Review Commission and the Joint Legislative Transportation Oversight
13 Committee no later than December 1, 2016.
14 **SECTION 2.** This act is effective when it becomes law.



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NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 778

S778-ASU-60 [v.2]

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

Page 1 of 1

Amends Title [NO]
First Edition

Date _____, 2016

Senator

Rahon

- 1 moves to amend the bill on page 1, line 12, by rewriting the line to read:
2
3 "Environmental Review Commission and the Joint Legislative Transportation Oversight
4 Committee no later than December 1, 2016."

SIGNED

[Signature]

Amendment Sponsor

SIGNED

[Signature]

Committee Chair if Senate Committee Amendment

ADOPTED _____

FAILED _____

TABLED _____



* S 7 7 8 - A S U - 6 0 - V - 2 *

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

S

2

SENATE BILL 778
Transportation Committee Substitute Adopted 5/11/16

Short Title: DOT to Study SEPA Reform Impacts.

(Public)

Sponsors:

Referred to:

April 28, 2016

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO STUDY THE
3 FISCAL IMPACT OF SEPA REFORM, AS RECOMMENDED BY THE
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11 changes in State environmental law that would result in significant cost savings, to the
12 Environmental Review Commission and the Joint Legislative Transportation Oversight
13 Committee no later than December 1, 2016.
14 **SECTION 2.** This act is effective when it becomes law.



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Senate Transportation Committee

May 11, 2016 – Room 1027 LB – 11:00 AM

PLEASE SIGN IN BELOW

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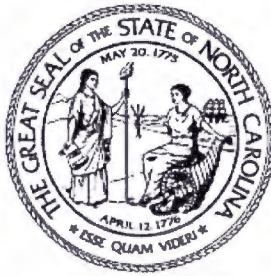
Senate Transportation Committee

May 11, 2016 – Room 1027 LB – 11:00 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
SKYE David	AMGA
Ellis Powell	CAPA
Steven Webb	NCABA
TIM MINTON	NCABA
Jaz Tunell	PNB
Amanda Donovan	TSS
Doug Miskew	PSB
Ed Jurek	BOP
Mio Bailey	Electricities
Andy Elle	NCRW
Charlotte Boyd-Malette	NCDMV
Robert PASHAR	Young Modine
Sarah Bales	Interstate Broker: ASS
Sarah Hardin	CTR
Susan Lee	Duke Energy
Patrick Buffkin	NCAEC
Chris Broughton	Mr. Gwire Woods





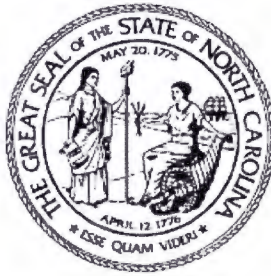
Senate Transportation Committee

May 11, 2016 – Room 1027 LB – 11:00 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Rebecca Rushton	Sectran Law Officer
ROB COTTER	ORGANIC TRANSIT
Alay Miller	AMGA
Skylar David	AMGA
Hope Mozenya	NCDMV
Kelly Thomas	NCDMV
Kevin Lacy	NCDOT
Rodney Coleman	NCDMV
Sherry La	NCDMV
David Huskins	GSMR
Reynold Eddy	NOAN
Donna Lantz	NCSA
Sumner	NS
Joyce Roberts	CS
Leki Ahanu	NCRMA
Amy Ellen	NCRMA
Elizabeth Robinson	NCRMA
Chr McPall	ICTS
Jeffrey Whitman	ICTS





Senate Transportation Committee

May 11, 2016 – Room 1027 LB – 11:00 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Jason Daniel	NCDMV L+T
Matthew Bullock	NCC
Meghan Lee	NCC
Steve Brewer	CTL
Trey Robson	AT&T
Lori Ann Harris	LHH
Thomas Wilson	CGA
Jh. P. P. P.	
Sammy Roberson	TWC
Erin Jones	TUX
Frank Bone	Bone & Assoc.
Erin Wynia	NCLM
Terry David	NCLM
[Signature]	RAC
Lynn [Signature]	
Asly [Signature]	Bradford Academy
Paul [Signature]	Bradford Academy
Joseph Burdoshaw	Bradford Academy



Senate Committee on Transportation
Wednesday, June 15, 2016 at 11:00 AM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 11:00 AM on June 15, 2016 in Room 1027/1128 of the Legislative Building. 10 members were present. Sergeant at Arms: Terry Barnhardt, Charles Marsalis, Sham Patel. Pages: Audrey Bowman of Raleigh (Apodaca); Joshua Meredith of Fayetteville (Meredith); Rachel M. Johnson of Raleigh (Berger); Angel Williams of Grifton (D. Davis); Lindsey Lovitt of Marvin (Tucker); Eva Logen of Charlotte (J.Jackson).

Senator Warren Daniel, Chair, presided.

HB 959 DOT Proposed Legislative Changes. (Representatives Iler, Torbett) Rep. Iler and Wendy Ray (Committee Research Staff) explained the bill and the differences between the proposed PCS and the version that came from the House. There was some committee discussion. Sen. VanDuyn asked about the study provision and how it relates to broadband. Sen. Robinson asked about bicycle training. Mike Holden of the NC DOT Highway Division explained how the bike training program is handled. The State Traffic Director, Kevin Lane spoke about the "Rules of the Road" bicyclists should be aware of. Sen. Robinson asked how online license renewal works for the vision impaired. Rep. Torbett was available to explain the process for the visually impaired. NCGA staff attorney, Giles Perry also helped with the explanation. There was no public comment. Upon the motion of Sen. Rabon, seconded by Sen. Ford, the committee voted to give the bill a report of Unfavorable as to the bill, Favorable as to the Senate Committee Substitute bill.

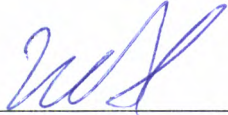
HB 464 Regional Transportation Authority Revisions. (Representative Faircloth) Rep. Faircloth presented the new committee substitute bill. There was no discussion and no public comment. Sen. Meredith made a motion to give the PCS a favorable report. The motion carried and the bill was reported to the Senate Principal Clerk's office as Unfavorable as to the bill, Favorable as to the Senate Committee Substitute bill.

HB 971 Motor Fleet Clarification. (Representatives Cleveland, Riddell) Rep. Cleveland explained this bill. There was neither committee discussion nor public comment. Sen. J. David motioned to give the bill a favorable report. The motion carried and the bill was reported to the Senate Principal Clerk as Favorable.

HB 256 Handicapped Parking/Veterans Plate. (Representatives Floyd, C. Graham, L. Hall) Rep. Floyd explained this bill. There was no discussion and nor public comment. Sen.

Robinson motioned that the bill get a Favorable report. The motion carried and the bill was reported to the Senate Principal Clerk's office as Favorable.

The meeting adjourned at 11:30.



Senator Warren Daniel, Chair
Presiding



Andy Perrigo, Committee Clerk

**Senate Committee on Transportation
Wednesday, June 15, 2016, 11:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 959	DOT Proposed Legislative Changes.	Representative Iler Representative Torbett Representative Faircloth
HB 464	Regional Transportation Authority Revisions.	
HB 971	Motor Fleet Clarification.	Representative Cleveland Representative Riddell
HB 256	Handicapped Parking/Veterans Plate.	Representative Floyd Representative C. Graham Representative L. Hall

Presentations

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, June 15, 2016

Senator Daniel,
submits the following with recommendations as to passage:

FAVORABLE

HB 256 (CS#1)	Handicapped Parking/Veterans Plate.
	Draft Number: None
	Sequential Referral: None
	Recommended Referral: None
	Long Title Amended: No

HB 971 (CS#1)	Motor Fleet Clarification.
	Draft Number: None
	Sequential Referral: None
	Recommended Referral: None
	Long Title Amended: No

TOTAL REPORTED: 2

Committee Clerk Comments:

This is Report 1 of ____

Senator Wesley Meredith will handle HB 256
Senator Joyce Krawiec will handle HB 971



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**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, June 15, 2016

Senator Daniel,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE AS TO
SENATE COMMITTEE SUBSTITUTE BILL**

HB 464 (CS#1)	Regional Transportation Authority Revisions.
	Draft Number: H464-PCS40670-RW-70
	Sequential Referral: None
	Recommended Referral: None
	Long Title Amended: No

TOTAL REPORTED: 1

Committee Clerk Comments:

Report 2 of ?

Senator Rick Gunn will handle HB 464



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**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**TRANSPORTATION COMMITTEE REPORT
Senator Daniel, Co-Chair
Senator Rabon, Co-Chair**

Wednesday, June 15, 2016

Senator Daniel,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE AS TO
SENATE COMMITTEE SUBSTITUTE BILL**

HB 959 (CS#1)

DOT Proposed Legislative Changes.

Draft Number:	H959-PCS10553-SU-47
Sequential Referral:	None
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

Report 3 of 3

Senator Bill Rabon will handle HB 959



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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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3

HOUSE BILL 959*
Committee Substitute Favorable 5/25/16
Third Edition Engrossed 6/2/16

Short Title: DOT Proposed Legislative Changes.

(Public)

Sponsors:

Referred to:

April 26, 2016

A BILL TO BE ENTITLED
AN ACT TO MAKE VARIOUS CHANGES TO THE TRANSPORTATION LAWS OF THE
STATE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION
OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DIVISION OF HIGHWAYS

SMALL TRANSPORTATION PROJECTS/LOCAL CONSULTATION

SECTION 1. G.S. 136-11.1 reads as rewritten:

"§ 136-11.1. Local consultation on transportation projects.

Prior to any action of the Board on a transportation project, the Department shall inform all municipalities and counties affected by a planned transportation project and request each affected municipality or county to submit within 45 days a written resolution expressing their views on the project. A municipality or county may designate a Transportation Advisory Committee to submit its response to the Department's request for a resolution. Upon receipt of a written resolution from all affected municipalities and counties or their designees, or the expiration of the 45-day period, whichever occurs first, the Board may take action. The Department and the Board shall consider, but shall not be bound by, the views of the affected municipalities and counties on each transportation project. The failure of a county or municipality to express its views within the time provided shall not prevent the Department or the Board from taking action. The Department shall not be required to send notice under this section if it has already received a written resolution from the affected county or municipality on the planned transportation project. "Action of the Board", as used in this section, means approval by the Board of: the Transportation Improvement Program and amendments to the Transportation Improvement Program; the Secondary Roads Paving Program and amendments to the Secondary Roads Paving Program; and individual applications for access and public service road projects, contingency projects, small urban projects, and spot safety projects that exceed ~~one-two~~ hundred fifty thousand dollars ~~(\$150,000).~~ ~~(\$250,000).~~ The 45-day notification provision may be waived upon a finding by the Secretary of Transportation that emergency action is required. Such findings must be reported to the Joint Legislative Transportation Oversight Committee."

BROADBAND AND FIBER OPTIC IN DOT RIGHT-OF-WAY/STUDY FEES

SECTION 2.(a) G.S. 136-18(2) reads as rewritten:

"§ 136-18. Powers of Department of Transportation.



The said Department of Transportation is vested with the following powers:

(2) Related to right-of-way:

- a. To take over and assume exclusive control for the benefit of the State of any existing county or township ~~roads, and roads.~~
- b. ~~to~~ To locate and acquire rights-of-way for any new roads that may be necessary for a State highway ~~system, and system.~~
- c. ~~subject~~ Subject to the provisions of G.S. 136-19.5(a) and (b) also (b), to use existing rights-of-way, or locate and acquire such additional rights-of-way rights-of-way, as may be necessary for the present or future relocation or initial location, above or below ground, of of:
 1. ~~telephone,~~ Telephone, telegraph, distributed antenna systems (DAS), broadband communications, electric and other lines, as well as gas, water, sewerage, oil and other pipelines, to be operated by public utilities as defined in G.S. 62-3(23) and which are regulated under Chapter 62 of the General Statutes, or by municipalities, counties, any entity created by one or more political subdivisions for the purpose of supplying any such utility services, electric membership corporations, telephone membership corporations, or any combination thereof, with thereof; and
 2. Nonutility owned or operated communications or data transmission infrastructure.

The Department retains full power to widen, relocate, change or alter the grade or location thereof, or alter the location or configuration of such lines or systems above or below ground, and to ground. No agreement for use of Department right-of-way under this sub-subdivision shall abrogate the Department's ownership and control of the right-of-way. The Department is authorized to adopt policies and rules necessary to implement the provisions of this sub-subdivision. The affected entity, and not the Department, shall bear the cost to move utility lines, pipelines, or other infrastructure located on State right-of-way pursuant to this sub-subdivision, except as authorized by G.S. 136-27.1 and G.S. 136-27.2.
- d. To change or relocate any existing roads that the Department of Transportation may now own or may acquire; to acquire.
- e. To acquire by gift, purchase, or otherwise, any road or highway, or tract of land or other property whatsoever that may be necessary for a State transportation system and adjacent utility rights-of-way; rights-of-way.
- f. Provided, all changes or alterations authorized by this subdivision shall be subject to the provisions of G.S. 136-54 to 136-63, to the extent that said sections are applicable; applicable.
- e. Provided, that nothing in this Chapter shall be construed to authorize or permit the Department of Transportation to allow or pay anything to any county, township, city or town, or to any board of commissioners or governing body thereof, for any existing road or part of any road heretofore constructed by any such county, township, city or town, unless a contract has already been entered into with the Department of Transportation."

SECTION 2.(b) The Department of Transportation shall study the issue of administrative fees for encroachments pursuant to G.S. 136-18(2)c. The Department shall report

its findings and recommendations to the Joint Legislative Transportation Oversight Committee on or before December 1, 2016.

SECTION 2.(c) This section becomes effective July 1, 2016.

WEIGHTS LIMITS APPLICABLE TO METAL COMMODITIES AND STEEL COILS AND EXTENDING CERTAIN FEDERAL WEIGHT EXCEPTIONS TO THE STATE'S HIGHWAYS

SECTION 2.1.(a) G.S. 20-118(c) is amended by adding the following new subdivisions to read:

"(18) Subsections (b) and (e) of this section do not apply to a vehicle or vehicle combination that meets all of the conditions set out below:

a. Is transporting metal commodities.

b. Does not operate on an interstate highway, a posted light traffic road, or exceed any posted bridge weight limit.

c. Does not exceed a single-axle weight of 22,000 pounds, a tandem-axle weight of 42,000 pounds, or a gross weight of 90,000 pounds.

(19) Any additional weight allowance authorized by 23 U.S.C. § 127, and applicable to all interstate highways, shall also apply to all State roads, unless the road is a posted road or posted bridge, or unless specifically prohibited by State law or a Department ordinance applicable to a specific road."

SECTION 2.1.(b) G.S. 20-119 is amended by adding a new subsection to read:

"(i) One-, two-, or three-steel coils, transported on the same vehicle, shall be considered a nondivisible load for purposes of permit issuance pursuant to this section."

SECTION 2.1.(c) This section becomes effective October 1, 2016.

DOT SURVEYING CHANGES

SECTION 2.5. G.S. 136-18 is amended by adding a new subdivision to read:

"(46) The Department shall provide North Carolina grid coordinates for at least one point for each parcel acquired by the Department on or after January 1, 2017."

PART II. NORTH CAROLINA TURNPIKE AUTHORITY

ALLOW ELECTRONIC BILLING FOR TOLLS

SECTION 3. G.S. 136-89.214(a) reads as rewritten:

"(a) Bill. – If a motor vehicle travels on a Turnpike project that uses an open road tolling system and a toll for traveling on the project is not paid prior to travel or at the time of travel, the Authority must send a bill by first-class mail to the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as established under G.S. 136-89.212(b) for the amount of the unpaid toll; provided, however, that with the written consent of the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as set forth above, the Authority may send the bill via electronic mail to a designated electronic mail account rather than by first-class mail. The Authority must send the bill within 90 days after the travel occurs, or within 90 days of receipt of a sworn affidavit submitted under G.S. 136-89.212(b) identifying the person who had care, custody, and control of the motor vehicle. If a bill is not sent within the required time, the Authority waives collection of the toll. The Authority must establish a billing period for unpaid open road tolls that is no shorter than 15 days. A bill for a billing period must include all unpaid tolls incurred by the same person during the billing period."

TURNPIKE AUTHORITY REPORT ON ONE-TIME FACILITY USER FEES AND PENALTIES

1 **SECTION 3.1.** The North Carolina Turnpike Authority shall report to the Joint
2 Legislative Transportation Oversight Committee on October 1, 2016, and in its annual report
3 thereafter, the number of one-time toll facility users who are charged more than fifty dollars
4 (\$50.00) in processing fees imposed under G.S. 136-89.215 and civil penalties assessed under
5 G.S. 136-89.216. The report shall include proposed statutory language to limit charging more than
6 fifty dollars (\$50.00) in processing fees imposed under G.S. 136-89.215 and civil penalties
7 assessed under G.S. 136-89.216 to one-time toll facility users.

8
9 **REPEAL NCTA SEMIANNUAL REPORTS TO JLTOC**

10 **SECTION 4.** G.S. 136-89.193(c) is repealed.

11
12 **PART III. DIVISION OF BICYCLE AND PEDESTRIAN TRANSPORTATION**

13
14 **REPEAL REQUIREMENT TO MAINTAIN OFF-ROAD CYCLING RECORDS**

15 **SECTION 5.** G.S. 143B-135.100 reads as rewritten:

16 **"§ 143B-135.100. Use of State land for bicycling; creation of trails by volunteers.**

17 ...

18 (b) Notwithstanding the provisions of subsection (a) of this section, any land may be
19 restricted or removed from use by bicyclists if it is determined by the State, an agency of the State,
20 or the holder of land purchased or leased with State funds that the use would cause substantial
21 harm to the land or the environment or that the use would violate another State or federal law.
22 Before restricting or removing land from use by bicyclists, the State, the agency of the State, or the
23 holder of the land purchased or leased with State funds must show why the lands should not be
24 open for use by bicyclists. Local cycling groups or organizations shall be notified of the intent to
25 restrict or remove the land from use by bicyclists and provided an opportunity to show why
26 cycling should be allowed on the land. ~~Notice of any land restricted or removed from use by~~
27 ~~bicyclists pursuant to this subsection shall be filed with the Division of Bicycle and Pedestrian~~
28 ~~Transportation of the Department of Transportation.~~

29 ~~(c) The Division of Bicycle and Pedestrian Transportation of the Department of~~
30 ~~Transportation shall keep a record of all lands made open and available for use by bicyclists~~
31 ~~pursuant to this section and shall make the information available to the public upon request.~~

32 ...

33 (e) Notwithstanding any other provision of this section, any hiking, walking, or use of
34 bicycles on game lands administered by the Wildlife Resources Commission shall be restricted to
35 roads and trails designated for vehicular use. Hiking, walking, or bicycle use by persons not
36 hunting shall be restricted to days closed to hunting. The Wildlife Resources Commission may
37 restrict the use of bicycles on game lands where necessary to protect sensitive wildlife habitat or
38 ~~species and shall file notice of any restrictions with the Division of Bicycle and Pedestrian~~
39 ~~Transportation of the Department of Transportation.~~ species."

40
41 **BICYCLE MUST HAVE RED REAR LIGHT OR OPERATOR MUST WEAR**
42 **REFLECTIVE VEST WHEN OPERATED AT NIGHT**

43 **SECTION 5.1.(a)** G.S. 20-129(e) reads as rewritten:

44 "(e) Lamps on Bicycles. – Every bicycle shall be equipped ~~with a~~ with both of the
45 following when operated at night on any public street, public vehicular area, or public greenway:

46 (1) A lighted lamp on the front thereof, visible under normal atmospheric
47 conditions from a distance of at least 300 feet in front of such ~~bicycle, and shall~~
48 ~~also be equipped with a reflex mirror or bicycle.~~

49 (2) A lamp on the rear, exhibiting a red light visible under like conditions from a
50 distance of at least ~~200~~ 300 feet to the rear of such bicycle, ~~when used at~~

~~night or the operator must wear clothing or a vest that is bright and visible from a distance of at least 300 feet to the rear of the bicycle."~~

SECTION 5.1.(b) This section becomes effective December 1, 2016, and applies to offenses committed on or after that date.

BICYCLE SAFETY LAW REVISIONS

SECTION 5.5.(a) G.S. 20-150(e) reads as rewritten:

"(e) The driver of a vehicle shall not overtake and pass another on any portion of the highway which is marked by signs, markers or markings placed by the Department of Transportation stating or clearly indicating that passing should not be attempted. The prohibition in this section shall not apply when the overtaking and passing is done in accordance with all of the following:

- (1) The slower moving vehicle to be passed is a bicycle, as defined in G.S. 20-171.1, or a moped.
- (2) The slower moving vehicle is proceeding in the same direction as the faster moving vehicle.
- (3) The driver of the faster moving vehicle either (i) provides a minimum of four feet between the faster moving vehicle and the slower moving vehicle or (ii) completely enters the left lane of the highway.
- (4) The operator of the slower moving vehicle is not (i) making a left turn or (ii) signaling in accordance with G.S. 20-154 that he or she intends to make a left turn.
- (5) The driver of the faster moving vehicle complies with all other applicable requirements set forth in this section."

SECTION 5.5.(b) G.S. 20-149(a) reads as rewritten:

"(a) The driver of any such vehicle overtaking another vehicle proceeding in the same direction shall pass at least two feet to the left thereof, and shall not again drive to the right side of the highway until safely clear of such overtaken vehicle. This subsection shall not apply when the overtaking and passing is done pursuant to the provisions of ~~G.S. 20-150.1~~. G.S. 20-150(e) or G.S. 20-150.1."

SECTION 5.5.(c) G.S. 20-154 reads as rewritten:

"§ 20-154. Signals on starting, stopping or turning.

...

(a1) A person who violates subsection (a) of this section and causes a motorcycle or bicycle operator to change travel lanes or leave that portion of any public street or highway designated as travel lanes shall be responsible for an infraction and shall be assessed a fine of not less than two hundred dollars (\$200.00). A person who violates subsection (a) of this section that results in a crash causing property damage or personal injury to a motorcycle or bicycle operator or passenger shall be responsible for an infraction and shall be assessed a fine of not less than five hundred dollars (\$500.00) unless subsection (a2) of this section applies.

(a2) A person who violates subsection (a) of this section and the violation results in a crash causing property damage in excess of five thousand dollars (\$5,000) or a serious bodily injury as defined in G.S. 20-160.1(b) to a motorcycle or bicycle operator or passenger shall be responsible for an infraction and shall be assessed a fine of not less than seven hundred fifty dollars (\$750.00). A violation of this subsection shall be treated as a failure to yield right-of-way to a motorcycle or bicycle, as applicable, for purposes of assessment of points under G.S. 20-16(c). In addition, the trial judge shall have the authority to order the license of any driver violating this subsection suspended for a period not to exceed 30 days. If a judge orders suspension of a person's drivers license pursuant to this subsection, the judge may allow the licensee a limited driving privilege for a period not to exceed the period of suspension. The limited driving privilege shall be issued in the

same manner and under the terms and conditions prescribed in G.S. 20-16.1(b)(1), (2), (3), (4), (5), and G.S. 20-16.1(g).

(b) The signal herein required shall be given by means of the hand and arm in the manner herein specified, or by any mechanical or electrical signal device approved by the Division, except that when a vehicle is so constructed or loaded as to prevent the hand and arm signal from being visible, both to the front and rear, the signal shall be given by a device of a type which has been approved by the Division.

~~Whenever~~ Except as otherwise provided in subsection (b1) of this section, whenever the signal is given the driver shall indicate his intention to start, stop, or turn by extending the hand and arm from and beyond the left side of the vehicle as hereinafter set forth.

Left turn – hand and arm horizontal, forefinger pointing.

Right turn – ~~hand and~~ upper arm horizontal, forearm and hand pointed upward.

Stop – ~~hand and arm~~ upper arm horizontal, forearm and hand pointed downward.

All hand and arm signals shall be given from the left side of the vehicle and all signals shall be maintained or given continuously for the last 100 feet traveled prior to stopping or making a turn. Provided, that in all areas where the speed limit is 45 miles per hour or higher and the operator intends to turn from a direct line of travel, a signal of intention to turn from a direct line of travel shall be given continuously during the last 200 feet traveled before turning.

Any motor vehicle in use on a highway shall be equipped with, and required signal shall be given by, a signal lamp or lamps or mechanical signal device when the distance from the center of the top of the steering post to the left outside limit of the body, cab or load of such motor vehicle exceeds 24 inches, or when the distance from the center of the top of the steering post to the rear limit of the body or load thereof exceeds 14 feet. The latter measurement shall apply to any single vehicle, also to any combination of vehicles except combinations operated by farmers in hauling farm products.

(b1) Notwithstanding the requirement set forth in subsection (b) of this section that a driver signal a right turn by extending his or her hand and arm from beyond the left side of the vehicle, an operator of a bicycle may signal his or her intention to make a right turn by extending his or her hand and arm horizontally, with the forefinger pointing, from beyond the right side of the bicycle.
...."

SECTION 5.5.(d) This section becomes effective October 1, 2016, and applies to offenses committed on or after that date.

DOT TO PROVIDE EDUCATION FOR BICYCLISTS AND MOTORISTS

SECTION 5.6.(a) By October 1, 2016, the Department of Transportation shall develop and implement a program to provide education to bicyclists, motorists, and other users of the highways of this State on the following:

- (1) Best practices that should be followed by bicyclists for safe riding, both riding individually and in a group.
- (2) Best practices that should be followed by motorists that encounter bicyclists on the road, including how motorists can safely pass bicyclists on the road.
- (3) The dangers of riding a bicycle while distracted, with a focus on the dangers of using a cell phone or wearing headphones while riding a bicycle.

SECTION 5.6.(b) The Department shall report no later than December 1, 2016, to the Joint Legislative Transportation Oversight Committee on the development of the program required under subsection (a) of this section.

PART IV. DIVISION OF MOTOR VEHICLES

COMMERCIAL DRIVERS LICENSE CHANGES

SECTION 6.(a) G.S. 20-7(m) reads as rewritten:

"(m) Instruction Permit. – The Division upon receiving proper application may in its discretion issue a restricted instruction permit effective for a school year or a lesser period to any of the following applicants:

- (1) An applicant who is less than 18 years old and is enrolled in a drivers education program that is approved by the State Superintendent of Public Instruction and is offered at a public high school, a nonpublic secondary school, or a licensed drivers training school.
- (2) ~~An applicant for certification under G.S. 20-218 as a school bus driver.~~ A restricted instruction permit authorizes the holder of the permit to drive a specified type or class of motor vehicle when in possession of the permit, subject to any restrictions imposed by the Division. The restrictions the Division may impose on a permit include restrictions to designated areas and highways and restrictions prohibiting operation except when an approved instructor is occupying a seat beside the permittee. A restricted instruction permit is not required to have a distinguishing number or a picture of the person to whom the permit is issued."

SECTION 6.(b) G.S. 20-37.13(e) reads as rewritten:

"(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.~~ 180 days. 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 6.(c) G.S. 20-17.4(g) reads as rewritten:

"(g) Violation of Out-of-Service Order. – Any person holding a commercial learner's permit or commercial drivers license or required to have a commercial learner's permit or commercial drivers license 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 no less than 180 days and no more than one year~~ if convicted of a first violation of an out-of-service ~~order.~~ order while operating a commercial motor vehicle.
- (2) A person is disqualified for a period of ~~one year no less than two years and no more than five years~~ if convicted of a second violation of an out-of-service order while operating a commercial motor vehicle during any 10-year period, arising from separate incidents.
- (3) A person is disqualified for a period of ~~three years no less than three years and no more than five years~~ if convicted of a third or subsequent violation of an out-of-service order while operating a commercial motor vehicle during any 10-year period, arising from separate incidents."

SECTION 6.(d) G.S. 20-17.4(h) reads as rewritten:

"(h) Violation of Out-of-Service Order; Special Rule for Hazardous Materials and Passenger Offenses. – Any person holding a commercial learner's permit or commercial drivers license or required to have a commercial learner's permit or commercial drivers license convicted for violating an out-of-service order while transporting hazardous ~~materials~~ materials, as defined in 49 C.F.R. § 383.5, or while operating a commercial vehicle designed or used to transport ~~more than 15 passengers,~~ 16 or more passengers, including the driver, shall be disqualified as follows:

- (1) A person is disqualified for a period of ~~180 days no less than 180 days and no more than two years~~ if convicted of a first violation of an out-of-service ~~order.~~ order while operating a commercial motor vehicle.

(2) A person is disqualified for a period of ~~three years~~ no less than three years and no more than five years if convicted of a second or subsequent violation of an out-of-service order while operating a commercial motor vehicle during any 10-year period, arising from separate incidents.

(3) A person is disqualified for a period of no less than three years and no more than five years if convicted of a third or subsequent violation of an out-of-service order while operating a commercial motor vehicle during any 10-year period, arising from separate incidents."

SECTION 6.(e) Article 2C of Chapter 20 of the General Statutes is amended by adding the following new section to read:

"§ 20-37.13A. Medical qualifications standards; waiver for intrastate drivers.

(a) Medical Qualifications Standards Applicable to Commercial Drivers. – All commercial drivers license holders and applicants for commercial drivers licenses must meet the medical qualifications standards set forth in 49 C.F.R. § 391.41.

(b) Intrastate Medical Waiver. – Any person unable to meet the standards in 49 C.F.R. § 391.41, as adopted by the Division, may apply for a medical waiver that, if approved, will authorize intrastate operation of a commercial motor vehicle. Applications for the medical waiver must be submitted to the Division in writing. Waivers may be granted for no more than two years.

(c) Intrastate Operation Subject to Waiver. – Any person granted an intrastate commercial drivers license medical waiver is permitted to maintain a commercial drivers license and operate a commercial motor vehicle in intrastate commerce subject to the following conditions:

(1) The commercial drivers license must display a restriction to signify it is only valid for intrastate operation.

(2) The holder of the license must submit to medical recertification at intervals set by the Division.

(3) The holder of the license must timely submit all documentation required by the Division.

(4) Failure to meet any condition within the time period allowed will result in an automatic downgrade of the license holder's commercial drivers license to a Class C regular drivers license."

SECTION 6.(f) This section becomes effective January 1, 2017, and applies to offenses committed on or after that date.

EXTEND REGISTRATION PERIOD FOR CERTAIN PLATES

SECTION 7.(a) G.S. 20-66 is amended by adding a new subsection to read:

"(g1) Expiration of Registration by Other Means. – The registration of a vehicle renewed by means of a new registration plate expires at midnight on February 15 of each year."

SECTION 7.(b) This section becomes effective October 1, 2016, and applies to registration renewals on or after that date.

TEMPORARY DRIVING CERTIFICATE/USE AND UNIFORMITY

SECTION 8.(a) G.S. 20-7(f)(5) reads as rewritten:

"(f) Duration and Renewal of Licenses. – Drivers licenses shall be issued and renewed pursuant to the provisions of this subsection:

...

(5) License to be sent by mail. – The Division shall issue to the applicant a temporary driving certificate valid for ~~20 days, and 60 days for a commercial drivers license, days,~~ unless the applicant is applying for renewal by mail under subdivision (4) of this subsection. The temporary driving certificate shall be valid for driving purposes ~~only~~ and shall not be valid for identification ~~purposes.~~ purposes, except when conducting business with the Division and not

otherwise prohibited by federal law. The Division shall produce the applicant's drivers license at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the drivers license to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division."

SECTION 8.(b) This section becomes effective January 1, 2017. The extended period of validity applies to temporary driving certificates issued on or after that date.

DMV DRIVERS LICENSE TESTING REQUIREMENTS/REMOTE RENEWAL

SECTION 9.(a) G.S. 20-7(c) reads as rewritten:

"(c) Tests. – To demonstrate physical and mental ability, a person must pass an examination. The examination may include road tests, vision tests, oral tests, and, in the case of literate applicants, written tests, as the Division may require. The tests must ensure that an applicant recognizes the handicapped international symbol of access, as defined in G.S. 20-37.5. The Division may not require a person who applies to renew a license that has not expired to take a written test or a road test unless one or more of the following applies:

- (1) The person has been convicted of a traffic violation since the person's license was last issued.
- (2) The applicant suffers from a mental or physical condition that impairs the person's ability to drive a motor vehicle.

The Division shall require sign and symbol testing upon initial issuance of a license. The Division shall require vision testing as a part of required in-person, in-office renewals of a license.

The Division may not require a person who is at least 60 years old to parallel park a motor vehicle as part of a road test. A person shall not use an autocycle to complete a road test under this subsection."

SECTION 9.(b) This section becomes effective October 1, 2016.

DMV/ELECTRONIC NOTICE

SECTION 10.(a) G.S. 20-7.1 reads as rewritten:

"§ 20-7.1. Notice of change of address or name.

(a) Address. – A person whose address changes from the address stated on a drivers license must notify the Division of the change within 60 days after the change occurs. If the person's address changed because the person moved, the person must obtain a duplicate license within that time limit stating the new address. A person who does not move but whose address changes due to governmental action may not be charged with violating this subsection. A person who has provided an e-mail or electronic address to the Division pursuant to G.S. 20-48(a) shall notify the Division of any change or discontinuance of that e-mail or electronic address within 30 days after the change or discontinuance.

(b) Name. – A person whose name changes from the name stated on a drivers license must notify the Division of the change within 60 days after the change occurs and obtain a duplicate drivers license stating the new name.

(c) Fee. – G.S. 20-14 sets the fee for a duplicate license."

SECTION 10.(b) G.S. 20-43.1 reads as rewritten:

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

(a) The Division shall disclose personal information contained in motor vehicle records in accordance with the federal Driver's Privacy Protection Act of 1994, as amended, 18 U.S.C. §§ 2721, et seq.

(b) As authorized in 18 U.S.C. § 2721, the Division shall not disclose personal information for the purposes specified in 18 U.S.C. § 2721(b)(11).

(c) The Division shall not disclose personal information for the purposes specified in 18 U.S.C. § 2721(b)(12) unless the Division receives prior written permission from the person about whom the information is requested.

(d) As authorized in 18 U.S.C. § 2721, the Division may disclose personal information to federally designated organ procurement organizations and eye banks operating in this State for the purpose of identifying individuals who have indicated an intent to be an organ donor. Personal information authorized under this subsection is limited to the individual's first, middle, and last name, date of birth, address, sex, county of residence, and drivers license number. Employees of the Division who provide access to or disclosure of information in good-faith compliance with this subsection are not liable in damages for access to or disclosure of the information.

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

(f) E-mail addresses or other electronic addresses provided to the Division are personal information for purposes of this section and shall only be disclosed in accordance with this section.

SECTION 10.(c) G.S. 20-48 reads as rewritten:
"§ 20-48. Giving of notice.

(a) Whenever the Division is authorized or required to give any notice under this Chapter or other law regulating the operation of vehicles, unless a different method of giving such notice is otherwise expressly prescribed, such notice shall be given either by personal delivery thereof to the person to be so notified or by deposit in the United States mail of such notice in an envelope with postage prepaid, addressed to such person at his address as shown by the records of the Division. The giving of notice by mail is complete upon the expiration of four days after such deposit of such notice. In lieu of providing notice by personal delivery or United States mail, the Division may give notice under this Chapter by e-mail or other electronic means, if the person to be notified has consented to receiving notices via electronic means and has provided the Division an e-mail address or other like electronic address for receiving the notices. Proof of the giving of notice in ~~either~~ any such manner pursuant to this section may be made by a notation in the records of the Division that the notice was sent to a particular ~~address~~ address, physical or electronic, and the purpose of the notice. A certified copy of the Division's records may be sent by the Police Information Network, facsimile, or other electronic means. A copy of the Division's records sent under the authority of this section is admissible as evidence in any court or administrative agency and is sufficient evidence to discharge the burden of the person presenting the record that notice was sent to the person named in the record, at the physical or electronic address indicated in the record, and for the purpose indicated in the record. There is no requirement that the actual notice or letter be produced.

(a1) A person who consents to electronic notification pursuant to this section shall notify the Division of any change or discontinuance of any e-mail or electronic address provided to the Division in accordance with the provisions of this section and G.S. 20-7.1(a). Upon the failure of a

1 person to notify the Division of any change or discontinuance of an electronic notification
2 pursuant to this section, any notices sent to the original or discontinued electronic address shall be
3 deemed to have been received by the person and a copy of the Division's records sent under the
4 authority of this section is sufficient evidence that notice was sent to the person named in the
5 record, at the physical or electronic address indicated in the record, and for the purpose indicated
6 in the record.

7 (b) Notwithstanding any other provision of this Chapter at any time notice is now required
8 by registered mail with return receipt requested, certified mail with return receipt requested may
9 be used in lieu thereof and shall constitute valid notice to the same extent and degree as notice by
10 registered mail with return receipt requested.

11 (c) The Commissioner shall appoint such agents of the Division as may be needed to serve
12 revocation notices required by this Chapter. The fee for service of a notice shall be fifty dollars
13 (\$50.00)."

14 **SECTION 10.(d)** This section becomes effective October 1, 2016.

15
16 **DMV TO PROVIDE OPTION FOR JOINT TENANCY WITH RIGHT OF**
17 **SURVIVORSHIP ON APPLICATION FOR REGISTRATION AND CERTIFICATE**
18 **OF TITLE**

19 **SECTION 10.5.(a)** G.S. 20-52(a) reads as rewritten:

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

28 (1) The owner's name.

29 (1a) If the owner is an individual, the following information:

30 a. The owner's mailing address and residence address.

31 b. One of the following at the option of the applicant:

32 1. The owner's North Carolina drivers license number or North
33 Carolina special identification card number.

34 2. The owner's home state drivers license number or home state
35 special identification card number and valid active duty military
36 identification card number or military dependent identification
37 card number if the owner is a person or the spouse or dependent
38 child of a person on active duty in the Armed Forces of the
39 United States who is stationed in this State or deployed outside
40 this State from a home base in this State. The owner's inability to
41 provide a photocopy or reproduction of a military or military
42 dependent identification card pursuant to any prohibition of the
43 United States government or any agency thereof against the
44 making of such photocopy or reproduction shall not operate to
45 prevent the owner from making an application for registration
46 and certificate of title pursuant to this subdivision.

47 3. The owner's home state drivers license number or home state
48 special identification card number and proof of enrollment in a
49 school in this State if the owner is a permanent resident of
50 another state but is currently enrolled in a school in this State.

4. The owner's home state drivers license number or home state special identification card number if the owner provides a signed affidavit certifying that the owner intends to principally garage the vehicle in this State and provides the address where the vehicle is or will be principally garaged. For purposes of this section, "principally garage" means the vehicle is garaged for six or more months of the year on property in this State which is owned, leased, or otherwise lawfully occupied by the owner of the vehicle.
 5. The owner's home state drivers license number or home state special identification card number, provided that the application is made pursuant to a court authorized sale or a sale authorized by G.S. 44A-4 for the purpose of issuing a title to be registered in another state or country.
 6. The co-owner's home state drivers license number or home state special identification card number if at least one co-owner provides a North Carolina drivers license number or North Carolina special identification number.
 7. The owner's home state drivers license number or special identification card number if the application is for a motor home or house car, as defined in G.S. 20-4.01(27)d2., or for a house trailer, as defined in G.S. 20-4.01(14).
- (1b) If the owner is a firm, partnership, a corporation, or another entity, the address of the entity.
- (2) A description of the vehicle, including the following:
- a. The make, model, type of body, and vehicle identification number of the vehicle.
 - b. Whether the vehicle is new or used and, if a new vehicle, the date the manufacturer or dealer sold the vehicle to the owner and the date the manufacturer or dealer delivered the vehicle to the owner.
- (3) A statement of the owner's title and of all liens upon the vehicle, including the names and addresses of all lienholders in the order of their priority, and the date and nature of each lien.
- (4) A statement that the owner is an eligible risk for insurance coverage as defined in G.S. 58-37-1(4a).
- (5) For registration and certificate of title for a nonfleet private passenger motor vehicle, a statement that providing incorrect or false and misleading information as to the owner's status as an eligible risk can result in criminal prosecution and the denial of insurance coverage for any loss of the owner under any insurance policies for which application is made if the owner provides false and misleading information as to eligible risk status.
- (6) For registration and certificate of title for a nonfleet private passenger motor vehicle, a statement that the owner will inform the insurer before the next policy renewal if the owner ceases to be an eligible risk."
- SECTION 10.5.(b)** This section becomes effective January 1, 2017.

DMV/INSPECTION OF PRE-1981 MOTOR VEHICLES/TITLING

SECTION 11.(a) G.S. 20-53(e) reads as rewritten:

"(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are 1980 model years old or older or (ii) a specially constructed vehicle prior to the completion of a vehicle verification conducted by the License and Theft Bureau of the Division of Motor

Vehicles. These verifications shall be conducted as soon as practical. For an out-of-state vehicle that is ~~35-1980~~ model ~~years-old-year~~ or older, this inspection shall consist of verifying the public vehicle identification number to ensure that it matches the vehicle and ownership documents. No covert vehicle identification numbers are to be examined on an out-of-state vehicle ~~35-1980~~ model ~~years-year~~ or older unless the inspector develops probable cause to believe that the ownership documents or public vehicle identification number presented does not match the vehicle being examined. However, upon such application and the submission of any required documentation, the Division shall be authorized to register the vehicle pending the completion of the verification of the vehicle. The registration shall be valid for one year but shall not be renewed unless and until the vehicle examination has been completed.

If an inspection and verification is not conducted by the License and Theft Bureau of the Division of Motor Vehicles within 15 days after receiving a request for such and the inspector has no probable cause to believe that the ownership documents or public vehicle identification number presented does not match the vehicle being examined, the vehicle shall be deemed to have satisfied all inspection and verification requirements and title shall issue to the owner within 15 days thereafter. If an inspection and verification is timely performed and the vehicle passes the inspection and verification, title shall issue to the owner within 15 days of the date of the inspection."

SECTION 11.(b) This section becomes effective January 1, 2017.

REPEAL SIGNATURE REQUIREMENT/REGISTRATION CARD

SECTION 12.(a) G.S. 20-57(c) reads as rewritten:

"(c) ~~Every owner upon receipt of a registration card, shall write his signature thereon with pen and ink in the space provided.~~ Every such registration card shall at all times be carried in the vehicle to which it refers or in the vehicle to which transfer is being effected, as provided by G.S. 20-64 at the time of its operation, and such registration card shall be displayed upon demand of any peace officer or any officer of the Division: Provided, however, any person charged with failing to so carry such registration card shall not be convicted if he produces in court a registration card theretofore issued to him and valid at the time of his arrest: Provided further, that in case of a transfer of a license plate from one vehicle to another under the provisions of G.S. 20-72, evidence of application for transfer shall be carried in the vehicle in lieu of the registration card."

SECTION 12.(b) G.S. 20-176(a1)(2) is repealed.

SECTION 12.(c) This section becomes effective December 1, 2016, and applies to registration cards issued on or after that date.

REVISE DEFINITION OF "AUTOCYCLE"

SECTION 12.5.(a) G.S. 20-4.01(27)a. reads as rewritten:

"a. Autocycle. – A three-wheeled motorcycle that has a steering wheel, pedals, seat safety belts for each occupant, antilock brakes, ~~air-bag protection,~~ completely or partially enclosed seating that does not require the operator to straddle or sit astride, and is otherwise manufactured to comply with federal safety requirements for motorcycles."

SECTION 12.5.(b) G.S. 20-140.4(a)(2) reads as rewritten:

"(2) Unless the operator and all passengers thereon wear on their heads, with a retention strap properly secured, safety helmets of a type that complies with Federal Motor Vehicle Safety Standard (FMVSS) 218. This subdivision shall not apply to an operator ~~of an autocycle of,~~ or any passengers ~~within within,~~ an ~~autocycle.~~ autocycle that has completely enclosed seating."

SECTION 12.5.(c) G.S. 20-135.3(c) reads as rewritten:

"(c) For purposes of this section, the term "motorcycle" shall not include autocycles. Every autocycle registered in this State shall be equipped with sufficient anchorage units at the attachment points for attaching seat safety belts for the rear ~~seat~~ seats of the autocycle. The anchorage unit shall meet the same construction, design, and strength requirements under this section for anchorage units in motor vehicles."

AMEND "MOPED" DEFINITION

SECTION 13.(a) G.S. 20-4.01 reads as rewritten:

"§ 20-4.01. Definitions.

Unless the context requires otherwise, the following definitions apply throughout this Chapter to the defined words and phrases and their cognates:

...
(7a) Electric Assisted Bicycle. – A bicycle with two or three wheels that is equipped with a seat or saddle for use by the rider, fully operable pedals for human propulsion, and an electric motor of no more than 750 watts, whose maximum speed on a level surface when powered solely by such a motor is no greater than 20 miles per hour.

(7a)(7b) Electric Personal Assistive Mobility Device. – A self-balancing nontandem two-wheeled device, designed to transport one person, with a propulsion system that limits the maximum speed of the device to 15 miles per hour or less.

(7b)(7c) Employer. – Any person who owns or leases a commercial motor vehicle or assigns a person to drive a commercial motor vehicle and would be subject to the alcohol and controlled substance testing provisions of 49 C.F.R. § 382 and also includes any consortium or third-party administrator administering the alcohol and controlled substance testing program on behalf of owner-operators subject to the provisions of 49 C.F.R. § 382.

...
(21a) ~~Moped. – A type of passenger vehicle as defined in G.S. 105-164.3.~~

...
(23) Motor Vehicle. – Every vehicle which is self-propelled and every vehicle designed to run upon the highways which is pulled by a self-propelled vehicle. Except as specifically provided otherwise, this term shall not include mopeds as defined in G.S. 20-4.01(27)d1. mopeds or electric assisted bicycles.

...
(27) Passenger Vehicles. –

...
c2. Motor-driven bicycle. – A vehicle with two or three wheels, a steering handle, one or two saddle seats, pedals, and a motor that cannot propel the vehicle at a speed greater than 20 miles per hour on a level surface. This term shall not include an electric assisted bicycle as defined in G.S. 20-4.01(7a).

d. Motorcycles. – Vehicles having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including autocycles, motor scooters, and motor-driven bicycles, but excluding tractors and utility vehicles equipped with an additional form of device designed to transport property, three-wheeled vehicles while being used by law-enforcement agencies—agencies, electric assisted bicycles, and mopeds as defined in subdivision d1. sub-subdivision d1. of this subsection.

d1. Moped. – Defined in G.S. 105-164.3. A vehicle, other than a motor-driven bicycle or electric assisted bicycle, that has two or three

wheels, no external shifting device, a motor that does not exceed 50 cubic centimeters piston displacement and cannot propel the vehicle at a speed greater than 30 miles per hour on a level surface. The motor may be powered by electricity, alternative fuel, motor fuel, or a combination of each.

- ...
- (49) Vehicle. – Every device in, upon, or by which any person or property is or may be transported or drawn upon a highway, excepting devices moved by human power or used exclusively upon fixed rails or tracks; provided, that for the purposes of this Chapter bicycles and electric assisted bicycles shall be deemed vehicles and every rider of a bicycle or an electric assisted bicycle upon a highway shall be subject to the provisions of this Chapter applicable to the driver of a vehicle except those which by their nature can have no application. This term shall not include a device which is designed for and intended to be used as a means of transportation for a person with a mobility impairment, or who uses the device for mobility enhancement, is suitable for use both inside and outside a building, including on sidewalks, and is limited by design to 15 miles per hour when the device is being operated by a person with a mobility impairment, or who uses the device for mobility enhancement. This term shall not include an electric personal assistive mobility device as defined in ~~G.S. 20-4.01(7a)~~. G.S. 20-4.01(7b)."

SECTION 13.(b) G.S. 20-10.1 reads as rewritten:

"§ 20-10.1. Mopeds.

It shall be unlawful for any person who is under the age of 16 years to operate a moped as defined in ~~G.S. 105-164.3~~ G.S. 20-4.01(27)d1. upon any highway or public vehicular area of this State."

SECTION 13.(c) G.S. 20-175.6 reads as rewritten:

"§ 20-175.6. Electric personal assistive mobility devices.

(a) Electric Personal Assistive Mobility Device. – As defined in ~~G.S. 20-4.01(7a)~~ G.S. 20-4.01(7b).

...."

SECTION 13.(d) G.S. 58-36-3 reads as rewritten:

"§ 58-36-3. Limitation of scope; motorcycle and moped endorsements allowed; Department of Insurance report.

(a) The Bureau has no jurisdiction over:

...

- (8) Liability insurance and theft or physical damage insurance on mopeds, as defined in ~~G.S. 105-164.3~~ G.S. 20-4.01(27)d1."

...."

SECTION 13.(e) G.S. 58-37-1 reads as rewritten:

"§ 58-37-1. Definitions.

As used in this Article:

...

- (6) "Motor vehicle" means every self-propelled vehicle that is designed for use upon a highway, including trailers and semitrailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels, and well drillers). "Motor vehicle" also means a motorcycle, as defined in G.S. 20-4.01(27)d. "Motor vehicle" does not mean a moped, as defined in ~~G.S. 105-164.3~~ G.S. 20-4.01(27)d1., or an electric assisted bicycle, as defined in G.S. 20-4.01(7a). Notwithstanding any other provisions of this Article, liability insurance on a moped is not eligible for cession to the Facility.

...."

SECTION 13.(f) G.S. 58-40-10 reads as rewritten:

"§ 58-40-10. Other definitions.

As used in this Article and in Articles 36 and 37 of this Chapter:

(1) "Private passenger motor vehicle" means:

...

c. A motorcycle, motorized scooter or other similar motorized vehicle not used for commercial purposes. A moped, as defined in ~~G.S. 105-164.3~~, G.S. 20-4.01(27)d1., is not considered a motorcycle, motorized scooter, or other similar motorized vehicle.

...."

SECTION 13.(g) G.S. 105-164.3 reads as rewritten:

"§ 105-164.3. Definitions.

The following definitions apply in this Article:

...

(22) Moped. – ~~A vehicle that has two or three wheels, no external shifting device, and a motor that does not exceed 50 cubic centimeters piston displacement and cannot propel the vehicle at a speed greater than 30 miles per hour on a level surface.~~ As defined in G.S. 20-4.01(27)d1.

...."

SECTION 13.(h) This section becomes effective December 1, 2016, and applies to offenses committed on or after that date.

REVISIONS TO DMV MEDICAL REVIEW PROGRAM

SECTION 13.1.(a) G.S. 20-4.01(2) reads as rewritten:

"(2) Canceled. – As applied to drivers' licenses and permits, a declaration that a license or permit which was issued through error or fraud, or to which ~~G.S. 20-15(a)(3)~~ G.S. 20-15(a) applies, is void and terminated."

SECTION 13.1.(b) G.S. 20-7(e) reads as rewritten:

"(e) Restrictions. – The Division may impose any restriction it finds advisable on a drivers license. It is unlawful for the holder of a restricted license to operate a motor vehicle without complying with the restriction and is the equivalent of operating a motor vehicle without a license. If any applicant shall suffer from any physical defect or mental disability or disease ~~which that~~ affects his or her operation of a motor vehicle, the Division may require to be filed with it a certificate of ~~such the~~ applicant's condition signed by ~~some a~~ a medical authority of the applicant's community designated by the Division. The Division may, in its discretion, require the certificate to be completed and submitted after a license or renewal has been issued based on the applicant's performance during a road test administered by the Division. Upon submission, the certificate shall be reviewed in accordance with the procedure set forth in G.S. 20-9(g)(3). This certificate shall in all cases be treated as confidential. Nothing in this subsection shall be construed to prevent the Division from refusing to issue a license, either restricted or unrestricted, to any person deemed to be incapable of safely operating a motor ~~vehicle.~~ vehicle based on information observed or received by the Division, including observations during a road test and medical information submitted about the applicant. An applicant may seek review pursuant to G.S. 20-9(g)(4) of a licensing decision made on the basis of a physical or mental disability or disease. This subsection does not prohibit deaf persons from operating motor vehicles who in every other way meet the requirements of this section."

SECTION 13.1.(c) G.S. 20-9 reads as rewritten:

"§ 20-9. What persons shall not be licensed.

...

(e) The Division shall not issue a driver's license to any person when in the opinion of the Division ~~such the person is afflicted with or suffering from such physical or mental disability or disease as will serve to prevent such person from exercising~~ unable to exercise reasonable and ordinary control over a motor vehicle while operating the ~~same vehicle~~ upon the highways, nor shall a license be issued to any person who is unable to understand highway warnings or direction signs.

...

(g) The Division may issue a restricted or unrestricted driver's license to any applicant covered by subsection (e) of this section under the following conditions: conditions to an otherwise eligible applicant suffering from a physical or mental disability or disease that affects his or her ability to exercise reasonable and ordinary control of a motor vehicle:

- (1) ~~The Division may issue a license to any person who is afflicted with or suffering from a physical or mental disability set out in subsection (e) of this section who is otherwise qualified to obtain a license, provided such person~~ applicant submits to the Division a certificate in the form prescribed in subdivision (2). The Division may request the certificate at the applicant's initial application, at any time following the issuance of the license, or at the initial application and any time following the issuance of the license. Until a license issued under this subdivision expires ~~expires, is cancelled, or is revoked,~~ the license continues in force as long as the licensee presents to the Division a certificate in the form prescribed in subdivision (2) of this subsection at the intervals determined by the Division to be in the best interests of public safety.
- (2) ~~The Division shall not issue a license pursuant to this section unless the applicant has submitted to a physical examination by a physician or surgeon duly licensed to practice medicine in this State or in any other state of the United States and unless such examining physician or surgeon has completed and signed the certificate required by subdivision (1). Such~~ The Division may request a signed certificate from a health care provider duly licensed to practice medicine in the United States that the applicant or licensee has submitted to a physical examination by the health care provider. The certificate shall be devised by the Commissioner with the advice of qualified experts in the field of diagnosing and treating physical and mental disorders ~~disabilities and diseases as he the Commissioner may select to assist him or her and shall be designed to elicit the maximum medical information necessary to aid in determining whether or not it would be a hazard to public safety to permit the applicant or licensee to operate a motor vehicle, including, if such is the fact, the examining physician's~~ provider's statement that the applicant or licensee is under medication and treatment and that such person's the applicant's or licensee's physical or mental disability or disease is controlled. The certificate shall contain a waiver of privilege and the recommendation of the examining physician-provider to the Commissioner as to whether a license should be issued to the applicant-applicant or licensee and whether the applicant or licensee can safely operate a motor vehicle.
- (3) ~~The Commissioner is not bound by the recommendation of the examining physician-health care provider but shall give fair consideration to such recommendation in exercising his or her discretion in acting upon the application, making licensing decisions, the criterion being whether or not, upon all the evidence, it appears that it is safe to permit the applicant or licensee to operate a motor vehicle. The burden of proof of such fact is upon the applicant.~~ applicant or licensee. In deciding whether to issue-issue, restrict, cancel, or deny a license, the Commissioner may be guided by the opinion of

1 experts in the field of diagnosing and treating the specific physical or mental
2 ~~disorder-disability or disease~~ suffered by an applicant or licensee and ~~such-the~~
3 experts may be compensated for their services on an equitable basis. The
4 Commissioner may also take into consideration any other factors which bear on
5 the issue of public safety.

- 6 (4) Whenever a license is restricted, cancelled, or denied by the Commissioner,
7 ~~such denial-Commissioner on the basis of a physical or mental disability or~~
8 ~~disease, the action~~ may be reviewed by a reviewing board upon written request
9 of the applicant or licensee filed with the Division within 10 days after receipt
10 of ~~such denial-~~notice given in accordance with G.S. 20-48 of the action taken.
11 The reviewing board shall consist of the Commissioner or his authorized
12 representative and ~~four persons designated by the chairman of the Commission~~
13 ~~for Public Health. The persons designated by the chairman of the Commission~~
14 ~~for Public Health shall be either members of the Commission for Public Health~~
15 ~~or physicians duly licensed to practice medicine in this State. The members so~~
16 ~~designated by the chairman of the Commission for Public Health shall receive~~
17 ~~the same per diem and expenses as provided by law for members of the~~
18 ~~Commission for Public Health, which per diem and expenses shall be charged~~
19 ~~to the same appropriation as per diems and expenses for members of the~~
20 ~~Commission for Public Health.~~ at least two medical professionals selected by
21 the Commissioner and duly licensed to practice medicine by the appropriate
22 licensing authority in the State. The medical professionals selected by the
23 Commissioner may be compensated for their services on an equitable basis,
24 including reimbursement for ordinary and necessary travel expenses. The
25 Commissioner or his authorized representative, plus any two ~~of the members~~
26 ~~designated by the chairman of the Commission for Public Health,~~ medical
27 professionals selected by the Commissioner, shall constitute a quorum. The
28 procedure for hearings authorized by this section shall be as follows:

- 29 a. Applicants shall be afforded an opportunity for hearing, after reasonable
30 notice of not less than 10 days, before the review board established by
31 ~~subdivision (4).~~ this subdivision. The notice shall be in writing and shall
32 be delivered to the applicant in person or sent by certified mail, with
33 return receipt requested. The notice shall state the time, place, and
34 subject of the hearing. If a hearing is requested under this subdivision to
35 contest a restriction placed on a license under subdivision (3) of this
36 subsection, the restriction shall be stayed unless the Division determines
37 there is an imminent threat to public safety if continued unrestricted
38 driving is permitted. No stay shall be granted if a hearing is requested
39 under this subdivision to contest a denial or cancellation of a license
40 under subdivision (3) of this subsection. Nothing in this sub-subdivision
41 shall be construed as authorizing the stay of a restriction placed on a
42 license pursuant to another provision of law.
43 b. The review board may compel the attendance of witnesses and the
44 production of such books, records and papers as it desires at a hearing
45 authorized by the section. Upon request of an ~~applicant,~~ applicant or
46 licensee, a subpoena to compel the attendance of any witness or a
47 subpoena duces tecum to compel the production of any books, records,
48 or papers shall be issued by the board. Subpoenas shall be directed to
49 the sheriff of the county where the witness resides or is found and shall
50 be served and returned in the same manner as a subpoena in a criminal
51 case. Fees of the sheriff and witnesses shall be the same as that allowed

1 in the district court in cases before that court and shall be paid in the
2 same manner as other expenses of the Division of Motor Vehicles are
3 paid. In any case of disobedience or neglect of any subpoena served on
4 any person, or the refusal of any witness to testify to any matters
5 regarding which he may be lawfully interrogated, the district court or
6 superior court where such disobedience, neglect or refusal occurs, or
7 any judge thereof, on application by the board, shall compel obedience
8 or punish as for contempt.

9 c. A hearing may be continued upon motion of the applicant or licensee
10 for good cause shown with approval of the board or upon order of the
11 board.

12 d. The board shall pass upon the admissibility of evidence at a hearing but
13 the applicant or licensee affected may at the time object to the board's
14 ruling, and, if evidence offered by an applicant or licensee is rejected the
15 party may proffer the evidence, and such proffer shall be made a part of
16 the record. The board shall not be bound by common law or statutory
17 rules of evidence which prevail in courts of law or equity and may admit
18 and give probative value to evidence which possesses probative value
19 commonly accepted by reasonably prudent ~~men~~ persons in the conduct
20 of their affairs. They may exclude incompetent, immaterial, irrelevant
21 and unduly repetitious evidence. Uncontested facts may be stipulated by
22 agreement between an applicant or licensee and the board and evidence
23 relating thereto may be excluded. All evidence, including records and
24 documents in the possession of the Division of Motor Vehicles or the
25 board, of which the board desires to avail itself shall be made a part of
26 the record. Documentary evidence may be received in the form of
27 copies or excerpts, or by incorporation by reference. The board shall
28 prepare an official record, which shall include testimony and exhibits. A
29 record of the testimony and other evidence submitted shall be taken, but
30 it shall not be necessary to transcribe shorthand notes or electronic
31 recordings unless requested for purposes of court review.

32 e. Every decision and order adverse to an applicant or licensee shall be in
33 writing or stated in the record and shall be accompanied by findings of
34 fact and conclusions of law. The findings of fact shall consist of a
35 concise statement of the board's conclusions on each contested issue of
36 fact. ~~Counsel for applicant, or applicant, if he has no counsel, The~~
37 applicant or licensee shall be notified of the board's decision in person
38 or by registered mail with return receipt requested. A copy of the board's
39 decision with accompanying findings and conclusions shall be delivered
40 or mailed upon request to the applicant's or licensee's attorney of record
41 or to ~~applicant, the applicant or licensee~~, if he or she has no attorney.

42 ...
43 h. All records and evidence collected and compiled by the Division and the
44 reviewing board shall not be considered public records within the
45 meaning of Chapter ~~[section] 132-1, and following, 132~~ of the General
46 Statutes of North Carolina and may be made available to the public only
47 upon an order of a court of competent jurisdiction. An applicant or
48 licensee may obtain, without a court order, a copy of records and
49 evidence collected and compiled under this subdivision about the
50 applicant or licensee by submitting a written request to the Division,
51 signing any release forms required by the Division, and remitting the

required fee set by the Division. All information furnished ~~by~~ by, about, or on behalf of an applicant or licensee under this section shall be without prejudice and shall be for the use of the Division, the reviewing board or the court in administering this section and shall not be used in any manner as evidence, or for any other purposes in any trial, civil or criminal. The prohibition on release and use under this sub-subdivision applies without regard to who authored or produced the information collected, compiled, and used by the Division under this subdivision.

...."

SECTION 13.1.(d) G.S. 20-9.1 reads as rewritten:

"§ 20-9.1. ~~Physicians and psychologists~~ Physicians, psychologists, and other medical providers providing medical information on drivers with physical and mental disabilities or mental disabilities or diseases.

(a) Notwithstanding G.S. 8-53 for physicians and G.S. 8-53.3 for psychologists, or any other law relating to confidentiality of communications between ~~physicians or psychologists~~ physicians, psychologists, or other medical providers and their patients, a ~~physician or a psychologist~~ physician, psychologist, or other medical provider duly licensed in the State of North Carolina may disclose after consultation with the patient to the Commissioner information about a patient who has a ~~mental or physical~~ or mental disability or disease that the ~~physician or psychologist~~ physician, psychologist, or other medical provider believes may affect the patient's ability to safely operate a motor vehicle. This information shall be limited to the patient's name, address, date of birth, and diagnosis.

...

(c) A ~~physician or psychologist~~ physician, psychologist, or other medical provider disclosing or not disclosing information pursuant to this ~~section~~ section, or conducting an evaluation and making a recommendation to the Division regarding a person's ability to safely operate a motor vehicle, is immune from any civil or criminal liability that might otherwise be incurred or imposed based on the ~~disclosure or lack of disclosure~~ action taken provided that the ~~physician or psychologist~~ physician, psychologist, or other medical provider was acting in good faith and without malice. In any proceeding involving liability, good faith and lack of malice are presumed."

SECTION 13.1.(e) G.S. 20-15(a) reads as rewritten:

"(a) The Division shall have authority to cancel any driver's license upon determining any of the following:

...

(4) The licensee suffers from a physical or mental disability or disease that affects his or her ability to safely operate a motor vehicle, as determined by the applicable State or federal law, rule, or regulation.

(5) The licensee has failed to submit the certificate required under G.S. 20-7(e) and G.S. 20-9(g)."

SECTION 13.1.(f) This section becomes effective July 1, 2016, and applies to driver licenses issued or renewed on or after that date and hearings requested on or after that date.

ALLOW DEALER PLATES FOR EMPLOYEES OF INDEPENDENT DEALERS AND FAMILY MEMBERS

SECTION 13.5. G.S. 20-79(d)(5)f. reads as rewritten:

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

...

(5) Is driven on a highway by a person who meets one of the following descriptions:

1
2 f. Is an officer, sales representative, or other employee of ~~a~~an independent
3 or franchised motor vehicle dealer or is an immediate family member of
4 an officer, sales representative, or other employee of ~~a~~an independent
5 or franchised motor vehicle dealer."
6

7 **DELAY MANDATORY PARTICIPATION DATE FOR ELECTRONIC LIEN SYSTEM**

8 **SECTION 13.7.** G.S. 20-58.4A(i) reads as rewritten:

9 **"§ 20-58.4A. Electronic lien system.**

10 ...
11 (i) Mandatory Participation. – Beginning July 1, ~~2016,~~2017, all individuals and
12 lienholders who are normally engaged in the business or practice of financing motor vehicles, and
13 who conduct at least five transactions annually, shall utilize the electronic lien system
14 implemented in subsection (a) of this section to record information concerning the perfection and
15 release of a security interest in a vehicle."
16

17 **LAW ENFORCEMENT/PROVIDE ACCIDENT REPORT TO INSURER**

18 **SECTION 13.8.** G.S. 20-166.1(e) reads as rewritten:

19 "(e) Investigation by Officer. – The appropriate law enforcement agency must investigate a
20 reportable accident. A law-enforcement officer who investigates a reportable accident, whether at
21 the scene of the accident or by subsequent investigations and interviews, must make a written
22 report of the accident within 24 hours of the accident and must forward it as required by this
23 subsection. The report must contain information on financial responsibility for the vehicle driven
24 by the person whom the officer identified as at fault for the accident.

25 If the officer writing the report is a member of the State Highway Patrol, the officer must
26 forward the report to the Division. If the officer is not a member of the State Highway Patrol, the
27 officer must forward the report to the local law enforcement agency for the area where the
28 accident occurred. A local law enforcement agency that receives an accident report must forward
29 it to the Division within 10 days after receiving the report. Upon request of the driver of the motor
30 vehicle involved in the accident or the insurance agent or company identified by the driver under
31 subsection (b) of this section, and notwithstanding any provision of Chapter 132 of the General
32 Statutes to the contrary, the officer writing the report may forward an uncertified copy of the
33 report to the insurance agent or company identified by the driver under subsection (b) of this
34 section if evidence satisfactory to the officer is provided showing a certified copy of the report has
35 been requested from the Division and the applicable fee set in G.S. 20-42 has been paid.

36 When a person injured in a reportable accident dies as a result of the accident within 12
37 months after the accident and the death was not reported in the original report, the law
38 enforcement officer investigating the accident must file a supplemental report that includes the
39 death."
40

41 **PART V. EFFECTIVE DATE**

42 **SECTION 14.** Except as otherwise provided, this act is effective when it becomes
43 law.





HOUSE BILL 959: DOT Proposed Legislative Changes.

2016-2017 General Assembly

Committee: Senate Transportation
Introduced by: Reps. Iler, Torbett
Analysis of: PCS to Third Edition
H959-CSSU-47

Date: June 15, 2016
Prepared by: Wendy Ray
Committee Counsel

SUMMARY: *House Bill 959 makes various changes to the transportation and motor vehicles laws of the State.*

The Proposed Committee Substitute makes the following changes from the Senate companion bill (Senate Bill 723) heard previously in the Senate Transportation Committee:

- *Changes Sec. 2 – broadband in DOT right-of-way (deletes fee, adds DOT to study fee)*
- *Changes Sec. 2.1 – adds weight limit exemption for construction equipment*
- *Adds Sec. 3.1 – Turnpike Authority to report one-time facility user fees over \$50*
- *Adds Sec. 5.1 – lights or reflective gear required on bicycles at night*
- *Adds Sec. 5.5 – allows vehicles to pass slower bicycles and mopeds, increase penalties for unsafe movements that cause injury to bicyclists, hand signal revisions*
- *Adds Sec. 10.5 – provides option on application for registration/certificate of title for joint tenancy with right of survivorship*
- *Adds Sec. 12.5 – revises definition of autocycle*
- *Changes Sec. 13 – defines "electric assisted bicycles" and exempts them from the definition of motor vehicles*
- *Adds Sec. 13.1 – revisions to DMV's medical review program*
- *Adds Sec. 13.5 – allows use of dealer plates for employees and family members of independent dealers*
- *Adds Sec. 13.8 – law enforcement may provide accident reports to an insurance agents or drivers*
- *Adds Sec. 14 – short-line railroad assistance*

CURRENT LAW AND BILL ANALYSIS:

PART I. DIVISION OF HIGHWAYS

Small Transportation Projects/Local Consultation

Section 1. Current law requires the Department of Transportation to consult with local governments affected by a planned transportation project before taking action. However, consultation is not required

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Director



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for small projects with a cost of \$150,000 or less. This section would increase that dollar amount from \$150,000 to \$250,000, exempting small projects with a cost of \$250,000 or less from the local consultation requirement.

Broadband and Fiber Optic in DOT Right-of-Way/Fees

Section 2. Current law authorizes DOT to locate and acquire ROW for placement of utility lines operated by regulated public utilities or local governments.

Section 2(a) authorizes DOT to also allow placement of non-utility owned or operated communications or data transmission infrastructure on DOT right-of-way. This section also clarifies that no agreement for use of Department right-of-way shall abrogate the Department's ownership and control of the right of way, and clarifies that DOT can use existing ROW for placement of utilities.

Section 2(b) directs DOT to study the issue of administrative fees for encroachments, and report to the Joint Legislative Transportation Oversight Committee by December 1, 2016.

Section 2 would become effective July 1, 2016.

Weight Limits Applicable to Metal Commodities, Construction Equipment, and Steel Coils, and Extending Certain Federal Weight Exemptions to the State's Highways

Section 2.1. This section makes the following changes:

- Section 2.1(a) authorizes a higher weight limit for vehicles transporting metal commodities or construction equipment: up to 22,000 lbs. single axle and 42,000 lbs. tandem axle; maximum gross weight 90,000 lbs.
- Section 2.1(a) also extends additional federal weight allowances for natural gas powered vehicles, emergency vehicles, heavy duty towing vehicles, and vehicles with idle reduction technology, currently applicable only to interstate highways in the State, to all State roads, except for posted bridges or roads, or unless specifically prohibited by NC DOT.
- Section 2.1(b) authorizes DOT to issue an overweight or overwidth permit for the transport of up to three steel coils on one truck or for multiple pieces of construction equipment on one truck.

This section would become effective October 1, 2016.

PART II. NORTH CAROLINA TURNPIKE AUTHORITY

Allow Electronic Billing for Tolls

Section 3. Current law authorizes Turnpike Authority toll bills to be sent by first class mail. This section would authorize the Turnpike Authority to send bills for tolls via electronic mail, rather than by first-class mail, if the registered owner or person who had custody of the vehicle consents in writing.

Turnpike Authority Report on One-Time Facility User Fees

Section 3.1. This section requires the Authority to report to the Joint Legislative Transportation Oversight Committee the number of one-time toll facility users who are charged more than \$50 in penalties and fees.

Repeal NCTA Semiannual Reports to JLTOC

Section 4. Current law requires the Turnpike Authority submit semi-annual reports, and more frequent reports if requested, on its activities to the Joint Legislative Transportation Oversight Committee. This

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section would repeal that requirement. The Authority would continue to be required by statute to submit annual reports on its activities to the General Assembly.

PART III. DIVISION OF BICYCLE AND PEDESTRIAN TRANSPORTATION

Repeal requirement to Maintain Off-Road Cycling Records

Section 5. Current law requires that notice of State land restricted or removed from use by bicyclists be filed with the Division of Bicycle and Pedestrian Transportation of the Department of Transportation. This section repeals that requirement. Also, this section repeals the requirement that the Division keep records of State lands open and available for use by bicyclists.

Bicycle must have red rear light or operator must wear reflective vest when operated at night

Section 5.1. Current law requires bicycles to have a rear reflector or red light when used at night. This section requires a rear reflector and a red rear light or reflective vest or clothing visible from a distance of at least 300 feet from the rear of a bicycle when operated at night.

Bicycle safety law revisions

Section 5.5. Section 5.5 (a) and (b) authorize passing of a slower moving bicycle or moped, even where passing is otherwise prohibited, if the other requirements of these sections are met. Section 5.5(c) increases the penalties for unsafe traffic movements that cause injury to bicycles, and clarifies the required hand signals for turning and stopping.

This section becomes effective October 1, 2016, and applies to offenses occurring on or after that date.

PART IV. DIVISION OF MOTOR VEHICLES

Commercial Driver's License Changes

Section 6. This section would amend State commercial driver's license laws to conform with federal requirements as follows:

- Delete a provision allowing the Division of Motor Vehicles to issue a restricted instruction permit to an applicant for certification as a school bus driver.
- Make commercial learner's permits valid for 180 days with no limit on renewal. Currently, permits are valid for 6 months but are limited to one renewal in a two-year period.
- Increase commercial driver's license disqualification periods for convictions of violating out-of-service orders, and require violations to be committed in a commercial motor vehicle.
- Establish statutory authority for the Division to issue intrastate medical waivers to individuals not able to meet federal medical qualification standards for commercial driver's license holders. The waiver would authorize intrastate operation of a commercial motor vehicle subject to regulation by the Division. This is current practice by the Division.

This section would become effective January 1, 2017, and apply to offenses committed on or after that date.

Extend Registration Period for Certain Plates

Section 7. Current law provides that the registration of a motor vehicle renewed by means of a renewal sticker expires at midnight on the last day of the month designated on the sticker. This section provides

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that the registration of a motor vehicle renewed by means other than a renewal sticker (typically a new registration plate) expires at midnight on February 15 of each year. This section would become effective October 1, 2016 and apply to registration renewals on or after that date.

Temporary Driving Certificate Use/Uniformity

Section 8. Current law provides that a temporary driving certificate is valid for 60 days for an applicant seeking a commercial driver's license and 20 days for an applicant seeking a non-commercial driver's license. In addition, current law prohibits the use of a temporary driving certificate for identification purposes. This section sets the period of validity for all temporary driving certificates at 60 days and allows a certificate to be used for identification purposes when conducting business with the DMV. This section would become effective January 1, 2017, and the change to period of validity applies to certificates issued on or after that date.

DMV Driver's License Testing Requirements/Remote Renewal

Section 9 eliminates the current statutory requirement for sign and symbol and vision testing when a person is renewing a driver's license remotely via the internet or at a DMV kiosk. Sign and symbol testing will still be required for initial issuance of a drivers' license, and vision testing will be done for required in-person, in-office renewal. This section would become effective October 1, 2016.

DMV/Electronic Notice

Section 10 Current law authorizes DMV to send notice of vehicle registration renewal by e-mail, if the customer has consented. This section (i) specifies that a person who has provided an e-mail address to DMV shall notify the Division of any change or discontinuance of that e-mail address within 30 days after the change or discontinuance; (ii) clarifies current law limiting disclosure of personal information in DMV motor vehicle records to provide that e-mail addresses provided to DMV are personal information; and (iii) provides that instead of providing notice by personal delivery or United States mail, DMV may give notice for *any* DMV business by e-mail, if the person to be notified has consented to receiving notices via electronic means, and has provided the Division an e-mail address for receiving the notices. This section would become effective October 1, 2016.

DMV to provide option for joint tenancy with right of survivorship on application for registration and certificate of title

Section 10.5. This section requires DMV to place a pre-printed "joint tenancy with right of survivorship" option on its application for a motor vehicle title form. This change would allow vehicles to pass to the surviving owner outside of probate.

DMV/Inspection of Pre-1981 Motor Vehicles/Titling

Section 11. Current law requires DMV to inspect out-of-state vehicles that are 35 years or older prior to issuing an initial NC title for the vehicle. Section 11 changes the requirement to vehicles from the 1980 model year or older. This section would become effective January 1, 2017.

Repeal Signature Requirement/Registration Card

Section 12. Current law makes it an infraction for the owner of a registered motor vehicle to fail to sign their vehicle registration card with pen and ink upon receipt. This section repeals that requirement. This section would become effective December 1, 2016, and apply to registration cards issued on or after that date.

Revise Definition of "Autocycle"

House PCS 959

Page 5

Section 12.5. This section would amend the definition of an autocycle to include vehicles without an airbag, and with partially enclosed seating within the definition.

Amend Moped Definition

Section 13 establishes a definition for "electric assisted bicycles", and exempts them from the definition of motor vehicles. In addition, this section moves the definition of "moped" to Chapter 20 of the General Statutes, clarifies that the definition includes mopeds powered by electricity or alternative fuel, but does not include motor-driven bicycles or electric assisted bicycles. This section also makes several conforming changes to related statutes.

This section would become effective December 1, 2016, and apply to offenses committed on or after that date.

Revisions to DMV Medical Review Program

Section 13.1 This section makes changes to the DMV medical evaluation program, including clarification of the applicability of the section to include mental disability, procedure for submittal of medical information, appeal procedure, and the composition of the medical review board.

This section becomes effective July 1, 2016.

Allow dealer plates for employees of independent dealers and family members

Section 13.5. This section authorizes use of dealer plates by employees of independent dealers, and by immediate family members of independent dealers and their employees.

Law enforcement to provide accident report to insurer

Section 13.8. This section provides that law enforcement may provide an uncertified copy of an accident report to an insurance agent or driver upon being provided with evidence that a certified copy of the accident report has been requested from the DMV and the applicable fee has been paid.

PART V. RAIL

Short-Line Railroad Assistance

Section 14. Current law provides that dividends from the North Carolina Railroad are to be deposited in the Freight Rail & Rail Crossing Safety Improvement Fund, which is to be used for the enhancement of freight rail service and railroad-roadway crossing safety. This section makes clear that funds from the Freight Rail & Rail Crossing Safety Improvement Fund may be used for short-line railroad projects.

EFFECTIVE DATE: Except as otherwise provided, this act is effective when it becomes law.

BACKGROUND: House Bill 959, as introduced, was recommended by the Joint Legislative Transportation Oversight Committee.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

D

HOUSE BILL 959
Committee Substitute Favorable 5/25/16
Third Edition Engrossed 6/2/16
PROPOSED SENATE COMMITTEE SUBSTITUTE H959-CSSU-47 [v.5]
06/14/2016 09:13:27 PM

Short Title: DOT Proposed Legislative Changes.

(Public)

Sponsors:

Referred to:

April 26, 2016

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE TRANSPORTATION LAWS OF THE
3 STATE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION
4 OVERSIGHT COMMITTEE.
5 The General Assembly of North Carolina enacts:

6
7 **PART I. DIVISION OF HIGHWAYS**

8
9 **SMALL TRANSPORTATION PROJECTS/LOCAL CONSULTATION**

10 **SECTION 1.** G.S. 136-11.1 reads as rewritten:

11 **"§ 136-11.1. Local consultation on transportation projects.**

12 Prior to any action of the Board on a transportation project, the Department shall inform all
13 municipalities and counties affected by a planned transportation project and request each affected
14 municipality or county to submit within 45 days a written resolution expressing their views on the
15 project. A municipality or county may designate a Transportation Advisory Committee to submit
16 its response to the Department's request for a resolution. Upon receipt of a written resolution from
17 all affected municipalities and counties or their designees, or the expiration of the 45-day period,
18 whichever occurs first, the Board may take action. The Department and the Board shall consider,
19 but shall not be bound by, the views of the affected municipalities and counties on each
20 transportation project. The failure of a county or municipality to express its views within the time
21 provided shall not prevent the Department or the Board from taking action. The Department shall
22 not be required to send notice under this section if it has already received a written resolution from
23 the affected county or municipality on the planned transportation project. "Action of the Board",
24 as used in this section, means approval by the Board of: the Transportation Improvement Program
25 and amendments to the Transportation Improvement Program; the Secondary Roads Paving
26 Program and amendments to the Secondary Roads Paving Program; and individual applications
27 for access and public service road projects, contingency projects, small urban projects, and spot
28 safety projects that exceed ~~one two~~ hundred fifty thousand dollars ~~(\$150,000).~~ (\$250,000). The
29 45-day notification provision may be waived upon a finding by the Secretary of Transportation
30 that emergency action is required. Such findings must be reported to the Joint Legislative
31 Transportation Oversight Committee."

32
33 **BROADBAND AND FIBER OPTIC IN DOT RIGHT-OF-WAY/STUDY FEES**

34 **SECTION 2.(a)** G.S. 136-18(2) reads as rewritten:



"§ 136-18. Powers of Department of Transportation.

The said Department of Transportation is vested with the following powers:

...
(2) Related to right-of-way:

- a. To take over and assume exclusive control for the benefit of the State of any existing county or township ~~roads, and roads.~~
 - b. ~~to~~ To locate and acquire rights-of-way for any new roads that may be necessary for a State highway ~~system, and system.~~
 - c. ~~subject~~ Subject to the provisions of G.S. 136-19.5(a) and ~~(b) also (b), to use existing rights-of-way, or~~ locate and acquire such additional ~~rights-of-way rights-of-way,~~ as may be necessary for the present or future relocation or initial location, above or below ground, ~~of of:~~
 1. ~~telephone, Telephone,~~ telegraph, distributed antenna systems (DAS), broadband communications, electric and other lines, as well as gas, water, sewerage, oil and other pipelines, to be operated by public utilities as defined in G.S. 62-3(23) and which are regulated under Chapter 62 of the General Statutes, or by municipalities, counties, any entity created by one or more political subdivisions for the purpose of supplying any such utility services, electric membership corporations, telephone membership corporations, or any combination thereof, with thereof; and
 2. Nonutility owned or operated communications or data transmission infrastructure.
- The Department retains full power to widen, relocate, change or alter the grade or location thereof, or alter the location or configuration of such lines or systems above or below ground, and to ground. No agreement for use of Department right-of-way under this sub-subdivision shall abrogate the Department's ownership and control of the right-of-way. The Department is authorized to adopt policies and rules necessary to implement the provisions of this sub-subdivision.
- d. To change or relocate any existing roads that the Department of Transportation may now own or may acquire; to acquire.
 - e. To acquire by gift, purchase, or otherwise, any road or highway, or tract of land or other property whatsoever that may be necessary for a State transportation system and adjacent utility rights-of-way; rights-of-way.
 - f. Provided, all changes or alterations authorized by this subdivision shall be subject to the provisions of G.S. 136-54 to 136-63, to the extent that said sections are applicable; applicable.
 - e. Provided, that nothing in this Chapter shall be construed to authorize or permit the Department of Transportation to allow or pay anything to any county, township, city or town, or to any board of commissioners or governing body thereof, for any existing road or part of any road heretofore constructed by any such county, township, city or town, unless a contract has already been entered into with the Department of Transportation."

SECTION 2.(b) The Department of Transportation shall study the issue of administrative fees for encroachments pursuant to G.S. 136-18(2)c. The Department shall report its findings and recommendations to the Joint Legislative Transportation Oversight Committee on or before December 1, 2016.

SECTION 2.(c) This section becomes effective July 1, 2016.

WEIGHTS LIMITS APPLICABLE TO METAL COMMODITIES, CONSTRUCTION EQUIPMENT, AND STEEL COILS AND EXTENDING CERTAIN FEDERAL WEIGHT EXCEPTIONS TO THE STATE'S HIGHWAYS

SECTION 2.1.(a) G.S. 20-118(c) is amended by adding the following new subdivisions to read:

"(18) Subsections (b) and (e) of this section do not apply to a vehicle or vehicle combination that meets all of the conditions set out below:

a. Is transporting metal commodities or construction equipment.

b. Does not operate on an interstate highway, a posted light traffic road, or exceed any posted bridge weight limit.

c. Does not exceed a single-axle weight of 22,000 pounds, a tandem-axle weight of 42,000 pounds, or a gross weight of 90,000 pounds.

(19) Any additional weight allowance authorized by 23 U.S.C. § 127, and applicable to all interstate highways, shall also apply to all State roads, unless the road is a posted road or posted bridge, or unless specifically prohibited by State law or a Department ordinance applicable to a specific road."

SECTION 2.1.(b) G.S. 20-119 is amended by adding a new subsection to read:

"(i) Any of the following, transported on the same vehicle, shall be considered a nondivisible load for purposes of permit issuance pursuant to this section:

(1) One, two, or three steel coils.

(2) Multiple pieces of construction equipment."

SECTION 2.1.(c) This section becomes effective October 1, 2016.

PART II. NORTH CAROLINA TURNPIKE AUTHORITY

ALLOW ELECTRONIC BILLING FOR TOLLS

SECTION 3. G.S. 136-89.214(a) reads as rewritten:

"(a) Bill. – If a motor vehicle travels on a Turnpike project that uses an open road tolling system and a toll for traveling on the project is not paid prior to travel or at the time of travel, the Authority must send a bill by first-class mail to the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as established under G.S. 136-89.212(b) for the amount of the unpaid toll; provided, however, that with the written consent of the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as set forth above, the Authority may send the bill via electronic mail to a designated electronic mail account rather than by first-class mail. The Authority must send the bill within 90 days after the travel occurs, or within 90 days of receipt of a sworn affidavit submitted under G.S. 136-89.212(b) identifying the person who had care, custody, and control of the motor vehicle. If a bill is not sent within the required time, the Authority waives collection of the toll. The Authority must establish a billing period for unpaid open road tolls that is no shorter than 15 days. A bill for a billing period must include all unpaid tolls incurred by the same person during the billing period."

TURNPIKE AUTHORITY REPORT ON ONE-TIME FACILITY USER FEES AND PENALTIES

SECTION 3.1. The North Carolina Turnpike Authority shall report to the Joint Legislative Transportation Oversight Committee on January 31, 2017, and in its annual report thereafter, the number of one-time toll facility users who are charged more than fifty dollars (\$50.00) in processing fees imposed under G.S. 136-89.215 and civil penalties assessed under G.S. 136-89.216.

REPEAL NCTA SEMIANNUAL REPORTS TO JLTOC

SECTION 4. G.S. 136-89.193(c) is repealed.

PART III. DIVISION OF BICYCLE AND PEDESTRIAN TRANSPORTATION**REPEAL REQUIREMENT TO MAINTAIN OFF-ROAD CYCLING RECORDS**

SECTION 5. G.S. 143B-135.100 reads as rewritten:

"§ 143B-135.100. Use of State land for bicycling; creation of trails by volunteers.

...

(b) Notwithstanding the provisions of subsection (a) of this section, any land may be restricted or removed from use by bicyclists if it is determined by the State, an agency of the State, or the holder of land purchased or leased with State funds that the use would cause substantial harm to the land or the environment or that the use would violate another State or federal law. Before restricting or removing land from use by bicyclists, the State, the agency of the State, or the holder of the land purchased or leased with State funds must show why the lands should not be open for use by bicyclists. Local cycling groups or organizations shall be notified of the intent to restrict or remove the land from use by bicyclists and provided an opportunity to show why cycling should be allowed on the land. ~~Notice of any land restricted or removed from use by bicyclists pursuant to this subsection shall be filed with the Division of Bicycle and Pedestrian Transportation of the Department of Transportation.~~

(c) ~~The Division of Bicycle and Pedestrian Transportation of the Department of Transportation shall keep a record of all lands made open and available for use by bicyclists pursuant to this section and shall make the information available to the public upon request.~~

...

(e) Notwithstanding any other provision of this section, any hiking, walking, or use of bicycles on game lands administered by the Wildlife Resources Commission shall be restricted to roads and trails designated for vehicular use. Hiking, walking, or bicycle use by persons not hunting shall be restricted to days closed to hunting. The Wildlife Resources Commission may restrict the use of bicycles on game lands where necessary to protect sensitive wildlife habitat or ~~species and shall file notice of any restrictions with the Division of Bicycle and Pedestrian Transportation of the Department of Transportation.~~ species."

BICYCLE MUST HAVE RED REAR LIGHT OR OPERATOR MUST WEAR REFLECTIVE VEST WHEN OPERATED AT NIGHT

SECTION 5.1.(a) G.S. 20-129(e) reads as rewritten:

"(e) Lamps on Bicycles. – Every bicycle shall be equipped with a reflex mirror on the rear and both of the following when operated at night on any public street, public vehicular area, or public greenway:

(1) A lighted lamp on the front thereof, visible under normal atmospheric conditions from a distance of at least 300 feet in front of such bicycle, and shall also be equipped with a reflex mirror or bicycle.

(2) A lamp on the rear, exhibiting a red light visible under like conditions from a distance of at least 200–300 feet to the rear of such bicycle, ~~when used at night~~ or the operator must wear clothing or a vest that is bright and visible from a distance of at least 300 feet to the rear of the bicycle."

SECTION 5.1.(b) This section becomes effective December 1, 2016, and applies to offenses committed on or after that date.

BICYCLE SAFETY LAW REVISIONS

SECTION 5.5.(a) G.S. 20-150(e) reads as rewritten:

"(e) The driver of a vehicle shall not overtake and pass another on any portion of the highway which is marked by signs, markers or markings placed by the Department of Transportation stating or clearly indicating that passing should not be attempted. The prohibition in this section shall not apply when the overtaking and passing is done in accordance with all of the following:

- (1) The slower moving vehicle to be passed is a bicycle or a moped.
- (2) The slower moving vehicle is proceeding in the same direction as the faster moving vehicle.
- (3) The driver of the faster moving vehicle either (i) provides a minimum of four feet between the faster moving vehicle and the slower moving vehicle or (ii) completely enters the left lane of the highway.
- (4) The operator of the slower moving vehicle is not (i) making a left turn or (ii) signaling in accordance with G.S. 20-154 that he or she intends to make a left turn.
- (5) The driver of the faster moving vehicle complies with all other applicable requirements set forth in this section."

SECTION 5.5.(b) G.S. 20-149(a) reads as rewritten:

"(a) The driver of any such vehicle overtaking another vehicle proceeding in the same direction shall pass at least two feet to the left thereof, and shall not again drive to the right side of the highway until safely clear of such overtaken vehicle. This subsection shall not apply when the overtaking and passing is done pursuant to the provisions of ~~G.S. 20-150.1~~ G.S. 20-150(e) or G.S. 20-150.1."

SECTION 5.5.(c) G.S. 20-154 reads as rewritten:

"§ 20-154. Signals on starting, stopping or turning.

...

(a1) A person who violates subsection (a) of this section and causes a motorcycle or bicycle operator to change travel lanes or leave that portion of any public street or highway designated as travel lanes shall be responsible for an infraction and shall be assessed a fine of not less than two hundred dollars (\$200.00). A person who violates subsection (a) of this section that results in a crash causing property damage or personal injury to a motorcycle or bicycle operator or passenger shall be responsible for an infraction and shall be assessed a fine of not less than five hundred dollars (\$500.00) unless subsection (a2) of this section applies.

(a2) A person who violates subsection (a) of this section and the violation results in a crash causing property damage in excess of five thousand dollars (\$5,000) or a serious bodily injury as defined in G.S. 20-160.1(b) to a motorcycle or bicycle operator or passenger shall be responsible for an infraction and shall be assessed a fine of not less than seven hundred fifty dollars (\$750.00). A violation of this subsection shall be treated as a failure to yield right-of-way to a motorcycle or bicycle, as applicable, for purposes of assessment of points under G.S. 20-16(c). In addition, the trial judge shall have the authority to order the license of any driver violating this subsection suspended for a period not to exceed 30 days. If a judge orders suspension of a person's drivers license pursuant to this subsection, the judge may allow the licensee a limited driving privilege for a period not to exceed the period of suspension. The limited driving privilege shall be issued in the same manner and under the terms and conditions prescribed in G.S. 20-16.1(b)(1), (2), (3), (4), (5), and G.S. 20-16.1(g).

(b) The signal herein required shall be given by means of the hand and arm in the manner herein specified, or by any mechanical or electrical signal device approved by the Division, except that when a vehicle is so constructed or loaded as to prevent the hand and arm signal from being visible, both to the front and rear, the signal shall be given by a device of a type which has been approved by the Division.

~~Whenever~~ Except as otherwise provided in subsection (b1) of this section, whenever the signal is given the driver shall indicate his intention to start, stop, or turn by extending the hand and arm from and beyond the left side of the vehicle as hereinafter set forth.

Left turn – hand and arm horizontal, forefinger pointing.

Right turn – ~~hand and upper arm~~ horizontal, forearm and hand pointed upward.

Stop – ~~hand and arm~~ upper arm horizontal, forearm and hand pointed downward.

All hand and arm signals shall be given from the left side of the vehicle and all signals shall be maintained or given continuously for the last 100 feet traveled prior to stopping or making a turn. Provided, that in all areas where the speed limit is 45 miles per hour or higher and the operator intends to turn from a direct line of travel, a signal of intention to turn from a direct line of travel shall be given continuously during the last 200 feet traveled before turning.

Any motor vehicle in use on a highway shall be equipped with, and required signal shall be given by, a signal lamp or lamps or mechanical signal device when the distance from the center of the top of the steering post to the left outside limit of the body, cab or load of such motor vehicle exceeds 24 inches, or when the distance from the center of the top of the steering post to the rear limit of the body or load thereof exceeds 14 feet. The latter measurement shall apply to any single vehicle, also to any combination of vehicles except combinations operated by farmers in hauling farm products.

(b1) Notwithstanding the requirement set forth in subsection (b) of this section that a driver signal a right turn by extending his or her hand and arm from beyond the left side of the vehicle, an operator of a bicycle may signal his or her intention to make a right turn by extending his or her hand and arm horizontally, with the forefinger pointing, from beyond the right side of the bicycle.

...."

SECTION 5.5.(d) This section becomes effective October 1, 2016, and applies to offenses committed on or after that date.

PART IV. DIVISION OF MOTOR VEHICLES

COMMERCIAL DRIVERS LICENSE CHANGES

SECTION 6.(a) G.S. 20-7(m) reads as rewritten:

"(m) Instruction Permit. – The Division upon receiving proper application may in its discretion issue a restricted instruction permit effective for a school year or a lesser period to any of the following applicants:

(1) An applicant who is less than 18 years old and is enrolled in a drivers education program that is approved by the State Superintendent of Public Instruction and is offered at a public high school, a nonpublic secondary school, or a licensed drivers training school.

(2) ~~An applicant for certification under G.S. 20-218 as a school bus driver.~~ A restricted instruction permit authorizes the holder of the permit to drive a specified type or class of motor vehicle when in possession of the permit, subject to any restrictions imposed by the Division. The restrictions the Division may impose on a permit include restrictions to designated areas and highways and restrictions prohibiting operation except when an approved instructor is occupying a seat beside the permittee. A restricted instruction permit is not required to have a distinguishing number or a picture of the person to whom the permit is issued."

SECTION 6.(b) G.S. 20-37.13(e) reads as rewritten:

"(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.~~ 180 days.

1 The fee for a commercial driver learner's permit is the same as the fee set by G.S. 20-7 for a
2 regular learner's permit. ~~G.S. 20-7(m) governs the issuance of a restricted instruction permit for a~~
3 ~~prospective school bus driver."~~

4 **SECTION 6.(c)** G.S. 20-17.4(g) reads as rewritten:

5 "(g) Violation of Out-of-Service Order. – Any person holding a commercial learner's permit
6 or commercial drivers license or required to have a commercial learner's permit or commercial
7 drivers license convicted for violating an out-of-service order, except as described in subsection
8 (h) of this section, shall be disqualified as follows:

9 (1) A person is disqualified from driving a commercial vehicle for a period of ~~90~~
10 ~~days~~ no less than 180 days and no more than one year if convicted of a first
11 violation of an out-of-service ~~order~~ order while operating a commercial motor
12 vehicle.

13 (2) A person is disqualified for a period of ~~one year~~ no less than two years and no
14 more than five years if convicted of a second violation of an out-of-service
15 order while operating a commercial motor vehicle during any 10-year period,
16 arising from separate incidents.

17 (3) A person is disqualified for a period of ~~three years~~ no less than three years and
18 no more than five years if convicted of a third or subsequent violation of an
19 out-of-service order while operating a commercial motor vehicle during any
20 10-year period, arising from separate incidents."

21 **SECTION 6.(d)** G.S. 20-17.4(h) reads as rewritten:

22 "(h) Violation of Out-of-Service Order; Special Rule for Hazardous Materials and
23 Passenger Offenses. – Any person holding a commercial learner's permit or commercial drivers
24 license or required to have a commercial learner's permit or commercial drivers license convicted
25 for violating an out-of-service order while transporting hazardous materials ~~materials~~, as defined
26 in 49 C.F.R. § 383.5, or while operating a commercial vehicle designed or used to transport more
27 than 15 passengers, 16 or more passengers, including the driver, shall be disqualified as follows:

28 (1) A person is disqualified for a period of ~~180 days~~ no less than 180 days and no
29 more than two years if convicted of a first violation of an out-of-service
30 order order while operating a commercial motor vehicle.

31 (2) A person is disqualified for a period of ~~three years~~ no less than three years and
32 no more than five years if convicted of a second or subsequent violation of an
33 out-of-service order while operating a commercial motor vehicle during any
34 10-year period, arising from separate incidents.

35 (3) A person is disqualified for a period of no less than three years and no more
36 than five years if convicted of a third or subsequent violation of an
37 out-of-service order while operating a commercial motor vehicle during any
38 10-year period, arising from separate incidents."

39 **SECTION 6.(e)** Article 2C of Chapter 20 of the General Statutes is amended by
40 adding the following new section to read:

41 **"§ 20-37.13A. Medical qualifications standards; waiver for intrastate drivers.**

42 (a) Medical Qualifications Standards Applicable to Commercial Drivers. – All commercial
43 drivers license holders and applicants for commercial drivers licenses must meet the medical
44 qualifications standards set forth in 49 C.F.R. § 391.41.

45 (b) Intrastate Medical Waiver. – Any person unable to meet the standards in 49 C.F.R. §
46 391.41, as adopted by the Division, may apply for a medical waiver that, if approved, will
47 authorize intrastate operation of a commercial motor vehicle. Applications for the medical waiver
48 must be submitted to the Division in writing. Waivers may be granted for no more than two years.

49 (c) Intrastate Operation Subject to Waiver. – Any person granted an intrastate commercial
50 drivers license medical waiver is permitted to maintain a commercial drivers license and operate a
51 commercial motor vehicle in intrastate commerce subject to the following conditions:

- (1) The commercial drivers license must display a restriction to signify it is only valid for intrastate operation.
- (2) The holder of the license must submit to medical recertification at intervals set by the Division.
- (3) The holder of the license must timely submit all documentation required by the Division.
- (4) Failure to meet any condition within the time period allowed will result in an automatic downgrade of the license holder's commercial drivers license to a Class C regular drivers license."

SECTION 6.(f) This section becomes effective January 1, 2017, and applies to offenses committed on or after that date.

EXTEND REGISTRATION PERIOD FOR CERTAIN PLATES

SECTION 7.(a) G.S. 20-66 is amended by adding a new subsection to read:

"(g1) Expiration of Registration by Other Means. – The registration of a vehicle renewed by means of a new registration plate expires at midnight on February 15 of each year."

SECTION 7.(b) This section becomes effective October 1, 2016, and applies to registration renewals on or after that date.

TEMPORARY DRIVING CERTIFICATE/USE AND UNIFORMITY

SECTION 8.(a) G.S. 20-7(f)(5) reads as rewritten:

"(f) Duration and Renewal of Licenses. – Drivers licenses shall be issued and renewed pursuant to the provisions of this subsection:

- ...
- (5) License to be sent by mail. – The Division shall issue to the applicant a temporary driving certificate valid for ~~20 days, and 60 days for a commercial drivers license, days,~~ unless the applicant is applying for renewal by mail under subdivision (4) of this subsection. The temporary driving certificate shall be valid for driving purposes ~~only~~ and shall not be valid for identification ~~purposes, purposes, except when conducting business with the Division and not otherwise prohibited by federal law.~~ The Division shall produce the applicant's drivers license at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the drivers license to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division."

SECTION 8.(b) This section becomes effective January 1, 2017. The extended period of validity applies to temporary driving certificates issued on or after that date.

DMV DRIVERS LICENSE TESTING REQUIREMENTS/REMOTE RENEWAL

SECTION 9.(a) G.S. 20-7(c) reads as rewritten:

"(c) Tests. – To demonstrate physical and mental ability, a person must pass an examination. The examination may include road tests, vision tests, oral tests, and, in the case of literate applicants, written tests, as the Division may require. The tests must ensure that an applicant recognizes the handicapped international symbol of access, as defined in G.S. 20-37.5.

1 The Division may not require a person who applies to renew a license that has not expired to take
2 a written test or a road test unless one or more of the following applies:

- 3 (1) The person has been convicted of a traffic violation since the person's license
4 was last issued.
- 5 (2) The applicant suffers from a mental or physical condition that impairs the
6 person's ability to drive a motor vehicle.

7 The Division shall require sign and symbol testing upon initial issuance of a license. The
8 Division shall require vision testing as a part of required in-person, in-office renewals of a license.

9 The Division may not require a person who is at least 60 years old to parallel park a motor
10 vehicle as part of a road test. A person shall not use an autocycle to complete a road test under this
11 subsection."

12 **SECTION 9.(b)** This section becomes effective October 1, 2016.

13 14 **DMV/ELECTRONIC NOTICE**

15 **SECTION 10.(a)** G.S. 20-7.1 reads as rewritten:

16 **"§ 20-7.1. Notice of change of address or name.**

17 (a) Address. – A person whose address changes from the address stated on a drivers
18 license must notify the Division of the change within 60 days after the change occurs. If the
19 person's address changed because the person moved, the person must obtain a duplicate license
20 within that time limit stating the new address. A person who does not move but whose address
21 changes due to governmental action may not be charged with violating this subsection. A person
22 who has provided an e-mail or electronic address to the Division pursuant to G.S. 20-48(a) shall
23 notify the Division of any change or discontinuance of that e-mail or electronic address within 30
24 days after the change or discontinuance.

25 (b) Name. – A person whose name changes from the name stated on a drivers license must
26 notify the Division of the change within 60 days after the change occurs and obtain a duplicate
27 drivers license stating the new name.

28 (c) Fee. – G.S. 20-14 sets the fee for a duplicate license."

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

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

31 (a) The Division shall disclose personal information contained in motor vehicle records in
32 accordance with the federal Driver's Privacy Protection Act of 1994, as amended, 18 U.S.C. §§
33 2721, et seq.

34 (b) As authorized in 18 U.S.C. § 2721, the Division shall not disclose personal information
35 for the purposes specified in 18 U.S.C. § 2721(b)(11).

36 (c) The Division shall not disclose personal information for the purposes specified in 18
37 U.S.C. § 2721(b)(12) unless the Division receives prior written permission from the person about
38 whom the information is requested.

39 (d) As authorized in 18 U.S.C. § 2721, the Division may disclose personal information to
40 federally designated organ procurement organizations and eye banks operating in this State for the
41 purpose of identifying individuals who have indicated an intent to be an organ donor. Personal
42 information authorized under this subsection is limited to the individual's first, middle, and last
43 name, date of birth, address, sex, county of residence, and drivers license number. Employees of
44 the Division who provide access to or disclosure of information in good-faith compliance with this
45 subsection are not liable in damages for access to or disclosure of the information.

46 (e) As authorized in 18 U.S.C. § 2721, the Division may also provide copies of partial
47 crash report data collected pursuant to G.S. 20-166.1, partial driver license data kept pursuant to
48 G.S. 20-26(a), and partial vehicle registration application data collected pursuant to G.S. 20-52 in
49 bulk form to persons, private companies, or other entities, for uses other than official, upon
50 payment of a fee of three cents (3¢) per individual record. The Division shall not furnish such data
51 except upon execution by the recipient of a written agreement to comply with the Driver's Privacy

Protection Act of 1994, as amended, 18 U.S.C. §§ 2721, et seq. The information released to persons, private companies, or other entities, for uses other than official, pursuant to this subsection, shall not be a public record pursuant to Chapter 132 of the General Statutes.

(f) E-mail addresses or other electronic addresses provided to the Division are personal information for purposes of this section and shall only be disclosed in accordance with this section."

SECTION 10.(c) G.S. 20-48 reads as rewritten:

"§ 20-48. Giving of notice.

(a) Whenever the Division is authorized or required to give any notice under this Chapter or other law regulating the operation of vehicles, unless a different method of giving such notice is otherwise expressly prescribed, such notice shall be given either by personal delivery thereof to the person to be so notified or by deposit in the United States mail of such notice in an envelope with postage prepaid, addressed to such person at his address as shown by the records of the Division. The giving of notice by mail is complete upon the expiration of four days after such deposit of such notice. In lieu of providing notice by personal delivery or United States mail, the Division may give notice under this Chapter by e-mail or other electronic means, if the person to be notified has consented to receiving notices via electronic means and has provided the Division an e-mail address or other like electronic address for receiving the notices. Proof of the giving of notice in either any such manner pursuant to this section may be made by a notation in the records of the Division that the notice was sent to a particular address-address, physical or electronic, and the purpose of the notice. A certified copy of the Division's records may be sent by the Police Information Network, facsimile, or other electronic means. A copy of the Division's records sent under the authority of this section is admissible as evidence in any court or administrative agency and is sufficient evidence to discharge the burden of the person presenting the record that notice was sent to the person named in the record, at the physical or electronic address indicated in the record, and for the purpose indicated in the record. There is no requirement that the actual notice or letter be produced.

(a1) A person may consent to receive any notice under this Chapter by electronic delivery by completing a written or electronic authorization for this method of delivery. The authorization must advise the person that all of the following apply to consent to electronic delivery of a notice:

1. Consent is effective until it is revoked in accordance with the procedure set by the Division.
2. At the option of the Division, electronic delivery may be the only method of delivery.
3. A notice sent by electronic delivery to an e-mail or electronic address is considered to have been received even if the person to whom it is sent does not receive it.

(a2) A person who consents to electronic notification pursuant to this section shall notify the Division of any change or discontinuance of any e-mail or electronic address provided to the Division in accordance with the provisions of this section and G.S. 20-7.1(a). Upon the failure of a person to notify the Division of any change or discontinuance of an electronic notification pursuant to this section, any notices sent to the original or discontinued electronic address shall be deemed to have been received by the person and a copy of the Division's records sent under the authority of this section is sufficient evidence that notice was sent to the person named in the record, at the physical or electronic address indicated in the record, and for the purpose indicated in the record.

(b) Notwithstanding any other provision of this Chapter at any time notice is now required by registered mail with return receipt requested, certified mail with return receipt requested may be used in lieu thereof and shall constitute valid notice to the same extent and degree as notice by registered mail with return receipt requested.

(c) The Commissioner shall appoint such agents of the Division as may be needed to serve revocation notices required by this Chapter. The fee for service of a revocation notice by personal delivery shall be fifty dollars (\$50.00)."

SECTION 10.(d) This section becomes effective October 1, 2016.

**DMV TO PROVIDE OPTION FOR JOINT TENANCY WITH RIGHT OF
SURVIVORSHIP ON APPLICATION FOR REGISTRATION AND CERTIFICATE
OF TITLE**

SECTION 10.5.(a) G.S. 20-52(a) reads as rewritten:

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

(1) The owner's name.

(1a) If the owner is an individual, the following information:

a. The owner's mailing address and residence address.

b. One of the following at the option of the applicant:

1. The owner's North Carolina drivers license number or North Carolina special identification card number.
2. The owner's home state drivers license number or home state special identification card number and valid active duty military identification card number or military dependent identification card number if the owner is a person or the spouse or dependent child of a person on active duty in the Armed Forces of the United States who is stationed in this State or deployed outside this State from a home base in this State. The owner's inability to provide a photocopy or reproduction of a military or military dependent identification card pursuant to any prohibition of the United States government or any agency thereof against the making of such photocopy or reproduction shall not operate to prevent the owner from making an application for registration and certificate of title pursuant to this subdivision.
3. The owner's home state drivers license number or home state special identification card number and proof of enrollment in a school in this State if the owner is a permanent resident of another state but is currently enrolled in a school in this State.
4. The owner's home state drivers license number or home state special identification card number if the owner provides a signed affidavit certifying that the owner intends to principally garage the vehicle in this State and provides the address where the vehicle is or will be principally garaged. For purposes of this section, "principally garage" means the vehicle is garaged for six or more months of the year on property in this State which is owned, leased, or otherwise lawfully occupied by the owner of the vehicle.
5. The owner's home state drivers license number or home state special identification card number, provided that the application

- 1 is made pursuant to a court authorized sale or a sale authorized
2 by G.S. 44A-4 for the purpose of issuing a title to be registered
3 in another state or country.
- 4 6. The co-owner's home state drivers license number or home state
5 special identification card number if at least one co-owner
6 provides a North Carolina drivers license number or North
7 Carolina special identification number.
- 8 7. The owner's home state drivers license number or special
9 identification card number if the application is for a motor home
10 or house car, as defined in G.S. 20-4.01(27)d2., or for a house
11 trailer, as defined in G.S. 20-4.01(14).
- 12 (1b) If the owner is a firm, partnership, a corporation, or another entity, the address
13 of the entity.
- 14 (2) A description of the vehicle, including the following:
- 15 a. The make, model, type of body, and vehicle identification number of the
16 vehicle.
- 17 b. Whether the vehicle is new or used and, if a new vehicle, the date the
18 manufacturer or dealer sold the vehicle to the owner and the date the
19 manufacturer or dealer delivered the vehicle to the owner.
- 20 (3) A statement of the owner's title and of all liens upon the vehicle, including the
21 names and addresses of all lienholders in the order of their priority, and the date
22 and nature of each lien.
- 23 (4) A statement that the owner is an eligible risk for insurance coverage as defined
24 in G.S. 58-37-1(4a).
- 25 (5) For registration and certificate of title for a nonfleet private passenger motor
26 vehicle, a statement that providing incorrect or false and misleading
27 information as to the owner's status as an eligible risk can result in criminal
28 prosecution and the denial of insurance coverage for any loss of the owner
29 under any insurance policies for which application is made if the owner
30 provides false and misleading information as to eligible risk status.
- 31 (6) For registration and certificate of title for a nonfleet private passenger motor
32 vehicle, a statement that the owner will inform the insurer before the next
33 policy renewal if the owner ceases to be an eligible risk."

34 **SECTION 10.5.(b)** This section becomes effective January 1, 2017.

35
36 **DMV/INSPECTION OF PRE-1981 MOTOR VEHICLES/TITLING**

37 **SECTION 11.(a)** G.S. 20-53(e) reads as rewritten:

38 "(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are ~~35~~
39 ~~1980 model years-old-year~~ or older or (ii) a specially constructed vehicle prior to the completion of
40 a vehicle verification conducted by the License and Theft Bureau of the Division of Motor
41 Vehicles. These verifications shall be conducted as soon as practical. For an out-of-state vehicle
42 that is ~~35-1980 model years-old-year~~ or older, this inspection shall consist of verifying the public
43 vehicle identification number to ensure that it matches the vehicle and ownership documents. No
44 covert vehicle identification numbers are to be examined on an out-of-state vehicle ~~35-1980 model~~
45 ~~years-year~~ or older unless the inspector develops probable cause to believe that the ownership
46 documents or public vehicle identification number presented does not match the vehicle being
47 examined. However, upon such application and the submission of any required documentation, the
48 Division shall be authorized to register the vehicle pending the completion of the verification of
49 the vehicle. The registration shall be valid for one year but shall not be renewed unless and until
50 the vehicle examination has been completed.

1 If an inspection and verification is not conducted by the License and Theft Bureau of the
2 Division of Motor Vehicles within 15 days after receiving a request for such and the inspector has
3 no probable cause to believe that the ownership documents or public vehicle identification number
4 presented does not match the vehicle being examined, the vehicle shall be deemed to have
5 satisfied all inspection and verification requirements and title shall issue to the owner within 15
6 days thereafter. If an inspection and verification is timely performed and the vehicle passes the
7 inspection and verification, title shall issue to the owner within 15 days of the date of the
8 inspection."

9 **SECTION 11.(b)** This section becomes effective January 1, 2017.

10
11 **REPEAL SIGNATURE REQUIREMENT/REGISTRATION CARD**

12 **SECTION 12.(a)** G.S. 20-57(c) reads as rewritten:

13 "(c) ~~Every owner upon receipt of a registration card, shall write his signature thereon with~~
14 ~~pen and ink in the space provided.~~ Every such registration card shall at all times be carried in the
15 vehicle to which it refers or in the vehicle to which transfer is being effected, as provided by
16 G.S. 20-64 at the time of its operation, and such registration card shall be displayed upon demand
17 of any peace officer or any officer of the Division: Provided, however, any person charged with
18 failing to so carry such registration card shall not be convicted if he produces in court a
19 registration card theretofore issued to him and valid at the time of his arrest: Provided further, that
20 in case of a transfer of a license plate from one vehicle to another under the provisions of
21 G.S. 20-72, evidence of application for transfer shall be carried in the vehicle in lieu of the
22 registration card."

23 **SECTION 12.(b)** G.S. 20-176(a1)(2) is repealed.

24 **SECTION 12.(c)** This section becomes effective December 1, 2016, and applies to
25 registration cards issued on or after that date.

26
27 **REVISE DEFINITION OF "AUTOCYCLE"**

28 **SECTION 12.5.(a)** G.S. 20-4.01(27)a. reads as rewritten:

29 "a. Autocycle. – A three-wheeled motorcycle that has a steering wheel,
30 pedals, seat safety belts for each occupant, antilock brakes, ~~air bag~~
31 ~~protection,~~ completely or partially enclosed seating that does not require
32 the operator to straddle or sit astride, and is otherwise manufactured to
33 comply with federal safety requirements for motorcycles."

34 **SECTION 12.5.(b)** G.S. 20-140.4(a)(2) reads as rewritten:

35 "(2) Unless the operator and all passengers thereon wear on their heads, with a
36 retention strap properly secured, safety helmets of a type that complies with
37 Federal Motor Vehicle Safety Standard (FMVSS) 218. This subdivision shall
38 not apply to an operator ~~of an autocycle of,~~ or any passengers ~~within~~ within, an
39 ~~autocycle.~~ autocycle that has completely enclosed seating."

40 **SECTION 12.5.(c)** G.S. 20-135.3(c) reads as rewritten:

41 "(c) For purposes of this section, the term "motorcycle" shall not include autocycles. Every
42 autocycle registered in this State shall be equipped with sufficient anchorage units at the
43 attachment points for attaching seat safety belts for the rear ~~seat~~ seats of the autocycle. The
44 anchorage unit shall meet the same construction, design, and strength requirements under this
45 section for anchorage units in motor vehicles."

46
47 **AMEND "MOPED" DEFINITION**

48 **SECTION 13.(a)** G.S. 20-4.01 reads as rewritten:

49 **"§ 20-4.01. Definitions.**

50 Unless the context requires otherwise, the following definitions apply throughout this Chapter
51 to the defined words and phrases and their cognates:

- 1 ...
2 (7a) Electric Assisted Bicycle. – A bicycle with two or three wheels that is equipped
3 with a seat or saddle for use by the rider, fully operable pedals for human
4 propulsion, and an electric motor of no more than 750 watts, whose maximum
5 speed on a level surface when powered solely by such a motor is no greater
6 than 20 miles per hour.
7 (7a)(7b) Electric Personal Assistive Mobility Device. – A self-balancing nontandem
8 two-wheeled device, designed to transport one person, with a propulsion system
9 that limits the maximum speed of the device to 15 miles per hour or less.
10 (7b)(7c) Employer. – Any person who owns or leases a commercial motor vehicle or
11 assigns a person to drive a commercial motor vehicle and would be subject to
12 the alcohol and controlled substance testing provisions of 49 C.F.R. § 382 and
13 also includes any consortium or third-party administrator administering the
14 alcohol and controlled substance testing program on behalf of owner-operators
15 subject to the provisions of 49 C.F.R. § 382.
16 ...
17 (21a) ~~Moped.~~ – ~~A type of passenger vehicle as defined in G.S. 105-164.3.~~
18 ...
19 (23) Motor Vehicle. – Every vehicle which is self-propelled and every vehicle
20 designed to run upon the highways which is pulled by a self-propelled vehicle.
21 Except as specifically provided otherwise, this term shall not include ~~mopeds as~~
22 ~~defined in G.S. 20-4.01(27)d1.~~ mopeds or electric assisted bicycles.
23 ...
24 (27) Passenger Vehicles. –
25 ...
26 c2. Motor-driven bicycle. – A vehicle with two or three wheels, a steering
27 handle, one or two saddle seats, pedals, and a motor that cannot propel
28 the vehicle at a speed greater than 20 miles per hour on a level surface.
29 This term shall not include an electric assisted bicycle as defined in
30 G.S. 20-4.01(7a).
31 d. Motorcycles. – Vehicles having a saddle for the use of the rider and
32 designed to travel on not more than three wheels in contact with the
33 ground, including autocycles, motor scooters, and motor-driven
34 bicycles, but excluding tractors and utility vehicles equipped with an
35 additional form of device designed to transport property, three-wheeled
36 vehicles while being used by law-enforcement ~~agencies~~ agencies,
37 electric assisted bicycles, and mopeds as defined in subdivision d1
38 sub-subdivision d1. of this subsection.
39 d1. Moped. – ~~Defined in G.S. 105-164.3.~~ A vehicle, other than a
40 motor-driven bicycle or electric assisted bicycle, that has two or three
41 wheels, no external shifting device, a motor that does not exceed 50
42 cubic centimeters piston displacement and cannot propel the vehicle at a
43 speed greater than 30 miles per hour on a level surface. The motor may
44 be powered by electricity, alternative fuel, motor fuel, or a combination
45 of each.
46 ...
47 (49) Vehicle. – Every device in, upon, or by which any person or property is or may
48 be transported or drawn upon a highway, excepting devices moved by human
49 power or used exclusively upon fixed rails or tracks; provided, that for the
50 purposes of this Chapter bicycles and electric assisted bicycles shall be deemed
51 vehicles and every rider of a bicycle or an electric assisted bicycle upon a

highway shall be subject to the provisions of this Chapter applicable to the driver of a vehicle except those which by their nature can have no application. This term shall not include a device which is designed for and intended to be used as a means of transportation for a person with a mobility impairment, or who uses the device for mobility enhancement, is suitable for use both inside and outside a building, including on sidewalks, and is limited by design to 15 miles per hour when the device is being operated by a person with a mobility impairment, or who uses the device for mobility enhancement. This term shall not include an electric personal assistive mobility device as defined in ~~G.S. 20-4.01(7a)~~. G.S. 20-4.01(7b)."

SECTION 13.(b) G.S. 20-10.1 reads as rewritten:

"§ 20-10.1. Mopeds.

It shall be unlawful for any person who is under the age of 16 years to operate a moped as defined in ~~G.S. 105-164.3~~ G.S. 20-4.01(27)d1. upon any highway or public vehicular area of this State."

SECTION 13.(c) G.S. 20-171.1 reads as rewritten:

"§ 20-171.1. Definitions.

As used in this Part, except where the context clearly requires otherwise, the words and expressions defined in this section shall be held to have the meanings here given to them:

Bicycle. – A nonmotorized vehicle with two or three wheels tandem, a steering handle, one or two saddle seats, and pedals by which the vehicle is ~~propelled~~ propelled, or an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."

SECTION 13.(d) G.S. 20-175.6 reads as rewritten:

"§ 20-175.6. Electric personal assistive mobility devices.

(a) Electric Personal Assistive Mobility Device. – As defined in ~~G.S. 20-4.01(7a)~~ G.S. 20-4.01(7b).

...."

SECTION 13.(e) G.S. 58-36-3 reads as rewritten:

"§ 58-36-3. Limitation of scope; motorcycle and moped endorsements allowed; Department of Insurance report.

(a) The Bureau has no jurisdiction over:

...

(8) Liability insurance and theft or physical damage insurance on mopeds, as defined in ~~G.S. 105-164.3~~ G.S. 20-4.01(27)d1."

...."

SECTION 13.(f) G.S. 58-37-1 reads as rewritten:

"§ 58-37-1. Definitions.

As used in this Article:

...

(6) "Motor vehicle" means every self-propelled vehicle that is designed for use upon a highway, including trailers and semitrailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels, and well drillers). "Motor vehicle" also means a motorcycle, as defined in G.S. 20-4.01(27)d. "Motor vehicle" does not mean a moped, as defined in ~~G.S. 105-164.3~~ G.S. 20-4.01(27)d1., or an electric assisted bicycle, as defined in G.S. 20-4.01(7a). Notwithstanding any other provisions of this Article, liability insurance on a moped is not eligible for cession to the Facility.

...."

SECTION 13.(g) G.S. 58-40-10 reads as rewritten:

"§ 58-40-10. Other definitions.

As used in this Article and in Articles 36 and 37 of this Chapter:

(1) "Private passenger motor vehicle" means:

...

- c. A motorcycle, motorized scooter or other similar motorized vehicle not used for commercial purposes. A moped, as defined in ~~G.S. 105-164.3~~, G.S. 20-4.01(27)d1., is not considered a motorcycle, motorized scooter, or other similar motorized vehicle.

...."

SECTION 13.(h) G.S. 105-164.3 reads as rewritten:

"§ 105-164.3. Definitions.

The following definitions apply in this Article:

...

- (22) Moped. – ~~A vehicle that has two or three wheels, no external shifting device, and a motor that does not exceed 50 cubic centimeters piston displacement and cannot propel the vehicle at a speed greater than 30 miles per hour on a level surface.~~ As defined in G.S. 20-4.01(27)d1.

...."

SECTION 13.(i) This section becomes effective December 1, 2016, and applies to offenses committed on or after that date.

REVISIONS TO DMV MEDICAL REVIEW PROGRAM

SECTION 13.1.(a) G.S. 20-4.01(2) reads as rewritten:

- "(2) Canceled. – As applied to drivers' licenses and permits, a declaration that a license or permit which was issued through error or fraud, or to which ~~G.S. 20-15(a)(3)~~ G.S. 20-15(a) applies, is void and terminated."

SECTION 13.1.(b) G.S. 20-7(e) reads as rewritten:

"(e) Restrictions. – The Division may impose any restriction it finds advisable on a drivers license. It is unlawful for the holder of a restricted license to operate a motor vehicle without complying with the restriction and is the equivalent of operating a motor vehicle without a license. If any applicant shall suffer from any physical ~~defect or mental disability~~ or disease ~~which that~~ affects his or her operation of a motor vehicle, the Division may require to be filed with it a certificate of ~~such the~~ applicant's condition signed by ~~some a~~ a medical authority of the applicant's community designated by the Division. The Division may, in its discretion, require the certificate to be completed and submitted after a license or renewal has been issued based on the applicant's performance during a road test administered by the Division. Upon submission, the certificate shall be reviewed in accordance with the procedure set forth in G.S. 20-9(g)(3). This certificate shall in all cases be treated as confidential. Nothing in this subsection shall be construed to prevent the Division from refusing to issue a license, either restricted or unrestricted, to any person deemed to be incapable of safely operating a motor ~~vehicle.~~ vehicle based on information observed or received by the Division, including observations during a road test and medical information submitted about the applicant. An applicant may seek review pursuant to G.S. 20-9(g)(4) of a licensing decision made on the basis of a physical or mental disability or disease. This subsection does not prohibit deaf persons from operating motor vehicles who in every other way meet the requirements of this section."

SECTION 13.1.(c) G.S. 20-9 reads as rewritten:

"§ 20-9. What persons shall not be licensed.

...

(e) The Division shall not issue a driver's license to any person when in the opinion of the Division ~~such the person is afflicted with or suffering from such physical or mental disability or disease as will serve to prevent such person from exercising~~ unable to exercise reasonable and ordinary control over a motor vehicle while operating the ~~same vehicle~~ upon the highways, nor

1 shall a license be issued to any person who is unable to understand highway warnings or direction
2 signs.

3 ...

4 (g) The Division may issue a restricted or unrestricted driver's license to any applicant
5 covered by subsection (e) of this section under the following conditions:conditions to an otherwise
6 eligible applicant suffering from a physical or mental disability or disease that affects his or her
7 ability to exercise reasonable and ordinary control of a motor vehicle:

8 (1) ~~The Division may issue a license to any person who is afflicted with or~~
9 ~~suffering from a physical or mental disability set out in subsection (e) of this~~
10 ~~section who is otherwise qualified to obtain a license, provided such person~~
11 applicant submits to the Division a certificate in the form prescribed in
12 subdivision (2). The Division may request the certificate at the applicant's
13 initial application, at any time following the issuance of the license, or at the
14 initial application and any time following the issuance of the license. Until a
15 license issued under this subdivision expires-~~expires,~~ is cancelled, or is revoked,
16 the license continues in force as long as the licensee presents to the Division a
17 certificate in the form prescribed in subdivision (2) of this subsection at the
18 intervals determined by the Division to be in the best interests of public safety.

19 (2) ~~The Division shall not issue a license pursuant to this section unless the~~
20 ~~applicant has submitted to a physical examination by a physician or surgeon~~
21 ~~duly licensed to practice medicine in this State or in any other state of the~~
22 ~~United States and unless such examining physician or surgeon has completed~~
23 ~~and signed the certificate required by subdivision (1). Such-~~ The Division may
24 request a signed certificate from a health care provider duly licensed to practice
25 medicine in the United States that the applicant or licensee has submitted to a
26 physical examination by the health care provider. The certificate shall be
27 devised by the Commissioner with the advice of qualified experts in the field of
28 diagnosing and treating physical and mental disorders-~~disabilities and diseases~~
29 as he- the Commissioner may select to assist him or her and shall be designed to
30 elicit the maximum medical information necessary to aid in determining
31 whether or not it would be a hazard to public safety to permit the applicant or
32 licensee to operate a motor vehicle, including, if such is the fact, the examining
33 physician's- provider's statement that the applicant or licensee is under
34 medication and treatment and that such person's- the applicant's or licensee's
35 physical or mental disability or disease is controlled. The certificate shall
36 contain a waiver of privilege and the recommendation of the examining
37 physician- provider to the Commissioner as to whether a license should be
38 issued to the applicant- applicant or licensee and whether the applicant or
39 licensee can safely operate a motor vehicle.

40 (3) The Commissioner is not bound by the recommendation of the examining
41 physician- health care provider but shall give fair consideration to such
42 recommendation in exercising his or her discretion in acting- upon the
43 application, making licensing decisions, the criterion being whether or not,
44 upon all the evidence, it appears that it is safe to permit the applicant or licensee
45 to operate a motor vehicle. The burden of proof of such fact is upon the
46 applicant- applicant or licensee. In deciding whether to issue- issue, restrict,
47 cancel, or deny a license, the Commissioner may be guided by the opinion of
48 experts in the field of diagnosing and treating the specific physical or mental
49 disorder- disability or disease suffered by an applicant or licensee and such- the
50 experts may be compensated for their services on an equitable basis. The

Commissioner may also take into consideration any other factors which bear on the issue of public safety.

- (4) Whenever a license is restricted, cancelled, or denied by the Commissioner, ~~such denial-Commissioner on the basis of a physical or mental disability or disease, the action may be reviewed by a reviewing board upon written request of the applicant or licensee filed with the Division within 10 days after receipt of such denial-notice given in accordance with G.S. 20-48 of the action taken.~~ The reviewing board shall consist of the Commissioner or his authorized representative and ~~four persons designated by the chairman of the Commission for Public Health. The persons designated by the chairman of the Commission for Public Health shall be either members of the Commission for Public Health or physicians duly licensed to practice medicine in this State. The members so designated by the chairman of the Commission for Public Health shall receive the same per diem and expenses as provided by law for members of the Commission for Public Health, which per diem and expenses shall be charged to the same appropriation as per diems and expenses for members of the Commission for Public Health.~~ at least two medical professionals selected by the Commissioner and duly licensed to practice medicine by the appropriate licensing authority in the State. The medical professionals selected by the Commissioner may be compensated for their services on an equitable basis, including reimbursement for ordinary and necessary travel expenses. The Commissioner or his authorized representative, plus any two of the members designated by the chairman of the Commission for Public Health, medical professionals selected by the Commissioner, shall constitute a quorum. The procedure for hearings authorized by this section shall be as follows:

- a. Applicants shall be afforded an opportunity for hearing, after reasonable notice of not less than 10 days, before the review board established by ~~subdivision (4)-this subdivision.~~ The notice shall be in writing and shall be delivered to the applicant in person or sent by certified mail, with return receipt requested. The notice shall state the time, place, and subject of the hearing. If a hearing is requested under this subdivision to contest a restriction placed on a license under subdivision (3) of this subsection, the restriction shall be stayed unless the Division determines there is an imminent threat to public safety if continued unrestricted driving is permitted. No stay shall be granted if a hearing is requested under this subdivision to contest a denial or cancellation of a license under subdivision (3) of this subsection. Nothing in this sub-subdivision shall be construed as authorizing the stay of a restriction placed on a license pursuant to another provision of law.
- b. The review board may compel the attendance of witnesses and the production of such books, records and papers as it desires at a hearing authorized by the section. Upon request of an ~~applicant, applicant or licensee,~~ a subpoena to compel the attendance of any witness or a subpoena duces tecum to compel the production of any books, records, or papers shall be issued by the board. Subpoenas shall be directed to the sheriff of the county where the witness resides or is found and shall be served and returned in the same manner as a subpoena in a criminal case. Fees of the sheriff and witnesses shall be the same as that allowed in the district court in cases before that court and shall be paid in the same manner as other expenses of the Division of Motor Vehicles are paid. In any case of disobedience or neglect of any subpoena served on

any person, or the refusal of any witness to testify to any matters regarding which he may be lawfully interrogated, the district court or superior court where such disobedience, neglect or refusal occurs, or any judge thereof, on application by the board, shall compel obedience or punish as for contempt.

c. A hearing may be continued upon motion of the applicant or licensee for good cause shown with approval of the board or upon order of the board.

d. The board shall pass upon the admissibility of evidence at a hearing but the applicant or licensee affected may at the time object to the board's ruling, and, if evidence offered by an applicant or licensee is rejected the party may proffer the evidence, and such proffer shall be made a part of the record. The board shall not be bound by common law or statutory rules of evidence which prevail in courts of law or equity and may admit and give probative value to evidence which possesses probative value commonly accepted by reasonably prudent ~~men~~ persons in the conduct of their affairs. They may exclude incompetent, immaterial, irrelevant and unduly repetitious evidence. Uncontested facts may be stipulated by agreement between an applicant or licensee and the board and evidence relating thereto may be excluded. All evidence, including records and documents in the possession of the Division of Motor Vehicles or the board, of which the board desires to avail itself shall be made a part of the record. Documentary evidence may be received in the form of copies or excerpts, or by incorporation by reference. The board shall prepare an official record, which shall include testimony and exhibits. A record of the testimony and other evidence submitted shall be taken, but it shall not be necessary to transcribe shorthand notes or electronic recordings unless requested for purposes of court review.

e. Every decision and order adverse to an applicant or licensee shall be in writing or stated in the record and shall be accompanied by findings of fact and conclusions of law. The findings of fact shall consist of a concise statement of the board's conclusions on each contested issue of fact. ~~Counsel for applicant, or applicant, if he has no counsel, The~~ applicant or licensee shall be notified of the board's decision in person or by registered mail with return receipt requested. A copy of the board's decision with accompanying findings and conclusions shall be delivered or mailed upon request to the applicant's or licensee's attorney of record or to ~~applicant, the applicant or licensee, if he or she~~ has no attorney.

...
h. All records and evidence collected and compiled by the Division and the reviewing board shall not be considered public records within the meaning of Chapter ~~[section] 132-1, and following, 132~~ of the General Statutes of North Carolina and may be made available to the public only upon an order of a court of competent jurisdiction. An applicant or licensee may obtain, without a court order, a copy of records and evidence collected and compiled under this subdivision about the applicant or licensee by submitting a written request to the Division, signing any release forms required by the Division, and remitting the required fee set by the Division. All information furnished by-by, about, or on behalf of an applicant or licensee under this section shall be without prejudice and shall be for the use of the Division, the reviewing

board or the court in administering this section and shall not be used in any manner as evidence, or for any other purposes in any trial, civil or criminal. The prohibition on release and use under this sub-subdivision applies without regard to who authored or produced the information collected, compiled, and used by the Division under this subdivision.

...."

SECTION 13.1.(d) G.S. 20-9.1 reads as rewritten:

"§ 20-9.1. ~~Physicians and psychologists~~ Physicians, psychologists, and other medical providers providing medical information on drivers with physical and mental disabilities or mental disabilities or diseases.

(a) Notwithstanding G.S. 8-53 for physicians and G.S. 8-53.3 for psychologists, or any other law relating to confidentiality of communications between ~~physicians or psychologists~~ physicians, psychologists, or other medical providers and their patients, a ~~physician or a psychologist~~ physician, psychologist, or other medical provider duly licensed in the State of North Carolina may disclose after consultation with the patient to the Commissioner information about a patient who has a ~~mental or physical~~ or mental disability or disease that the ~~physician or psychologist~~ physician, psychologist, or other medical provider believes may affect the patient's ability to safely operate a motor vehicle. This information shall be limited to the patient's name, address, date of birth, and diagnosis.

...

(c) A ~~physician or psychologist~~ physician, psychologist, or other medical provider disclosing or not disclosing information pursuant to this ~~section~~ section, or conducting an evaluation and making a recommendation to the Division regarding a person's ability to safely operate a motor vehicle, is immune from any civil or criminal liability that might otherwise be incurred or imposed based on the ~~disclosure or lack of disclosure~~ action taken provided that the ~~physician or psychologist~~ physician, psychologist, or other medical provider was acting in good faith and without malice. In any proceeding involving liability, good faith and lack of malice are presumed."

SECTION 13.1.(e) G.S. 20-15(a) reads as rewritten:

"(a) The Division shall have authority to cancel any driver's license upon determining any of the following:

...

(4) The licensee suffers from a physical or mental disability or disease that affects his or her ability to safely operate a motor vehicle, as determined by the applicable State or federal law, rule, or regulation.

(5) The licensee has failed to submit the certificate required under G.S. 20-7(e) and G.S. 20-9(g)."

SECTION 13.1.(f) This section becomes effective July 1, 2016, and applies to driver licenses issued or renewed on or after that date and hearings requested on or after that date.

ALLOW DEALER PLATES FOR EMPLOYEES OF INDEPENDENT DEALERS AND FAMILY MEMBERS

SECTION 13.5. G.S. 20-79(d)(5)f. reads as rewritten:

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

...

(5) Is driven on a highway by a person who meets one of the following descriptions:

...

f. Is an officer, sales representative, or other employee of ~~a~~ an independent or franchised motor vehicle dealer or is an immediate family member of

an officer, sales representative, or other employee of ~~a~~ an independent or franchised motor vehicle dealer."

LAW ENFORCEMENT/PROVIDE ACCIDENT REPORT TO INSURER

SECTION 13.8. G.S. 20-166.1(e) reads as rewritten:

"(e) Investigation by Officer. – The appropriate law enforcement agency must investigate a reportable accident. A law-enforcement officer who investigates a reportable accident, whether at the scene of the accident or by subsequent investigations and interviews, must make a written report of the accident within 24 hours of the accident and must forward it as required by this subsection. The report must contain information on financial responsibility for the vehicle driven by the person whom the officer identified as at fault for the accident.

If the officer writing the report is a member of the State Highway Patrol, the officer must forward the report to the Division. If the officer is not a member of the State Highway Patrol, the officer must forward the report to the local law enforcement agency for the area where the accident occurred. A local law enforcement agency that receives an accident report must forward it to the Division within 10 days after receiving the report. Upon request of the driver of the motor vehicle involved in the accident or the insurance agent or company identified by the driver under subsection (b) of this section, and notwithstanding any provision of Chapter 132 of the General Statutes to the contrary, the officer writing the report may forward an uncertified copy of the report to the insurance agent or company identified by the driver under subsection (b) of this section if evidence satisfactory to the officer is provided showing a certified copy of the report has been requested from the Division and the applicable fee set in G.S. 20-42 has been paid. Nothing in this section shall prohibit a law enforcement agency from providing to the public accident reports or portions of accident reports that are public records.

When a person injured in a reportable accident dies as a result of the accident within 12 months after the accident and the death was not reported in the original report, the law enforcement officer investigating the accident must file a supplemental report that includes the death."

PART V. RAIL

SHORT-LINE RAILROAD ASSISTANCE

SECTION 14.(a) G.S. 124-5.1 reads as rewritten:

"§ 124-5.1. North Carolina Railroad Company dividends deposited to Highway Fund.

Any dividends of the North Carolina Railroad Company received by the State shall be deposited into the Freight Rail & Rail Crossing Safety Improvement Fund within the Highway Fund and administered by the Rail Division of the Department of Transportation. The Fund shall be used for the enhancement of freight rail ~~service~~ service, short-line railroad assistance, and railroad-roadway crossing safety, which may include the following project types:

- (1) Track and associated infrastructure improvements for freight service.
- (2) Grade crossing protection, elimination, and hazard removal.
- (3) Signalization improvements.
- (4) Assistance for projects to improve rail access to industrial, port, and military facilities and for freight intermodal facility improvements, provided that funding assistance under this subdivision shall be subject to the same limits as that for short-line railroads under G.S. 136-44.39.
- (5) Corridor protection and reactivation.
- (6) Other short-line railroad projects.

The Fund may also be used to supplement funds allocated for freight rail or railroad-roadway crossing safety projects approved as part of the Transportation Improvement Program."

SECTION 14.(b) G.S. 136-44.39 reads as rewritten:

1 "§ 136-44.39. Department to provide State and federal financial assistance to short-line
2 railroads.

3 The Department of Transportation is authorized to provide assistance to short-line railroads to
4 continue and enhance rail service in the State so as to assist in economic development and access
5 to ports and military installations. Assistance under this section may ~~involve both~~ include funds
6 from the Rail Industrial Access Program and the Short Line Infrastructure Access Program, as
7 well as other innovative programs, and such other programs as may exist or be established for
8 these purposes. Grants under this section shall not exceed fifty percent (50%) of the nonfederal
9 share and must be matched by equal or greater funding from the applicant."

10
11 **PART VI. EFFECTIVE DATE**

12 **SECTION 15.** Except as otherwise provided, this act is effective when it becomes
13 law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 464
Committee Substitute Favorable 4/14/15

Short Title: Regional Transportation Authority Revisions.

(Public)

Sponsors:

Referred to:

April 2, 2015

A BILL TO BE ENTITLED
AN ACT TO ADJUST THE COMPOSITION OF THE BOARD OF TRUSTEES OF
REGIONAL TRANSPORTATION AUTHORITIES, TO PROVIDE THAT ALL
MEMBERS OF THE BOARD OF TRUSTEES SHALL BE VOTING MEMBERS, TO
AUTHORIZE REGIONAL TRANSPORTATION AUTHORITIES TO HIRE A CHIEF
ADMINISTRATIVE OFFICER, AND TO CLARIFY THE VOTING PROCESS BY
MEMBERS OF THE BOARD OF TRUSTEES OF REGIONAL TRANSPORTATION
AUTHORITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-635 reads as rewritten:

"§ 160A-635. Membership; officers; compensation.

(a) The governing body of an authority is the Board of Trustees. The Board of Trustees shall consist of:

...

(2) ~~Two~~At least two, but not more than three, members of the Board of Transportation appointed by the Secretary of Transportation, to serve as ex officio nonvoting members. Transportation. Members appointed under this subdivision shall be (i) division members from a highway division or highway divisions located wholly or partially within the territorial jurisdiction of the Authority, (ii) at-large members who represent or have an expertise in mass transit and reside within the territorial jurisdiction of the Authority, or (iii) a combination of division members and at-large members meeting the requirements set forth in this subdivision.

...

(c) Service on the Board of Trustees may be in addition to any other office which a person is entitled to hold. Each ~~voting~~ member of the Board of Trustees may hold elective public office as defined by G.S. 128-1.1(d).

...

(e) The Board of Trustees shall annually elect from its membership a Chairperson, and a Vice-Chairperson, and shall annually elect a Secretary, and a Treasurer.

...."

SECTION 2. G.S. 160A-636 reads as rewritten:

"§ 160A-636. ~~Voting~~Voting; action by the Board of Trustees.

(a) Quorum. — A majority of the ~~members~~membership of the Board of Trustees, excluding vacant seats, shall constitute a quorum for the transaction of business. Except as provided by G.S. 160A-635(a)(2), each member shall have one



* H 4 6 4 - V - 2 *

1 ~~vote~~ quorum. A member who has withdrawn from a meeting without being excused by
2 majority vote of the remaining members present shall be counted as present for purposes of
3 determining whether or not a quorum is present. No member shall be excused from voting
4 except upon matters involving the consideration of the member's own financial interest or
5 official conduct or on matters on which the member is prohibited from voting under any other
6 provision of law.

7 (b) Action. – An affirmative vote equal to a majority of all the members of the Board of
8 Trustees not excused from voting on the question in issue shall be required to authorize or
9 commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of
10 the Authority."

11 **SECTION 3.** G.S. 160A-639 reads as rewritten:

12 **"§ 160A-639. General powers of the Authority.**

13 The general powers of the Authority shall include any or all of the following:

- 14 (1) To sue and be ~~sued~~; sued.
- 15 (2) To have a ~~seal~~; seal.
- 16 (3) To make rules and regulations, not inconsistent with this Chapter, for its
17 organization and internal ~~management~~; management.
- 18 (4) To employ ~~persons deemed necessary~~ a chief administrative officer to carry
19 out the functions and duties ~~assigned to them by~~ of the Authority and
20 to Authority. The Board of Trustees shall fix ~~their compensation~~; the
21 compensation of the chief administrative officer and any employees hired by
22 the chief administrative officer pursuant to G.S. 160A-639.1, within the limit
23 of available funds; funds.
- 24 (5) With the approval of the unit of local government's chief administrative
25 official, to use officers, employees, agents, and facilities of the unit of local
26 government for such purposes and upon such terms as may be mutually
27 ~~agreeable~~; agreeable.
- 28 (6) To retain and employ counsel, auditors, engineers, and private consultants
29 on an annual salary, contract basis, or otherwise for rendering professional
30 or technical services and ~~advice~~; advice.
- 31 (7) To acquire, lease as lessee with or without option to purchase, hold, own,
32 and use any franchise, property, real or personal, tangible or intangible, or
33 any interest therein, and to sell, lease as lessor with or without option to
34 purchase, transfer (or dispose thereof) whenever the same is no longer
35 required for purposes of the Authority, or exchange same for other property
36 or rights which are useful for the Authority's purposes, including but not
37 necessarily limited to parking ~~facilities~~; facilities.
- 38 (8) To acquire by gift, purchase, lease as lessee with or without option to
39 purchase or otherwise to construct, improve, maintain, repair, operate, or
40 administer any component parts of a public transportation system or to
41 contract for the maintenance, operation or administration thereof, or to lease
42 as lessor the same for maintenance, operation, or administration by private
43 parties, including, but not necessarily limited to, parking ~~facilities~~; facilities.
- 44 (9) To make or enter into contracts, agreements, deeds, leases with or without
45 option to purchase, conveyances or other instruments, including contracts
46 and agreements with the United States, the State of North Carolina, and units
47 of local ~~government~~; government.
- 48 (9a) To purchase or finance real or personal property in the manner provided for
49 cities and counties under ~~G.S. 160A-20~~; G.S. 160A-20.
- 50 (10) To surrender to the State of North Carolina any property no longer required
51 by the ~~Authority~~; Authority.

- (11) To develop and make data, plans, information, surveys and studies of public transportation facilities within the territorial jurisdiction of the Authority and to prepare and make recommendations in regard ~~thereto;thereto.~~
- (12) To enter in a reasonable manner lands, waters, or premises for the purpose of making surveys, soundings, drillings, and examinations whereby such entry shall not be deemed a trespass except that the Authority shall be liable for any actual and consequential damages resulting from such ~~entries;entries.~~
- (13) To develop and carry out demonstration ~~projects;projects.~~
- (14) To make, enter into, and perform contracts with private parties, and public transportation companies with respect to the management and operation of public passenger ~~transportation;transportation.~~
- (15) To make, enter into, and perform contracts with any public utility, railroad or transportation company for the joint use of property or rights, for the establishment of through routes, joint fares, or transfer of ~~passengers;passengers.~~
- (16) To make, enter into, and perform agreements with governmental entities for payments to the Authority for the transportation of persons for whom the governmental entities desire ~~transportation;transportation.~~
- (17) With the consent of the unit of local government which would otherwise have jurisdiction to exercise the powers enumerated in this subdivision: to issue certificates of public convenience and necessity; and to grant franchises and enter into franchise agreements, and in all respects to regulate the operation of buses, taxicabs, and other methods of public passenger transportation which originate and terminate within the territorial jurisdiction of the Authority as fully as the unit of local government is now or hereafter empowered to do within the territorial jurisdiction of the unit of local ~~government;government.~~
- (18) To operate public transportation systems and to enter into and perform contracts to operate public transportation services and facilities, and to own or lease property, facilities and equipment necessary or convenient therefor, and to rent, lease or otherwise sell the right to do so to any person, public or private; further, to obtain grants, loans, and assistance from the United States, the State of North Carolina, any public body, or any private source whatsoever, but may not operate or contract for the operation of public transportation systems outside the territorial jurisdiction of the Authority except as provided by subdivision (20) of this ~~section;section.~~
- (19) To enter into and perform contracts and agreements with other public transportation authorities, regional public transportation authorities, or units of local government pursuant to the provisions of G.S. 160A-460 through G.S. 160A-464 (Part 1 of Article 20 of Chapter 160A of the General Statutes); further to enter into contracts and agreements with private transportation companies, but this subdivision does not authorize the operation of, or contracting for the operation of, service of a public transportation system outside the service area of the ~~Authority;Authority.~~
- (20) To operate public transportation systems extending service into any political subdivision of the State of North Carolina unless a particular unit of local government operating its own public transportation system or franchising the operation of a public transportation system by majority vote of its governing board, shall deny consent, but such service may not extend more than 10 miles outside of the territorial jurisdiction of the authority, except that

vanpool and carpool service shall not be subject to that mileage
~~limitation; limitation.~~

(21) Except as restricted by covenants in bonds, notes, or equipment trust
certificates, to set in its sole discretion rates, fees, and charges for use of its
public transportation ~~system; system.~~

(22) To do all things necessary or convenient to carry out its purpose and to
exercise the powers granted to the ~~Authority; Authority.~~

(23) To facilitate the coordination of transportation plans in the service area and
the activities of the member Metropolitan Planning
~~Organizations; Organizations.~~

(24) To maintain databases for the projection of future travel demands in the
~~region; region.~~

(25) To provide and operate regional ridesharing and vanpool
~~operations; operations.~~

(26) To provide and operate regional transportation services for the elderly and
~~handicapped; handicapped.~~

(27) To provide other transportation related services, including air quality
monitoring and analysis, as determined by the Board of ~~Trustees; Trustees.~~

(28) To issue bonds or other obligations of the Authority as provided by law and
apply the proceeds thereof to the financing of any public transportation
system or any part thereof and to refund, whether or not in advance of
maturity or the earliest redemption date, any such bonds or other ~~obligations;~~
~~and obligations.~~

(29) To contract for, or to provide and maintain, with respect to the facilities and
property owned, leased with or without option to purchase, operated or
under the control of the Authority, and within the territory thereof, a security
force to protect persons and property, dispense unlawful or dangerous
assemblages and assemblages which obstruct full and free passage, control
pedestrian and vehicular traffic, and otherwise preserve and protect the
public peace, health, and safety; for these purposes a member of such force
shall be a peace officer and, as such, shall have authority equivalent to the
authority of a police officer of the city or county in which said member of
such force is discharging such duties."

SECTION 4. Article 27 of Chapter 160A of the General Statutes is amended by
adding a new section to read:

"§ 160A-639.1. Duties of the chief administrative officer; appointment of clerk.

(a) Duties. – The chief administrative officer employed by the Authority in accordance
with G.S. 160A-639 shall be responsible to the Board of Trustees for administering all matters
placed in his or her charge by the Board of Trustees and shall have all of the following powers
and duties:

(1) To hire, appoint, suspend, or remove any employee of the Authority,
provided that nothing in this subdivision shall be construed as superseding or
altering any other provision of law governing the suspension or removal of
an employee of the Authority.

(2) To direct and supervise all employees of the Authority and the
administration of all departments, offices, and agencies of the Authority,
subject to the general direction and control of the Board of Trustees and
except as otherwise provided by law.

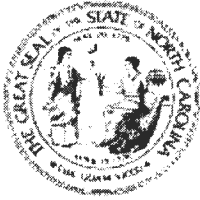
(3) To attend all meetings of the Board of Trustees and recommend any
measures he or she deems expedient.

(4) To see that all laws of the State are faithfully executed.

- 1 (5) To prepare and submit the annual budget and capital program to the Board
2 of Trustees.
3 (6) To annually submit to the Board of Trustees and make available to the
4 public a complete report on the finances and administrative activities of the
5 Authority as of the end of the fiscal year.
6 (7) To make any other reports that the Board of Trustees may require
7 concerning the operations of the Authority.
8 (8) To perform any other duties that may be required or authorized by the Board
9 of Trustees.
10 (b) Clerk. – In addition to the duties set forth in subsection (a) of this section, the chief
11 administrative officer shall designate an employee of the Authority as clerk, whose duties shall
12 include all of the following:
13 (1) Provide notice of meetings of the Board of Trustees.
14 (2) Keep a journal of the proceedings of the Board of Trustees.
15 (3) Be the custodian of all Authority records.
16 (4) Perform any other duties that may be required by law or the Board of
17 Trustees."

18 **SECTION 5.** This act becomes effective July 1, 2015, and applies to contracts
19 entered into and other actions taken by Regional Transportation Authorities on or after that
20 date.





HOUSE BILL 464: Regional Transportation Authority Revisions.

2016-2017 General Assembly

Committee: Senate Transportation
Introduced by: Rep. Faircloth
Analysis of: PCS to Second Edition
H464-CSRW-70

Date: June 14, 2016
Prepared by: Giles Perry
Committee Counsel

SUMMARY: *House Bill 464 (proposed committee substitute) makes changes to regional transportation authority statute governing PART, the Piedmont Authority for Regional Transportation.*

The proposed committee substitute changes the effective date to August 1, 2016.

CURRENT LAW: Current State law, Article 27 of Chapter 160A, enacted in 1997, authorized the establishment of a regional transportation authority in the Triad area, known as PART, the Piedmont Authority for Regional Transportation.

BILL ANALYSIS: House Bill 464 (proposed committee substitute) makes the following changes to the statutes governing PART:

Section 1 of the bill:

- Changes the Board membership to provide for two or three members of the Board of Transportation as voting members, from the PART area.

Section 2 of the bill:

- Provides that determination of a quorum of the Board of Trustees shall exclude vacant seats.
- Provides that a member of the Board who withdraws from a meeting without begin excused shall be counted as present.
- Provides that a Board member may only be excused from voting for conflict of financial interest, or other reason required by law.
- Requires an affirmative vote of a majority of all members of the Board not excused for: financial expenditure, or to make a contract.

Section 3 of the bill:

- Provides that the Board shall employ a chief administrative officer.
- Provides that the Board shall fix the compensation of the chief administrative officer, and any employees hired by the chief administrative officer.

Section 4 of bill:

- Specifies, in new G.S. 160A-639.1, the duties of the chief administrative officer, including: hiring, removal, and supervision of employees; attendance at Board meetings, submitting a budget and capital program; and designation of a Board Clerk.

EFFECTIVE DATE: This act becomes effective August 1, 2016, and applies to contracts entered into and other actions occurring on or after that date.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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D

HOUSE BILL 464
Committee Substitute Favorable 4/14/15
PROPOSED SENATE COMMITTEE SUBSTITUTE H464-CSRW-70 [v.1]
06/14/2016 02:38:57 PM

Short Title: Regional Transportation Authority Revisions.

(Public)

Sponsors:

Referred to:

April 2, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ADJUST THE COMPOSITION OF THE BOARD OF TRUSTEES OF
3 REGIONAL TRANSPORTATION AUTHORITIES, TO PROVIDE THAT ALL MEMBERS
4 OF THE BOARD OF TRUSTEES SHALL BE VOTING MEMBERS, TO AUTHORIZE
5 REGIONAL TRANSPORTATION AUTHORITIES TO HIRE A CHIEF
6 ADMINISTRATIVE OFFICER, AND TO CLARIFY THE VOTING PROCESS BY
7 MEMBERS OF THE BOARD OF TRUSTEES OF REGIONAL TRANSPORTATION
8 AUTHORITIES.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. G.S. 160A-635 reads as rewritten:

11 "§ 160A-635. Membership; officers; compensation.

12 (a) The governing body of an authority is the Board of Trustees. The Board of Trustees
13 shall consist of:

14 ...

15 (2) ~~Two~~At least two, but not more than three, members of the Board of
16 Transportation appointed by the Secretary of Transportation, to serve as ex
17 officio nonvoting members. Transportation. Members appointed under this
18 subdivision shall be (i) division members from a highway division or highway
19 divisions located wholly or partially within the territorial jurisdiction of the
20 Authority, (ii) at-large members who represent or have an expertise in mass
21 transit and reside within the territorial jurisdiction of the Authority, or (iii) a
22 combination of division members and at-large members meeting the
23 requirements set forth in this subdivision.

24 ...

25 (c) Service on the Board of Trustees may be in addition to any other office which a person
26 is entitled to hold. Each ~~voting~~ member of the Board of Trustees may hold elective public office as
27 defined by G.S. 128-1.1(d).

28 ...

29 (e) The Board of Trustees shall annually elect from its membership a Chairperson, and a
30 Vice-Chairperson, and shall annually elect a Secretary, and a Treasurer.

31"

32 SECTION 2. G.S. 160A-636 reads as rewritten:

33 "§ 160A-636. ~~Voting.~~ Voting; action by the Board of Trustees.

34 (a) Quorum. – A majority of the ~~members~~ membership of the Board of Trustees Trustees,
35 excluding vacant seats, shall constitute a quorum for the transaction of business. Except as



provided by G.S. 160A-635(a)(2), ~~each member shall have one vote.~~ quorum. A member who has withdrawn from a meeting without being excused by majority vote of the remaining members present shall be counted as present for purposes of determining whether or not a quorum is present. No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under any other provision of law.

(b) Action. – An affirmative vote equal to a majority of all the members of the Board of Trustees not excused from voting on the question in issue shall be required to authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the Authority."

SECTION 3. G.S. 160A-639 reads as rewritten:

"§ 160A-639. General powers of the Authority.

The general powers of the Authority shall include any or all of the following:

- (1) To sue and be ~~sued;~~sued.
- (2) To have a ~~seal;~~seal.
- (3) To make rules and regulations, not inconsistent with this Chapter, for its organization and internal ~~management;~~management.
- (4) To employ ~~persons deemed necessary~~ a chief administrative officer to carry out the functions and duties assigned to ~~them by~~ of the Authority and to Authority. The Board of Trustees shall fix ~~their compensation;~~ the compensation of the chief administrative officer and any employees hired by the chief administrative officer pursuant to G.S. 160A-639.1, within the limit of available funds; ~~funds.~~
- (5) With the approval of the unit of local government's chief administrative official, to use officers, employees, agents, and facilities of the unit of local government for such purposes and upon such terms as may be mutually ~~agreeable;~~ agreeable.
- (6) To retain and employ counsel, auditors, engineers, and private consultants on an annual salary, contract basis, or otherwise for rendering professional or technical services and ~~advice;~~ advice.
- (7) To acquire, lease as lessee with or without option to purchase, hold, own, and use any franchise, property, real or personal, tangible or intangible, or any interest therein, and to sell, lease as lessor with or without option to purchase, transfer (or dispose thereof) whenever the same is no longer required for purposes of the Authority, or exchange same for other property or rights which are useful for the Authority's purposes, including but not necessarily limited to parking ~~facilities;~~ facilities.
- (8) To acquire by gift, purchase, lease as lessee with or without option to purchase or otherwise to construct, improve, maintain, repair, operate, or administer any component parts of a public transportation system or to contract for the maintenance, operation or administration thereof, or to lease as lessor the same for maintenance, operation, or administration by private parties, including, but not necessarily limited to, parking ~~facilities;~~ facilities.
- (9) To make or enter into contracts, agreements, deeds, leases with or without option to purchase, conveyances or other instruments, including contracts and agreements with the United States, the State of North Carolina, and units of local ~~government;~~ government.
- (9a) To purchase or finance real or personal property in the manner provided for cities and counties under ~~G.S. 160A-20;~~ G.S. 160A-20.
- (10) To surrender to the State of North Carolina any property no longer required by the ~~Authority;~~ Authority.

- (11) To develop and make data, plans, information, surveys and studies of public transportation facilities within the territorial jurisdiction of the Authority and to prepare and make recommendations in regard ~~thereto;~~thereto.
- (12) To enter in a reasonable manner lands, waters, or premises for the purpose of making surveys, soundings, drillings, and examinations whereby such entry shall not be deemed a trespass except that the Authority shall be liable for any actual and consequential damages resulting from such ~~entries;~~entries.
- (13) To develop and carry out demonstration ~~projects;~~projects.
- (14) To make, enter into, and perform contracts with private parties, and public transportation companies with respect to the management and operation of public passenger ~~transportation;~~transportation.
- (15) To make, enter into, and perform contracts with any public utility, railroad or transportation company for the joint use of property or rights, for the establishment of through routes, joint fares, or transfer of ~~passengers;~~passengers.
- (16) To make, enter into, and perform agreements with governmental entities for payments to the Authority for the transportation of persons for whom the governmental entities desire ~~transportation;~~transportation.
- (17) With the consent of the unit of local government which would otherwise have jurisdiction to exercise the powers enumerated in this subdivision: to issue certificates of public convenience and necessity; and to grant franchises and enter into franchise agreements, and in all respects to regulate the operation of buses, taxicabs, and other methods of public passenger transportation which originate and terminate within the territorial jurisdiction of the Authority as fully as the unit of local government is now or hereafter empowered to do within the territorial jurisdiction of the unit of local ~~government;~~government.
- (18) To operate public transportation systems and to enter into and perform contracts to operate public transportation services and facilities, and to own or lease property, facilities and equipment necessary or convenient therefor, and to rent, lease or otherwise sell the right to do so to any person, public or private; further, to obtain grants, loans, and assistance from the United States, the State of North Carolina, any public body, or any private source whatsoever, but may not operate or contract for the operation of public transportation systems outside the territorial jurisdiction of the Authority except as provided by subdivision (20) of this ~~section;~~section.
- (19) To enter into and perform contracts and agreements with other public transportation authorities, regional public transportation authorities, or units of local government pursuant to the provisions of G.S. 160A-460 through G.S. 160A-464 (Part 1 of Article 20 of Chapter 160A of the General Statutes); further to enter into contracts and agreements with private transportation companies, but this subdivision does not authorize the operation of, or contracting for the operation of, service of a public transportation system outside the service area of the ~~Authority;~~Authority.
- (20) To operate public transportation systems extending service into any political subdivision of the State of North Carolina unless a particular unit of local government operating its own public transportation system or franchising the operation of a public transportation system by majority vote of its governing board, shall deny consent, but such service may not extend more than 10 miles outside of the territorial jurisdiction of the authority, except that vanpool and carpool service shall not be subject to that mileage ~~limitation;~~limitation.

- 1 (21) Except as restricted by covenants in bonds, notes, or equipment trust
2 certificates, to set in its sole discretion rates, fees, and charges for use of its
3 public transportation ~~system;~~system.
- 4 (22) To do all things necessary or convenient to carry out its purpose and to exercise
5 the powers granted to the ~~Authority;~~Authority.
- 6 (23) To facilitate the coordination of transportation plans in the service area and the
7 activities of the member Metropolitan Planning ~~Organizations;~~Organizations.
- 8 (24) To maintain databases for the projection of future travel demands in the
9 ~~region;~~region.
- 10 (25) To provide and operate regional ridesharing and vanpool ~~operations;~~operations.
- 11 (26) To provide and operate regional transportation services for the elderly and
12 ~~handicapped;~~handicapped.
- 13 (27) To provide other transportation related services, including air quality
14 monitoring and analysis, as determined by the Board of ~~Trustees;~~Trustees.
- 15 (28) To issue bonds or other obligations of the Authority as provided by law and
16 apply the proceeds thereof to the financing of any public transportation system
17 or any part thereof and to refund, whether or not in advance of maturity or the
18 earliest redemption date, any such bonds or other ~~obligations;~~ and obligations.
- 19 (29) To contract for, or to provide and maintain, with respect to the facilities and
20 property owned, leased with or without option to purchase, operated or under
21 the control of the Authority, and within the territory thereof, a security force to
22 protect persons and property, dispense unlawful or dangerous assemblages and
23 assemblages which obstruct full and free passage, control pedestrian and
24 vehicular traffic, and otherwise preserve and protect the public peace, health,
25 and safety; for these purposes a member of such force shall be a peace officer
26 and, as such, shall have authority equivalent to the authority of a police officer
27 of the city or county in which said member of such force is discharging such
28 duties."

29 **SECTION 4.** Article 27 of Chapter 160A of the General Statutes is amended by
30 adding a new section to read:

31 **"§ 160A-639.1. Duties of the chief administrative officer; appointment of clerk.**

32 (a) Duties. – The chief administrative officer employed by the Authority in accordance
33 with G.S. 160A-639 shall be responsible to the Board of Trustees for administering all matters
34 placed in his or her charge by the Board of Trustees and shall have all of the following powers and
35 duties:

- 36 (1) To hire, appoint, suspend, or remove any employee of the Authority, provided
37 that nothing in this subdivision shall be construed as superseding or altering any
38 other provision of law governing the suspension or removal of an employee of
39 the Authority.
- 40 (2) To direct and supervise all employees of the Authority and the administration
41 of all departments, offices, and agencies of the Authority, subject to the general
42 direction and control of the Board of Trustees and except as otherwise provided
43 by law.
- 44 (3) To attend all meetings of the Board of Trustees and recommend any measures
45 he or she deems expedient.
- 46 (4) To see that all laws of the State are faithfully executed.
- 47 (5) To prepare and submit the annual budget and capital program to the Board of
48 Trustees.
- 49 (6) To annually submit to the Board of Trustees and make available to the public a
50 complete report on the finances and administrative activities of the Authority as
51 of the end of the fiscal year.

- 1 (7) To make any other reports that the Board of Trustees may require concerning
2 the operations of the Authority.
- 3 (8) To perform any other duties that may be required or authorized by the Board of
4 Trustees.
- 5 (b) Clerk. – In addition to the duties set forth in subsection (a) of this section, the chief
6 administrative officer shall designate an employee of the Authority as clerk, whose duties shall
7 include all of the following:
- 8 (1) Provide notice of meetings of the Board of Trustees.
9 (2) Keep a journal of the proceedings of the Board of Trustees.
10 (3) Be the custodian of all Authority records.
11 (4) Perform any other duties that may be required by law or the Board of Trustees."
- 12 **SECTION 5.** This act becomes effective August 1, 2016, and applies to contracts
13 entered into and other actions taken by Regional Transportation Authorities on or after that date.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 971*
Committee Substitute Favorable 5/11/16

Short Title: Motor Fleet Clarification.

(Public)

Sponsors:

Referred to:

April 27, 2016

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THE LAW GOVERNING THE CENTRAL MOTOR FLEET, AS
3 RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON
4 GENERAL GOVERNMENT.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 143-341(8)i. reads as rewritten:

7 "(8) General Services:

8 ...

9 i. To establish and operate a central motor ~~pool~~-fleet and such subsidiary
10 related facilities as the Secretary may deem necessary, and to that end:

11 ...

12 2. To acquire passenger motor vehicles by transfer from other State
13 agencies and by purchase. All motor vehicles transferred to or
14 purchased by the Department shall become part of a central
15 motor ~~pool~~-fleet.

16 ...

17 4. To maintain, store, repair, dispose of, and replace state-owned
18 motor vehicles under the control of the Department, using best
19 management practices. The Department shall ensure that
20 state-owned vehicles are replaced when most cost effective
21 using a replacement formula developed by the Department and
22 reviewed periodically for appropriateness of use. The
23 Department shall report semiannually to the cochairs of the Joint
24 Appropriations Subcommittee on General Government, on or
25 before October 15 and March 15, on the effect of any new or
26 revised replacement formula on the cost of operating the central
27 motor ~~pool~~-fleet, including the amount of any savings from use
28 of any new or revised replacement formula.

29 ...

30 6. To allocate and charge against each State agency to which
31 transportation is furnished, on a basis of mileage or of rental, its
32 proportionate part of the cost of maintenance and operation of
33 the motor ~~pool~~-fleet.



The amount allocated and charged by the Department of Administration to State agencies to which transportation is furnished shall be at least as follows:

I. Pursuit vehicles and full size four-wheel drive vehicles \$.24/mile.

II. Vans and compact four-wheel drive vehicles – \$.22/mile.

III. All other vehicles – \$.20/mile.

7. To adopt, with the approval of the Governor, reasonable rules for the efficient and economical operation, maintenance, repair, and replacement, as limited in ~~paragraph 4.~~ by sub-sub-subdivision 4. of sub-subdivision i. of this subdivision, of all state-owned motor vehicles under the control of the Department, and to enforce those rules; and to adopt, with the approval of the Governor, reasonable rules regulating the use of private motor vehicles upon State business by the officers and employees of State agencies, and to enforce those rules. The Department, with the approval of the Governor, may delegate to the respective heads of the agencies to which motor vehicles are permanently assigned by the Department the duty of enforcing the rules adopted by the Department pursuant to this ~~paragraph.~~ sub-sub-subdivision. Any person who violates a rule adopted by the Department and approved by the Governor is guilty of a Class 1 misdemeanor. Nothing in this sub-subdivision shall be construed as prohibiting the Department from contracting with private vendors for short-term rental motor vehicles to be used by officers and employees of State agencies for State business.

7a. To adopt with the approval of the Governor and to enforce rules and to coordinate State policy regarding (i) the permanent assignment of state-owned passenger motor vehicles and (ii) the use of and reimbursement for those vehicles for the limited commuting permitted by this subdivision. For the purpose of this subdivision 7a, "state-owned passenger motor vehicle" includes any state-owned passenger motor vehicle, whether or not owned, maintained or controlled by the Department of Administration, and regardless of the source of the funds used to purchase it. Notwithstanding the provisions of G.S. 20-190 or any other provisions of law, all state-owned passenger motor vehicles are subject to the provisions of this subdivision 7a; no permanent assignment shall be made and no one shall be exempt from payment of reimbursement for commuting or from the other provisions of this subdivision 7a except as provided by this subdivision 7a. Commuting, as defined and regulated by this subdivision, is limited to those specific cases in which the Secretary has received and accepted written justification, verified by historical data. The Department shall not assign any state-owned motor vehicle that may be used for commuting other than those authorized by the procedure prescribed in this subdivision.

A State-owned passenger motor vehicle shall not be permanently assigned to an individual who is likely to drive it on official business at a rate of less than 3,150 miles per quarter

1 unless (i) the individual's duties are routinely related to public
2 safety or (ii) the individual's duties are likely to expose the
3 individual routinely to life-threatening situations. A State-owned
4 passenger motor vehicle shall also not be permanently assigned
5 to an agency that is likely to drive it on official business at a rate
6 of less than 3,150 miles per quarter unless the agency can justify
7 to the Division of Motor Fleet Management the need for
8 permanent assignment because of the unique use of the vehicle.
9 Each agency, other than the Department of Transportation, that
10 has a vehicle assigned to it or has an employee to whom a
11 vehicle is assigned shall submit a quarterly report to the Division
12 of Motor Fleet Management on the miles driven during the
13 quarter by the assigned vehicle. The Division of Motor Fleet
14 Management shall review the report to verify that each motor
15 vehicle has been driven at the minimum allowable rate. If it has
16 not and if the department by whom the individual to which the
17 car is assigned is employed or the agency to which the car is
18 assigned cannot justify the lower mileage for the quarter, the
19 permanent assignment shall be revoked immediately. The
20 Department of Transportation shall submit an annual report to
21 the Division of Motor Fleet Management on the miles driven
22 during the year by vehicles assigned to the Department or to
23 employees of the Department. If a vehicle included in this report
24 has not been driven at least 12,600 miles during the year, the
25 Department of Transportation shall review the reasons for the
26 lower mileage and decide whether to terminate the assignment.
27 The Division of Motor Fleet Management may not revoke the
28 assignment of a vehicle to the Department of Transportation or
29 an employee of that Department for failure to meet the minimum
30 mileage requirement unless the Department of Transportation
31 consents to the revocation.

32 Every individual who uses a State-owned passenger motor
33 vehicle, pickup truck, or van to drive between the individual's
34 official work station and his or her home, shall reimburse the
35 State for these trips at a rate computed by the Department. This
36 rate shall approximate the benefit derived from the use of the
37 vehicle as prescribed by federal law. Reimbursement shall be for
38 20 days per month regardless of how many days the individual
39 uses the vehicle to commute during the month. Reimbursement
40 shall be made by payroll deduction. Funds derived from
41 reimbursement on vehicles owned by the Motor Fleet
42 Management Division shall be deposited to the credit of the
43 Division; funds derived from reimbursements on vehicles
44 initially purchased with appropriations from the Highway Fund
45 and not owned by the Division shall be deposited in a Special
46 Depository Account in the Department of Transportation, which
47 shall revert to the Highway Fund; funds derived from
48 reimbursement on all other vehicles shall be deposited in a
49 Special Depository Account in the Department of
50 Administration which shall revert to the General Fund.
51 Commuting, for purposes of this ~~paragraph, sub-sub-subdivision,~~

1 does not include those individuals whose office is in their home,
2 as determined by the Department of Administration, Division of
3 Motor Fleet Management. Also, this ~~paragraph~~
4 sub-sub-subdivision does not apply to the following vehicles: (i)
5 clearly marked police and fire vehicles, (ii) delivery trucks with
6 seating only for the driver, (iii) flatbed trucks, (iv) cargo carriers
7 with over a 14,000 pound capacity, (v) school and passenger
8 buses with over 20 person capacities, (vi) ambulances, (vii)
9 [Repealed], (viii) bucket trucks, (ix) cranes and derricks, (x)
10 forklifts, (xi) cement mixers, (xii) dump trucks, (xiii) garbage
11 trucks, (xiv) specialized utility repair trucks (except vans and
12 pickup trucks), (xv) tractors, (xvi) unmarked law-enforcement
13 vehicles that are used in undercover work and are operated by
14 full-time, fully sworn law-enforcement officers whose primary
15 duties include carrying a firearm, executing search warrants, and
16 making arrests, and (xvii) any other vehicle exempted under
17 Section 274(d) of the Internal Revenue Code of 1954, and
18 Federal Internal Revenue ~~Services~~ Service regulations based
19 thereon. The Department of Administration, Division of Motor
20 Fleet Management, shall report quarterly to the Joint Legislative
21 Commission on Governmental Operations and to the Fiscal
22 Research Division of the Legislative Services Office on
23 individuals who use State-owned passenger motor vehicles,
24 pickup trucks, or vans between their official work stations and
25 their homes, who are not required to reimburse the State for
26 these trips.

27 The Department of Administration shall revoke the
28 assignment or require the Department owning the vehicle to
29 revoke the assignment of a State-owned passenger motor
30 vehicle, pickup truck or van to any individual who:

- 31 I. Uses the vehicle for other than official business except in
32 accordance with the commuting rules;
- 33 II. Fails to supply required reports to the Department of
34 Administration, or supplies incomplete reports, or
35 supplies reports in a form unacceptable to the
36 Department of Administration and does not cure the
37 deficiency within 30 days of receiving a request to do so;
- 38 III. Knowingly and willfully supplies false information to the
39 Department of Administration on applications for
40 permanent assignments, commuting reimbursement
41 forms, or other required reports or forms;
- 42 IV. Does not personally sign all reports on forms submitted
43 for vehicles permanently assigned to him or her and does
44 not cure the deficiency within 30 days of receiving a
45 request to do so;
- 46 V. Abuses the vehicle; or
- 47 VI. Violates other rules or policy promulgated by the
48 Department of Administration not in conflict with this
49 act.

1 A new requisition shall not be honored until the Secretary of
2 the Department of Administration is assured that the violation
3 for which a vehicle was previously revoked will not recur.

4 The Department of Administration, with the approval of the
5 Governor, may delegate, or conditionally delegate, to the
6 respective heads of agencies which own passenger motor
7 vehicles or to which passenger motor vehicles are permanently
8 assigned by the Department, the duty of enforcing all or part of
9 the rules adopted by the Department of Administration pursuant
10 to this subdivision 7a. The Department of Administration, with
11 the approval of the Governor, may revoke this delegation of
12 authority.

13 Notwithstanding the provisions of this section and
14 G.S. 14-247, the Department of Administration may allow the
15 organization sanctioned by the Governor's Council on Physical
16 Fitness to conduct the North Carolina State Games to use State
17 trucks and vans for the State Games of North Carolina. The
18 Department of Administration shall not charge any fees for the
19 use of the vehicles for the State Games. The State shall incur no
20 liability for any damages resulting from the use of vehicles
21 under this provision. The organization that conducts the State
22 Games shall carry liability insurance of not less than one million
23 dollars (\$1,000,000) covering such vehicles while in its use and
24 shall be responsible for the full cost of repairs to these vehicles if
25 they are damaged while used for the State Games.

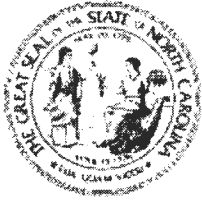
26 ...

27 10. To contract with the appropriate State prison authorities for the
28 furnishing, upon such conditions as may be agreed upon from
29 time to time between such State prison authorities and the
30 Secretary, of prison labor for use in connection with the
31 operation of a central motor ~~pool~~-fleet and related activities.

32 11. To report annually to the General Assembly on any rules
33 adopted, amended or repealed under ~~paragraphs~~
34 sub-sub-subdivisions 3, 7, or 7a of this
35 subdivision-sub-subdivision."

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





HOUSE BILL 971: Motor Fleet Clarification.

2016-2017 General Assembly

Committee: Senate Transportation
Introduced by: Reps. Cleveland, Riddell
Analysis of: Second Edition

Date: June 14, 2016
Prepared by: Giles Perry
Committee Counsel

SUMMARY: *House Bill 971 provides that the Department of Administration may contract with private vendors for short-term rental vehicles for use by officers and employees of State agencies for State business.*

[As introduced, this bill was identical to S762, as introduced by Sen. J. Davis, which is currently in Senate Transportation.]

CURRENT LAW: Current law, G.S. 143-341(8)i, authorizes the Department of Administration to "establish and operate a central motor pool and such subsidiary related facilities as the Secretary may deem necessary".

BILL ANALYSIS:

- Provides that the Department of Administration may contract with private vendors for short-term rental vehicles for use by officers and employees of State agencies for State business.
- Clarifies that the statute refers to the State Motor Fleet.
- Makes technical changes to the statute.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND: House Bill 971 was recommended by the Joint Legislative Oversight Committee on General Government.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

2

HOUSE BILL 256
Committee Substitute Favorable 4/27/15

Short Title: Handicapped Parking/Veterans Plate.

(Public)

Sponsors:

Referred to:

March 18, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW PARTIALLY DISABLED VETERANS TO PARK IN A
3 HANDICAPPED PARKING SPACE WHEN DISPLAYING THE PARTIALLY
4 DISABLED VETERAN SPECIAL PLATE AND TO PROVIDE THAT MEDICAL
5 CERTIFICATION AND RECERTIFICATION REQUIREMENTS FOR HANDICAPPED
6 PARKING PRIVILEGES MAY BE SATISFIED BY A DISABILITY DETERMINATION
7 ISSUED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS
8 INDICATING THE PERSON IS HANDICAPPED.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. G.S. 20-37.6(e)(1) reads as rewritten:

11 "(1) To park or leave standing any vehicle in a space designated with a sign
12 pursuant to subsection (d) of this section for handicapped persons when the
13 vehicle does not display the distinguishing license plate, removable
14 windshield placard, ~~or~~ temporary removable windshield placard as provided
15 in this section, ~~or~~ a disabled veteran registration plate issued under
16 ~~G.S. 20-79.4~~; G.S. 20-79.4, or a partially disabled veteran registration plate
17 issued under G.S. 20-79.4."

18 SECTION 2. G.S. 20-37.6(c1) reads as rewritten:

19 "(c1) Application and Renewal; Physician's Certification. – The initial application for a
20 distinguishing license plate, removable windshield placard, or temporary removable windshield
21 placard shall be accompanied by a certification of a licensed physician, a licensed
22 ophthalmologist, ~~or optometrist or of a licensed optometrist, or the Division of Services for the~~
23 ~~Blind~~ Blind that the applicant is handicapped or by a disability determination by the United
24 States Department of Veterans Affairs that the applicant is handicapped. The application for a
25 temporary removable windshield placard shall contain additional certification to include the
26 period of time the certifying authority determines the applicant will have the disability.
27 Distinguishing license plates shall be renewed annually, but subsequent applications shall not
28 require a medical certification that the applicant is handicapped. Removable windshield
29 placards shall be renewed every five years, and the renewal shall require a medical
30 recertification that the person is handicapped. Temporary removable windshield placards shall
31 expire no later than six months after issuance."

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







HOUSE BILL 256: Handicapped Parking/Veterans Plate.

2016-2017 General Assembly

Committee: Senate Transportation
Introduced by: Reps. Floyd, C. Graham, L. Hall
Analysis of: Second Edition

Date: June 15, 2016
Prepared by: Wendy Ray
Committee Counsel

SUMMARY: *House Bill 256 would allow a vehicle displaying a partially disabled veteran plate to park in designated handicapped parking spaces. It would also allow a person to meet the certification and recertification requirements for a handicapped license plate or placard with a disability determination from the U.S. Department of Veterans Affairs.*

CURRENT LAW: G.S. 20-37.6 authorizes vehicles to use spaces designated for handicapped persons if the vehicle displays a distinguishing handicapped license plate, a removable windshield placard, or a disabled veteran registration plate.

Handicapped License Plates & Placards. – In order to obtain a distinguishing license plate or removable placard, the applicant must provide a certification from a physician, ophthalmologist, or optometrist or of the Division of the Blind that the applicant is handicapped. Distinguishing license plates are renewed annually but do not require further medical certification. Removable placards must be renewed every 5 years and require medical recertification that the person is handicapped.

Disabled and Partially Disabled Veteran Special License Plates. – The disabled veteran registration plate is issuable to a veteran of the Armed Forces who suffered a 100% service-connected disability. A partially disabled veteran plate is also authorized under current law and is issuable to a veteran of the Armed Forces who suffered a service-connected disability of less than 100%.

BILL ANALYSIS: House Bill 256 does two things:

- It would authorize a vehicle displaying a partially disabled veteran plate to park in spaces that are designated for handicapped persons.
- It would allow a person to meet the certification and recertification requirements for a handicapped license plate and removable placard with a disability determination from the U.S. Department of Veterans Affairs that the person is handicapped.

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

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578





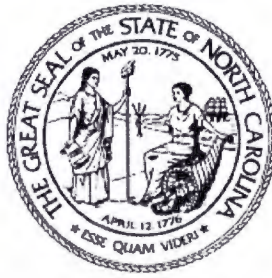
Senate Committee On Transportation

June 15, 2016 – Room 1027 / 1128 LB – 11:00 AM

PLEASE SIGN IN BELOW

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Kunal Thakur	American Heart Association
Catherine Harward	NCFB
Fred Bone	Bone: Asso
Donna Moore	
[Signature]	NCRPA & OMA
Marie Danz	NCLCV
Jesse Way	NCLCV
DAN Crawford	NCLCV
David Ferrell	VB
ANDY WACH	SA
Susan Vick	PUNE E.
CS Hollis	CSA
[Signature]	DOT
Stephen Kauton	COS





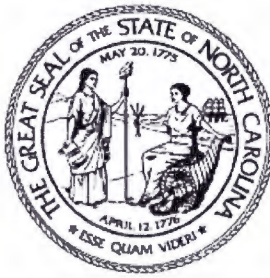
Senate Committee On Transportation

June 15, 2016 – Room 1027 / 1128 LB – 11:00 AM

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DILLIS COBBIN	TS
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TS Rube	NP
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B. H. Allen	MCICC
Jay Stem	NCAA
EC Powell	CAPA
MICHAEL FARMER	NCDOT
Dona Byrne	NC DMV / NCDOT
Glenn R	NC DMV / DOT
Jason Daniel	NC DMV LAT
BERRY JONES	CAROLINA'S AGC
Hope Mobergo	NC DMV
Alex Holbrook	NC DOT
GREG PERFETTI	NC DOT
Morgan Gramann	NCAA
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Senate Committee On Transportation

June 15, 2016 – Room 1027 / 1128 LB – 11:00 AM

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Nelson Freeman	DOR
Mayhan Lewis	NCC
Dale Carl	NCC
Tracy Kimbrell	Parker Poe





Senate Committee On Transportation

June 15, 2016 – Room 1027 / 1128 LB – 11:00 AM

PLEASE SIGN IN BELOW

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Tom Munn	NC Judicial Branch
David ACOINS	SEAN
Flint Benson	SEANC
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Mio Bailey	Electricities
Patrick Buffkin	NC EMC
JAMES SEMMENS	NC DMV
Theresa Moore	CGA
JOHN VINE-HODGE	NC DOT - BIKE/PEO
J. R. ROWELL	UNION CO. CLERK OF COURT
Ken Melton	K. M. A.
MAT ARSENAULT	SIERRA CLUB
Susan Harrison	NC DOT SEA
Desha Graham	NC DPI
Barbara Moore	NC AOC
Susan Pulliam	NC DOT
Kevin Lacy	NC DOT



Senate Committee on Transportation
Friday, June 24, 2016 at 10:00 AM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation came to order at 10:20 AM on June 24, 2016 in Room 1027/1128 of the Legislative Building. 6 members were present. Senate Sergeant at Arms: Jim Hamilton and Becky Myrick. Pages: Lexi Ray of Knightdale (Sen. Ford) and J'nea Wiggins of Knightdale (Sen. Ford.)

Senator Bill Rabon, Chair, presided.

HB 594 MV Dealer Doc. Retention/Inspection/Format. (Representatives Hurley, Boles)

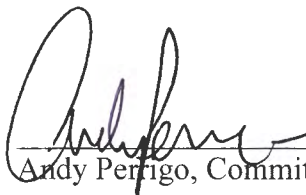
Sen. Harrington presided and took a motion from Sen. Meredith to entertain a PCS. Sen. Rabon explained the bill. There was no discussion and, based on the motion of Sen. Meredith, the bill was voted on and was reported to the Senate Principal Clerk as Unfavorable as to the bill, Favorable as to the PCS.

HB 523 Drivers License Designation/American Indian. (Representatives C. Graham, Steinburg, Waddell, Pierce) Sen. Rabon presided and the Committee voted to take up the PCS, which was presented by Rep. Graham. Sen. Meredith offered an amendment which changed the effective dates (the dates in the bill had already expired) and the committee adopted that amendment. There was no committee discussion and Sen. Tucker moved for a favorable report. The Committee ordered the amendment to be engrossed and voted to report the bill to the Senate Principal Clerk as "Unfavorable as to the bill, Favorable as to the Committee Substitute bill."

The meeting adjourned at 10:37.



Senator Bill Rabon, Chair
Presiding



Andy Perrigo, Committee Clerk



**Senate Committee on Transportation
Friday, June 24, 2016, 10:00 AM
1027/1128 Legislative Building**

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 594	Clarify Sale of Antique & Specialty Vehicles.	Representative Hurley Representative Boles
HB 523	Drivers License Designation/American Indian.	Representative C. Graham Representative Steinburg Representative Waddell Representative Pierce

Presentations

Sen. Bill Rabon, Chair

Other Business

Adjournment



**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

TRANSPORTATION COMMITTEE REPORT

Senator Daniel, Co-Chair

Senator Rabon, Co-Chair

Friday, June 24, 2016

Senator Rabon,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO SENATE COMMITTEE
SUBSTITUTE BILL**

HB 523

Drivers License Designation/American Indian.

Draft Number: H523-PCS10566-SU-52

Sequential Referral: None

Recommended Referral: None

Long Title Amended: No

HB 594

Clarify Sale of Antique & Specialty Vehicles.

Draft Number: H594-PCS10565-RW-76

Sequential Referral: None

Recommended Referral: None

Long Title Amended: Yes

TOTAL REPORTED: 2

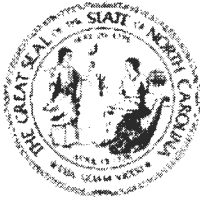
Senator Jane W. Smith will handle HB 523

Senator Bill Rabon will handle HB 594



* C M R 7 9 6 - V - 1 *





HOUSE BILL 594: MV Dealer Doc. Retention/Inspection/Format.

2016-2017 General Assembly

Committee: Senate Transportation
Introduced by: Reps. Hurley, Boles
Analysis of: PCS to First Edition
H594-CSRW-76

Date: June 23, 2016
Prepared by: Giles Perry
Committee Counsel

SUMMARY: *House Bill 594 (proposed committee substitute) makes changes to the law governing motor vehicle dealer record retention.*

CURRENT LAW: Under current law, motor vehicle dealers must keep a copy of records of all vehicles received and sold by the dealer, and make them available to DMV for inspection.

BILL ANALYSIS: House Bill 594 (proposed committee substitute) modifies the current law to:

- Authorize the motor vehicle records to be kept in electronic form.
- Authorize the records to be kept by a third party.
- Requires DMV to adopt rules consistent with the bill, without the requirement for a fiscal analysis of the rule.

EFFECTIVE DATE: This act is effective when it becomes law.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

D

HOUSE BILL 594
PROPOSED SENATE COMMITTEE SUBSTITUTE H594-CSRW-76 [v.1]
06/23/2016 10:45:45 AM

Short Title: MV Dealer Doc. Retention/Inspection/Format.

(Public)

Sponsors:

Referred to:

April 9, 2015

A BILL TO BE ENTITLED
AN ACT TO MODIFY THE REQUIREMENTS FOR MOTOR VEHICLE DEALER RECORDS
RETENTION, AVAILABILITY FOR INSPECTION BY THE DIVISION OF MOTOR
VEHICLES, AND FORMAT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-297 reads as rewritten:

"§ 20-297. Retention and inspection of certain records.

(a) Vehicles. – A dealer must keep a record of all vehicles received by the dealer and all vehicles sold by the dealer. The records must contain the information that the Division ~~requires~~ requires, and be made available for inspection by the Division within a reasonable period of time after being requested by the Division. A dealer may satisfy the recordkeeping requirements contained in this subsection either by: (1) keep keeping and maintain maintaining written or paper records at the dealership facility where the vehicles were sold or at another established office located site within this State provided that the location and the name of a designated contact agent are provided to the Division-Division; or (2) maintaining electronic copies of the records required by this subsection, provided that the Division shall have access to these electronic records from a location within this State. and the records can be made available for inspection by the Division within a reasonable period of time after being requested by the Division. For purposes of this section, the location where dealership written or electronic records are kept and maintained may be owned and operated by a party other than the dealer.

(b) Inspection. – The Division may inspect the pertinent books, records, letters, and contracts of a licensee relating to any written complaint made to the Division against the licensee.

(c) Records Format. – Any record required to be kept and maintained under this section may be converted to electronic form and retained by a dealer in electronic form without retention of the original or any copies of the record in paper or other nonelectronic form."

SECTION 2. The Department of Transportation, Division of Motor Vehicles shall adopt rules consistent with the provisions of this act. Rules adopted pursuant to this section shall not be subject to G.S. 150B-19.1(e), G.S. 150B-19.1(f), and G.S. 150B-21.4.

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





GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 523 (First Edition)

SHORT TITLE: Drivers License Designation/American Indian.

SPONSOR(S): Representatives C. Graham, Steinburg, Waddell, and Pierce

FISCAL IMPACT (\$ in millions)					
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Estimate Available		
State Impact	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Highway Fund Revenues:					
Highway Fund Expenditures:	\$0.087	\$0.001	\$0.001	\$0.001	\$0.001
State Positions:					
NET STATE IMPACT	(\$0.087)	(\$0.001)	(\$0.001)	(\$0.001)	(\$0.001)
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Transportation, Information Technology Section					
EFFECTIVE DATE: January 1, 2016					
TECHNICAL CONSIDERATIONS: None					

BILL SUMMARY:

Directs the Division of Motor Vehicles to modify the race designation on drivers licenses for American Indian applicants from the letter "I" to "AI." Effective January 1, 2016, and applies to drivers licenses issued or renewed on or after that date.

ASSUMPTIONS AND METHODOLOGY:

The proposed change requires an interim modification to the State Automated Driver License System (SADLS) pending implementation of the ongoing MorphoTrust Driver 360 solution. Currently, SADLS attributes the letter "I" to the race code for American Indian applicants. To accommodate the change, it is assumed that the card vendor (MorphoTrust) will translate an "I" entry for race code during the printing process to instead print "AI" on the license.

Estimated one-time vendor charges for this process change total \$75,000. Development labor estimates associated with the testing and support of these changes are \$11,520 nonrecurring, and \$910 recurring.

SOURCES OF DATA: Department of Transportation

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Bryce Ball

APPROVED BY:

Mark Trogon, Director
Fiscal Research Division

DATE: April 22, 2015



Signed Copy Located in the NCGA Principal Clerk's Offices

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

1

HOUSE BILL 523

Short Title: Drivers License Designation/American Indian. (Public)

Sponsors: Representatives C. Graham, Steinburg, Waddell, and Pierce (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Judiciary I, if favorable, Transportation, if favorable, Finance.

April 2, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO USE A CERTAIN
3 DESIGNATION ON DRIVERS LICENSES WHEN LISTING THE RACE OF AN
4 APPLICANT WHO IS AMERICAN INDIAN.

5 The General Assembly of North Carolina enacts:

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

7 "(n) Format. – A drivers license issued by the Division must be tamperproof and must
8 contain all of the following information:

9 ...

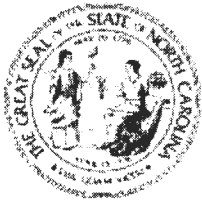
10 The Commissioner shall ensure that applicants 21 years old or older are issued drivers
11 licenses and special identification cards that are printed in a horizontal format. The
12 Commissioner shall ensure that applicants under the age of 21 are issued drivers licenses and
13 special identification cards that are printed in a vertical format, that distinguishes them from the
14 horizontal format, for ease of identification of individuals under age 21 by members of
15 industries that regulate controlled products that are sale restricted by age and law enforcement
16 officers enforcing these laws.

17 At the request of an applicant for a drivers license, a license issued to the applicant must
18 contain the applicant's ~~race~~ race, which shall be designated with the letters "AI" for an applicant
19 who is American Indian."

20 SECTION 2. This act becomes effective January 1, 2016, and applies to drivers
21 licenses issued or renewed on or after that date.







HOUSE BILL 523: Drivers License Designation/American Indian.

2016-2017 General Assembly

Committee:	Senate Transportation	Date:	June 24, 2016
Introduced by:	Reps. C. Graham, Steinburg, Waddell, Pierce	Prepared by:	Wendy Ray
Analysis of:	PCS to First Edition H523-CSSU-52		Committee Counsel

SUMMARY: *House Bill 523 would direct the Division of Motor Vehicles to use the specific designation "AI" for American Indian drivers license applicants who request to have race designated on their drivers licenses.*

The PCS amends the effective date since the effective date in the original bill has already passed.

CURRENT LAW: Designation of race is not required on North Carolina drivers licenses. The statutes do provide that, at the request of an applicant, the Division of Motor Vehicles must include the applicant's race in addition to other mandatory identifying information. Specific designations for race are not described.

BILL ANALYSIS: House Bill 523 would require the Division, upon request of an applicant who is an American Indian, to include the designation "AI" on the applicant's drivers license to indicate race.

EFFECTIVE DATE: The act would become effective January 1, 2017, and would apply to drivers licenses issued or renewed on or after that date.

BACKGROUND: It is the policy of the North Carolina Commission of Indian Affairs to use the term American Indian. The Commission has adopted this policy because anyone born in the United States is a Native American, but this does not make them an American Indian. The United States' Census Bureau defines "American Indian" as a person having origins in any of the original peoples of North and South America (including Central America) and who maintains tribal affiliation or community attachment.

Jennifer Bedford, counsel to House Judiciary I, substantially contributed to this summary.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

D

HOUSE BILL 523
PROPOSED SENATE COMMITTEE SUBSTITUTE H523-CSSU-52 [v.1]
06/23/2016 04:32:22 PM

Short Title: Drivers License Designation/American Indian.

(Public)

Sponsors:

Referred to:

April 2, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO USE A CERTAIN
3 DESIGNATION ON DRIVERS LICENSES WHEN LISTING THE RACE OF AN
4 APPLICANT WHO IS AMERICAN INDIAN.
5 The General Assembly of North Carolina enacts:
6 **SECTION 1.** G.S. 20-7(n) reads as rewritten:
7 "(n) Format. – A drivers license issued by the Division must be tamperproof and must
8 contain all of the following information:
9 ...
10 The Commissioner shall ensure that applicants 21 years old or older are issued drivers licenses
11 and special identification cards that are printed in a horizontal format. The Commissioner shall
12 ensure that applicants under the age of 21 are issued drivers licenses and special identification
13 cards that are printed in a vertical format, that distinguishes them from the horizontal format, for
14 ease of identification of individuals under age 21 by members of industries that regulate controlled
15 products that are sale restricted by age and law enforcement officers enforcing these laws.
16 At the request of an applicant for a drivers license, a license issued to the applicant must
17 contain the applicant's ~~race~~ race, which shall be designated with the letters "AI" for an applicant
18 who is American Indian."
19 **SECTION 2.** This act becomes effective January 1, 2017, and applies to drivers
20 licenses issued or renewed on or after that date.





GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

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HOUSE BILL 594

Short Title: Clarify Sale of Antique & Specialty Vehicles.

(Public)

Sponsors: Representatives Hurley and Boles (Primary Sponsors).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Commerce and Job Development.

April 9, 2015

A BILL TO BE ENTITLED
AN ACT TO CLARIFY THE REQUIREMENTS THAT MUST BE MET TO OBTAIN A
TEMPORARY SUPPLEMENTAL LICENSE FOR THE SALE OF ANTIQUE MOTOR
VEHICLES AND SPECIALTY MOTOR VEHICLES AND TO EXPAND THE
DEFINITION OF A "SPECIALTY MOTOR VEHICLE."

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-292.1 reads as rewritten:

"§ 20-292.1. Supplemental temporary license for sale of antique and specialty vehicles.

Any dealer licensed as a motor vehicle dealer under this Article may apply to the
Commissioner and receive, at no additional charge, a supplemental temporary license
authorizing the off-premises sales of antique motor vehicles and specialty motor vehicles for a
period not to exceed 10 consecutive calendar days. To obtain a temporary supplemental license
for the off-premises sale of antique motor vehicles and specialty motor vehicles, the applicant
~~shall~~ meet all of the following requirements:

- (1) Be licensed as a motor vehicle dealer under this ~~Article~~ Article and have a
surety bond in the amount of fifty thousand dollars (\$50,000) from a surety
company licensed to do business in North Carolina.
- (2) Notify the applicable local office of the ~~Division~~ Division, at least 60 days in
advance, of the specific dates and location for which the license is requested.
- (3) Display a sign at the licensed location clearly identifying the dealer posted in
a conspicuous location that allows the public to clearly identify the dealer.
- (4) Keep and maintain the records required for the sale of motor vehicles under
this Article.
- (5) Provide staff to work at the temporary location for the duration of the
off-premises sale.
- (6) Meet any local government permitting requirements.
- (7) Have written permission from the property owner to sell at the location.
- (8) Have a minimum of three salespersons licensed under this Article on site at
the time of the off-premises sale.
- (9) Advertise the event as an "antique" or "collectors" vehicle sale.

For purposes of this section, the term "antique motor vehicle" shall mean any motor vehicle
for private use manufactured at least 25 years prior to the current model year, and the term
"specialty motor vehicle" shall mean any model or series of motor vehicle for private use
manufactured at least (i) three years prior to the current model year of which no more than
5,000 vehicles were sold within the United States during the model year the vehicle was



~~manufactured.~~ manufactured or (ii) at least 10 years prior to the current model year of which no more than 15,000 vehicles were sold within the United States during the model year the vehicle was manufactured.

This section does not apply to a nonselling motor vehicle show or public display of new motor vehicles."

SECTION 2. This act is effective when it becomes law and applies to applications for licenses received on or after that date.

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 523

DATE _____

S. B. No. _____

Amendment No. _____

(to be filled in by
Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.)

Sen.)

1 moves to amend the bill on page 1, line 19

2 () WHICH CHANGES THE TITLE

3 by deleting "January 1, 2017," and

4 substituting "October 1, 2016,"

5 _____

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

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14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED

A. Muntell

ADOPTED X

FAILED _____

TABLED _____

PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H

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HOUSE BILL 523
PROPOSED SENATE COMMITTEE SUBSTITUTE H523-PCS10566-SU-52

Short Title: Drivers License Designation/American Indian.

(Public)

Sponsors:

Referred to:

April 2, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO USE A CERTAIN
3 DESIGNATION ON DRIVERS LICENSES WHEN LISTING THE RACE OF AN
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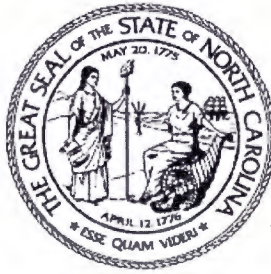
10 The Commissioner shall ensure that applicants 21 years old or older are issued drivers licenses
11 and special identification cards that are printed in a horizontal format. The Commissioner shall
12 ensure that applicants under the age of 21 are issued drivers licenses and special identification
13 cards that are printed in a vertical format, that distinguishes them from the horizontal format, for
14 ease of identification of individuals under age 21 by members of industries that regulate controlled
15 products that are sale restricted by age and law enforcement officers enforcing these laws.

16 At the request of an applicant for a drivers license, a license issued to the applicant must
17 contain the applicant's ~~race~~ race, which shall be designated with the letters "AI" for an applicant
18 who is American Indian."

19 SECTION 2. This act becomes effective October 1, 2016, and applies to drivers
20 licenses issued or renewed on or after that date.







Senate Committee On Transportation

June 24, 2016 – Room 1027 / 1128 LB – 10:00 AM

PLEASE SIGN IN BELOW

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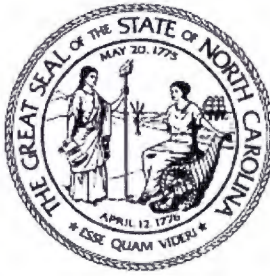
Senate Committee On Transportation

June 24, 2016 – Room 1027 / 1128 LB – 10:00 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Joe McClees	McClees Consultants
Hemi Burre	MWC
Jayme Cheri	LALC
Jenny Wang	LPA - DCMMA - DEANC
John C.	NCC
Maghan Uur	NCC
Matthew Bullock	NCC
Flint Benson	SEANC
Conne Wilson	CRMA
Sarah McQuinn	SSANC
Sarah McQuinn	SSGAC
Catherine Harward	NCFB
Wendy Kelly	Focus CA
Isabel V. PIA - Gura	NC REACTORS
Jim Palmer	NC REACTORS
Paul Sherman	NCFB
Guarule	Duke Energy
Kathy Harkins	Duke Energy





Senate Committee On Transportation

June 24, 2016 – Room 1027 / 1128 LB – 10:00 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
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Penney Huffer	200
David J. Ferrell	NB
John Pate	NCMAA
Martha Jenkins	DNCR
Ryan Boyce	NCDOT
Kelly Thomas	DMV
Chris Doughton	MWC
MATTHEW NICK	NCDMV
Johanna Reese	NCACC
Tammy Stevens	Stevens Lobby
RICK MONROE	PRIVATE CITIZEN
Colin Campbell	NO
Cathy Weaver	Governor's office
Johnna Gregory	DOJ
Christy Fox	DOT
Angel Sams	WCSD
Caroline Miller	AMGA

