2017-2018

SENATE TRANSPORTATION

MINUTES

Senate Committee on Transportation
Wednesday, March 8, 2017 at 12 Noon
Legislative Building, Room 1027/1128

MINUTES

The Senate Committee on Transportation met at 12 Noon on March 8, 2017 in Room 1027 of the Legislative Office Building. Twelve members were present when the meeting was called to order. Two additional members arrived after the meeting began.

Senator Jim Davis presided.

Senator Davis explained the purpose of today's committee meeting: "We are meeting today to consider the matter of issuing a subpoena to Jim Trogdon to appear before the Committee. Mr. Trogdon has been sworn in as the Secretary of Transportation and is performing those duties. The laws in place today require Senate confirmation of Secretary Trogdon and we intend to proceed with that process."

Senator Davis asked for a motion to take up the matter. Senator Warren Daniel made a motion to consider the matter of issuing the subpoena (Attachment #1; accompanying letter Attachment #2). Senator John Alexander seconded the motion. Senator Davis called for a vote on the motion before the Committee. By show of hands, nine members voted in favor and two voted in opposition. The motion passed.

Senator Warren Daniel made a motion to issue a subpoena to Jim Trogdon to appear before the Committee. Senator John Alexander seconded the motion.

Before calling for a vote, Senator Davis thanked the Sergeants-at-Arms (Steve McKaig; Giles Jeffreys) and the Senate Pages (Holly Hutcheson, Durham, Senator Mike Woodard; Dajah Stallings, Durham, Senator Floyd McKissick; Hunter Gunnell, New London, Senator McInnis) for their service to the Committee. (Attachments #3 and #4).

Senator Davis then called for a vote on the motion to issue a subpoena to Jim Trogdon, Secretary of Transportation, to require his attendance and testimony before the Committee on Transportation on March 15, 2017 Noon, in Room 1027 of the Legislative Building. By show of hands, ten members voted in favor and three members voted in opposition. The motion passed.

Senator Davis asked for comments or questions. There being none, and no further business before the Committee, Senator Davis adjourned the meeting.

The meeting adjourned at 12:10 PM.

Senator Jim Davis, Presiding

Kaye Davis Culberson

Kaye Davis Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, March 8, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks – Senator Jim Davis, Chair

Introduction of Pages and recognition of Sergeants-At-Arms

For consideration: Issuance of a subpoena to Jim Trogdon to appear before the Committee

Other Business

Adjournment

Principal Clerk ____
Reading Clerk ____

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	March 8, 2017	12:00 PM	1027/1128 LB

Consider issuance of subpoena to Jim Trogdon for appearance at committee meeting.

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

North Carolina General Assembly
Senate Committee on Transportation

STATE OF NORTH CAROLINA
County of Wake

In the General Assembly of
North Carolina

ATTACHMENT 1

SUBPOENA

TO: Secretary James H. Trogdon III
North Carolina Department of Transportation
1 South Wilmington Street
Raleigh North Carolina 27601
(919) 707-2800

GREETING:

YOU ARE HEREBY COMMANDED to appear before the Senate Committee on Transportation (hereinafter "Committee") in Raleigh, North Carolina, on the 15th day of March, 2017, at 12 o'clock p.m., in Room 1027/1128, of the Legislative Building, 16 West Jones Street, Raleigh, NC 27601, and as continued from time to time, to testify on matters before the Committee concerning your qualifications, potential conflicts of interest, and willingness to follow the law in your capacity as Secretary of the Department of Transportation, as further detailed in the attached letter from the Committee Chairs, dated March 8, 2017.

This subpoena is issued upon authorization of:

_____
Senator Phil Berger
President Pro Tempore of the Senate

Issued this 8th day of March, 2017, by majority vote of the Committee:

_____
Senator Jim Davis
Co-Chairman, Senate Committee on Transportation
300 North Salisbury Street, Room 621
Raleigh, North Carolina 27603-5925

_____
Senator Tom McInnis
Co-Chairman, Senate Committee on Transportation
300 North Salisbury Street, Room 620
Raleigh, North Carolina 27603-5925

OFFICER'S RETURN

I certify that the above subpoena was received on the _____ day of _____, 20_____, and that on the _____ day of _____, 20_____, it was served on _____
in the following manner:_____
_____.

_____

_____

G.S. 120-19.2; G.S. 1A-1, Rule 45

Rule 45. Subpoena.

...

(c) Protection of Persons Subject to Subpoena. –

(1) Avoid undue burden or expense. – A party or an attorney responsible for the issuance and service of a subpoena shall take reasonable steps to avoid imposing an undue burden or expense on a person subject to the subpoena. The court shall enforce this subdivision and impose upon the party or attorney in violation of this requirement an appropriate sanction that may include compensating the person unduly burdened for lost earnings and for reasonable attorney's fees.

(2) For production of public records or hospital medical records. – Where the subpoena commands any custodian of public records or any custodian of hospital medical records, as defined in G.S. 8-44.1, to appear for the sole purpose of producing certain records in the custodian's custody, the custodian subpoenaed may, in lieu of personal appearance, tender to the court in which the action is pending by registered or certified mail or by personal delivery, on or before the time specified in the subpoena, certified copies of the records requested together with a copy of the subpoena and an affidavit by the custodian testifying that the copies are true and correct copies and that the records were made and kept in the regular course of business, or if no such records are in the custodian's custody, an affidavit to that effect. When the copies of records are personally delivered under this subdivision, a receipt shall be obtained from the person receiving the records. Any original or certified copy of records or an affidavit delivered according to the provisions of this subdivision, unless otherwise objectionable, shall be admissible in any action or proceeding without further certification or authentication. Copies of hospital medical records tendered under this subdivision shall not be open to inspection or copied by any person, except to the parties to the case or proceedings and their attorneys in depositions, until ordered published by the judge at the time of the hearing or trial. Nothing contained herein shall be construed to waive the physician-patient privilege or to require any privileged communication under law to be disclosed.

(3) Written objection to subpoenas. – Subject to subsection (d) of this rule, a person commanded to appear at a deposition or to produce and permit the inspection and copying of records, books, papers, documents, electronically stored information, or tangible things may, within 10 days after service of the subpoena or before the time specified for compliance if the time is less than 10 days after service, serve upon the party or the attorney designated in the subpoena written objection to the subpoena, setting forth the specific grounds for the objection. The written objection shall comply with the requirements of Rule 11. Each of the following grounds may be sufficient for objecting to a subpoena:

a. The subpoena fails to allow reasonable time for compliance.

b. The subpoena requires disclosure of privileged or other protected matter and no exception or waiver applies to the privilege or protection.

c. The subpoena subjects a person to an undue burden or expense.

d. The subpoena is otherwise unreasonable or oppressive.

e. The subpoena is procedurally defective.

(4) Order of court required to override objection. – If objection is made under subdivision (3) of this subsection, the party serving the subpoena shall not be entitled to compel the subpoenaed person's appearance at a deposition or to inspect and copy materials to which an objection has been made except pursuant to an order of the court. If objection is made, the party serving the subpoena may, upon notice to the subpoenaed person, move at any time for an order to compel the subpoenaed person's appearance at the deposition or the production of the materials designated in the subpoena. The motion shall be filed in the court in the county in which the deposition or production of materials is to occur.

(5) Motion to quash or modify subpoena. – A person commanded to appear at a trial, hearing, deposition, or to produce and permit the inspection and copying of records, books, papers, documents, electronically stored information, or other tangible things, within 10 days after service of the subpoena or before the time specified for compliance if the time is less than 10 days after service, may file a motion to quash or modify the subpoena. The court shall quash or modify the subpoena if the

subpoenaed person demonstrates the existence of any of the reasons set forth in subdivision (3) of this subsection. The motion shall be filed in the court in the county in which the trial, hearing, deposition, or production of materials is to occur.

(6) Order to compel; expenses to comply with subpoena. – When a court enters an order compelling a deposition or the production of records, books, papers, documents, electronically stored information, or other tangible things, the order shall protect any person who is not a party or an agent of a party from significant expense resulting from complying with the subpoena. The court may order that the person to whom the subpoena is addressed will be reasonably compensated for the cost of producing the records, books, papers, documents, electronically stored information, or tangible things specified in the subpoena.

(7) Trade secrets; confidential information. – When a subpoena requires disclosure of a trade secret or other confidential research, development, or commercial information, a court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena, or when the party on whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot otherwise be met without undue hardship, the court may order a person to make an appearance or produce the materials only on specified conditions stated in the order.

(8) Order to quash; expenses. – When a court enters an order quashing or modifying the subpoena, the court may order the party on whose behalf the subpoena is issued to pay all or part of the subpoenaed person's reasonable expenses including attorney's fees.

(d) Duties in Responding to Subpoenas. –

(1) Form of response. – A person responding to a subpoena to produce records, books, documents, electronically stored information, or tangible things shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the request.

(2) Form of producing electronically stored information not specified. – If a subpoena does not specify a form for producing electronically stored information, the person responding must produce it in a form or forms in which it ordinarily is maintained or in a reasonably useable form or forms.

(3) Electronically stored information in only one form. – The person responding need not produce the same electronically stored information in more than one form.

(4) Inaccessible electronically stored information. – The person responding need not provide discovery of electronically stored information from sources that the person identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or for a protective order, the person responding must show that the information is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, after considering the limitations of Rule 26(b)(1a). The court may specify conditions for discovery, including requiring the party that seeks discovery from a nonparty to bear the costs of locating, preserving, collecting, and producing the electronically stored information involved.

(5) Specificity of objection. – When information subject to a subpoena is withheld on the objection that it is subject to protection as trial preparation materials, or that it is otherwise privileged, the objection shall be made with specificity and shall be supported by a description of the nature of the communications, records, books, papers, documents, electronically stored information, or other tangible things not produced, sufficient for the requesting party to contest the objection.

...

NORTH CAROLINA GENERAL ASSEMBLY

NORTH CAROLINA SENATE

March 8, 2017

VIA HAND DELIVERY

Secretary James H. Trogdon III
North Carolina Department of Transportation
1 South Wilmington Street
Raleigh, North Carolina 27601

Dear Mr. Trogdon:

Congratulations on your nomination by Governor Cooper to serve as Secretary of the Department of Transportation.

Your position is one that requires the advice and consent of the North Carolina Senate under N.C. Gen. Stat. § 143B-9 and Article III, Section 5(8) of the North Carolina Constitution. Additionally, because you were sworn in an acting capacity as Secretary of the Department, you are subject to the reporting and appearance obligations set out in Articles 5 and 5A of Chapter 120 of the General Statutes.

You have been asked to appear before the Senate Committee on Transportation on March 15, 2017, at 12:00 pm. The point of the meeting is to allow the Committee to make an informed recommendation regarding your nomination. While we do not expect the meeting to be adversarial, you will be asked questions relating to your experience, potential conflicts of interest and your willingness to follow the law. While each member has discretion in selecting the questions he or she asks, we are providing to you a more detailed idea of what we expect will be potential areas of discussion.

To that end, enclosed is a rubric entitled "Potential Areas of Inquiry for Gubernatorial Nominees." You are not required to answer these questions prior to the meeting. However, we encourage you to give the potential questions thoughtful consideration and be prepared to discuss your answers with the committee's members. Of course, you are free to provide written responses, which may streamline or simplify the questions you receive during the meeting. Note

separately that the Committee will need a copy of your current Statement of Economic Interest prior to the hearing.

We look forward to seeing you on Wednesday. If you have further questions about the process, please do not hesitate to contact any of us.

Sincerely,

Sen. Jim Davis, Co-Chairman,

Senate Committee on Transportation

Sen. Tom McInnis, Co-Chair

Senate Committee on Transportation

cc: Gov. Roy Cooper

Enclosure

POTENTIAL AREAS OF INQUIRY FOR GUBERNATORIAL NOMINEES

**Unless specified otherwise, include responsive information for the past 15 years.*

QUALIFICATIONS

Education: Describe your undergraduate and graduate education history, including the institution(s), dates attended, degrees received and dates of degrees.

Honors and Awards: Detail all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and other special recognition you have received for outstanding service or achievement.

Employment History: Detail all positions held since college, including the title and description of each position, name of employer, location of work, and inclusive dates of employment.

Government Experience: Describe any experience in or direct association with federal, state, or local governments, including any advisory, consultative, board, honorary or other part time service or positions.

Membership, Affiliations and Activities: Detail all memberships and offices held in and services rendered to, professional, fraternal, business, scholarly, civic, charitable, political parties, election committees or other organizations. Include names of the organizations, as well as the office(s) and dates held.

Published Writings; Speeches: List/describe all books, articles, reports, seminar or other educational materials, editorials, speeches, prepared remarks or other published materials you have written, co-written or recorded, including those published only on the Internet. Please be prepared to provide a copy of documents that are not independently accessible. If copies are unavailable to you, list the title, publisher, date of publication, and a description of the published work. Include any videos that are responsive.

Teaching: Detail all courses you have taught. For each course, provide the title, the institution at which you taught the course, the years in which you taught the course, and describe briefly the subject matter of the course and the major topics taught.

POTENTIAL CONFLICTS OF INTERESTS

Employment Relationships, Outside Commitments During Service: Explain whether:

- You plan to sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.
- As far as can be foreseen, you have any plans after completing this government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.
- Anyone has made you a commitment to a job after you leave government.
- You expect to serve the full term for which you have been appointed.
- You have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service.

Impact of Prior Employment/Activities:

- Detail all previous job responsibilities for employers included in Section IV, "Employment History," that may stand in conflict to current or proposed rules, regulations, laws, or other policies of the state of North Carolina for which, if confirmed, you would be responsible for regulating.
- If you have engaged in any activities (including but not limited to consulting, advocacy, charitable, educational, electioneering, state or federal lobbying, goodwill lobbying, political, or otherwise) that relate, affect, or impact any of the areas that you would be responsible for regulating, if confirmed, provide all activities, time expended, and if financial or other benefits or compensation were received.
- Describe any business relationships, contracts, dealings or financial transactions (other than paying taxes) which you have had with the state of North Carolina, whether for yourself, on behalf of a client, or acting as an agent. Explain whether any of these relationships, dealings or transactions may, in any way, constitute or result in a possible conflict of interest with the position to which you have been nominated.
- For each area of potential or actual conflict identified, if any, detail how it will be remedied to fulfill your duty to faithfully discharge your duties of the office in which you have been nominated.

Political Contributions: List the political contributions over $50.00 that you have made to an individual, campaign organization, political party, political action committee or similar entity during the last 10 years and identify specific amounts, dates, and names of recipients.

Legal Actions:

- Provide the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a federal, state, or local agency in which you were the subject of the inquiry or investigation.
- Provide the full details of any proceeding, inquiry or investigation by any professional association, including any professional association in which you were the subject of the proceeding, inquiry or investigation.
- Have you or any business or organization of which you are or were an officer or board member, ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

ATTACHMENT 2

NORTH CAROLINA GENERAL ASSEMBLY

NORTH CAROLINA SENATE

March 8, 2017

VIA HAND DELIVERY

Secretary James H. Trogdon III
North Carolina Department of Transportation
1 South Wilmington Street
Raleigh, North Carolina 27601

Dear Mr. Trogdon:

Congratulations on your nomination by Governor Cooper to serve as Secretary of the Department of Transportation.

Your position is one that requires the advice and consent of the North Carolina Senate under N.C. Gen. Stat. § 143B-9 and Article III, Section 5(8) of the North Carolina Constitution. Additionally, because you were sworn in an acting capacity as Secretary of the Department, you are subject to the reporting and appearance obligations set out in Articles 5 and 5A of Chapter 120 of the General Statutes.

You have been asked to appear before the Senate Committee on Transportation on March 15, 2017, at 12:00 pm. The point of the meeting is to allow the Committee to make an informed recommendation regarding your nomination. While we do not expect the meeting to be adversarial, you will be asked questions relating to your experience, potential conflicts of interest and your willingness to follow the law. While each member has discretion in selecting the questions he or she asks, we are providing to you a more detailed idea of what we expect will be potential areas of discussion.

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separately that the Committee will need a copy of your current Statement of Economic Interest prior to the hearing.

We look forward to seeing you on Wednesday. If you have further questions about the process, please do not hesitate to contact any of us.

Sincerely,

Sen. Jim Davis, Co-Chair Sen. Tom McInnis, Co-Chair

cc: Gov. Roy Cooper

Enclosure

ATTACHMENT 3

March 8, 2017

(DATE)

TRANSPORTATION SENATE COMMITTEE RM. 1027/1128

(COMMITTEE)

SENATE SERGEANT-AT-ARMS

Steve Mckaig

Giles Jeffreys

ATTACHMENT 4

Senate Pages Attending

COMMITTEE: Transportation ROOM: 1027

DATE: 3-8 TIME: Noon

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

Page Name	Hometown	Sponsoring Senator
1. Holly Hutcheson	Durham	Woodard
2. Dajah Stallings Dajah Stallings	Durham	Mikissick
3. ~~Hunter Gunnell~~	~~[illegible]~~	~~[illegible]~~
4. Hunter Gunnell	Stanley New London	McInnis
5.		
6.		
7.		
8.		

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

VISITOR REGISTRATION SHEET

Transportation, Senate
(Committee Name)

3/8/17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
Paul Collins	SEANC
[illegible]	[illegible]
Joe McClees	McClees Consult
Tony Williams	RAN-NCMA LPAs
Joey Hayes	NCDOT
Kelly Mazzony	3P
Chris Broughton	MWC

VISITOR REGISTRATION SHEET

Senate Transportation
(Committee Name)

3/8/17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
Josh Granger	S.A
[illegible]	Duke Energy
Jon Vague	Duke Energy
Paul Sharma	NCFB
Kym Hunter	SELC
Brooks Rainey Pearson	SELC
Laura Grant	Walk West
Jessica Englert	Governor
James Smith	ACEC/NC
Ellis Powell	CAPA

Principal Clerk ____
Reading Clerk ____

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	March 15, 2017	12:00 PM	1027/1128 LB

Meeting on recommendation for confirmation of Jim Trogdon

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

Committee on Transportation
March 15, 2017
12:00 p.m.
Room 1027/1128 LB
Chairs:
Senator Jim Davis Senator Tom McInnis

The Senate Committee on Transportation met March 15, 2017at 12:00 p.m. in Room 1027/1128 LB with 16 Senators present.

Senator Tom McInnis presided.

Senator McInnis called the committee to order, asked to silence phones, announced NC Ag Day, recognized the Court Reporter, the Sergeant at Arms, and the Pages.

Senator McInnis gave an explanation of why the committee was meeting along with ground rules for today's committee.

Jim Trogdon was then sworn in by the Court Reporter and made his opening statements to the committee.

Senator McInnis opened the meeting up to questions from members. (The following is a summary and not exactly what was said in the meeting)

Senator Harrington asked if he received a previous list of questions and his response was no. She also asked if he was received any honors and awards or was a member of our side organizations. He briefly touched on this and mentioned that it was listed in his resume. Her final question have you published an books or op-eds? Mr. Trogdon said no books but yes to an op-ed about long term funding using tolls.

Senator Rabon was the next to question Jim Trogdon. What was Mr. Trogdon stance on tolling vs that of the Governors? Mr. Trogdon stated "need every tool available" and the Governor has not directed him to leave tolls out. The second question from Sen. Rabon asked if it was a good idea to be confirmed by the Senate? Mr. Trogdon said that he agreed with open transparency. Third question does it promote transparency with the public? Mr. Trodgon said yes. Fourth question, is the law requiring confirmation constitutional? Mr. Trodgon stated that he has spent the last 30 years becoming an expert on transportation and not the law. Next question was what kind of direction if any did Mr. Trogdon receive from the Governor about this process? In his 1st interview he heard about the confirmation process and from there he applied to the law. Sen. Rabon asked will you decision to follow the law be based on what the governor tells you? Mr. Trodgon said his first responsibly is to the law. Last question, any circumstance in which you would choose politics over the law? Mr. Trodgon stated that the law controls politics.

Senator Smith-Ingram asked the next line of questioning. First she explained Jim Trogdon's background and then asked his feelings on the privatization of DOT contract. Mr. Trogdon explained that using private contractors is about getting the right exports to do the job. Senator Smith-Igram then asked several questions about specific projects or jobs. Sen. McInnis repeadtly asked her to keep them relevant to the committee hearing.

Senator Meredith asked if M. Trogdon is currently employed by any other than DOT. Mr. Trogdon said no. Then Sen. Meredith asked about any other boards he servers on. Mr. Trogdon said no. Sen. Meredith asked about the gas tax and how Mr. Trogdon see it in the future? Mr. Trogdon said the motor fuels tax has been good to this point but it needs up dating by 2020/2025 because it is becoming obsolete.

Senator Daniel thanked Mr. Trogdon for his military service. First question was what is your current position with DOT? Mr. Trogdon replied I am the Secretary designee unless otherwise decided. Sen. Daniel asked how he prepared for today? He worked with staff to get up to date, read highway and ferry reports, and attended meetings. Next quest was about his past employment with SAS and Atkins and any conflicts that may arise. Mr. Trogdon said all he cut ties with them when he stopped working with them and he does not have to does with the software today.

Senator Gunn welcomed Mr. Trodgon and asked him about STI. Mr. Trodgon said that it is preforming the way it was intended to. Are there any changes to be made at this time? Mr. Trodgon said there were no changes to STI, but possibly to the process.

Senator Jim Davis thanked Mr. Trodgon and asked about the cash balance. Mr. Trodgon said that he was working to develop a plan wit in the next 3-4 weeks. He wants to make sure that money goes to the projects that it is supposed to. Sen. Davis then asked about bond projects because the Governor has stated he is in favor of it. Mr. Trodgon said the position DOT is in it could use all types of options, but the cash balance problem needs to be fixed first.

Senator Jim Davis made a motion to confirm Jim Trogdon.

Senator McInnis called for a vote. It was a unanimous vote in favor.

The meeting adjourned at 12:47 p.m.

Senator Tom McInnis
Presiding

Libby Spain (Sen. Tom McInnis)
Committee Clerk

March 15, 2017
(DATE)

Senate Transportation
(COMMITTEE)

SENATE SERGEANT-AT-ARMS

Frances Patterson	Terry Barnhardt
Billy Fritscher	
Terry Edmondson	

HOUSE SERGEANT-AT-ARMS

Senate Pages Attending

COMMITTEE: Transportation ROOM: 1027

DATE: 3-15 TIME: Noon

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

	Page Name	Hometown	Sponsoring Senator
1.	Alyssa Alfaro	Goldsboro	Sn Louis Pate
2.	Caitlyn Sosbe	Roxemont	Sn Michael Woodard
3.	Jillian Jessup	Raleigh	Sn Alexander
4.	Aleksia (Alexsia) Kleine	Cary	Sn Barringer
5.	~~Taylor Robinson~~	~~Fuquay~~	~~Smith Tarr~~
6.			
7.	Court Reporter	Carol M. Smith	
8.			

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

VISITOR REGISTRATION SHEET

SENATE TRANSPORTATION

03/15/17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Brooks Rainey Pearson	SELC
[illegible]	[illegible]
Joe McClees	McClees Consultants
Brad Adcock	GOV
PERRY SAFRAN	NC TURNPIKE AUTH.
Ken Melton	K.M.A.
JED McMILLAN	PTPNC
Justin Clayton	Gov. Cooper
Ellis Powell	CAPA
JOSH DALTON	ACEC
James Smith	ACEC/NC
MONTELL IRVIN	ACEC/NC – NC TURNPIKE
Stephanie Hachem	ACEC/NC
[illegible]	RANC - LPAs & NMA
Kelsey Byerly	Walk West
McNeil Chestnut	RLNC
[illegible]	NS

09-21-201

VISITOR REGISTRATION SHEET

SENATE TRANSPORTATION

03/15/17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Secretary Jim Trogdon	NCDOT
Bobby Lewis	NCDOT
Greer Beaty	NCDOT
Justin DeLaney	NCDOT
Lex Janes	DNCR
Jessica Englert	Governor Cooper
Julie White	NCMMC
[illegible]	UNC[illegible]
SPENCER FRANKLIN	HNTB
Henry M. Lancaster	LCA
Jay Stem	NCAA
Betsy Bailey	CAGC
Berry Jenkins	NA Rs Lines ASC
Amanda Finelli	SFANC
Artis Watkins	"
David Collins	"
Flint Benson	"

09-21-201

VISITOR REGISTRATION SHEET

SENATE TRANSPORTATION

08/15/17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Joy Hicks	NCDOT
[illegible]	[illegible]
Lexi Arthur	NCRMA
Elizabeth Robinson	NCRMA
Doug Lassiter	NCSTA

09-21-201

Senate Committee on Transportation
Wednesday, March 22, 2017 at 12:00 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 12:00 PM on March 22, 2017 in Room 1027/1128 of the Legislative Building. Seventeen members were present.

Senator Jim Davis, Chair, presided.

Senator Davis convened the meeting at 12:06 PM, welcomed members and visitors, and thanked Pages (Isaac Castelloes, Raleigh, Senator Berger; Bethany Forrest, Norwood, Senator McInnis; and April Butts, Wallace, Senator Berger), and Sergeant-At-Arms Hal Roach, Becky Myrick, and Tom Burroughs) for their service.

SB 3 DOT/DMV Changes. (Senators Rabon, Harrington)
This bill was on the agenda *for discussion only*. Giles Perry, Committee Staff from Legislative Analysis, explained the bill. Senate Bill 3, as originally introduced, was a recommendation of the Joint Legislative Transportation Oversight Committee. Senate Bill 3 makes changes to State law related to DOT and DMV. Mr. Perry delineated those changes and responded to questions and comments from Senator Warren Daniel. Senator Davis recognized a DMV spokesperson (_____) who responded to Senator Ben Clark's question about the distinctions between gas, hybrid, and electric vehicles.

There being no further business, the meeting adjourned at 12:22 PM.

_____ _____
Senator Jim Davis, Chair Kaye Culberson, Committee Clerk
Presiding

Senate Committee on Transportation
Wednesday, March 22, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Presentations

SB 3 DOT/DMV Changes. (Senators Rabon, Harrington) Discussion Only

Other Business

Adjournment

Principal Clerk ____
Reading Clerk ____

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	March 22, 2017	12:00 PM	1027/1128 LB

Senate Bill 3 DOT/DMV Change - Discussion Only

Chair: Jim Davis

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

SENATE BILL 3: DOT/DMV Changes.

2017-2018 General Assembly

Committee:	House Transportation	**Date:**	June 20, 2017
Introduced by:	Sens. Rabon, Harrington	**Prepared by:**	Giles Perry
Analysis of:	PCS to Fourth Edition S3-CSRW-28		Staff Attorney

OVERVIEW: Senate Bill 3 (Proposed Committee Substitute) makes changes to State law related to DOT and DMV, as recommended by the Joint Legislative Transportation Oversight Committee.

CURRENT LAW and BILL ANALYSIS:

PART I. Department of Transportation Changes

Section 1. This section codifies and makes modifications to DOT's existing residual property disposal procedures. Residual property must be sold by public sale and approved by the Board of Transportation except in the following circumstances:

- Properties located adjacent to controlled access projects that are landlocked may be sold to adjoining property owner by negotiation.
- Properties may be sold to State agencies or institutions by negotiation.
- Properties may be exchanged with a public utility company in consideration for property to be acquired for highway purposes from the utility.
- Properties with an area of one acre or less and a value of $25,000 or less, and the highest and best use is for assemblage with adjacent property, may be sold to adjoining owner by negotiation.
- Properties with values of less than $5,000 may be sold by negotiation without approval of the Governor and Council of State.
- Properties located outside the right-of-way for a project may be sold by negotiation to property owners and tenants displaced by the project.

Section 2. Reserved.

Section 3. This section repeals a requirement that the Department of Administration, Office of State Human Resources, Department of Transportation, and Department of Environmental Quality jointly develop and periodically update a plan to reduce vehicle miles traveled by State employees and private sector employees. The requirement was part of a State goal to reduce air pollution. There continues to be a State goal to replace light duty cars and trucks with alternative-fueled vehicles and to reduce State employee vehicle miles traveled in commuting without reducing total work hours or productivity.

PART II. Division of Motor Vehicles Changes

Section 4. This section amends current law applicable to vehicle emissions inspections in certain counties by clarifying that fuel cell electric and plug-in electric vehicles with a gasoline engine component are subject to the requirement.

Section 5. This section modifies the process by which DMV determines whether to revoke the driver's license of a person who has been adjudicated incompetent.

- It provides that if a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes recommends that any person's driving privilege be revoked, DMV shall immediately revoke it.
- If the clerk of court, in the order, recommends that the person retain their driving privilege or makes no recommendation concerning the driving privilege, DMV must determine whether the person can retain their driving privilege, based upon an inquiry of the facts.
- Any revocation would be subject to review by the DMV Medical Review Board.

This section would become effective February 1, 2018, and apply to adjudications on or after that date.

Section 6. This section redesignates DMV License and Theft "inspectors" as "agents".

Section 7. This section restricts issuance of 10-day temporary license plates to no more than two per year per person.

This section would become effective January 1, 2018.

Section 8. In 2016, in House Bill 959, enacted as S.L. 2016-90, the General Assembly repealed the requirement for an owner to sign a motor vehicle registration card. This section makes a technical correction to the prior change, to repeal the requirement of "space for the owner's signature" on the registration card.

Section 9. This section authorizes remote renewal and conversion of a full provisional license to a regular Class C license, provides that a full provisional license expires on the 60th day after the holder's 21st birthday; and authorizes persons remotely renewing a license to update their address.

This section would become effective March 1, 2018.

Section 10. This section requires a motor vehicle dealer who issues a temporary registration plate to a purchaser to deliver the sales documents and fees to DMV within 20 days (10 working days under current law). G.S. 20-58.2 provides that a security interest is perfected as of the date of the execution of the agreement if the application for notation of a security interest is delivered to DMV within 20 days after the date of the security agreement. This section conforms the deadline dates for dealers with the date in G.S. 20-58.2.

This section would become effective when it becomes law.

Section 11. This section modifies the law governing special identification cards issued by DMV, to:

- Provide that special ID cards issued to persons under age 18 expire after five years; to persons over age 18 after 8 years; and to non-citizens who are legally present under authority issued by the United States government at the expiration of their authorized legal presence.
- Clarify that the fee ($13) for a special identification card also applies to the renewal, unless the special ID card applicant is eligible for a fee exception.
- Authorize an application for a free special ID card by a person with a developmental disability to be made on a form approved by DMV.

- Authorize remote renewal of special ID cards, in specified circumstances.
- Provide for central issuance and mailing of special ID cards.

This section becomes effective December 1, 2017.

Section 12. This section amends the law enforcement authority of officers and inspectors (renamed agents by Section 6) of DMV, to authorize them to enforce criminal laws "when they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

Section 13. This section repeals the Driver's License Technology Fund, which was established in 2001 to fund a driver license information verification system for ABC permittees. DMV reports the fund has a zero balance and is no longer in use.

Section 14. This section makes a technical correction to the definition of "motor vehicle" in the NC Motor Vehicle Reinsurance Facility statutes, to correct an error from the 2016 session in House Bill 959, S.L. 2016-90, in which the statute was inconsistently amended by two different sections of that bill.

Section 14.1. This section modifies the method used to determine the fair market value of vehicles seized for impaired driving or speeding to elude arrest, that are also wrecked vehicles, that are being sold to cover towing and storage costs. This section requires DMV to adopt a schedule of values based on a nationally recognized insurance adjuster formula for calculating the salvage value of a wrecked vehicles.

Section 14.2. This section modifies the procedure for sale to cover towing and storage charges of vehicles seized for impaired driving or speeding to elude arrest, to authorize sale of the motor vehicle after expiration of 90 days from the date of seizure.

PART III. Effective Date

Section 15. Except as otherwise provided, this act becomes effective July 1, 2017.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL 3
Corrected Copy 1/30/17

Short Title:	DOT/DMV Changes.	(Public)
Sponsors:	Senators Rabon, Harrington (Primary Sponsors); Cook, Daniel, Dunn, Ford, and Hise.	
Referred to:	Rules and Operations of the Senate	

January 26, 2017

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION CHANGES

DOT RESIDUE PROPERTY DISPOSAL

SECTION 1.(a) G.S. 136-19 is amended by adding a new subsection to read:

"(j) Remainder properties acquired in connection with acquisition of right-of-way shall be disposed of as follows:

(1) The sale of all residues will be by public sale except as hereinafter specified.

(2) Residue properties sold by public sale may be sold by sealed bid, or by auction at the election of the Right of Way Branch. The sale of such properties must be advertised by at least one of the following methods:

a. Publication in a newspaper having general circulation in the county in which the property is situated.

b. On a Department of Transportation Web site.

c. By placement of a "For Sale" sign on the residue.

(3) After opening bids or closing of auction, upset bids may be considered. The high bid shall be presented to the Board of Transportation at its next regular meeting after the date of the sale for rejection or acceptance. The Department of Transportation may reject all bids if the Department does not consider the bids to be in accord with the appraised or fair market value as determined by the Department.

(4) Residue properties sold by public sale may also be sold by real estate brokers licensed in North Carolina at the election of the Chief Engineer. The highest offer to purchase shall be presented to the Board of Transportation at its next regular meeting after the acceptance of the offer to purchase. The Department of Transportation may reject all offers to purchase if the Department does not consider them to be in accord with the appraised or fair market value as determined by the Department.

(5) Those residue properties located adjacent to controlled access projects that are landlocked may be sold to the adjoining property owner by negotiation rather than public sale for a consideration that is approved by the Division Right of Way Agent and the Right of Way Unit Manager.

(6) Residue properties may be sold to State agencies and institutions and other governmental units by negotiation rather than public sale and may be donated provided their future use is for public purposes.

(7) Residue acquired in connection with highway purposes may be used for the purpose of exchange with a public utility company in part or in full consideration for property to be acquired for highway purposes from the public utility company. Such exchanges shall be based on the appraised values of the surplus property and the property to be acquired for highway purposes. Residue property acquired in connection with right-of-way for a project may be used for the purpose of exchange in part or full consideration for right-of-way being acquired from another property owner on the project. Such exchanges shall be based on the appraised values of the residue property and the right-of-way to be acquired.

(8) Residues which have an area of one acre or less and a value of twenty-five thousand dollars ($25,000) or less and the highest and best use is for assemblage with adjacent property may be sold without advertising by negotiations rather than public sale to an adjoining owner. The Division Right of Way Agent together with an Area Appraiser will determine the value of the residue. Factors such as the after value as indicated in the original appraisal, sales of similar properties, and sales of other residues, if any, in the area may be considered in determining the value. After a value has been established, the Division Right of Way Agent or their designee may negotiate with the adjoining owners concerning the disposal of each residue. The decision of the Division Right of Way Agent to accept and complete a sale is final.

(9) The Manager of Right of Way shall dispose of residues with values of less than five thousand dollars ($5,000), as determined in accordance with subdivision (8) of this subsection, by executing and delivering on behalf of the Department of Transportation a quit claim deed to the buyers of such residues after the transactions are first approved by the Board of Transportation. Conveyances of residues with values of less than five thousand dollars ($5,000) shall not require the approval of the Governor and Council of State.

(10) Residue properties or portions of residue properties acquired in connection with right-of-way for a project and located outside the right-of-way for that project may be sold by negotiation rather than by public sale to property owners and tenants who are displaced by the project for relocation of the displacee. Such sales shall be based upon the appraised value of the residue properties.

(11) Except as noted in this subsection, all sales of surplus lands, including, but not limited to, surplus rights-of-way, residues, and uneconomic remnants, require the approval of the Board of Transportation."

SECTION 1.(b) The Department of Transportation may adopt, amend, or repeal rules to implement G.S. 136-19(j), as enacted by this section.

SECTION 2. Reserved

EXTEND SUNSET FOR DOT MINORITY-OWNED/WOMEN-OWNED BUSINESSES PROGRAM

SECTION 3. G.S. 136-28.4(e) reads as rewritten:

"(e) This section expires August 31, ~~2017.~~2019."

ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY STATE EMPLOYEES

SECTION 4. Subsections (d) and (e) of G.S. 143-215.107C are repealed.

PART II. DIVISION OF MOTOR VEHICLES CHANGES

CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE SUBJECT TO EMISSIONS INSPECTIONS

SECTION 5. 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:

...

(12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that <u>does not have the ability to be propelled by a gasoline engine and that</u> meets each of the following requirements:

a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.

b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.

c. Uses hydrogen and a fuel cell to produce electricity on board to power an electric motor to propel the vehicle.

d. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.

e. Has a maximum speed capability of at least 65 miles per hour.

...

(28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that <u>does not have the ability to be propelled by a gasoline engine and that</u> meets each of the following requirements:

a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.

b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.

c. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.

d. Has a maximum speed capability of at least 65 miles per hour.

e. Draws electricity from a battery that has all of the following characteristics:

1. A capacity of not less than four kilowatt hours.

2. Capable of being recharged from an external source of electricity.

...."

MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED INCOMPETENT

SECTION 6.(a) G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~alcoholism or drug addiction,~~ <u>an alcohol abuse or substance abuse disorder,</u> shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor

vehicle. ~~If a person has been adjudicated incompetent under Chapter 35A of the General Statutes, in making an inquiry into the facts, the Commissioner shall consider the clerk of court's recommendation regarding whether the incompetent person should be allowed to retain his or her driving privilege.~~ If a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes, recommends that any person's driving privilege be revoked, the Division shall immediately revoke such person's driving privilege. If the clerk of court, in any such order, recommends that the person retain their driving privilege, or makes no recommendation concerning their driving privilege, the Division shall determine whether the person shall retain their driving privilege, based upon an inquiry of the facts. Unless the Commissioner is satisfied that such person is competent to operate a motor vehicle with safety to persons and property, ~~he~~ the Commissioner shall revoke such person's driving privilege. ~~Provided that if such person requests, in writing, a hearing, he shall retain his license until after the hearing, and if the revocation is sustained after such hearing, the person whose driving privilege has been revoked under the provisions of this section,~~ Any person whose driving privilege is revoked pursuant to this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4) upon written request filed with the Division."

SECTION 6.(b) This section becomes effective February 1, 2018, and applies to adjudications on or after that date.

REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS

SECTION 7.(a) G.S. 20-16.5(e) reads as rewritten:

"(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly executed revocation report concerning a person is filed with a judicial official when the person is present before that official, the judicial official shall, after completing any other proceedings involving the person, determine whether there is probable cause to believe that each of the conditions of subsection (b) has been met. If he determines that there is such probable cause, he shall enter an order revoking the person's driver's license for the period required in this subsection. The judicial official shall order the person to surrender his license and if necessary may order a law-enforcement officer to seize the license. The judicial official shall give the person a copy of the revocation order. In addition to setting it out in the order the judicial official shall personally inform the person of his right to a hearing as specified in subsection (g), and that his license remains revoked pending the hearing. The revocation under this subsection begins at the time the revocation order is issued and continues until the person's license has been surrendered for the period specified in this subsection, and the person has paid the applicable costs. The period of revocation is 30 days, if there are no pending offenses for which the person's license had been or is revoked under this section. If at the time of the current offense, the person has one or more pending offenses for which his license had been or is revoked under this section, the revocation shall remain in effect until a final judgment, including all appeals, has been entered for the current offense and for all pending offenses. In no event, may the period of revocation under this subsection be less than 30 days. If within five working days of the effective date of the order, the person does not surrender his license or demonstrate that he is not currently licensed, the clerk shall immediately issue a pick-up order. The pick-up order shall be issued to a member of a local law-enforcement agency if the law enforcement officer was employed by the agency at the time of the charge and the person resides in or is present in the agency's territorial jurisdiction. In all other cases, the pick-up order shall be issued to an officer or ~~inspector~~ agent of the Division. A pick-up order issued pursuant to this section is to be served in accordance with G.S. 20-29 as if the order had been issued by the Division."

SECTION 7.(b) G.S. 20-49 reads as rewritten:

"§ 20-49. Police authority of Division.

The Commissioner and such officers and ~~inspectors~~ agents of the Division as ~~he~~ the Commissioner shall designate and all members of the Highway Patrol and law enforcement officers of the Department of Public Safety shall have the power:

...."

SECTION 7.(c) G.S. 20-49.1 reads as rewritten:

"**§ 20-49.1. Supplemental police authority of Division ~~officers.~~officers and agents.**

(a) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and ~~inspectors~~ agents of the Division whom the Commissioner designates have the authority to enforce criminal laws under any of the following circumstances:

(1) When they have probable cause to believe that a person has committed a criminal act in their presence and at the time of the violation they are engaged in the enforcement of laws otherwise within their jurisdiction.

(2) When they are asked to provide temporary assistance by the head of a State or local law enforcement agency or his designee and the request is within the scope of the agency's subject matter jurisdiction.

While acting pursuant to this subsection, the Division officers and agents shall have the same powers vested in law enforcement officers by statute or common law. When acting pursuant to subdivision (2) of this subsection, the Division officers and agents shall not be considered an officer, employee, or agent of the State or local law enforcement agency or designee asking for temporary assistance. Nothing in this section shall be construed to expand the Division officers' or agents' authority to initiate or conduct an independent investigation into violations of criminal laws outside the scope of their subject matter or territorial jurisdiction.

(b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and ~~inspectors~~ agents of the Division whom the Commissioner designates have the authority to investigate drivers license fraud and identity thefts related to drivers license fraud and to make arrests for these offenses."

SECTION 7.(d) 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 year 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 1980 model 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 1980 model year or older unless the ~~inspector~~ agent 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~~ agent 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 7.(e) G.S. 20-108 reads as rewritten:

"**§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.**

...

(b) The Commissioner and such officers and ~~inspectors~~ agents of the Division of Motor Vehicles as he has designated may take and possess any motor vehicle or component part if its engine number, vehicle identification number, or manufacturer's serial number has been altered, changed, or obliterated or if such officer or agent has probable cause to believe that the driver or person in charge of the motor vehicle or component part has violated subsection (a) above. Any officer or agent who so takes possession of a motor vehicle or component part shall immediately notify the Division of Motor Vehicles and the rightful owner, if known. The notification shall contain a description of the motor vehicle or component part and any other facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting any person for a violation of the provisions of this Article.

(c) Within 15 days after seizure of a motor vehicle or component part pursuant to this section, the Division shall send notice by certified mail to the person from whom the property was seized and to all claimants to the property whose interest or title is in the registration records in the Division of Motor Vehicles that the Division has taken custody of the motor vehicle or component part. The notice shall also contain the following information:

(1) The name and address of the person or persons from whom the motor vehicle or component part was seized;

(2) A statement that the motor vehicle or component part has been seized for investigation as provided in this section and that the motor vehicle or component part will be released to the rightful owner:

a. Upon a determination that the identification number has not been altered, changed, or obliterated; or

b. Upon presentation of satisfactory evidence of the ownership of the motor vehicle or component part if no other person claims an interest in it within 30 days of the date the notice is mailed. Otherwise, a hearing regarding the disposition of the motor vehicle or component part may take place in a court having jurisdiction.

(3) The name and address of the officer or agent to whom evidence of ownership of the motor vehicle or component part may be presented; and

(4) A copy statement of the text contained in this section.

(d) Whenever a motor vehicle or component part comes into the custody of an ~~officer,~~ officer or agent, the Division of Motor Vehicles may commence a civil action in the District Court in the county in which the motor vehicle or component part was seized to determine whether the motor vehicle or component part should be destroyed, sold, converted to the use of the Division or otherwise disposed of by an order of the court. The Division shall give notice of the commencement of such an action to the person from whom the motor vehicle or component part was seized and all claimants to the property whose interest or title is in the registration records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days after the filing of the action. In addition, any possessor of a motor vehicle or component part described in this section may commence a civil action under the provisions of this section, to which the Division of Motor Vehicles may be made a party, to provide for the proper disposition of the motor vehicle or component part.

...

(j) An officer or agent taking into custody a motor vehicle or component part under the provisions of this section is authorized to obtain necessary removal and storage services, but shall incur no personal liability for such services. The person or company so employed shall be entitled to reasonable compensation as a claimant under (e), and shall not be deemed an unlawful possessor under (a)."

LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS

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

"(b) The Division may issue a temporary license plate for a vehicle. A temporary license plate is valid for the period set by the Division. The period may not be less than 10 days nor more than 60 days. Except for a vehicle that is model year 1980 or older and is being transported directly to or from a vehicle show or exhibition, the Division shall not issue more than two 10-day temporary license plates to a person for a particular vehicle during an annual registration period.

A person may obtain a temporary license plate for a vehicle by filing an application with the Division and paying the required fee. An application must be filed on a form provided by the Division.

The fee for a temporary license plate that is valid for 10 days is ten dollars ($10.00). The fee for a temporary license plate that is valid for more than 10 days is the amount that would be required with an application for a license plate for the vehicle. If a person obtains for a vehicle a temporary license plate that is valid for more than 10 days and files an application for a license plate for that vehicle before the temporary license plate expires, the person is not required to pay the fee that would otherwise be required for the license plate.

A temporary license plate is subject to the following limitations and conditions:

(1) It may be issued only upon proper proof that the applicant has met the applicable financial responsibility requirements.
(2) It expires on midnight of the day set for expiration.
(3) It may be used only on the vehicle for which issued and may not be transferred, loaned, or assigned to another.
(4) If it is lost or stolen, the person who applied for it must notify the Division.
(5) It may not be issued by a dealer.
(6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license plates apply to temporary license plates insofar as possible."

SECTION 8.(b) This section becomes effective January 1, 2018, and applies to applications received on or after that date.

REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD

SECTION 9. G.S. 20-57(b) reads as rewritten:

"(b) The registration card shall be delivered to the owner and shall contain upon the face thereof the name and address of the owner, ~~space for the owner's signature,~~ the registration number assigned to the vehicle, and a description of the vehicle as determined by the Commissioner, provided that if there are more than two owners the Division may show only two owners on the registration card and indicate that additional owners exist by placing after the names listed "et al." An owner may obtain a copy of a registration card issued in the owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

MODIFY CONTINUING EDUCATION REQUIREMENT FOR INDEPENDENT MOTOR VEHICLE DEALERS

SECTION 10.(a) G.S. 20-288(a1) reads as rewritten:

"(a1) A used motor vehicle dealer may obtain a license by filing an application, as prescribed in subsection (a) of this section, and providing the following:

...

(2) Proof that the applicant, within the last 12 months, has completed a 12-hour licensing course approved by the Division if the applicant is seeking an initial license and a six-hour course approved by the Division if the applicant is seeking a renewal license. The requirements of this subdivision do not apply to a used motor vehicle dealer the primary business of which is the sale of salvage vehicles on behalf of insurers or to a manufactured home dealer licensed under G.S. 143-143.11 who complies with the continuing education requirements of G.S. 143-143.11B. The requirement of this subdivision does not apply to

~~persons age 62 or older as of July 1, 2002, who are seeking a renewal license.~~ any person who is seeking a renewal license, who is age 60 or older, and who has been licensed for at least 10 consecutive years beginning on or after the person's fiftieth birthday. This subdivision also does not apply to an applicant who holds a license as a new motor vehicle dealer as defined in G.S. 20-286(13) and operates from an established showroom 20 miles or less from the established showroom for which the applicant seeks a used motor vehicle dealer license. An applicant who also holds a license as a new motor vehicle dealer may designate a representative to complete the licensing course required by this subdivision.

...."

SECTION 10.(b) This section becomes effective January 1, 2018, and applies to renewals on or after that date.

ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES TO CLASS C LICENSES

SECTION 11.(a) G.S. 20-7(f)(1) reads as rewritten:

"(1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 expires on the sixtieth day following the person's twenty-first birthday."

SECTION 11.(b) G.S. 20-7(f)(6) reads as rewritten:

"(6) Remote ~~renewal.~~renewal or conversion. – Subject to the following requirements and limitations, the Division may offer remote renewal of a drivers ~~license~~ license, or remote conversion of a full provisional license, issued by the Division:

a. Requirements. – To be eligible for remote renewal or conversion under this subdivision, a person must meet all of the following requirements:

1. The license holder (i) possesses a ~~valid, unexpired~~ valid Class C drivers license ~~that was issued when the person was at least 18 years old.~~or (ii) possesses a valid full provisional license and is at least 18 years old at the time of the remote conversion request.
2. The license holder's current license includes no restrictions other than a restriction for corrective lenses.
3. The license holder attests, in a manner designated by the Division, that (i) the license holder is a resident of the State and currently resides at the address on the license to be ~~renewed,~~ renewed or converted, (ii) the license holder's name as it appears on the license to be renewed or converted has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the license holder does not currently reside at the address on the license to be renewed or converted, the license holder may comply with the address requirement of this sub-sub-subdivision by providing the address at which the license holder resides at the time of the remote renewal or conversion request.
4. ~~The~~ For a remote renewal, the most recent renewal was an in-person renewal and not a remote renewal under this subdivision.
5. The license holder is otherwise eligible for renewal or conversion under this subsection.

b. Waiver of requirements. – When renewing or converting a drivers license pursuant to this subdivision, the Division may waive the examination and photograph that would otherwise be required for the ~~renewal.~~renewal or conversion.

c. Duration of remote ~~renewal.~~renewal or conversion. – A ~~renewed~~ drivers license issued to a person by remote renewal or conversion under this subdivision expires according to the following schedule:

1. For a person at least 18 years old but less than 66 years old, on the birthday of the licensee in the eighth year after issuance.
2. For a person at least 66 years old, on the birthday of the licensee in the fifth year after issuance.

d. Rules. – The Division shall adopt rules to implement this subdivision.

e. Federal law. – Nothing in this subdivision shall be construed to supersede any more restrictive provisions for renewal or conversion of drivers licenses prescribed by federal law or regulation.

f. Definition. – For purposes of this subdivision, "remote ~~renewal"~~ renewal or conversion" means renewal or conversion of a drivers license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

SECTION 11.(c) Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS

SECTION 12.(a) G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

(3) Within ~~10~~ 20 working days, mail or deliver the application and fees to the Division or deliver the application and fees to a local license agency for processing. Delivery need not be made if the contract for sale has been rescinded in writing by all parties to the contract."

SECTION 12.(b) This section is effective when it becomes law and applies to sales made on or after that date.

SECTION 13. Reserved.

SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL

SECTION 14.(a) G.S. 20-37.7 reads as rewritten:

"**§ 20-37.7. Special identification card.**

...

(d) ~~Expiration and Fee.~~Duration. – ~~A special~~ Special identification ~~card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire.~~cards shall be issued and renewed pursuant to the provisions of this subsection:

(1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.

(2) Duration for persons age 18 and older. – A special identification card issued to or renewed by a person at least 18 years old expires on the birthday of the holder in the eighth year after issuance.

(3) Duration for certain other drivers. – The durations listed in subdivisions (1) and (2) of this subsection are valid unless the Division determines that a special identification card of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a special identification card of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.

(4) When to renew. – A person may apply to the Division to renew a special identification card during the 180-day period before the special identification card expires. The Division may not accept an application for renewal made before the 180-day period begins.

(d1) Fee. – The fee for a new or renewed special identification card is the same as the fee set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card issued to a resident of this State as follows:

...

(7) The applicant has a developmental disability. To obtain a special identification card without paying a fee pursuant to this subdivision, an applicant must present a ~~letter from~~ letter, or a form approved by the Division, signed by his or her primary care provider certifying that the applicant has a developmental disability. For purposes of this subdivision, the term "developmental disability" has the same meaning as in G.S. 122C-3.

(d2) Remote Renewal. – Subject to the following limitations and requirements, the Division may offer remote renewal of a special identification card issued by the Division:

(1) Requirements. – To be eligible for remote renewal under this subsection, a person must meet all of the following requirements:

a. The special identification card holder possesses a valid special identification card that was issued when the person was at least 18 years old.

b. The special identification card holder attests, in a manner designated by the Division, that (i) the special identification card holder is a resident of the State and currently resides at the address on the special identification card to be renewed, (ii) the special identification card holder's name as it appears on the special identification card to be renewed has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the special identification card holder does not currently reside at the address on the special identification card to be renewed, the special identification card holder may comply with the address requirement of this sub-subdivision by providing the address at which the special identification card holder resides at the time of the remote renewal request.

c. The most recent renewal was an in-person renewal and not a remote renewal under this subsection.

d. The special identification card holder is otherwise eligible for renewal under this subsection.

(2) Definition. – For purposes of this subsection, "remote renewal" means renewal of a special identification card by mail, telephone, electronic device, or other secure means approved by the Commissioner.

~~(d1)~~(d3) Severe Disability. – For a person who has a physician's letter certifying that a severe disability causes the person to be homebound, the Division shall adopt rules allowing for application for or renewal of a special photo identification card under this section by means other than a personal appearance.

(d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the applicant a temporary identification certificate valid for 60 days. The temporary identification certificate shall not be valid for identification purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's special identification card 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 special identification card 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 14.(b) G.S. 20-9.2(c) reads as rewritten:

"(c) This section does not apply to special identification cards issued pursuant to ~~G.S. 20-37.7(d)(5) or (6).~~subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."

SECTION 14.(c) G.S. 163-275(13) reads as rewritten:

"(13) For any person falsely to make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting, including declarations made under this Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6),~~G.S. 20-37.7(d1)(5), 20-37.7(d1)(6), 130A-93.1(c), and 161-10(a)(8)."

SECTION 14.(d) Subsections (b) and (c) of this section and subsection (d2) of G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017. The remainder of this section becomes effective December 1, 2017, and applies to initial applications and renewals on or after that date.

DMV OFFICERS/EXPAND LIST OF SITUATIONS WHERE POLICE AUTHORITY MAY BE EXERCISED

SECTION 15. G.S. 20-49.1(a) is amended by adding a new subdivision to read:

"(3) When they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND

SECTION 16. G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION

SECTION 17. G.S. 58-37-1(6) reads as rewritten:

"(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., and a moped, as defined in ~~G.S. 20-4.01(27)d1., or~~ G.S. 20-4.01(27)d1. "Motor vehicle" does not mean an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."

PART III. EFFECTIVE DATE

SECTION 18. Except as otherwise provided, this act becomes effective July 1, 2017.

3/22/17

(DATE)

SENATE TRANSPORTATION

(COMMITTEE)

SENATE SERGEANT-AT-ARMS

HAL ROACH	
BECKY MYRICK	
TOM BURROUGHS	

HOUSE SERGEANT-AT-ARMS

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027LB

DATE: 3-22 **TIME:** Noon

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

Page Name	Hometown	Sponsoring Senator
1. Isaac Castellon	Raleigh	Berger
2. Bethany Forrest	Norwood	McInnis
3. April Butts	Wallace	Berger
4.		
5.		
6.		
7.		
8.		

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

VISITOR REGISTRATION SHEET

Senate Committee on Transportation
(Committee Name)

3-22-17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
Tonya Horton	TJS
[illegible]	BP
I Brook Barnhardt	SELC
Meg Nicole Ashwill	SELC
Brooks Rainey Pearson	SELC
Will Parry-Hill	NCHFA
John Brown	CIADA
Fred Bonn	Bonn. Asso,
Maggie P. Thomas	DOT IT
Donna Boone	DOT/DMV
Charlotte Boyd-Malette	DOT / DMV
Pamela Gilyard	DOT/DMV
Reggie Skinner	DOT/DMV
Warren Smith	DOT / DMV
Susan [illegible]	Duke Energy
Michelle Frazier	SML
Josh Lanier	SML

VISITOR REGISTRATION SHEET

Senate Committee on Transportation
(Committee Name)

3-22-17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY
CHUCK CHURCH	DOT/DMV
Hope Mazengo	NCDMV
ERIK BOMETTIE	NCDOT/DMV
[illegible]	[illegible]
Joe McClees	McCleesCons[illegible]
[illegible]	RWC
[illegible]	RAWC · MMA LPA
Butch Gunnells	NC Ben
Dosia Grant	[illegible]
GREG PERFETTI	NCDOT
MATTHEW NICS	NCDMV
Paul Jolly	NCDMV
[illegible]	NCHBA
LAURA PURYEAR	MINC
Isabel M. Vitter [illegible]	NC REALTORS

Committee on Transportation
March 29, 2017
12:00 p.m.
Room 1027/1128 LB
Chairs:
Senator Jim Davis Senator Tom McInnis

The Senate Committee on Transportation met March 15, 2017at 12:30 p.m. in Room 1027/1128 LB.

Senator Tom McInnis presided.

Senator McInnis called the committee to order, asked to silence phones, the Sergeant at Arms and the Pages.

Senator McInnis introduced Senate Bill 3 to the committee. Senator McInnis called for a vote. It was unfavorable, but favorable to the committee substitute.

The meeting adjourned at 12:40 p.m.

Senator Tom McInnis
Presiding

Libby Spain (Sen. Tom McInnis)
Committee Clerk

Principal Clerk _____
Reading Clerk _____

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	March 29, 2017	12:00 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
SB 3	DOT/DMV Changes.	Senator Rabon Senator Harrington

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

Senate Committee on Transportation
Wednesday, March 29, 2017, 12:30 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages
Introduction of Srg. Arms

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 3	DOT/DMV Changes.	Senator Rabon Senator Harrington

Other Business

Adjournment

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Thursday, March 30, 2017

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

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

SB **3** DOT/DMV Changes.

Draft Number:	S3-PCS15140-RW-6
Sequential Referral:	Judiciary
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Jim Davis will handle SB 3

CMR131-V-1

SENATE BILL 3: DOT/DMV Changes.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Judiciary. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	March 21, 2017
Introduced by:	Sens. Rabon, Harrington	**Prepared by:**	Giles Perry
Analysis of:	PCS to Second Edition S3-CSRW-6		Staff Attorney

OVERVIEW: Senate Bill 3 (proposed committee substitute) makes changes to State law related to DOT and DMV.

The PCS rewrites Section 1, and deletes Sections 10 and 15 of the bill as originally introduced.

[As introduced, this bill was identical to H110, as introduced by Reps. Torbett, Iler, Shepard, which is currently in House Transportation.]

CURRENT LAW and BILL ANALYSIS:

PART I. Department of Transportation Changes

Section 1. This section codifies, and makes modifications to DOT's, current residue property disposition procedures, including: clarifying definitions for residue property classification; clarifying methods for disposition by either public sale, negotiation, exchange, or donation; and adding inventory management and reporting requirements. This section also creates a Pilot Program to reduce DOT's current inventory of residue property.

Section 2. This section extends the sunset of DOT's minority-owned and women-owned business program from August 31, 2017 to August 31, 2019.

Section 3. This section repeals a requirement that the Department of Administration, Office of State Human Resources, Department of Transportation, and Department of Environmental Quality jointly develop and periodically update a plan to reduce vehicle miles traveled by State employees and private sector employees.

PART II. Division of Motor Vehicles Changes

Section 4. This section amends current law applicable to vehicle emissions inspections in certain counties by clarifying that fuel cell electric and plug-in electric vehicles with a gasoline engine component are subject to the requirement.

Section 5. This section modifies the process by which DMV determines whether to revoke the driver's license of a person who has been adjudicated incompetent.

- It provides that if a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes recommends that any person's driving privilege be revoked, DMV shall immediately revoke it.

- If the clerk of court, in the order, recommends that the person retain their driving privilege or makes no recommendation concerning the driving privilege, DMV must determine whether the person can retain their driving privilege, based upon an inquiry of the facts.
- Any revocation would be subject to review by the DMV Medical Review Board.

This section would become effective February 1, 2018.

Section 6. This section redesignates DMV License and Theft "inspectors" as "agents".

Section 7. This section restricts issuance of 10-day temporary license plates to no more than two per year per person.

This section would become effective January 1, 2018.

Section 8. In 2016, in House Bill 959, enacted as S.L. 2016-90, the General Assembly repealed the requirement for an owner to sign a motor vehicle registration card. This section makes a technical correction to the prior change, to repeal the requirement of "space for the owner's signature" on the registration card.

Section 9. This section authorizes remote renewal and conversion of a full provisional license to a regular Class C license, provides that a full provisional license expire on the 60th day after the holder's 21st birthday; and authorizes persons remotely renewing a license to update their address.

This section would become effective March 1, 2018.

Section 10. This section requires a motor vehicle dealer who issues a temporary registration plate to a purchaser to deliver the sales documents and fees to DMV within 20 days (10 days under current law).

This section would become effective when it becomes law.

Section 11. This section modifies the law governing special identification cards issued by DMV, to:

- provide that special ID cards issued to persons under age 18 expire after five years; to persons over age 18 after 8 years; and to non-citizens who are legally present under authority issued by the United States government at the expiration of their authorized legal presence.
- Clarify that the fee ($13) for a special identification card also applies to the renewal, unless the special ID card applicant is eligible for a fee exception.
- Authorize an application for a free special ID card by a person with a developmental disability to be made on a form approved by DMV.
- Authorize remote renewal of special ID cards, in specified circumstances.
- Provide for central issuance and mailing of special ID cards.

This section becomes effective December 1, 2017.

Section 12. This section repeals the Driver's License Technology Fund, which was established in 2001 to fund a driver license information verification system for ABC permittees. DMV reports the fund has a zero balance and is no longer in use.

Section 13. This section makes a technical correction to the definition of "motor vehicle" in the NC Motor Vehicle Reinsurance Facility statutes, to correct an error from the 2016 session in House Bill 959, S.L. 2016-90, in which the statute was inconsistently amended by two different sections of that bill.

EFFECTIVE DATE: Except as otherwise provided, this act is effective when it becomes law.

BACKGROUND: Senate Bill 3, as originally introduced, was a recommendation of the Joint Legislative Transportation Oversight Committee.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S D

SENATE BILL 3
Corrected Copy 1/30/17
PROPOSED COMMITTEE SUBSTITUTE S3-CSRW-6 [v.3]
03/21/2017 01:37:26 PM

Short Title: DOT/DMV Changes. (Public)

Sponsors:

Referred to:

January 26, 2017

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION CHANGES

DOT RESIDUE PROPERTY DISPOSAL

SECTION 1.(a) Article 2 of Chapter 136 of the General Statutes is amended by adding a new section to read:

"**§ 136-19.6. Residue property disposal; Department authority; definitions; classification and valuation; disposition method; proceeds; approvals required.**

(a) State Policy. – It is the policy of the State that the Department of Transportation shall dispose of its residue real property as expeditiously as possible, for the benefit of the citizens and taxpayers of the State.

(b) Department Authority to Dispose of Residue Property. – The Department, in accordance with this section, is vested with the power to manage, control, and dispose of real property acquired in fee simple and that the Department determines to be residue property.

(c) Definitions. – When used in this section, the following definitions apply:

(1) Appraiser. – An appraiser licensed or certified by the North Carolina Appraisal Board and approved by the Department to accomplish Department appraisals.

(2) Appraised Value. – The value of residue property determined by an appropriate Area Appraiser or Appraiser using Department appraisal methodology.

(3) Area Appraiser. – A Department supervising staff appraiser currently associated with a Department area appraisal office.

(4) Current Market Value. – The value of property determined by the Department, in the absence of an appraised value, when obtaining an appraisal is not feasible as determined by the Department. This value shall be determined by the appropriate Division Right-of-Way Agent and Right-of-Way Unit Manager. The Department shall document a

determination of current market value by means other than determining an appraised value.

(5) Public Sale. – Method of disposing of residue property utilizing advertising and solicitation of competitive bids. This method may be undertaken by the Department, or the Department may delegate a public sale to a real estate broker, auctioneer, or auction firm licensed in this State, at the election of the Chief Engineer.

(6) Negotiated Sale. – Method of sale involving discussion and agreement of sale terms with a single or limited group of purchasers. This method may be undertaken by the Department, or the Department may delegate a negotiated sale of residue property to real estate brokers licensed in this State, at the election of the Chief Engineer.

(7) Residue Property. – Real property that is owned in fee simple by the Department, that was acquired by the Department in addition to the property necessary for a transportation project because it would have been an uneconomic remnant to the prior owner following completion of that transportation project.

(8) Residue Property Value. – The Department approved value of the residue property, established by either the current market value or appraised value method.

(9) Uneconomic Remnant. – Real property, that was located outside of a proposed right-of-way prior to acquisition, determined to have nominal or no value to the owner after a Department acquisition pursuant to G.S. 136-19.

(10) Upset Bid. – At a public sale, an increased bid by a person that exceeds the highest bid received in response to the notice of public sale, or the last upset bid, as applicable, by a minimum of five percent (5%).

(d) Classification of Residue Property. – The Department shall adopt criteria to guide the Department in classifying residue property, in its opinion, according to its highest potential benefit to the Department or potential purchasers. Once classified, residue property that has not been disposed of within five years shall be reviewed, and reclassified if appropriate.

(1) Residue property of sufficient size and access to allow commercial or residential development shall be designated "Class A".

(2) Residue property that enhances the value of adjacent property by allowing more extensive use when joined with adjacent property shall be designated "Class B".

(3) Residue property that, due to size or access, is only of value to adjacent property owners, or that is of minimal or no value, shall be designated "Class C".

(4) Residue property that has not yet been classified, or may be needed by the Department for future use shall be designated "Class D".

(e) Residue Property Inventory. – The Department shall create and maintain a single comprehensive and up-to-date inventory of residue property owned in fee simple by the Department.

(f) Methods of Disposition Based on Class of Residue Property. – The Department shall utilize its best efforts to dispose of Class A, Class B, and Class C residue property within four years of its classification, and in accordance with the following methods:

(1) Public Sale. – The sale of Class A residue property shall be disposed of by public sale and may be sold by either sealed bid or by auction, at the election of the Right-of-Way Branch of the Department. The sale of the property must be advertised by at least two of the following methods:

a. Publication once a week for at least two successive weeks, in a newspaper qualified for legal advertising published in the area in which the residue property is located, or if no newspaper qualified for legal advertising is published in the area, in a newspaper having general circulation in the area in which the residue property is located.

b. Placement on the Department Web site.

c. Placement of a "For Sale" sign on the residue property.

Upset bids must be received within 10 business days following the deadline for receipt of sealed bids or closing of an auction. The highest bid shall be presented to the Board of Transportation at its next regular meeting after the deadline for receipt of bids for rejection or acceptance. The Department may reject all bids if the Department does not consider the bids to be in accord with the appraised value as approved by the Department. The Department shall approve an appraised value for Class A residue property prior to disposition pursuant to this subdivision.

(2) Other Methods of Disposition for Residue Property.

a. Class A, Class B, or Class C residue property may be conveyed to a State agency, public institution, and other local governmental units by negotiated sale or exchange, or may be donated provided its future use is for public purposes.

b. Class B residue property may be sold, in whole or in part where feasible, by either negotiated sale or exchange for a residue property value that is approved by the Division Right-of-Way Agent and the Right-of-Way Unit Manager.

c. Class C residue property may be sold to an adjacent property owner, in whole or in part where feasible, by either negotiated sale or exchange for the residue property value that is approved by the Division Right-of-Way Agent and the Right-of-Way Unit Manager.

d. Class B and Class C residue property with an area of one acre or less and a residue property value of twenty-five thousand dollars ($25,000) or less may be sold by negotiated sale or exchange with an adjoining owner. The Division Right-of-Way Agent or their designee may negotiate with the adjoining owners concerning the disposal of each residue for a consideration that is approved by the Division Right-of-Way Agent and the Right-of-Way Unit Manager.

(3) Exchange with a Public Utility Company. – Class B and Class C residue property may be used for the purpose of exchange with a public utility company in part or in full consideration for acquiring rights-of-way. The exchange shall be based on the residue property value and the fair market value of rights-of-way to be acquired.

(4) Exchange with a Property Owner. – Class B and Class C residue property may be used for the purpose of exchange with another property owner in part or full consideration for acquiring rights-of-way. The exchange shall be based on the residue property value and the fair market value of rights-of-way to be acquired.

(5) Sale to Persons Displaced by a Transportation Project. — Residue property may be sold by negotiated sale to a property owner displaced by a transportation project, and shall be based upon the residue property value. Residue property sold pursuant to this subdivision shall not include any real property previously owned by a displaced property owner.

(g) Proceeds to State Highway Fund. – Notwithstanding G.S. 146-15 and G.S. 146-30, no service charge into the State Land Fund shall be deducted from or levied against the proceeds of any disposition of residue property pursuant to this section. Net proceeds received pursuant to disposition of residue property in accordance with this section, less any apportionment required by federal law or regulation regulating its use, shall be deposited in the State Highway Fund.

(h) Approvals Required. – All conveyances of residue property require Department and Board of Transportation approval. Conveyance of residue property with a residue property value of less than ten thousand dollars ($10,000) shall not require the approval of the Governor and Council of State, otherwise Governor and Council of State approval is also required.

(i) Recordation of Conveyance. – The Department shall record all conveyances of residue property pursuant to this section in accordance with G.S. 47-27 and other applicable State law.

(j) Rulemaking Authority. – The Department shall also have the authority to adopt, amend, or repeal rules as it may deem necessary to carry out its duties under the provisions of this section.

(k) Reconveyance to Former Owner. – Nothing in this section shall preclude the reconveyance of condemned property to its former owner pursuant to G.S. 136-19.

(*l*) Report to Joint Legislative Transportation Oversight Committee. – No later than March 1, 2019, and by March 1 each year thereafter, the Department shall report to the Joint Legislative Transportation Oversight Committee on the classification and sale of residue properties pursuant to this section. At a minimum, this report shall include information on the following:

(1) The number and type of properties classified.

(2) The number and type of properties sold, including information about the manner of sale, the identity of the purchaser, and the average ratio of sale price to residue property value of the properties sold."

SECTION 1.(b) Pilot Program to Reduce Inventory of DOT Residue Property. – No later than January 1, 2018, the Department shall establish a pilot program for disposing of residue property in accordance with Section 1.(a). of this act. In implementing this pilot program, the Department shall prepare a Request for Proposals to select three real estate brokers and three real estate auctioneers or real estate auction firms to dispose of a representative sample of residue properties, selected by the Department, consisting of at least 15 Class A properties, 30 Class B properties, and 45 Class C properties distributed throughout the State. If the quantity of residue property in each class is insufficient to satisfy this minimum, the Department may set a minimum based on the quantity of residue properties available. The term for the initial contracts awarded shall be 180 days. The Department shall repeat the Request for Proposals process to award contracts for a subsequent 180 day term. The Department shall review the progress of residue property disposition pursuant to each contract awarded through the pilot program. The pilot program shall terminate on January 1, 2019.

SECTION 1.(c) No later than March 1, 2018, and by March 1 2019, the Department shall report to the Joint Legislative Transportation Oversight Committee on the classification and sale of residue properties pursuant to the pilot program established pursuant to Section 1.(b). of this act. At a minimum, this report shall include information on the following:

(1) The number and type of properties classified and offered as part of each Request for Proposal.

(2) The details of each Request for Proposal and award of contract pursuant to each RFP.

(3) The number and type of properties sold, including information about the manner of sale, the identity of the purchaser, and the average ratio of sale price to residue property value of the properties sold.".

EXTEND SUNSET FOR DOT MINORITY-OWNED/WOMEN-OWNED BUSINESSES PROGRAM

SECTION 2. G.S. 136-28.4(e) reads as rewritten:

"(e) This section expires August 31, ~~2017.~~2019."

ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY STATE EMPLOYEES

SECTION 3. Subsections (d) and (e) of G.S. 143-215.107C are repealed.

PART II. DIVISION OF MOTOR VEHICLES CHANGES

CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE SUBJECT TO EMISSIONS INSPECTIONS

SECTION 4. 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:

...

(12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that <u>does not have the ability to be propelled by a gasoline engine and that</u> meets each of the following requirements:

a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.

b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.

c. Uses hydrogen and a fuel cell to produce electricity on board to power an electric motor to propel the vehicle.

d. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.

e. Has a maximum speed capability of at least 65 miles per hour.

...

(28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that <u>does not have the ability to be propelled by a gasoline engine and that</u> meets each of the following requirements:

a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.

b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.

c. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.

d. Has a maximum speed capability of at least 65 miles per hour.

e. Draws electricity from a battery that has all of the following characteristics:

1. A capacity of not less than four kilowatt hours.

2. Capable of being recharged from an external source of electricity.

…."

MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED INCOMPETENT

SECTION 5.(a) G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~alcoholism or drug addiction,~~ an alcohol abuse or substance abuse disorder, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor vehicle. ~~If a person has been adjudicated incompetent under Chapter 35A of the General Statutes, in making an inquiry into the facts, the Commissioner shall consider the clerk of court's recommendation regarding whether the incompetent person should be allowed to retain his or her driving privilege.~~ If a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes, recommends that any person's driving privilege be revoked, the Division shall immediately revoke such person's driving privilege. If the clerk of court, in any such order, recommends that the person retain their driving privilege, or makes no recommendation concerning their driving privilege, the Division shall determine whether the person shall retain their driving privilege, based upon an inquiry of the facts. Unless the Commissioner is satisfied that such person is competent to operate a motor vehicle with safety to persons and property, ~~he~~ the Commissioner shall revoke such person's driving privilege. ~~Provided that if such person requests, in writing, a hearing, he shall retain his license until after the hearing, and if the revocation is sustained after such hearing, the person whose driving privilege has been revoked under the provisions of this section,~~ Any person whose driving privilege is revoked pursuant to this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4) upon written request filed with the Division."

SECTION 5.(b) This section becomes effective February 1, 2018, and applies to adjudications on or after that date.

REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS

SECTION 6.(a) G.S. 20-16.5(e) reads as rewritten:

"(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly executed revocation report concerning a person is filed with a judicial official when the person is present before that official, the judicial official shall, after completing any other proceedings involving the person, determine whether there is probable cause to believe that each of the conditions of subsection (b) has been met. If he determines that there is such probable cause, he shall enter an order revoking the person's driver's license for the period required in this subsection. The judicial official shall order the person to surrender his license and if necessary may order a law-enforcement officer to seize the license. The judicial official shall give the person a copy of the revocation order. In addition to setting it out in the order the judicial official shall personally inform the person of his right to a hearing as specified in subsection (g), and that his license remains revoked pending the hearing. The revocation under this subsection begins at the time the revocation order is issued and continues until the person's license has been surrendered for the period specified in this subsection, and the person has paid the applicable costs. The period of revocation is 30 days, if there are no pending offenses for which the person's license had been or is revoked under this section. If at the time of the current offense, the person has one or more pending offenses for which his license had been or is revoked under this section, the revocation shall remain in effect until a final judgment, including all appeals, has been entered for the current offense and for all pending offenses. In

no event, may the period of revocation under this subsection be less than 30 days. If within five working days of the effective date of the order, the person does not surrender his license or demonstrate that he is not currently licensed, the clerk shall immediately issue a pick-up order. The pick-up order shall be issued to a member of a local law-enforcement agency if the law enforcement officer was employed by the agency at the time of the charge and the person resides in or is present in the agency's territorial jurisdiction. In all other cases, the pick-up order shall be issued to an officer or ~~inspector~~ agent of the Division. A pick-up order issued pursuant to this section is to be served in accordance with G.S. 20-29 as if the order had been issued by the Division."

SECTION 6.(b) G.S. 20-49 reads as rewritten:

"**§ 20-49. Police authority of Division.**

The Commissioner and such officers and ~~inspectors~~ agents of the Division as ~~he~~ the Commissioner shall designate and all members of the Highway Patrol and law enforcement officers of the Department of Public Safety shall have the power:

...."

SECTION 6.(c) G.S. 20-49.1 reads as rewritten:

"**§ 20-49.1. Supplemental police authority of Division ~~officers.~~officers and agents.**

(a) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and ~~inspectors~~ agents of the Division whom the Commissioner designates have the authority to enforce criminal laws under any of the following circumstances:

(1) When they have probable cause to believe that a person has committed a criminal act in their presence and at the time of the violation they are engaged in the enforcement of laws otherwise within their jurisdiction.

(2) When they are asked to provide temporary assistance by the head of a State or local law enforcement agency or his designee and the request is within the scope of the agency's subject matter jurisdiction.

While acting pursuant to this subsection, the Division officers and agents shall have the same powers vested in law enforcement officers by statute or common law. When acting pursuant to subdivision (2) of this subsection, the Division officers and agents shall not be considered an officer, employee, or agent of the State or local law enforcement agency or designee asking for temporary assistance. Nothing in this section shall be construed to expand the Division officers' or agents' authority to initiate or conduct an independent investigation into violations of criminal laws outside the scope of their subject matter or territorial jurisdiction.

(b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and ~~inspectors~~ agents of the Division whom the Commissioner designates have the authority to investigate drivers license fraud and identity thefts related to drivers license fraud and to make arrests for these offenses."

SECTION 6.(d) 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 year 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 1980 model 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 1980 model year or older unless the ~~inspector~~ agent 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~~ agent 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 6.(e) G.S. 20-108 reads as rewritten:

"**§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.**

...

(b) The Commissioner and such officers and ~~inspectors~~ agents of the Division of Motor Vehicles as he has designated may take and possess any motor vehicle or component part if its engine number, vehicle identification number, or manufacturer's serial number has been altered, changed, or obliterated or if such officer or agent has probable cause to believe that the driver or person in charge of the motor vehicle or component part has violated subsection (a) above. Any officer or agent who so takes possession of a motor vehicle or component part shall immediately notify the Division of Motor Vehicles and the rightful owner, if known. The notification shall contain a description of the motor vehicle or component part and any other facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting any person for a violation of the provisions of this Article.

(c) Within 15 days after seizure of a motor vehicle or component part pursuant to this section, the Division shall send notice by certified mail to the person from whom the property was seized and to all claimants to the property whose interest or title is in the registration records in the Division of Motor Vehicles that the Division has taken custody of the motor vehicle or component part. The notice shall also contain the following information:

(1) The name and address of the person or persons from whom the motor vehicle or component part was seized;

(2) A statement that the motor vehicle or component part has been seized for investigation as provided in this section and that the motor vehicle or component part will be released to the rightful owner:

a. Upon a determination that the identification number has not been altered, changed, or obliterated; or

b. Upon presentation of satisfactory evidence of the ownership of the motor vehicle or component part if no other person claims an interest in it within 30 days of the date the notice is mailed. Otherwise, a hearing regarding the disposition of the motor vehicle or component part may take place in a court having jurisdiction.

(3) The name and address of the officer or agent to whom evidence of ownership of the motor vehicle or component part may be presented; and

(4) A copy statement of the text contained in this section.

(d) Whenever a motor vehicle or component part comes into the custody of an ~~officer,~~ officer or agent, the Division of Motor Vehicles may commence a civil action in the District Court in the county in which the motor vehicle or component part was seized to determine whether the motor vehicle or component part should be destroyed, sold, converted to the use of the Division or otherwise disposed of by an order of the court. The Division shall give notice of the commencement of such an action to the person from whom the motor vehicle or component part was seized and all claimants to the property whose interest or title is in the registration records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days

after the filing of the action. In addition, any possessor of a motor vehicle or component part described in this section may commence a civil action under the provisions of this section, to which the Division of Motor Vehicles may be made a party, to provide for the proper disposition of the motor vehicle or component part.

...

(j) An officer or agent taking into custody a motor vehicle or component part under the provisions of this section is authorized to obtain necessary removal and storage services, but shall incur no personal liability for such services. The person or company so employed shall be entitled to reasonable compensation as a claimant under (e), and shall not be deemed an unlawful possessor under (a)."

LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS

SECTION 7.(a) G.S. 20-50(b) reads as rewritten:

"(b) The Division may issue a temporary license plate for a vehicle. A temporary license plate is valid for the period set by the Division. The period may not be less than 10 days nor more than 60 days. Except for a vehicle that is model year 1980 or older and is being transported directly to or from a vehicle show or exhibition, the Division shall not issue more than two 10-day temporary license plates to a person for a particular vehicle during an annual registration period.

A person may obtain a temporary license plate for a vehicle by filing an application with the Division and paying the required fee. An application must be filed on a form provided by the Division.

The fee for a temporary license plate that is valid for 10 days is ten dollars ($10.00). The fee for a temporary license plate that is valid for more than 10 days is the amount that would be required with an application for a license plate for the vehicle. If a person obtains for a vehicle a temporary license plate that is valid for more than 10 days and files an application for a license plate for that vehicle before the temporary license plate expires, the person is not required to pay the fee that would otherwise be required for the license plate.

A temporary license plate is subject to the following limitations and conditions:

(1) It may be issued only upon proper proof that the applicant has met the applicable financial responsibility requirements.
(2) It expires on midnight of the day set for expiration.
(3) It may be used only on the vehicle for which issued and may not be transferred, loaned, or assigned to another.
(4) If it is lost or stolen, the person who applied for it must notify the Division.
(5) It may not be issued by a dealer.
(6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license plates apply to temporary license plates insofar as possible."

SECTION 7.(b) This section becomes effective January 1, 2018, and applies to applications received on or after that date.

REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD

SECTION 8. G.S. 20-57(b) reads as rewritten:

"(b) The registration card shall be delivered to the owner and shall contain upon the face thereof the name and address of the owner, ~~space for the owner's signature,~~ the registration number assigned to the vehicle, and a description of the vehicle as determined by the Commissioner, provided that if there are more than two owners the Division may show only two owners on the registration card and indicate that additional owners exist by placing after the names listed "et al." An owner may obtain a copy of a registration card issued in the owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES TO CLASS C LICENSES

SECTION 9.(a) G.S. 20-7(f)(1) reads as rewritten:

"(1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 expires on the sixtieth day following the person's twenty-first birthday."

SECTION 9.(b) G.S. 20-7(f)(6) reads as rewritten:

"(6) Remote ~~renewal.~~renewal or conversion. – Subject to the following requirements and limitations, the Division may offer remote renewal of a drivers ~~license~~ license, or remote conversion of a full provisional license, issued by the Division:

a. Requirements. – To be eligible for remote renewal or conversion under this subdivision, a person must meet all of the following requirements:

1. The license holder (i) possesses a ~~valid, unexpired~~ valid Class C drivers license ~~that was issued when the person was at least 18 years old.~~or (ii) possesses a valid full provisional license and is at least 18 years old at the time of the remote conversion request.

2. The license holder's current license includes no restrictions other than a restriction for corrective lenses.

3. The license holder attests, in a manner designated by the Division, that (i) the license holder is a resident of the State and currently resides at the address on the license to be ~~renewed,~~ renewed or converted, (ii) the license holder's name as it appears on the license to be renewed or converted has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the license holder does not currently reside at the address on the license to be renewed or converted, the license holder may comply with the address requirement of this sub-sub-subdivision by providing the address at which the license holder resides at the time of the remote renewal or conversion request.

4. ~~The~~ For a remote renewal, the most recent renewal was an in-person renewal and not a remote renewal under this subdivision.

5. The license holder is otherwise eligible for renewal or conversion under this subsection.

b. Waiver of requirements. – When renewing or converting a drivers license pursuant to this subdivision, the Division may waive the examination and photograph that would otherwise be required for the ~~renewal.~~renewal or conversion.

c. Duration of remote ~~renewal.~~renewal or conversion. – A ~~renewed~~ drivers license issued to a person by remote renewal or conversion under this subdivision expires according to the following schedule:

1. For a person at least 18 years old but less than 66 years old, on the birthday of the licensee in the eighth year after issuance.

2. For a person at least 66 years old, on the birthday of the licensee in the fifth year after issuance.

d. Rules. – The Division shall adopt rules to implement this subdivision.

e. Federal law. – Nothing in this subdivision shall be construed to supersede any more restrictive provisions for renewal or conversion of drivers licenses prescribed by federal law or regulation.

f. Definition. – For purposes of this subdivision, "remote ~~renewal"~~ renewal or conversion" means renewal or conversion of a drivers license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

SECTION 9.(c) Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS

SECTION 10.(a) G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

(3) Within ~~10~~ 20 working days, mail or deliver the application and fees to the Division or deliver the application and fees to a local license agency for processing. Delivery need not be made if the contract for sale has been rescinded in writing by all parties to the contract."

SECTION 10.(b) This section is effective when it becomes law and applies to sales made on or after that date.

SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL

SECTION 11.(a) G.S. 20-37.7 reads as rewritten:

"§ 20-37.7. Special identification card.

...

(d) ~~Expiration and Fee.~~Duration. – ~~A special~~ Special identification ~~card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire.~~cards shall be issued and renewed pursuant to the provisions of this subsection:

(1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.

(2) Duration for persons age 18 and older. – A special identification card issued to or renewed by a person at least 18 years old expires on the birthday of the holder in the eighth year after issuance.

(3) Duration for certain other persons. – The durations listed in subdivisions (1) and (2) of this subsection are valid unless the Division determines that a special identification card of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a special identification card of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.

(4) When to renew. – A person may apply to the Division to renew a special identification card during the 180-day period before the special identification

card expires. The Division may not accept an application for renewal made before the 180-day period begins.

(d1) Fee. – The fee for a new or renewed special identification card is the same as the fee set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card issued to a resident of this State as follows:

...

(7) The applicant has a developmental disability. To obtain a special identification card without paying a fee pursuant to this subdivision, an applicant must present a ~~letter from~~ letter, or a form approved by the Division, signed by his or her primary care provider certifying that the applicant has a developmental disability. For purposes of this subdivision, the term "developmental disability" has the same meaning as in G.S. 122C-3.

(d2) Remote Renewal. – Subject to the following limitations and requirements, the Division may offer remote renewal of a special identification card issued by the Division:

(1) Requirements. – To be eligible for remote renewal under this subsection, a person must meet all of the following requirements:

a. The special identification card holder possesses a valid special identification card that was issued when the person was at least 18 years old.

b. The special identification card holder attests, in a manner designated by the Division, that (i) the special identification card holder is a resident of the State and currently resides at the address on the special identification card to be renewed, (ii) the special identification card holder's name as it appears on the special identification card to be renewed has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the special identification card holder does not currently reside at the address on the special identification card to be renewed, the special identification card holder may comply with the address requirement of this sub-subdivision by providing the address at which the special identification card holder resides at the time of the remote renewal request.

c. The most recent renewal was an in-person renewal and not a remote renewal under this subsection.

d. The special identification card holder is otherwise eligible for renewal under this subsection.

(2) Definition. – For purposes of this subsection, "remote renewal" means renewal of a special identification card by mail, telephone, electronic device, or other secure means approved by the Commissioner.

~~(d1)~~(d3) Severe Disability. – For a person who has a physician's letter certifying that a severe disability causes the person to be homebound, the Division shall adopt rules allowing for application for or renewal of a special photo identification card under this section by means other than a personal appearance.

(d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the applicant a temporary identification certificate valid for 60 days. The temporary identification certificate shall not be valid for identification purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's special identification card 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 special identification card 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 11.(b) G.S. 20-9.2(c) reads as rewritten:

"(c) This section does not apply to special identification cards issued pursuant to ~~G.S. 20-37.7(d)(5) or (6).~~subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."

SECTION 11.(c) G.S. 163-275(13) reads as rewritten:

"(13) For any person falsely to make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting, including declarations made under this Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6),~~G.S. 20-37.7(d1)(5), 20-37.7(d1)(6), 130A-93.1(c), and 161-10(a)(8)."

SECTION 11.(d) Subsections (b) and (c) of this section and subsection (d2) of G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017. The remainder of this section becomes effective December 1, 2017, and applies to initial applications and renewals on or after that date.

ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND

SECTION 12. G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION

SECTION 13. G.S. 58-37-1(6) reads as rewritten:

"(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., and a moped, as defined in ~~G.S. 20-4.01(27)d1., or~~ G.S. 20-4.01(27)d1. "Motor vehicle" does not mean an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."

PART III. EFFECTIVE DATE

SECTION 14. Except as otherwise provided, this act becomes effective July 1, 2017.

Senate Pages Attending

COMMITTEE: Transportation ROOM: 1027

DATE: 3-27 TIME: 12:30

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

Page Name	Hometown	Sponsoring Senator
1. Johnathan Minor	Salemburg	Brent Jackson
2. Jareth Lucena	Salemburg	Jackson B.
3. Sebastian Turner	Charlotte	Waddell
4. angel McCoy	Salemburg	Jackson B
5. yolanda Jackson	salumburg	Jackson B
6.		
7.		
8.		

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

March, 29, 2017
(DATE)

Senate Committee on Transportation
(COMMITTEE)

SENATE SERGEANT-AT-ARMS

Steve McKaig	
Linda Matthews	
Becky Myrick	

HOUSE SERGEANT-AT-ARMS

VISITOR REGISTRATION SHEET

Senate Transportation
(Committee Name)

29
3/~~15~~/17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Matthew Herr	ORNC
David McGowan	NCPC
[illegible]	~~NSP~~
John Brown	CIANA

09-21-201

VISITOR REGISTRATION SHEET

Senate Transportation
(Committee Name)

3/~~15~~ 29/17
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	CGA
[illegible]	NCMA
Joy Hills	NCDOT
GREG PERFETTI	NCDOT
[illegible]	LPA & other
[illegible]	NCDMV
LP Jelley	NC License & THEFT

09-21-201

Senate Committee on Transportation
Wednesday, April 5, 2017 at 12:00 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation convened at 12:00 PM on April 5, 2017 in Room 1027/1128 of the Legislative Building. Thirteen members were present.

Senator Jim Davis presided.

Senator Davis called the meeting to order at12:10 PM, welcomed members, and thanked Senate Pages (Caroline Harris, Fountain, Senator Pate; Macie Hasty, Roanoke Rapids, Senator Bryant; and Wynter Mathis, Concord, Senator Newton) and Sergeants-At-Arms (Larry Hancock, Terry Edmondson, and Charles Marsalis) for their service.

Senator Davis recognized Senator Sanderson to explain his bill.

SB 220 Motor Fuel Tax Refund for Joint Agency. (Senator Sanderson)
SB 220 Amends GS 105-449.106(a) to allow quarterly refunds of motor fuel taxes for regional solid waste management authorities created under GS Chapter 153A, Article 22, and joint agencies created by interlocal agreements under GS 160A-462 for fire protection, emergency services, or police protection. Makes conforming changes. Senator Sanderson and Giles Perry, Legislative Analyst, responded to questions from Senator Ford. Senator Woodard's motion for a favorable report was seconded and approved.

There being no further business, the meeting adjourned at 12:22 PM.

Senator Jim Davis
Presiding

Kaye Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, April 5, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 220	Motor Fuel Tax Refund for Joint Agency.	Senator Sanderson

Presentations

Other Business

Adjournment

Kaye Culberson (Sen. Jim Davis)

From: Libby Spain (Sen. Tom McInnis)
Sent: Monday, April 03, 2017 11:22 AM
To: Sen. Norman Sanderson
Cc: Linda Sanderson (Sen. Norman Sanderson); Kathy Voss (Sen. Norman Sanderson)
Subject: <NCGA> Senate Transportation Committee Meeting Notice for Wednesday, April 05, 2017 at 12:00 PM
Attachments: Add Meeting to Calendar_LINC_.ics

Principal Clerk ____
Reading Clerk ____

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 5, 2017	12:00 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
SB 220	Motor Fuel Tax Refund for Joint Agency.	Senator Sanderson

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, April 05, 2017

Senator J. Davis,
submits the following with recommendations as to passage:

FAVORABLE

SB **220** Motor Fuel Tax Refund for Joint Agency.

Draft Number:	None
Sequential Referral:	Finance
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Norman W. Sanderson will handle SB 220

SENATE BILL 220:
Motor Fuel Tax Refund for Joint Agency.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	April 4, 2017
Introduced by:	Sen. Sanderson	**Prepared by:**	Giles Perry
Analysis of:	First Edition		Staff Attorney

OVERVIEW: Senate Bill 220 authorizes quarterly refunds of motor fuels taxes paid by:

- ***a regional solid waste management authority created under Art. 22 of Chapter153A of the General Statutes.***
- ***a joint agency created by interlocal agreement for fire protection, emergency services, or police protection.***

CURRENT LAW:

Motor Fuels Tax Exemption: G.S. 105-449.88 exempts motor fuel sold to the following government and school entities from the motor fuels tax:

- Federal government for its use.
- State for its use.
- Local board of education for use in the public school system.
- Charter school for use for charter school purposes.
- Community college for use for community college purposes.
- County or a municipal corporation for its use.

Motor Fuels Tax Refund: G.S. 105-449.106 authorizes quarterly refunds of motor fuels tax, at a rate equal to the tax rate in effect, less one cent (1¢) per gallon, for fuel purchased by the following entities:

- A private, nonprofit organization that transports passengers for a unit of local government.
- A volunteer fire department.
- A volunteer rescue squad.
- A sheltered workshop recognized by DHHS.

BILL ANALYSIS: Senate Bill 220 authorizes the following entities to receive quarterly refunds of motor fuels tax:

- A regional solid waste management authority created pursuant to Article 22 of Chapter 153A of the General Statutes.
- A joint agency created by interlocal agreement pursuant to G.S. 160A-462 to provide fire protection, emergency services, or police protection.

EFFECTIVE DATE: This act becomes effective July 1, 2017, and applies to purchases made on or after that date.

Karen Cochrane-Brown
Director

Legislative Analysis Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 220

Short Title:	Motor Fuel Tax Refund for Joint Agency.	(Public)
Sponsors:	Senators Sanderson (Primary Sponsor); and Rabin.	
Referred to:	Rules and Operations of the Senate	

March 9, 2017

A BILL TO BE ENTITLED

AN ACT TO ALLOW A MOTOR FUEL TAX REFUND FOR CERTAIN JOINT ENTITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-449.106(a) reads as rewritten:

"(a) ~~Nonprofits. – A nonprofit~~Quarterly Refunds. – An organization listed below that purchases and uses motor fuel may receive a quarterly refund, for the excise tax paid during the preceding quarter, at a rate equal to the tax rate in effect under G.S. 105-449.80 for the time period for which the refund is claimed, less one cent (1¢) per gallon.

An application for a refund allowed under this subsection must be made in accordance with this Part and must be signed by the chief executive officer of the organization. The chief executive officer of ~~a nonprofit~~an organization is the president of the organization or another officer of the organization designated in the charter or bylaws of the organization.

Any of the following entities may receive a refund under this subsection:

(1) Repealed by Session Laws 2002-108, s. 13, effective January 1, 2003.

(2) A private, nonprofit organization that transports passengers under contract with or at the express designation of a unit of local government.

(3) A volunteer fire department.

(4) A volunteer rescue squad.

(5) A sheltered workshop recognized by the Department of Health and Human Services.

(6) A regional solid waste management authority created pursuant to Article 22 of Chapter 153A of the General Statutes.

(7) A joint agency created by interlocal agreement pursuant to G.S. 160A-462 to provide fire protection, emergency services, or police protection."

SECTION 2. This act becomes effective July 1, 2017, and applies to purchases made on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Legislative Fiscal Note

BILL NUMBER: Senate Bill 220 (First Edition)

SHORT TITLE: Motor Fuel Tax Refund for Joint Agency.

SPONSOR(S): Senator Sanderson

FISCAL IMPACT
($ in millions)

☑ Yes ☐ No ☐ No Estimate Available

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
State Impact					
HF/HTF Revenues:					
HF/HTF Expenditures:					
State Positions:					
NET STATE IMPACT	**De minimis fiscal impact. Please see Assumptions and Methodology Section**				

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFEC Department of Transportation

EFFECTIVE DATE: July 1, 2017

TECHNICAL CONSIDERATIONS:
None

BILL SUMMARY:

Amends G.S. 105-449.106(a) to allow quarterly refunds of motor fuel taxes for regional solid waste management authorities created under G.S. Chapter 153A, Article 22, and joint agencies created by interlocal agreements under G.S. 160A-462 for fire protection, emergency services, or police protection. Makes conforming changes. Effective July 1, 2017, and applicable to purchases made on or after that date.

ASSUMPTIONS AND METHODOLOGY:

This bill exempts the Western Carteret Fire & EMS Department, the Albemarle Regional Solid Waste Authority, and the Coastal Regional Solid Waste Authority from paying motor fuel tax. It is not known whether any other joint agencies exist in North Carolina that would qualify for the exemptions described in the bill; this analysis assumes that if any exist, the number is very low.

Motor Fuel Tax Impact

SB 220 creates a new motor fuels excise tax exemption for joint agencies formed to provide fire protection, emergency services, and police protection services. Current law exempts municipalities and counties from paying motor fuel taxes, but it does not exempt municipal and county governments when they form interlocal agreements for these services. Though intended for the

Western Carteret Fire & EMS Department, SB 220 creates a motor fuel tax exemption that extends to multiple agencies. According to the North Carolina State Firemen's Association, 1,259 fire and rescue departments operate in North Carolina. The majority of North Carolina's fire and rescue associations, 1,119 departments, are nonprofit entities with many created through interlocal agreement, however it is not known how much.

The Western Carteret Fire & EMS Department paid $1,300 in motor fuel excise tax in FY 2013-14. Although it is not known how many interlocal governmental units exist, the fiscal impact from this bill is expected to be very minimal.

This bill also expands the motor fuel tax exemption to regional solid waste management authorities created under G.S. 153A-421. Two regional entities exist: Coastal Regional and Albemarle Regional. Coastal Regional purchased 75,000 gallons of diesel and 3,500 gallons of gasoline in FY 2014, thus paying approximately $30,000 in motor fuel tax. Albemarle Regional uses contractors for solid waste collections and would therefore not benefit from the tax change.

Distribution of Motor Fuels Tax:
Seventy-one percent (71%) of motor fuels tax revenue is deposited in the Highway Fund and the remaining twenty-nine percent (29%) is deposited in the Highway Trust Fund. Two formulaic allocations of revenues from the Highway Fund are impacted by this bill. The Wildlife Resources Fund receives one-sixth of one percent (0.167%) and the Shallow Draft Navigational Channel and Lake Dredging Fund receives one percent (1.0%) of Highway Fund motor fuels tax revenues. These two funds will be impacted very minimally.

SOURCES OF DATA:
Western Carteret Fire & EMS Department; North Carolina State Fireman's Association; Albemarle Regional Solid Waste Authority; Coastal Regional Solid Waste Authority; North Carolina Chapter of Solid Waste Association of North America

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Amna Cameron

APPROVED BY:

Mark Trogdon, Director
Fiscal Research Division

DATE: March 27, 2017

Official
Fiscal Research Division
Publication

Signed Copy Located in the NCGA Principal Clerk's Offices

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee on Transportation

April 5, 2017

Room 1027/1128 LB

12:00 PM

Senate Sergeant at Arms:

Larry Hancock

Terry Edmondson

Charles Marsalis

Senate Pages Attending

COMMITTEE: Transportation ROOM: 1027

DATE: 4-5 TIME: Noon

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

Page Name	Hometown	Sponsoring Senator
1. Caroline Harris	Fountain	Pate
2. Macie Nasty	Roanoke Rapids	Bryant
3. Wynter Mathis	concord	Newton
4.		
5.		
6.		
7.		
8.		

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

NAME OF MEETING : Transportation (Senate)

DATE: April 5, 2017

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Laura Lansford	NCDOR
Joy Hicks	NCDOT
[illegible]	RAIC NCMA HPAs
[illegible]	Duke
Jose [illegible]	[illegible]

NAME OF MEETING : Senate Transportation

DATE: April 5th, 2017

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Stephanie McClees	McClees Consulting
Joe McClees	" "
[illegible]	[illegible]
[illegible]	[illegible]

Senate Committee on Transportation
Wednesday, April 19, 2017 at 12:00 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 12:00 PM on April 19, 2017 in Room 1027/1128 of the Legislative Building. Twelve members were present.

Senator Tom McInnis, Chair, presided.

Senator McInnis called the Committee to order and thanked the Sergeants-At-Arms (John Enloe, Linda Matthews, and Sham Patel) for their service.

SB 160 Handicap Parking Privilege Certification. (Senators Brock, Meredith, Hise)
Senator Brock explained the bill. Senate Bill 160 authorizes licensed physician assistants and licensed nurse practitioners to certify applications to DMV for handicapped parking placards or license plates. Senate Bill 160 amends the current law on handicapped plates and placards, which requires medical certification, to make clear the certification can be done by licensed physician assistants or licensed nurse practitioners. Senator Brock responded to questions from Senators Ford, Woodard, and Waddell. Senator Ford's move for a favorable report was approved with a sequential referral to Health Care.

SB 182 Prohibit Use of Light Bars on Motor Vehicles. (Senator McInnis)
Senator McInnis explained the bill. Senate Bill 182 would prohibit the use of light bars that project a light at an intensity greater than 25 candlepower on motor vehicles being operated on the highway. Senate Bill 182 would prohibit the use of a light bar lighting device on a motor vehicle while the vehicle is being operated on the highway. A light bar is a bar-shaped lighting device comprised of multiple lamps capable of projecting a beam of light at an intensity greater than 25 candlepower. Violation of this prohibition would be an infraction with a penalty of not more than $100. Committee members offered no questions or comments. Senator Waddell's motion for a favorable report was approved with a sequential referral to Rules and Operations of the Senate.

SB 303 Use of Passing Lane/Increased Penalty. (Senators Tarte, McInnis, J. Davis)
Senator McInnins moved to amend the bill on page 1, line 17, by deleting the phrase "highway," and substituting the phrase "highway then available for thru traffic." (Attachment #1) Senator Woodard motioned to hear the amendment. Senator Tarte explained the amended bill. Senate Bill 303 would prohibit operating a motor vehicle in the inside travel lane on a controlled-access or partially controlled-access highway at less than the maximum speed limit or while impeding traffic, and provide that a violation is an infraction with a $200 penalty. Senate Bill 303 would:

- Clarify that the offense only applies to controlled-access and partially controlled-access highways.
- Prohibit driving less than the maximum speed limit or impeding the steady flow of traffic in the inside lane, except when overtaking and passing another vehicle. A violation would be an infraction, and would include a fine of two hundred dollars ($200.00).

- ☐ Define the phrase "impeding the steady flow of traffic" as a person that knows or reasonably should know they are being overtaken from the rear by a vehicle traveling at a higher rate of speed.
- ☐ Remove G.S. 20-146(e) as codified, and remove any sign posting requirement for this offense.

Senator Tarte responded to questions from Senators Waddell, Daniel, Ford, Alexander, Woodard, Rabon, and Randleman. Senator Davis' motion to approve the bill failed.

The meeting adjourned at 12:21 PM.

Senator Tom McInnis, Chair
Presiding

Kaye Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, April 19, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 160	Handicap Parking Privilege Certification.	Senator Brock Senator Meredith Senator Hise
SB 182	Prohibit Use of Light Bars on Motor Vehicles.	Senator McInnis
SB 303	Use of Passing Lane/Increased Penalty.	Senator Tarte Senator McInnis Senator J. Davis

Presentations

Other Business

Adjournment

Kaye Culberson (Sen. Jim Davis)

From:	Libby Spain (Sen. Tom McInnis)
Sent:	Wednesday, April 12, 2017 04:55 PM
To:	Sen. Andrew Brock; Sen. Ralph Hise; Sen. Wesley Meredith; Sen. Tom McInnis; Sen. Jim Davis; Sen. Jeff Tarte
Cc:	Judy Edwards (Sen. Andrew Brock); Susan Fanning (Sen. Ralph Hise); Debbie Lown (Sen. Wesley Meredith); Libby Spain (Sen. Tom McInnis); Kaye Culberson (Sen. Jim Davis); Jan Copeland (Sen. Jeff Tarte)
Subject:	<NCGA> Senate Transportation Committee Meeting Notice for Wednesday, April 19, 2017 at 12:00 PM
Attachments:	Add Meeting to Calendar_LINC_.ics

Principal Clerk ____
Reading Clerk ____

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 19, 2017	12:00 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
SB 160	Handicap Parking Privilege Certification.	Senator Brock Senator Meredith Senator Hise
SB 182	Prohibit Use of Light Bars on Motor Vehicles.	Senator McInnis
SB 303	Use of Passing Lane/Increased Penalty.	Senator Tarte Senator McInnis Senator J. Davis

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, April 19, 2017

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

FAVORABLE

SB **160** Handicap Parking Privilege Certification.

Draft Number:	None
Sequential Referral:	Health Care
Recommended Referral:	None
Long Title Amended:	No

SB **182** Prohibit Use of Light Bars on Motor Vehicles.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 2

Senator Andrew C. Brock will handle SB 160
Senator Tom McInnis will handle SB 182

SENATE BILL 160:
Handicap Parking Privilege Certification.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Health Care. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	April 19, 2017
Introduced by:	Sens. Brock, Meredith, Hise	**Prepared by:**	Giles Perry
Analysis of:	First Edition		Staff Attorney

OVERVIEW: ***Senate Bill 160 authorizes licensed physician assistants and licensed nurse practitioners to certify applications to DMV for handicapped parking placards or license plates.***

CURRENT LAW: Under current law, G.S. 20-37.6(c1), the application to DMV for a handicapped license plate or placard must be certified by one of the following:

- licensed physician
- licensed ophthalmologist
- a licensed optometrist
- Division of Services for the Blind
- United States Department of Veterans Affairs

G.S. 90-18.3 currently states that "*Whenever a statute or State agency rule requires that a physical examination shall be conducted by a* ***physician****, the examination may be conducted and the form signed by a* ***nurse practitioner*** *or a* ***physician's assistant****, and a physician need not be present.*" DMV's position is that this statute doesn't apply to current G.S. 20-37.6(c1), because G.S. 90-18.3 applies to "examination", and G.S. 20-37.6 refers to "certification".

BILL ANALYSIS: Senate Bill 160 amends the current law on handicapped plates and placards, which requires medical certification, to make clear the certification can be done by **licensed physician assistants** or **licensed nurse practitioners**.

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

BACKGROUND:

- A **physician assistant** is a person licensed to perform medical functions as an assistant to a physician, including those duties authorized in G.S. 90-18.1.
- A **nurse practitioner** is a registered nurse who has: completed a post-graduate certificate nurse practitioner education program or obtains a Master's, or higher degree, in nursing or related field with primary focus on nursing; a certification by a national credentialing body; and is registered pursuant to Chapter 90.
- A bill on the same topic, House Bill 11, is currently in Senate Rules.

Karen Cochrane-Brown
Director

Legislative Analysis
Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 160

Short Title:	Handicap Parking Privilege Certification.	(Public)
Sponsors:	Senators Brock, Meredith, Hise (Primary Sponsors); and Britt.	
Referred to:	Rules and Operations of the Senate	

March 2, 2017

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT MEDICAL CERTIFICATION AND RECERTIFICATION REQUIREMENTS FOR HANDICAPPED PARKING PRIVILEGES MAY BE SATISFIED BY CERTIFICATION OF A LICENSED PHYSICIAN ASSISTANT OR A LICENSED NURSE PRACTITIONER THAT THE PERSON IS HANDICAPPED.

The General Assembly of North Carolina enacts:

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

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

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

SENATE BILL 182:
Prohibit Use of Light Bars on Motor Vehicles.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	April 19, 2017
Introduced by:	Sen. McInnis	**Prepared by:**	Wendy Ray
Analysis of:	First Edition		Staff Attorney

OVERVIEW: Senate Bill 182 would prohibit the use of light bars that project a light at an intensity greater than 25 candlepower on motor vehicles being operated on the highway.

CURRENT LAW: Current law provides for requirements and restrictions on headlamps, spot lamps, and auxiliary lamps on motor vehicles. G.S. 20-130(c) provides restrictions on how any other device which projects a beam of light that is greater than 25 candlepower may be directed. However, it does not prohibit additional lighting equipment altogether.

BILL ANALYSIS: Senate Bill 182 would prohibit the use of a light bar lighting device on a motor vehicle while the vehicle is being operated on the highway. A light bar is a bar-shaped lighting device comprised of multiple lamps capable of projecting a beam of light at an intensity greater than 25 candlepower.

Violation of this prohibition would be an infraction with a penalty of not more than $100.

EFFECTIVE DATE: The act would become effective October 1, 2017, and would apply to offenses committed on or after that date.

Karen Cochrane-Brown
Director

S182-SMSU-22 E1 -V-2

Legislative Analysis Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 182

Short Title:	Prohibit Use of Light Bars on Motor Vehicles.	(Public)
Sponsors:	Senators McInnis (Primary Sponsor); and Lowe.	
Referred to:	Rules and Operations of the Senate	

March 7, 2017

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT THE USE OF LIGHT BAR LIGHTING DEVICES ON A MOTOR VEHICLE WHILE THE MOTOR VEHICLE IS BEING DRIVEN ON THE HIGHWAYS OF THIS STATE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-130 reads as rewritten:

"**§ 20-130. Additional permissible light on vehicle.**

(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.

(b) Auxiliary Driving Lamps. – Any motor vehicle may be equipped with not to exceed two auxiliary driving lamps mounted on the front, and every such auxiliary driving lamp or lamps shall meet the requirements and limitations set forth in G.S. 20-131, subsection (c).

(c) Restrictions on Lamps. – Any device, other than headlamps, spot lamps, or auxiliary driving lamps, which projects a beam of light of an intensity greater than 25 candlepower, shall be so directed that no part of the beam will strike the level of the surface on which the vehicle stands at a distance of more than 50 feet from the vehicle.

(d) Electronically Modulated Headlamps. – Nothing contained in this Chapter shall prohibit the use of electronically modulated headlamps on motorcycles, law-enforcement and fire department vehicles, county fire marshals and Emergency Management coordinators, public and private ambulances, and rescue squad emergency service vehicles, provided such headlamps and light modulator are of a type or kind which have been approved by the Commissioner of Motor Vehicles.

(e) High Mounted Flashing Deceleration Lamps. – Public transit vehicles may be equipped with amber, high mounted, flashing deceleration lamps on the rear of the vehicle.

(f) Light Bar Lighting Device. – Notwithstanding any provision of this section to the contrary, and excluding vehicles described in subsection (d) of this section, no person shall drive a motor vehicle on the highways of this State while using a light bar lighting device. For purposes of this subsection, the term "light bar lighting device" means a bar-shaped lighting device comprised of multiple lamps capable of projecting a beam of light at an intensity greater than that set forth in subsection (c) of this section."

SECTION 2. This act becomes effective October 1, 2017, and applies to offenses committed on or after that date.

SENATE BILL 303:
Use of Passing Lane/Increased Penalty.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Judiciary. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	April 19, 2017
Introduced by:	Sens. Tarte, McInnis, J. Davis	**Prepared by:**	Howard Marsilio Committee Counsel
Analysis of:	First Edition		

OVERVIEW: Senate Bill 303 would combine two related offenses, and increase the criminal penalty, for operating a motor vehicle in the inside travel lane at less than the maximum speed limit.

CURRENT LAW:

G.S. 20-146 contains the general requirements, and exceptions, that vehicles travel on the right side of the highway.

G.S. 20-146(b) requires vehicles on all highways, driving at less than the legal maximum speed, to drive in an available right hand lane or as close as practicable to the right hand curb or edge of the highway. This requirement does not apply when overtaking a vehicle or when preparing to turn left.

G.S. 20-146 (e) prohibits driving in the inside lane at less than the maximum speed while impeding the steady flow of traffic, on a highway posted with an appropriate sign, such as a sign indicating that "Slower Traffic Keep Right."

BILL ANALYSIS:

Senate Bill 303 would:

- Clarify that the offense only applies to controlled-access and partially controlled-access highways.
- Prohibit driving less than the maximum speed limit or impeding the steady flow of traffic in the inside lane, except when overtaking and passing another vehicle. A violation would be an infraction, and would include a fine of two hundred dollars ($200.00).
- Define the phrase "impeding the steady flow of traffic" as a person that knows or reasonably should know they are being overtaken from the rear by a vehicle traveling at a higher rate of speed.
- Remove G.S. 20-146(e) as codified, and remove any sign posting requirement for this offense.

EFFECTIVE DATE: This act would become effective December 1, 2017 and would apply to offenses committed on or after that date.

Karen Cochrane-Brown
Director

S303-SMBG-31 E1 -V-1

Legislative Analysis Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 303

Short Title:	Use of Passing Lane/Increased Penalty.	(Public)
Sponsors:	Senators Tarte, McInnis, J. Davis (Primary Sponsors); Britt and Brock.	
Referred to:	Rules and Operations of the Senate	

March 20, 2017

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE PROHIBITION ON OPERATING A MOTOR VEHICLE IN THE LEFTMOST TRAVEL LANE OF A CONTROLLED-ACCESS OR PARTIALLY CONTROLLED-ACCESS HIGHWAY AT LESS THAN THE SPEED LIMIT OR WHEN IMPEDING THE STEADY FLOW OF TRAFFIC AND TO INCREASE THE MONETARY PENALTY FOR COMMITTING A VIOLATION OF THAT PROHIBITION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-146 reads as rewritten:

"**§ 20-146. Drive on right side of highway; exceptions.**

…

(b) Upon all ~~highways~~controlled-access and partially controlled-access highways, any vehicle proceeding at less than the legal maximum speed limit or impeding the steady flow of traffic shall be driven in ~~the right-hand lane then available for thru traffic, or as close as practicable to the right-hand curb or edge of the highway, except when overtaking and passing another vehicle proceeding in the same direction or when preparing for a left turn.~~a lane other than the inside lane next to the centerline or median of a multilane highway, except when overtaking and passing another vehicle proceeding in the same direction or when making a left turn. A person who violates this subsection is guilty of an infraction punishable by a fine of two hundred dollars ($200.00). For purposes of this subsection, a person is "impeding the steady flow of traffic" if the person knows or reasonably should know that he or she is being overtaken from the rear by a vehicle traveling at a higher rate of speed.

…

~~(c) Notwithstanding any other provisions of this section, when appropriate signs have been posted, it shall be unlawful for any person to operate a motor vehicle over and upon the inside lane, next to the median of any dual-lane highway at a speed less than the posted speed limit when the operation of said motor vehicle over and upon said inside lane shall impede the steady flow of traffic except when preparing for a left turn. "Appropriate signs" as used herein shall be construed as including "Slower Traffic Keep Right" or designations of similar import.~~"

SECTION 2. This act becomes effective December 1, 2017, and applies to offenses committed on or after that date.

ATTACHMENT 1

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 303

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

S303-ABG-3 [v.2]

Amends Title [NO]
First Edition

Date 4/19 ,2017

McInnis
Senator ~~J. Davis~~

moves to amend the bill on page 1, line 17, by deleting the phrase "highway," and substituting the phrase "highway then available for thru traffic,".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

S303-ABG-3-V-2

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee

On

Transportation

April 10, 2017

Room 1027/1128

12:00 PM

Senate Sergeant at Arms:

John Enloe

Linda Matthews

Sham Patel

621 Kings

NAME OF MEETING : Senate Committee on Transportation

DATE: 4-19-2017

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
[illegible]	NCDMV
Donna Burns	DMV DOT
Sarah Wolfe	MWC
Henri Burco	MWC
Nick Zabriskie	Uber
Daniel Baum	Troutman Sanders
[illegible]	[illegible]
[illegible]	[illegible]
LT McCrimmon	DHHS

NAME OF MEETING : Senate Committee on Transportation

DATE: 4-19-17

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
[illegible]	[illegible]
Joe McClure	McClure Consult
Robert Sparks	School of Govt - Daily Bulletin
Christine Wunsche	SOG - Daily Bulletin

Committee on Transportation
April 24, 2017
6:00 p.m.
Room 1027/1128 LB
Chairs:
Senator Jim Davis Senator Tom McInnis

The Senate Committee on Transportation met April 24, 2017at 6:00 p.m. in Room 1027/1128 LB.

Senator Tom McInnis presided.

Senator McInnis called the committee to order, asked to silence phones, the Sergeant at Arms.

Senator Tillman introduced Senate Bill 326 Clarify HUT & Improve Vehicle Titling Process to the committee. The bill received a favorable report from the committee.

Senator Brent Jackson introduced Senate Bill 411Various Motor Vehicle Law Revisions to the committee. Senator Gunn introduced an amendment to the bill. The amendment passed. The bill was unfavorable, but favorable to the committee substitute.

Senator Brent Jackson introduced Senate Bill 412 Improve Process/Sale of Unclaimed Vehicles. The bill received a favorable report from the committee.

The meeting adjourned at 6:20 p.m.

Senator Tom McInnis
Presiding

Libby Spann (Sen. Tom McInnis)
Committee Clerk

Senate Committee on Transportation
Monday, April 24, 2017, 6:00 PM
1124/1224 Legislative Building

AGENDA

Welcome and Opening Remarks

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 326	Clarify HUT & Improve Vehicle Titling Process.	Senator Tillman Senator Meredith
SB 411	Various Motor Vehicle Law Revisions.	Senator B. Jackson
SB 412	Improve Process/Sale of Unclaimed Vehicles.	Senator B. Jackson

Other Business

Adjournment

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 24, 2017

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

FAVORABLE

HB **27** **(CS#1)** Clarify Expiration of Vehicle Registration.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

1 of multiple

Senator Jim Davis will handle HB 27

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 24, 2017

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

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

HB **337** Unmanned Aircraft Systems Law Revisions.

Draft Number:	H337-PCS10358-RW-23
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Jim Davis will handle HB 337

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Monday, April 24, 2017

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

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

SB **411** Various Motor Vehicle Law Revisions.

Draft Number:	S411-PCS15194-SU-19
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Brent Jackson will handle SB 411

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Monday, April 24, 2017

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

FAVORABLE

SB **326** Clarify HUT & Improve Vehicle Titling Process.

Draft Number:	None
Sequential Referral:	Finance
Recommended Referral:	None
Long Title Amended:	No

SB **412** Improve Process/Sale of Unclaimed Vehicles.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 2

Senator Jerry W. Tillman will handle SB 326
Senator Brent Jackson will handle SB 412

CMR311-V-1

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 326

Short Title:	Clarify HUT & Improve Vehicle Titling Process.	(Public)
Sponsors:	Senators Tillman and Meredith (Primary Sponsors).	
Referred to:	Rules and Operations of the Senate	

March 22, 2017

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE APPLICATION OF THE HIGHWAY USE TAX TO OUT-OF-STATE VEHICLES TITLED IN THIS STATE AND TO IMPROVE THE VEHICLE TITLING PROCESS BY ELIMINATING DUPLICATIVE REQUIREMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-187.6 is amended by adding a new subsection to read:

"(d) Exemption Limitation. – The full exemptions set out in subsection (a) of this section, except for those set out in subdivisions (2), (9), and (10) of subsection (a) of this section, do not apply to a certificate of title issued for a motor vehicle titled in another state at the time of the transfer. The partial exemptions set out in subsection (b) of this section do not apply to a certificate of title issued for a motor vehicle titled in another state at the time of the transfer."

SECTION 2.(a) Subdivisions (4), (5), and (6) of subsection (a) of G.S. 20-52 are repealed.

SECTION 2.(b) G.S. 20-52(a) is amended by adding a new subdivision to read:

"(7) A statement that the owner has proof of financial responsibility, as required by Article 9A or Article 13 of this Chapter."

SECTION 2.(c) G.S. 58-2-164(b) reads as rewritten:

"(b) It shall be a Class 3 misdemeanor for any person who, with the intent to deceive an insurer, does any of the following:

(1) Presents or causes to be presented a written or oral statement in support of an application for issuance of or amendment to a policy of auto ~~insurance or for vehicle registration pursuant to G.S. 20-52(a)(4) and (a)(5),~~ insurance, knowing that the application contains false or misleading information that states the applicant is an eligible risk when the applicant is not an eligible risk.

(2) Assists, abets, solicits, or conspires with another person to prepare or make any written or oral statement that is intended to be presented to an insurer in connection with or in support of an application for issuance of or amendment to a policy of auto ~~insurance or for vehicle registration pursuant to G.S. 20-52(a)(4) and (a)(5),~~ insurance, if the person knows that the statement contains false or misleading information that states the applicant is an eligible risk when the applicant is not an eligible risk.

In addition to any other penalties authorized by law, a violation of this subsection may be punishable by a fine of not more than one thousand dollars ($1,000) for each violation."

SECTION 3. Section 2 of this act becomes effective July 1, 2017. The remainder of this act is effective when it becomes law.

SENATE BILL 326:
Clarify HUT & Improve Vehicle Titling Process.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	April 24, 2017
Introduced by:	Sens. Tillman, Meredith	**Prepared by:**	Howard Marsilio
Analysis of:	First Edition		Committee Counsel

OVERVIEW: Senate Bill 326 would clarify that certain highway use tax (HUT) exemptions related to motor vehicle title transfers do not apply to vehicles titled in another state at the time of the transfer to a North Carolina title. It would also remove redundant requirements for motor vehicle title applications.

[As introduced, this bill was identical to S326, as introduced by Sens. Tillman, Meredith, which is currently in Senate Judiciary.]

CURRENT LAW: G.S. 105-187.6 lists the HUT exemptions related to transfers of motor vehicle titles.

G.S. 20-52 requires that an owner of a vehicle subject to registration must apply to the Division of Motor Vehicles for a certificate of title, registration plate, and registration card for the vehicle. Subsection (a) of this section lists the required information for an application for registration and certificate of title. Currently, subdivisions (4) through (6) of this subsection relate to "eligible risk" information (for insurance purposes).

G.S. 58-2-164(b) creates criminal offenses related to providing false or misleading insurance information in applications for certificates of title pursuant to G.S. 20-52(a)(4) and (5), or participating in the same.

BILL ANALYSIS:

Section 1 of the bill would clarify that full exemptions, or partial exemptions, set out in G.S. 105-187.6, do not apply to motor vehicles titled previously in another state and that are now being titled in North Carolina.

The bill would not affect the following categories of title transfers, and they will remain exempted from the highway use tax:

- Motor vehicles transferred to either a manufacturer, or a motor vehicle retailer for the purpose of resale.
- Motor vehicles transferred to a volunteer fire department or volunteer rescue squad meeting certain criteria.
- Motor vehicles transferred to a State agency from a unit of local government, volunteer fire department, or volunteer rescue squad to enable the State agency to transfer the vehicle to another unit of local government, volunteer fire department, or volunteer rescue squad.

Section 2.(a) of the bill to would repeal G.S. 20-52 subdivisions (4) through (6), as they are duplicative of the requirement of G.S. 20-309 that requires proof of financial responsibility prior to and during the registration of a motor vehicle.

Section 2.(b) would require a statement that the owner has proof of financial responsibility, as already required by law, in their application for registration and certificate of title.

Section 2.(c) would make conforming changes, by deleting cross-references to statutes that this bill would repeal.

EFFECTIVE DATE: Section 2 of this act would become effective July 1, 2017, and the remainder of this act would become effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 411

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

S411-ASU-16 [v.1]

Amends Title [NO]
First Edition

Date _____,2017

Senator Gunn

moves to amend the bill on page 1, line 30, by rewriting the line to read:
"that all prior perfected liens on the"; and

on page 2, lines 1-2, by rewriting the lines to read:
"provided that the dealer submits the completed form and certificate of title to the Division no later than 45 days following the sale or transfer of the vehicle. ~~The filing of a false sworn~~"; and

on page 2, lines 5-8, by rewriting the lines to read:
"this subsection. A dealer principal, owner, or manager of a motor vehicle dealership shall be liable in accordance with G.S. 20-72.1."; and

on page 2, line 11, by rewriting the line to read:
"delivering the vehicle, except when a certificate of title is unavailable as provided in G.S. 20-72.1, and except that where a security interest is obtained in the motor vehicle"; and

on page 2, lines 19-20, by inserting the following between the lines:

"**SECTION 3.** Part 4 of Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

"**§ 20-72.1. Transfer by owner when a certificate of title is unavailable; consumer remedies.**

(a) Notwithstanding any other provision in this Article, when an existing certificate of title on a motor vehicle is unavailable, a motor vehicle dealer licensed under Article 12 of this Chapter shall deliver the certificate of title together with the transferee's application for new title and necessary taxes and fees to the Division within 20 days of receipt of the title, but no later than 45 days following the sale or transfer of the vehicle. The dealer may offer the vehicle for sale provided that any potential purchaser is given written notice prior to sale that the dealer is not in possession of the certificate of title. For purposes of this paragraph, a vehicle's existing certificate of title shall be considered unavailable under either of the following circumstances:

(1) The dealer is entitled to possession of the title, but it has not been actually delivered to the dealer on or prior to the date the dealer sold or transferred the vehicle.

(2) The title was lost or misplaced by the dealer on or prior to the date the dealer sold or transferred the vehicle, and the dealer has made application to the Division for a duplicate title prior to the sale or transfer of the vehicle.

(b) In any case where a dealer fails to deliver the certificate of title to the Division within 45 days, the vehicle purchaser shall have the option to rescind the purchase transaction and collect the full purchase price of the vehicle and liquidated damages from the dealer. Liquidated damages shall be one thousand dollars ($1,000) or five percent (5%) of the vehicle purchase price, whichever is greater. Nothing in this section shall be construed to limit any other civil remedies or consumer protections available to the vehicle purchaser."; and

by renumbering the remaining section.

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

SENATE BILL 411

Short Title:	Various Motor Vehicle Law Revisions.	(Public)
Sponsors:	Senator B. Jackson (Primary Sponsor).	
Referred to:	Rules and Operations of the Senate	

March 29, 2017

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE REQUIRED USE OF THE ELECTRONIC LIEN SYSTEM IMPLEMENTED BY THE DIVISION OF MOTOR VEHICLES AND TO REVISE THE LAW GOVERNING WHEN A MOTOR VEHICLE DEALER THAT DOES NOT HAVE A MOTOR VEHICLE'S STATEMENT OF ORIGIN OR CERTIFICATE OF TITLE MAY TRANSFER TITLE TO THE MOTOR VEHICLE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-58.4A(i) reads as rewritten:

"(i) Mandatory Participation. – ~~Beginning July 1, 2016, all~~All individuals and lienholders ~~who are normally engaged in the business or practice of financing motor vehicles, and~~ who conduct at least five transactions ~~annually,~~annually shall utilize the electronic lien system implemented in subsection (a) of this section to record information concerning the perfection and release of a security interest in a vehicle. No lien on a motor vehicle shall be noted on the certificate of title or otherwise perfected by the Division unless the electronic lien system is utilized by the lienholder in accordance with this section."

SECTION 2. G.S. 20-72(b) reads as rewritten:

"(b) In order to assign or transfer title or interest in any motor vehicle registered under the provisions of this Article, the owner shall execute in the presence of a person authorized to administer oaths an assignment and warranty of title on the reverse of the certificate of title in form approved by the Division, including in such assignment the name and address of the transferee; and no title to any motor vehicle shall pass or vest until such assignment is executed and the motor vehicle delivered to the transferee. The provisions of this section shall not apply to any foreclosure or repossession under a chattel mortgage or conditional sales contract or any judicial sale. The provisions of this subsection shall not apply to (i) any transfer to an insurer pursuant to G.S. 20-109.1(b)(2) or (ii) any transfer to a used motor vehicle dealer pursuant to G.S. 20-109.1(e1).

When a manufacturer's statement of origin or an existing certificate of title on a motor vehicle is unavailable, a motor vehicle dealer licensed under Article 12 of this Chapter may also transfer title to another by certifying in writing in a sworn statement to the Division ~~that~~that, to the best of the dealer's knowledge and information, all prior perfected liens on the vehicle have been paid and that the motor vehicle dealer, despite having used reasonable diligence, ~~is~~was unable to obtain the vehicle's statement of origin or certificate of ~~title.~~title on or prior to the date the dealer sold or transferred the vehicle because the statement of origin or certificate of title was (i) not delivered to the dealer or (ii) lost or misplaced by the dealer. The Division is authorized to develop a form for this purpose. In the absence of a form developed by the Division, a dealer may use any form that satisfies the requirements of this subsection,

provided that, within a reasonable time of obtaining or receiving the form, the dealer submits the completed form and certificate of title to the Division. ~~The filing of a false sworn certification with the Division pursuant to this paragraph shall constitute~~It is a Class H ~~felony.~~felony to knowingly and intentionally file a false sworn certification in accordance with this subsection. A dealer principal, owner, or manager of a motor vehicle dealership shall only be liable for a violation under this subsection for the actions or conduct of a dealership employee if the dealer principal, owner, or manager had actual knowledge of the falsity of the application at the time the application was submitted to the Division.

Any person transferring title or interest in a motor vehicle shall deliver the certificate of title duly assigned in accordance with the foregoing provision to the transferee at the time of delivering the vehicle, except that where a security interest is obtained in the motor vehicle from the transferee in payment of the purchase price or otherwise, the transferor shall deliver the certificate of title to the lienholder and the lienholder shall forward the certificate of title together with the transferee's application for new title and necessary fees to the Division within 20 days. Any person who delivers or accepts a certificate of title assigned in blank shall be guilty of a Class 2 misdemeanor.

The title to a salvage vehicle shall be forwarded to the Division as provided in G.S. 20-109.1, except with respect to the title of any salvage vehicle transferred pursuant to G.S. 20-109.1(b)(2) or G.S. 20-109.1(e1)."

SECTION 3. Section 1 of this act becomes effective July 1, 2017. The remainder of this act is effective when it becomes law.

SENATE BILL 411:
Various Motor Vehicle Law Revisions.

2017-2018 General Assembly

Committee:	Senate Rules and Operations of the Senate	**Date:**	April 25, 2017
Introduced by:	Sen. B. Jackson	**Prepared by:**	Wendy Ray
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: Senate Bill 411 would make the following changes to motor vehicle titling laws:

- ***Require all individuals and lienholders who conduct at least five transactions a year to use the electronic lien system and prohibit the Division of Motor Vehicles from noting a lien on the title unless the system is used.***
- ***Allow a motor vehicle dealer to transfer title to a vehicle without the vehicle's statement of origin or certificate of title if the dealer has not received it yet or it was lost or misplaced, provided the dealer delivers the title to the Division no later than 45 days after the sale of the vehicle.***
- ***Provide that if the dealer fails to deliver the title to the Division within 45 days, the purchaser has the option to rescind the sale and collect the full price of the vehicle plus liquidated damages.***

CURRENT LAW: In 2013, the General Assembly passed legislation requiring the Division of Motor Vehicles to implement a Statewide electronic lien system to process the notification and release of security interests and certificate of title data. Under G.S. 20-58.4A(i), all individuals and lienholders normally engaged in the business of financing motor vehicles and who conduct at least five transactions a year were required to use the system by July 1, 2015. The mandatory participation date was subsequently delayed to July 1, 2016, but it is still limited to those who are normally engaged in the business of financing motor vehicles and conduct at least five transactions a year.

Under G.S. 20-72, a person generally must have a certificate of title for a motor vehicle in order to transfer it. G.S. 20-72(b) allows a motor vehicle dealer to transfer a title to another when a certificate of title or statement of origin is not available by providing a sworn statement to the Division that all prior perfected liens have been paid and that the dealer is unable to obtain the certificate of title or statement of origin. It is a Class H felony to file a false sworn certification.

BILL ANALYSIS: Senate Bill 411 would make mandatory participation in the electronic lien system applicable to all individuals and lienholders who conduct at least five transactions a year, regardless of whether they are normally engaged in the practice of financing motor vehicles. It would also provide that no lien shall be noted on the certificate of title unless the electronic system is used.

The bill would also amend G.S. 20-72(b) by allowing a dealer to transfer title on a vehicle without the statement of origin or certificate of title if the dealer provides a sworn statement that the dealer does not have the certificate of title or statement of origin yet or it has been lost or misplaced. The bill would also make clear that a dealer is only liable for filing a false statement if it is done knowingly.

Karen Cochrane-Brown
Director

S411-SMSU-40 E2 -V-2

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The bill would also provide that if the dealer transfers the title when the existing certificate of title is unavailable, the title must be delivered to the Division no later than 45 days after the sale of the vehicle. Failure to do so would give the purchaser of the vehicle the option to rescind the purchase transaction and collect the full purchase price of the vehicle plus liquidated damages of $1,000 or 5% of the vehicle price, whichever is greater.

EFFECTIVE DATE: The provision requiring expanded use of the electronic lien system would become effective July 1, 2017. The remainder of the act would be effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 412

Short Title:	Improve Process/Sale of Unclaimed Vehicles.	(Public)
Sponsors:	Senators B. Jackson (Primary Sponsor); Rabin and Waddell.	
Referred to:	Rules and Operations of the Senate	

March 29, 2017

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE DIVISION OF MOTOR VEHICLES TO MAKE AVAILABLE ON ITS WEB SITE FORMS NECESSARY FOR A PERSON TO SELL AN UNCLAIMED MOTOR VEHICLE AND TO ALLOW THE ELECTRONIC SUBMISSION OF THOSE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-77(d) reads as rewritten:

"(d) An operator of a place of business for garaging, repairing, parking or storing vehicles for the public in which a vehicle remains unclaimed for 10 days, or the landowners upon whose property a motor vehicle has been abandoned for more than 30 days, shall, within five days after the expiration of that period, report the vehicle as unclaimed to the Division. Failure to make ~~such~~the report shall constitute a Class 3 misdemeanor. Persons who are required to make this report and who fail to do so within the time period specified may collect other charges due but may not collect storage charges for the period of time between when they were required to make this report and when they actually did send the report to the Division by certified mail.

Any vehicle which remains unclaimed after report is made to the Division may be sold by ~~such~~the operator or landowner in accordance with the provisions relating to the enforcement of liens and the application of proceeds of sale of Article 1 of Chapter 44A. The Division shall make all forms required by the Division to effectuate a sale under this subsection available on the Division's Web site, and the Division shall allow for the electronic submission of these forms. Any form required by the Division to effectuate a sale under this subsection that requires a signature may be submitted with an electronic signature in accordance with Article 40 of Chapter 66 of the General Statutes."

SECTION 2. This act becomes effective July 1, 2017.

SENATE BILL 412:
Improve Process/Sale of Unclaimed Vehicles.

2017-2018 General Assembly

Committee:	Senate Rules and Operations of the Senate	**Date:**	April 25, 2017
Introduced by:	Sen. B. Jackson	**Prepared by:**	Giles Perry
Analysis of:	First Edition		Staff Attorney

OVERVIEW: Senate Bill 412 requires DMV to make available on its website, and allow electronic submission, of the forms necessary for a person to sell an unclaimed motor vehicle on which it has a lien.

CURRENT LAW: Current G.S. 20-77 sets out the procedure for a person in possession of an unclaimed motor vehicle to notify DMV, the first step it selling it. This law requires an operator of a vehicle garaging, repairing, parking or storing business, who has had an unclaimed vehicle for at least 10 days, or a landowner who has had an unclaimed vehicle for at least 30 days, to report it within 5 days to DMV. Once this notification occurs, the possessor of the vehicle may initiate a sale pursuant to the provisions of G.S. 44A-4 to satisfy any lien it has on the vehicle.

BILL ANALYSIS: Senate Bill 412:

- Directs DMV to make all forms required by DMV to sell an unclaimed motor vehicle subject to a lien to be available on DMV's website.
- Directs DMV to allow the forms to be submitted electronically
- Provides that electronic signatures may be used, in accordance the provision of G.S. Chapter 66.

EFFECTIVE DATE: This act becomes effective July 1, 2017.

Karen Cochrane-Brown
Director

Legislative Analysis Division
919-733-2578

VISITORS SIGN-UP SHEET

Senate Committee On Transportation

April 24, 2017 – Room 1024 – 6:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Daniel Baum	Troutman Sanders
Ken Melton	K.M.A
Fred Bone	Bone Assoc.
[illegible]	PLNC
[illegible]	LPAs -
Donna Clark	UNC
Susan [illegible]	TRUE.

VISITORS SIGN-UP SHEET

Senate Committee On Transportation

April 24, 2017 – Room 1024 – 6:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Will Verbiest	Office of Sen. Ballard
STEVE WARKENS	NCDMV LICENSE & THEFT
Jessica Locklear	NCDMV J & L
MATT NIES	NCDMV L+T
Robert Sawyer	NCDMV / DOT
Tim Minton	NCHSA
CS Hollis	CSH
Thomas Moe	CGA
John Congleton	NCDOJ / NCDMV
Donna Beam	NCDOT / NCDMV
Ryan Lee	CapAd
Joy Hicks	NCDOT
Reese Mann	NCDOT/DMV
GERRY COHEN	NN
John Poland	NCAOA
Rick Zechini	WILLIAMS MULLEN
[illegible]	CM

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee on Transportation

April 24, 2017

Room 1024

6:00 PM

Senate Sergeant at Arms

Tom Burroughs

John Enloe

Frances Patterson

Senate Committee on Transportation
Wednesday, April 26, 2017 at 12:30 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 12:30 PM on April 26, 2017 in Room 1027/1128 of the Legislative Building. Seven members were present.

Senator Tom McInnis, Chair, presided.

Senator McInnis called the meeting to order and thanked the Sergeants-At-Arms (John Enloe, Jim Hamilton, and Becky Myrick) and Pages (Robby Fensom, Fayetteville, Senator Meredith; Everett McAteer, Fayetteville, Senator Meredith; and Elizabeth Coleman, Clinton, Senator Jackson).

SB 510 Surplus Equipment Auctions. (Senators Meredith, Tucker)
Senator Meredith explained the bill. Senate Bill 510 would direct the Department of Administration (DOA) to issue request for proposals for the sale of surplus equipment at public auction by October 1, 2017, and contract with the lowest responsible bidder meeting the requirements by March 1, 2018. Senator Harrington's motion to amend the bill was approved. Giles Perry, Committee Staff, explained the amendment (see attached). There being no questions or comments, the motion in favor of the bill as amended was approved with a re-referral to Rules.

The meeting adjourned at 12:35 PM.

Senator Tom McInnis, Chair
Presiding

Kaye Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, April 26, 2017, 12:30 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
SB 510	Surplus Equipment Auctions.	Senator Meredith Senator Tucker

Presentations

Other Business

Adjournment

Principal Clerk ____
Reading Clerk ____

Corrected #1: Time Change to 12:30pm

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 26, 2017	12:30 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
SB 510	Surplus Equipment Auctions.	Senator Meredith Senator Tucker

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, April 26, 2017

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

FAVORABLE, AS AMENDED

SB **510** Surplus Equipment Auctions.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Wesley Meredith will handle SB 510

SENATE BILL 510:
Surplus Equipment Auctions.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	April 26, 2017
Introduced by:	Sens. Meredith, Tucker	**Prepared by:**	Giles Perry
Analysis of:	First Edition		Staff Attorney

OVERVIEW: Senate Bill 510 would direct the Department of Administration (DOA) to issue request for proposals for the sale of surplus equipment at public auction by October 1, 2017, and contract with the lowest responsible bidder meeting the requirements by March 1, 2018.

CURRENT LAW: DOA acts as the State Surplus Property Agency in North Carolina. As such, DOA is authorized to sell or warehouse all State owned surplus, obsolete, or unused supplies, materials, and equipment, as well as seized vehicles and other conveyances. DOA is also authorized to distribute State owned surplus property to tax-supported or nonprofit tax-exempt organizations.[1] DOA may utilize an electronic auction service to sell or dispose of State owned surplus property.

- "State owned" means supplies, materials, and equipment in the possession of the State and purchased with State funds, personal property donated to the State, or personal property purchased with other funds that give ownership to the State.

BILL ANALYSIS: Senate Bill 510 would authorize DOA to sell or dispose of surplus property, including motor vehicles and equipment, through a public auction. DOA would be required to issue requests for proposals by October 1, 2017 for the sale of surplus titled and nontitled equipment at public auction for (i) equipment owned by the State, but not the Department of Transportation (DOT), and (ii) equipment owned by DOT.

The request for proposals for both types of auction contracts would mandate that the bidders conform to the following requirements:

- Accept cash or credit payments for non-DOT surplus equipment, and accept payment by any commercially reasonably manner for DOT surplus equipment. The auction company may charge credit card and platform fees of up to 3% of the highest and final bid.
- Agree to charge no commission to the State, though the company may charge a buyer premium of up to 10% to the final and highest bidder.
- Be a licensed auction company with a current and valid North Carolina Auctioneer license.
- Post a cash bond or equivalent guarantee of $250,000, made payable to the State.
- Have a minimum coverage of $2,000,000 in commercial general liability insurance.

[1] G.S. 143-64.02(2) defines nonprofit tax-exempt organizations to include various nonprofit tax-exempt medical institutions, schools, educational radio and television stations, public libraries, and civil defense organizations that have been certified as tax-exempt nonprofit organizations by the Internal Revenue Service under section 501(c)(3) of the Internal Revenue Code.

Karen Cochrane-Brown
Director

Legislative Analysis Division
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- Remit the net proceeds within 14 business days after the auction is completed. The auction company may offset up to 0.25% of the gross sale to reimburse for advertisement costs.
- *Particular to non-DOT owned surplus equipment:*
    - The auction company must be able to conduct auctions on the various campuses of community colleges in this State. Each auction would be held on the community college campus closest in proximity to the majority of the items for sale at a given auction.
    - The auction company must offer the equipment via live simulcast with live, interactive bidding in real time and provide a minimum of 7 days pre-bidding prior to the live simulcast.
    - DOA must provide information about the equipment and reasonable access to the equipment at the location the equipment is being stored prior to the auction.
- *Particular to DOT owned surplus equipment:*
    - The auction company must be capable of conducting auctions in three regions specified by DOT.
    - The auction company must provide at least three different times for public inspection of equipment at each auction.
    - The auction company is to be responsible for any equipment that leaves the care, custody, and control of the auctioneer.
    - Successful bidders are to provide and complete proper transfer documents for titled equipment.
    - DOT is to provide the equipment maintenance file and the preventative maintenance schedule for each item of equipment being auctioned.
    - The receipts generated are to be remitted to DOT.

Preference will be given to an auction company based in this State. However, DOA is to contract with the lowest responsible bidder who provides evidence satisfactory that it meets the requirements. This contract must be entered into on or before March 1, 2018.

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

Brad Krehely and Jessica Sammons of the Legislative Analysis Division substantially contributed to this summary.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 510

Short Title:	Surplus Equipment Auctions.	(Public)
Sponsors:	Senators Meredith and Tucker (Primary Sponsors).	
Referred to:	Rules and Operations of the Senate	

March 30, 2017

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE STATE SURPLUS PROPERTY AGENCY TO ENTER INTO A REQUEST FOR PROPOSAL TO CONDUCT AUCTIONS FOR SURPLUS EQUIPMENT FOR THE DEPARTMENT OF TRANSPORTATION AND OTHER STATE AGENCIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-64.03 reads as rewritten:

"**§ 143-64.03. Powers and duties of the State agency for surplus property.**

(a) The State Surplus Property Agency is authorized and directed to:

(1) Sell all State owned supplies, materials, and equipment that are surplus, obsolete, or unused and sell all seized vehicles and other conveyances that the State Surplus Property Agency is authorized to sell;

(2) Warehouse such property; and

(3) Distribute such property to tax-supported or nonprofit tax-exempt organizations.

(b) The State Surplus Property Agency is authorized and empowered to act as a clearinghouse of information for agencies and private nonprofit tax-exempt organizations, to locate property available for acquisition from State agencies, to ascertain the terms and conditions under which the property may be obtained, to receive requests from agencies and private nonprofit tax-exempt organizations, and transmit all available information about the property, and to aid and assist the agencies and private nonprofit tax-exempt organizations in transactions for the acquisition of State surplus property.

(c) The State agency for surplus property, in the administration of Part 1 of this Article, shall cooperate to the fullest extent consistent with the provisions of Part 1 of this Article, with the departments or agencies of the State.

(d) The State agency for surplus property may sell or otherwise dispose of surplus property, including motor ~~vehicles,~~vehicles and equipment through ~~an~~ a public auction or electronic auction service."

SECTION 2.(a) By October 1, 2017, the State Surplus Property Agency shall issue a request for proposal (RFP) for the sale of surplus titled and nontitled equipment, not owned by the Department of Transportation, at public auction. The equipment auctions shall be held on the campus of the community college closest in proximity to the majority of the items for sale at a given auction. The Agency shall allocate staff to provide information about the equipment being offered at auction and shall provide full equipment condition to the auction company at no cost. The Agency shall provide reasonable access to the equipment at the location the equipment is being stored prior to the auction. The RFP shall require that proposals conform to the following:

(1) Must offer the equipment via live simulcast with live, interactive bidding in real time and provide a minimum of seven days pre-bidding prior to the live simulcast.

(2) Must accept cash or credit payments. The auction company may charge credit card and platform fees of up to three percent (3%) of the highest and final bid.

(3) Must remit the net proceeds from the auction to the State within 14 business days after the auction is completed. The auction company may offset up to one-quarter of one percent (0.25%) of the gross sale for advertisement cost reimbursement.

(4) Must post a cash bond or equivalent guarantee in the amount of two hundred fifty thousand dollars ($250,000), made payable to the State of North Carolina.

(5) Must have a minimum coverage of two million dollars ($2,000,000) in commercial general liability insurance.

(6) Must agree to charge no commission to the State. The auction company may charge a buyer premium, not to exceed ten percent (10%) to the final and highest bid.

(7) Must be a licensed auction company with a current and valid North Carolina Auctioneer license issued pursuant to Chapter 85B of the General Statutes. Preference shall be given to an auction company based in this State.

(8) Must have ability to conduct auctions on the various campuses of community colleges in this State.

SECTION 2.(b) By March 1, 2018, the State Surplus Property Agency shall review the proposals submitted and shall enter into a contract with the lowest responsible bidder who provides evidence satisfactory to the Agency that it meets the requirements of this section.

SECTION 3.(a) By October 1, 2017, the State Surplus Property Agency shall issue a request for proposal (RFP) for the sale of surplus titled and nontitled equipment owned by the Department of Transportation at public auction. The Department shall group the various divisions into three regions for the purposes of holding auctions. The Department of Transportation shall be responsible for the movement and cost of transporting equipment to the auction site. The auction company shall be responsible for any equipment that leaves the care, custody, and control of the auctioneer. The Department of Transportation shall provide the equipment maintenance file and the preventative maintenance schedule for each item of equipment being auctioned. Notwithstanding G.S. 143-64.05(b), receipts generated from the sale of surplus equipment pursuant to this section shall be remitted to the Department of Transportation. The RFP shall require that proposals conform to the following:

(1) Must accept payment by any commercially reasonable manner. The auction company may charge credit card and platform fees of up to three percent (3%) of the highest and final bid.

(2) Must provide at least three different times for public inspection of equipment offered for each auction.

(3) Must remit the net proceeds from the auction to the Department of Transportation within 14 business days after the auction is completed. The auction company may offset up to one-quarter of one percent (0.25%) of the gross sale for advertisement cost reimbursement.

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(8) Must require that successful bidders provide and complete proper transfer documents for titled equipment.

(9) Must be capable of conducting auctions in regions specified by the Department of Transportation.

SECTION 3.(b) By March 1, 2018, the State Surplus Property Agency shall review the proposals submitted and shall enter into a contract with the lowest responsible bidder who provides evidence satisfactory to the Agency that it meets the requirements of this section.

SECTION 4. This act is effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 510

AMENDMENT NO. 1
(to be filled in by
Principal Clerk)

S510-ABG-9 [v.3]

CHANGES TITLE

Amends Title [YES]
First Edition

Date April 26 ,2017

Senator ~~Meredith~~

moves to amend the bill on page 1, line 1, through page 3, line 17, by rewriting the lines to read:

"A BILL TO BE ENTITLED

AN ACT TO DIRECT THE STATE SURPLUS PROPERTY AGENCY TO ESTABLISH A PILOT PROGRAM AND ENTER INTO A REQUEST FOR PROPOSAL TO CONDUCT AUCTIONS FOR SURPLUS EQUIPMENT FOR THE DEPARTMENT OF TRANSPORTATION AND OTHER STATE AGENCIES.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Pilot Program to Reduce Inventory of State Surplus Property. – No later than July 1, 2017, the State Surplus Agency shall establish a pilot program for disposing of state surplus property, including motor vehicles and equipment, by public auction in accordance with Section 1 of this act. In implementing this pilot program, the State Surplus Agency shall prepare a request for proposals pursuant to Section 1.(b) and Section 1.(d), for three (3) public auctions during this pilot program. The pilot program shall terminate on July 1, 2019.

SECTION 1.(b) By October 1, 2017, the State Surplus Property Agency shall issue a request for proposal (RFP) for the sale of surplus titled and nontitled equipment, not owned by the Department of Transportation, at public auction. The equipment auctions shall be held on the campus of the community college closest in proximity to the majority of the items for sale at a given auction. The Agency shall allocate staff to provide information about the equipment being offered at auction and shall provide full equipment condition to the auction company at no cost. The Agency shall provide reasonable access to the equipment at the location the equipment is being stored prior to the auction. The RFP shall require that proposals conform to the following:

(1) Must offer the equipment via live simulcast with live, interactive bidding in real time and provide a minimum of seven days pre-bidding prior to the live simulcast.

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one-quarter of one percent (0.25%) of the gross sale for advertisement cost reimbursement.

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(8) Must have ability to conduct auctions on the various campuses of community colleges in this State.

SECTION 1.(c) By March 1, 2018, the State Surplus Property Agency shall review the proposals submitted and shall enter into a contract with the lowest responsible bidder who provides evidence satisfactory to the Agency that it meets the requirements of this section.

SECTION 1.(d) By October 1, 2017, the State Surplus Property Agency shall issue a request for proposal (RFP) for the sale of surplus titled and nontitled equipment owned by the Department of Transportation at public auction. The Department shall group the various divisions into three regions for the purposes of holding auctions. The Department of Transportation shall be responsible for the movement and cost of transporting equipment to the auction site. The auction company shall be responsible for any equipment that leaves the care, custody, and control of the auctioneer. The Department of Transportation shall provide the equipment maintenance file and the preventative maintenance schedule for each item of equipment being auctioned. Notwithstanding G.S. 143-64.05(b), receipts generated from the sale of surplus equipment pursuant to this section shall be remitted to the Department of Transportation. The RFP shall require that proposals conform to the following:

(1) Must accept payment by any commercially reasonable manner. The auction company may charge credit card and platform fees of up to three percent (3%) of the highest and final bid.

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(9) Must be capable of conducting auctions in regions specified by the Department of Transportation.

SECTION 1.(e) By March 1, 2018, the State Surplus Property Agency shall review the proposals submitted and shall enter into a contract with the lowest responsible bidder who provides evidence satisfactory to the Agency that it meets the requirements of this section.

SECTION 2 No later than October 1, 2019, the State Surplus Agency shall report to the Joint Legislative Transportation Oversight Committee on the public auction of state surplus property pursuant to the pilot program established pursuant to Section 1 of this act. At a minimum, this report shall include information on the following:

(1) The quantity and type of properties offered as part of each request for proposal.

(2) The details of each request for proposal and award of contract pursuant to each request for proposal.

(3) The results of the state surplus property public auctions, including information details of each public auction, the identity of the purchaser, and the average ratio of sale price to estimated state surplus property value.

(4) Other information the State Surplus Agency deems necessary.

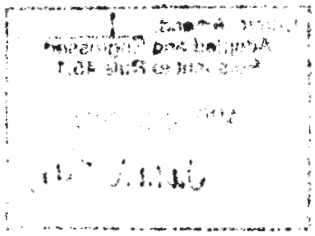
SECTION 3. This act is effective when it becomes law."

Comm. Amend. 1
Adopted and Engrossed
Pursuant to Rule 45.1
APR 26 2017
Sarah Lar

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED X FAILED _____ TABLED _____



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 510

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

S510-ABG-9 [v.3]

Amends Title [YES]
First Edition

Date 4/26 ,2017

Senator ~~Meredith~~ Harrington

moves to amend the bill on page 1, line 1, through page 3, line 17, by rewriting the lines to read:

"A BILL TO BE ENTITLED

AN ACT TO DIRECT THE STATE SURPLUS PROPERTY AGENCY TO ESTABLISH A PILOT PROGRAM AND ENTER INTO A REQUEST FOR PROPOSAL TO CONDUCT AUCTIONS FOR SURPLUS EQUIPMENT FOR THE DEPARTMENT OF TRANSPORTATION AND OTHER STATE AGENCIES.

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(4) Other information the State Surplus Agency deems necessary.

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

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee

On

Transportation

April 26, 2017

Room 1027/1128

12:30 PM

Senate Sergeant at Arms:

John Enloe

Jim Hamilton

Becky Myrick

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027

DATE: 4-26 **TIME:** 12:30

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

Page Name	Hometown	Sponsoring Senator
1. [redacted]	[redacted]	[redacted]
2. Robby Kersom	Fayetteville	Sen. Meredith
3. Everett McAteer	Fayetteville	Meredith
4. Elizabeth Coleman	Clinton	B. Jackson
5.		
6.		
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8.		

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

Senate Committee On Transportation

April 26, 2017 – Room 1027 / 1128 LB – 12:30 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Tonya Hilton	TSS
[illegible]	NC DOT
[illegible]	[illegible]
LAURA PURYEAR	MWC
[illegible]	RANC + other

Senate Committee On Transportation

April 26, 2017 – Room 1027 / 1128 LB – 12:30 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
[illegible]	BP
Donna B Clark	[illegible]
Joy Hicks	NCDOT

Senate Committee on Transportation
Wednesday, May 17, 2017 at 12:00 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 12:00 PM on May 17, 2017 in Room 1027/1128 of the Legislative Building. Eleven members were present.

Senator Jim Davis, Chair, presided.

Senator Davis called the meeting to order, welcomed members and visitors, and thanked Pages (Emma Zenger, Lewisville, Senator Krawiec; Sarah Childs, New Bern, Senator Sanderson; Anna Williams, Lewisville, Senator Krawiec; Holly Hart, Mooresville, Senator Brock; Michaela O'Shell, Statesville, Senator Brock) and Sergeants-At-Arms (Terry Barnhardt, Tom Burroughs) for their service.

HB 95 Truck Deliveries to Port/Night Travel. (Representatives Torbett, Presnell)
Senator Davis recognized Representative Torbett to explain the bill.
House Bill 95 would authorize the issuance of oversized and overweight permits that allow travel after sunset for vehicles transporting cargo, containers, or other equipment, and would prohibit the Department of Transportation from restricting nighttime travel for shipments going to or from international ports unless it is determined to be unsafe. Representative Torbett , Kevin Lacey (DOT) and Wendy Graff (Legislative Analyst) were recognized to respond to questions and comments from Senators Rabon, Daniel, Meredith, and Harrington. Senator Davis called for questions from visitors. There being none, Senator Alexander's motion for a favorable report was approved.

HB 716 CMVs/Use of Platoons. (Representative Torbett)
Representative Torbett was recognized to explain the bill. House Bill 716 would exempt the driver of a non-leading commercial motor vehicle traveling in a platoon from the requirement that a vehicle following another vehicle leave sufficient space between them. Senator Davis recognized Representative Torbett , Kevin Lacey (DOT) and Rick Zechini (Williams-Mullins) to respond to questions and comments from Senators Rabon, Alexander, Meredith and Dunn. Senator Davis called for questions from visitors. There being none, Senator Davis informed the committee a vote on the bill will be scheduled for a future date.

The meeting adjourned at 12:40 PM.

Senator Jim Davis, Chair
Presiding

Kaye Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, May 17, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 95	Truck Deliveries to Port/Night Travel.	Representative Torbett Representative Presnell
HB 716	CMVs/Use of Platoons.	Representative Torbett

Presentations

Other Business

Adjournment

Principal Clerk _____
Reading Clerk _____

Corrected #1: Add H95 and H716

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	May 17, 2017	12:00 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 95	Truck Deliveries to Port/Night Travel.	Representative Torbett Representative Presnell
HB 716	CMVs/Use of Platoons.	Representative Torbett

Agenda to be determined

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 17, 2017

Senator J. Davis,
submits the following with recommendations as to passage:

FAVORABLE

HB **95** **(CS#1)** Truck Deliveries to Port/Night Travel.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Jim Davis will handle HB 95

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 2

HOUSE BILL 95
Committee Substitute Favorable 2/28/17

Short Title: Truck Deliveries to Port/Night Travel. (Public)

Sponsors:

Referred to:

February 15, 2017

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE PERMITTED OVERSIZED OR OVERWEIGHT VEHICLES TO TRAVEL AFTER SUNSET WHEN TRANSPORTING AND DELIVERING CARGO, CONTAINERS, OR OTHER EQUIPMENT TO OR FROM INTERNATIONAL PORTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-119 is amended by adding a new subsection to read:

"(b3) For a special permit issued under this section for the transport and delivery of cargo, containers, or other equipment, the Department may allow travel after sunset if the Department determines it will be safe and expedite traffic flow. The Department shall not include a term or condition prohibiting travel after sunset for any permitted shipments going to or from international ports. Nothing in this subsection precludes the Department from restricting movements it determines to be unsafe."

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

HOUSE BILL 95:
Truck Deliveries to Port/Night Travel.

2017-2018 General Assembly

Committee:	Senate Transportation	**Date:**	May 17, 2017
Introduced by:	Reps. Torbett, Presnell	**Prepared by:**	Wendy Ray
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: House Bill 95 would authorize the issuance of oversized and overweight permits that allow travel after sunset for vehicles transporting cargo, containers, or other equipment, and would prohibit the Department of Transportation from restricting nighttime travel for shipments going to or from international ports unless it is determined to be unsafe.

CURRENT LAW: Under current law, the Department of Transportation is authorized to issue permits for oversized and overweight vehicles, subject to the rules established by the Department for issuance of the permits. *G.S. 20-119.*

By rule, oversized and overweight permits issued by the Department require that movements be made between sunrise and sunset. Additional time restrictions may be set by the issuing office in the interest of safety or to expedite flow of traffic. *19A NCAC 2D.0607*

BILL ANALYSIS: House Bill 95 would authorize the Department of Transportation to issue oversized and overweight permits for shipments of cargo, containers, or other equipment that allow travel after sunset. The Department would be prohibited from including conditions that prohibit travel after sunset when issuing permits for shipments going to or from international ports. However, the Department would retain the authority to restrict movements it determines to be unsafe.

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

Karen Cochrane-Brown
Director

H95-SMSU-44 E2 -V-1

Legislative Analysis Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 1

HOUSE BILL 716

Short Title: CMVs/Use of Platoons. (Public)

Sponsors: Representative Torbett.
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Transportation

April 11, 2017

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE LAWS REGULATING THE DISTANCE BETWEEN MOTOR VEHICLES TRAVELING ON THE ROAD DO NOT APPLY TO ANY NONLEADING COMMERCIAL MOTOR VEHICLE TRAVELING WITHIN A PLATOON.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-152 reads as rewritten:

"**§ 20-152. Following too closely.**

(a) The driver of a motor vehicle shall not follow another vehicle more closely than is reasonable and prudent, having due regard for the speed of such vehicles and the traffic upon and the condition of the highway.

(b) The driver of any motor vehicle traveling upon a highway outside of a business or residential district and following another motor vehicle shall, whenever conditions permit, leave sufficient space so that an overtaking vehicle may enter and occupy such space without danger, except that this shall not prevent a motor vehicle from overtaking and passing another motor vehicle. This provision shall not apply to funeral processions.

(c) Subsections (a) and (b) of this section shall not apply to the driver of any nonleading commercial motor vehicle traveling in a platoon with other commercial motor vehicles. For purposes of this subsection, the term "platoon" means a group of individual commercial motor vehicles traveling in a unified manner through the use of an electronically interconnected braking system."

SECTION 2. This act becomes effective July 1, 2017. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

HOUSE BILL 716: CMVs/Use of Platoons.

2017-2018 General Assembly

Committee:	Senate Transportation	**Date:**	May 17, 2017
Introduced by:	Rep. Torbett	**Prepared by:**	Howard Marsilio
Analysis of:	First Edition		Committee Counsel

OVERVIEW: House Bill 716 would exempt the driver of a nonleading commercial motor vehicle traveling in a platoon from the requirement that a vehicle following another vehicle leave sufficient space between them.

CURRENT LAW: G.S. 20-152(a) requires a driver of a motor vehicle to keep a reasonable and prudent distance between vehicles when driving while considering the speed of others, traffic, and highway conditions.

G.S. 20-152(b) requires a motor vehicle following another motor vehicle to leave sufficient space for an overtaking vehicle to merge between the two vehicles without danger, if conditions permit. This subsection does not apply to funeral processions.

BILL ANALYSIS: This bill would add a subsection (c) to G.S. 20-152 exempting the drivers of nonleading commercial motor vehicles traveling in a platoon, unified through an electronically interconnected braking system, from the spacing requirements in subsection (a) and subsection (b) of this section.

EFFECTIVE DATE: This act would become effective July 1, 2017. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

Karen Cochrane-Brown
Director

H716-SMBG-54 E1 -V-3

Legislative Analysis Division
919-733-2578

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Transportation, Senate Committee

May 17, 2017

Room 1027/1128 LB

12:00 PM

Senate Sergeant at Arms:

TERRY BARNHARDT

TOM BURROUGHS

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027

DATE: 5-17 **TIME:** Noon

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

Page Name	Hometown	Sponsoring Senator
1. Emma Zenger	Lewisville	Joyce Kraviec
2. Sarah Childs	New Bern	Sanderson
3. Anna Williams	Lewisville	Joyce Kraviec
4. Holly Hart	Mooresville	Brock
5. Michaela O'Shell	Statesville	Brock
6.		
7.		
8.		

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

Transportation, Senate Committee

May 17, 2017 – Room 1127/1128 LB – 12:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Brooks Rainey Pearson	SELC
Mary Maddox Abell	SELC
[illegible]	NCWC
[illegible]	[illegible]
Shelby Hicks	NCGA
Vanessa Anderson	NCGA
Rick Zechini	Williams Mullen
Brian Mewald	WM
[illegible]	[illegible]
John T. Boone	[illegible]
David Farrell	VB
J. Tim	Duke

Transportation, Senate Committee

May 17, 2017 – Room 1127/1128 LB – 12:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Fred Bone	Bone Assn.
James Smith	ACEC/NC
Caitlin Little	UNC SOG
[illegible]	BP
Phaye Langdon	MWC
Jack Powell	MWC
Rachel Nixon	Smith Anderson
[illegible]	SA
[illegible]	RAMC LPAs NCMH
Deans Eatman	NCDOT
Joy Hoch	NCDOT
Kevin Lacey	NCDOT
Jeff Barnhart	MWC
Morgan Dunn	Walk West
David McGowan	NCPC
[illegible]	Duke E
[illegible]	[illegible]

Committee on Transportation
May 24, 2017
12:00 p.m.
Room 1027/1128 LB
Chairs:
Senator Jim Davis Senator Tom McInnis

The Senate Committee on Transportation met May 24, 2017 at 12:00 p.m. in Room 1027/1128 LB.

Senator Tom McInnis presided.

Senator McInnis called the committee to order, asked to silence phones, the Sergeant at Arms, and pages.

Representative Clampitt introduced House Bill 27Clarify Expiration of Vehicle Registration. The bill received a favorable report from the committee.

Representative Ball introduced House Bill 84 DL/Deaf or Hard of Hearing Designation to the committee. She then took questions from the committee along with Rep. Insko. There were three public guest speakers on the bill. It was unfavorable, but favorable to the committee substitute.

Representative Torbett introduced House Bill 337 Unmanned Aircraft Systems Law Revisions. It received a favorable report from the committee.

The meeting adjourned at 12:40p.m.

Senator Tom McInnis
Presiding

Libby Spain (Sen. Tom McInnis)
Committee Clerk

Principal Clerk
Reading Clerk

Corrected #1: Bills Added

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	May 24, 2017	12:00 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 27	Clarify Expiration of Vehicle Registration.	Representative Clampitt Representative Grange Representative Strickland Representative White
HB 84	DL/Deaf or Hard of Hearing Designation.	Representative Insko Representative Ball Representative Butler
HB 337	Unmanned Aircraft Systems Law Revisions.	Representative Torbett

Agenda to be determined

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

Senate Committee on Transportation
Wednesday, May 24, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks
Silence Phones
Introduction of Sergeant at Arms
Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 27	Clarify Expiration of Vehicle Registration.	✓Representative Clampitt ✓Representative Grange Representative Strickland Representative White
HB 84	DL/Deaf or Hard of Hearing Designation.	Representative Insko ✓Representative Ball Representative Butler
HB 337	Unmanned Aircraft Systems Law Revisions.	✓Representative Torbett

Adjournment

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 24, 2017

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

FAVORABLE

HB **27** **(CS#1)** Clarify Expiration of Vehicle Registration.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

1 of multiple

Senator Jim Davis will handle HB 27

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 24, 2017

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

FAVORABLE

HB **84** **(CS#2)** DL/Deaf or Hard of Hearing Designation.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

2 of 3

Senator Terry Van Duyn will handle HB 84

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 2

HOUSE BILL 27
Committee Substitute Favorable 2/21/17

Short Title: Clarify Expiration of Vehicle Registration. (Public)

Sponsors:

Referred to:

February 1, 2017

A BILL TO BE ENTITLED

AN ACT TO CLARIFY WHEN THE REGISTRATION OF A VEHICLE RENEWED BY MEANS OF A NEW REGISTRATION PLATE EXPIRES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-66(g1) reads as rewritten:

"(g1) Expiration of Registration by Other Means. – The registration of a vehicle renewed by means of a new registration plate expires at midnight on the last day of the year in which the registration plate was issued. It is lawful, however, to operate the vehicle on a highway through midnight February 15 of ~~each~~ the following year."

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

HOUSE BILL 27:
Clarify Expiration of Vehicle Registration.

2017-2018 General Assembly

Committee:	Senate Transportation	**Date:**	May 24, 2017
Introduced by:	Reps. Clampitt, Grange, Strickland, White	**Prepared by:**	Howard Marsilio
Analysis of:	Second Edition		Committee Counsel

OVERVIEW: House Bill 27 would clarify the expiration date and grace period length for a vehicle registration renewed by a new registration plate[1], instead of a sticker.

CURRENT LAW: G.S. 20-66(g1) currently states that a vehicle registration renewed by registration plate "expires at midnight on February 15 of each year".

BILL ANALYSIS: House Bill 27 would amend the language in G.S. 20-66(g1) to clarify that:

- a vehicle registration renewed by a new registration plate would expire at the end of the year in which it was issued.
- a vehicle registration renewed by a new registration plate has a grace period for lawful use extending to February 15 of the following year.

EFFECTIVE DATE: House Bill 27 would become effective when it becomes law.

[1] The following vehicle registration types are renewed by means of a new registration plate, instead of a sticker: *Civil Air Patrol, Court Of Appeals, Clerk Of Superior Court, Honorary Consular Corps, NC Department of Transportation, NC District Attorney, NC House, NC Judicial, NC Magistrate, National Guard Assigned, State Government Official, Register of Deeds, Retired Sheriff, Supreme Court Judge, NC Senate, Sheriff, US District Attorney, US House, US Supreme Court Judge, US Marshal, US Senate.*

Karen Cochrane-Brown
Director

Legislative Analysis
Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 1

HOUSE BILL 84

Short Title:	Drivers License/Hearing Impaired Designation.	(Public)
Sponsors:	Representatives Insko, Ball, and Butler (Primary Sponsors). *For a complete list of sponsors, refer to the North Carolina General Assembly web site.*	
Referred to:	Transportation, if favorable, Judiciary III	

February 13, 2017

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO DEVELOP A DESIGNATION FOR DRIVERS LICENSES THAT MAY BE GRANTED UPON REQUEST TO A PERSON WITH A HEARING IMPAIRMENT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-7 is amended by adding a new subsection to read:

"(q2) Hearing Impaired Designation. – The Division shall develop, in consultation with the Department of Public Safety and the State Highway Patrol, a designation for drivers licenses that may, upon request, be granted to North Carolina residents with a hearing impairment. An applicant requesting a designation under this subsection must provide the Division with a letter from the applicant's primary care provider certifying that the applicant has a hearing impairment. Nothing in this subsection shall be construed as authorizing the issuance of a drivers license to a person ineligible under G.S. 20-9."

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

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H D

HOUSE BILL 84
Committee Substitute Favorable 3/21/17
Committee Substitute #2 Favorable 4/5/17
PROPOSED SENATE COMMITTEE SUBSTITUTE H84-PCS40597-RW-27

Short Title: DL/Deaf or Hard of Hearing Designation. (Public)

Sponsors:

Referred to:

February 13, 2017

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO DEVELOP A DESIGNATION FOR DRIVERS LICENSES THAT MAY BE GRANTED UPON REQUEST TO A PERSON WHO IS DEAF OR HARD OF HEARING.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-7 is amended by adding a new subsection to read:

"(q2) Deaf or Hard of Hearing Designation. – The Division shall develop, in consultation with the Department of Public Safety, the State Highway Patrol, the Division of Services for the Deaf and Hard of Hearing, and pursuant to this subsection, a drivers license designation that may, upon request, be granted to a person who is deaf or hard of hearing. The Division shall comply with the following requirements applicable to the designation:

(1) At the request of a person who is deaf or hard of hearing, the Division shall place a unique symbol on the front of the person's license. The unique symbol placed on the license shall not include any further descriptor. The Division shall record the designation in the electronic record associated with the person's drivers license.

(2) At the request of a person who is deaf or hard of hearing, the Division shall enter the drivers license symbol and a descriptor into the electronic record of any motor vehicle registered in the same name of the deaf or hard of hearing person.

(3) Medical certification or examination is not required to make a request pursuant to this subsection.

(4) Nothing in this subsection shall be construed as authorizing the issuance of a drivers license to a person ineligible under G.S. 20-9.

(5) Nothing in this subsection shall be construed as prohibiting the issuance of a drivers license to a person otherwise eligible under the law.

(6) Any individual who chooses to register or not to register shall not be deemed to have waived any protections under the law.

(7) Information collected under this subsection shall only be available to law enforcement and only for the purpose of ensuring mutually safe interactions between law enforcement and persons who are deaf or hard of hearing. It shall not be accessed or used for any other purpose.

(8) The right to make the decision for inclusion or removal of the designation from the database is entirely voluntary and shall only be made by the person who holds the drivers license associated with the designation.

(9) The Division, in conjunction with the Department of Health and Human Services, shall develop a process for removal of the designation authorized by this subsection that is available online, by mail, or in person."

SECTION 2. G.S. 17C-6(a) is amended by adding a new subdivision to read:

"(17) Establish minimum educational and training standards for employment and continuing education for criminal justice officers concerning:

a. Recognizing and appropriately interacting with persons who are deaf or hard of hearing.

b. Drivers license and vehicle registration identifiers of persons who are deaf or hard of hearing, as authorized by G.S. 20-7(q2), including that those identifiers are optional."

SECTION 3. G.S. 17E-4(a) is amended by adding a new subdivision to read:

"(13) Establish minimum educational and training standards for employment and continuing education for officers concerning:

a. Recognizing and appropriately interacting with persons who are deaf or hard of hearing.

b. Drivers license and vehicle registration identifiers of persons who are deaf or hard of hearing, as authorized by G.S. 20-7(q2), including that those identifiers are optional."

SECTION 4. This act becomes effective January 1, 2018.

HOUSE BILL 84:
DL/Deaf or Hard of Hearing Designation.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	May 4, 2017
Introduced by:	Reps. Insko, Ball, Butler	**Prepared by:**	Wendy Ray
Analysis of:	Third Edition		Staff Attorney

OVERVIEW: House Bill 84 would direct the Division of Motor Vehicles to develop a voluntary drivers license designation for persons who are deaf or hard of hearing, and would require training for law enforcement on the designation and on recognizing and appropriately interacting with persons who are deaf or hard of hearing. The bill would become effective on January 1, 2018.

CURRENT LAW: Under current law, a drivers license issued by the Division of Motor Vehicles must contain certain information, including the license holder's full name, address, color photograph, physical description, date of birth, and signature, an identifying number assigned by the Division, the class of motor vehicle the license holder is authorized to drive and any endorsements or restrictions that apply, and issuance and expiration dates. In addition, the Division is authorized, upon request of the applicant, to include the license holder's race, including a designation of "AI" for American Indians, and a designation for active duty military and military veterans. *G.S. 20-7.*

BILL ANALYSIS:

Section 1 of House Bill 84 would:

- Direct the Division to develop, in consultation with the Department of Public Safety, the State Highway Patrol, and Division of Services for the Deaf and Hard of Hearing, a driver's license designation that may be granted to a person who is deaf or hard of hearing.
- Direct the Division, at the request of a person who is deaf or hard of hearing, to place a unique numerical identifier, without a further descriptor, on the front of the person's license.
- Direct the Division to record the requested designation in the electronic record associated with the person's driver's license.
- Direct the Division, at the request of a person who is deaf or hard of hearing, to enter the drivers license numerical identifier and a descriptor into the electronic record of any motor vehicle registered in that person's name.
- Provide that medical certification or examination for the designation is not required.
- Clarify that this provision would not make anyone eligible to obtain a license who is otherwise ineligible under the law or prohibit anyone from obtaining a license who is otherwise eligible.
- Provide that individuals choosing to register or not to register for a driver's license designation have not waived any rights under the law.

Section 2 of the bill would direct the NC Criminal Justice Education and Training Standards Commission to establish minimum educational and training standards for employment and continuing

education for criminal justice officers concerning the designation, including that it is optional, and appropriate interaction with persons who are deaf or hard of hearing.

Section 3 of the bill would direct the NC Sheriffs' Education and Training Standards Commission to establish minimum educational and training standards for employment and continuing education for officers concerning the designation, including that it is optional, and appropriate interaction with persons who are deaf or hard of hearing.

EFFECTIVE DATE: The act would become effective January 1, 2018.

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

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 1

HOUSE BILL 337

Short Title: Unmanned Aircraft Systems Law Revisions. (Public)

Sponsors: Representative Torbett.
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Transportation, if favorable, Judiciary II

March 15, 2017

A BILL TO BE ENTITLED

AN ACT TO MAKE VARIOUS REVISIONS TO THE LAWS GOVERNING THE USE OF UNMANNED AIRCRAFT SYSTEMS.

The General Assembly of North Carolina enacts:

MODEL AIRCRAFTS/REMOVE EXEMPTION FROM UNMANNED AIRCRAFT SYSTEMS LAWS

SECTION 1. G.S. 15A-300.1(a) reads as rewritten:

"(a) Definitions. – The following definitions apply to this Article:

...

~~(2) Model aircraft. – An aircraft, as defined in G.S. 63-1, that is mechanically driven or launched into flight and that meets all of the following requirements:~~

~~a. Is flown solely for hobby or recreational purposes.~~

~~b. Is not used for payment, consideration, gratuity, or benefit, directly or indirectly charged, demanded, received, or collected, by any person for the use of the aircraft or any photographic or video image produced by the aircraft.~~

(3) Unmanned aircraft. – An aircraft, as defined in G.S. 63-1, that is operated without the possibility of human intervention from within or on the ~~aircraft and that does not meet the definition of model~~ aircraft.

...."

REMOVE RESTRICTION ON USE OF SPECIAL IMAGING TECHNOLOGY

SECTION 2. G.S. 15A-300.1(d) is repealed.

EMERGENCY MANAGEMENT EXCEPTION

SECTION 3. G.S. 15A-300.1 is amended by adding a new subsection to read:

"(c1) Emergency Management Exception. – Notwithstanding the provisions of subsection (b) of this section, an emergency management agency, as defined in G.S. 166A-19.3, may use unmanned aircraft systems for all functions and activities related to emergency management, including incident command, area reconnaissance, search and rescue, preliminary damage assessment, hazard risk management, and floodplain mapping."

ALIGN WITH FEDERAL LAW STANDARD

SECTION 4. G.S. 63-96 reads as rewritten:

"§ 63-96. Permit required for commercial operation of unmanned aircraft systems.

...

(b) No person shall be issued a permit under this section unless all of the following apply:

(1) The person is at least ~~16 years of age.~~the minimum age required by federal regulation for operation of an unmanned aircraft system.

(2) The person possesses a valid ~~drivers license issued by any state or territory of the United States or the District of Columbia.~~government-issued photographic identification acceptable to the Federal Aviation Administration for issuing authorization to operate an unmanned aircraft system.

(3) The person has passed the knowledge test for operating an unmanned aircraft system as prescribed in G.S. 63-95(b).

(4) The person has satisfied all other applicable requirements of this Article or federal regulation.

...

(d) The Division shall develop and administer a program that complies with all applicable federal regulations to issue permits to operators of unmanned aircraft systems for commercial ~~purposes.~~purposes, including a fee structure for permits. Criteria and requirements established under the subdivisions set forth in this subsection shall be no more restrictive than the rules or regulations adopted by the Federal Aviation Administration setting forth the criteria and requirements under which a person may operate an unmanned aircraft system for commercial purposes. The program must include the following components:

...

~~(2) A fee structure for permits.~~

...

(7) A designation of the geographic area within which a permittee shall be authorized to operate an unmanned aircraft system. ~~The rules adopted by the Division for designating a geographic area pursuant to this subdivision shall be no more restrictive than the rules or regulations adopted by the Federal Aviation Administration for designating a geographic area for the commercial operation of unmanned aircraft systems.~~

...

(f) ~~The~~Subject to the limitations set forth in subsection (d) of this section, the Division may issue rules and regulations to implement the provisions of this section."

EFFECTIVE DATE

SECTION 5. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H D

HOUSE BILL 337
PROPOSED SENATE COMMITTEE SUBSTITUTE H337-PCS10358-RW-23

Short Title: Unmanned Aircraft Systems Law Revisions. (Public)

Sponsors:

Referred to:

March 15, 2017

A BILL TO BE ENTITLED

AN ACT TO MAKE VARIOUS REVISIONS TO THE LAWS GOVERNING THE USE OF UNMANNED AIRCRAFT SYSTEMS.

The General Assembly of North Carolina enacts:

MODEL AIRCRAFTS/REMOVE EXEMPTION FROM UNMANNED AIRCRAFT SYSTEMS LAWS

SECTION 1. G.S. 15A-300.1(a) reads as rewritten:

"(a) Definitions. – The following definitions apply to this Article:

…

~~(2) Model aircraft. – An aircraft, as defined in G.S. 63-1, that is mechanically driven or launched into flight and that meets all of the following requirements:~~

~~a. Is flown solely for hobby or recreational purposes.~~

~~b. Is not used for payment, consideration, gratuity, or benefit, directly or indirectly charged, demanded, received, or collected, by any person for the use of the aircraft or any photographic or video image produced by the aircraft.~~

(3) Unmanned aircraft. – An aircraft, as defined in G.S. 63-1, that is operated without the possibility of human intervention from within or on the ~~aircraft and that does not meet the definition of model~~ aircraft.

…."

REMOVE RESTRICTION ON USE OF SPECIAL IMAGING TECHNOLOGY

SECTION 2. G.S. 15A-300.1(d) is repealed.

EMERGENCY MANAGEMENT EXCEPTION

SECTION 3. G.S. 15A-300.1 is amended by adding a new subsection to read:

"(c1) Emergency Management Exception. – Notwithstanding the provisions of subsection (b) of this section, an emergency management agency, as defined in G.S. 166A-19.3, may use unmanned aircraft systems for all functions and activities related to emergency management, including incident command, area reconnaissance, search and rescue, preliminary damage assessment, hazard risk management, and floodplain mapping."

ALIGN WITH FEDERAL LAW STANDARD

SECTION 4. G.S. 63-96 reads as rewritten:

"§ 63-96. Permit required for commercial operation of unmanned aircraft systems.

…

(b) No person shall be issued a permit under this section unless all of the following apply:

(1) The person is at least ~~16 years of age.~~the minimum age required by federal regulation for operation of an unmanned aircraft system.

(2) The person possesses a valid ~~drivers license issued by any state or territory of the United States or the District of Columbia.~~government-issued photographic identification acceptable to the Federal Aviation Administration for issuing authorization to operate an unmanned aircraft system.

(3) The person has passed the knowledge test for operating an unmanned aircraft system as prescribed in G.S. 63-95(b).

(4) The person has satisfied all other applicable requirements of this Article or federal regulation.

…

(d) The Division shall develop and administer a program that complies with all applicable federal regulations to issue permits to operators of unmanned aircraft systems for commercial ~~purposes.~~purposes, including a fee structure for permits. Criteria and requirements established under the subdivisions set forth in this subsection shall be no more restrictive than the rules or regulations adopted by the Federal Aviation Administration setting forth the criteria and requirements under which a person may operate an unmanned aircraft system for commercial purposes. The program must include the following components:

…

~~(2) A fee structure for permits.~~

…

(7) A designation of the geographic area within which a permittee shall be authorized to operate an unmanned aircraft system. ~~The rules adopted by the Division for designating a geographic area pursuant to this subdivision shall be no more restrictive than the rules or regulations adopted by the Federal Aviation Administration for designating a geographic area for the commercial operation of unmanned aircraft systems.~~

…

(f) ~~The~~Subject to the limitations set forth in subsection (d) of this section, the Division may issue rules and regulations to implement the provisions of this section."

EXEMPT MODEL AIRCRAFT USED FOR HOBBY OR RECREATIONAL PURPOSES FROM TRAINING AND PERMITTING REQUIREMENTS OF STATE LAW

SECTION 5. Article 10 of Chapter 63 of the General Statutes is amended by adding a new section to read:

"**§ 63-94. Applicability of Article.**

(a) Applicability. — This Article does not apply to model aircraft, as defined in subsection (b) of this section.

(b) Model aircraft. – An aircraft, as defined in G.S. 63-1, that is mechanically driven or launched into flight and that meets all of the following requirements:

a. Is flown solely for hobby or recreational purposes.

b. Is not used for payment, consideration, gratuity, or benefit, directly or indirectly charged, demanded, received, or collected, by any person for the use of the aircraft or any photographic or video image produced by the aircraft."

EFFECTIVE DATE

SECTION 6. Section 1 of this act becomes effective December 1, 2017, and applies to offenses committed on or after that date and acts occurring and causes of action arising on or after that date. The remainder of this act is effective when it becomes law.

HOUSE BILL 337:
Unmanned Aircraft Systems Law Revisions.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	May 24, 2017
Introduced by:	Rep. Torbett	**Prepared by:**	Howard Marsilio Committee Counsel
Analysis of:	PCS to First Edition H337-CSRW-23		

OVERVIEW: The Proposed Committee Substitute (PCS) for House Bill 337 would: (1) clarify that State laws applicable to unmanned aircraft systems include model aircraft; (2) repeal a State law limitation on the use of special imaging technology on unmanned aircraft systems; (3) exempt unmanned aircraft systems used by emergency management agencies for emergency management purposes from State law restrictions on unmanned aircraft system uses; (4) align State law permitting requirements for commercial operation of unmanned aircraft systems with federal law; and (5) exempt model aircraft used for hobby or recreational purposes from State law testing and permitting requirements.

The PCS adds Section 5, and makes a technical change to the effective date.

CURRENT LAW:

G.S. 15A-300.1(a) defines various types of aircraft for the purposes of Article 16B, Use of Unmanned Aircraft Systems, which include: "manned aircraft"; "model aircraft"; "unmanned aircraft"; and "unmanned aircraft systems."

G.S. 15A-300.1(b) prohibits using a UAS for surveillance of a person or a dwelling occupied by a person or private lands without consent, or taking unauthorized photographs of individuals for public dissemination (except for newsgathering, newsworthy events, public events, or public places).

G.S. 15A-300.1(c) exempts law enforcement agencies from the general UAS use prohibitions in G.S. 15A-300.1(b) under certain circumstances, but emergency management agencies are not currently exempt from these general prohibitions in subsection (b).

G.S. 15A-300.1(d) states that a commercial and private UAS may be equipped with infrared or thermal imaging technology for only the purposes listed in subsection (d), such as scientific research and agricultural activities.

Article 10 of Chapter 63 of the General Statutes contains testing requirements for UAS operators, and commercial UAS operation permitting requirements.

BILL ANALYSIS:

Section 1 would clarify that State laws applicable to unmanned aircraft systems include model aircraft by removing the definition of "model aircraft" in G.S. 15A-300.1.

Section 2 would repeal a State law limitation on the use of special imaging technology on commercial and private unmanned aircraft systems, by repealing G.S. 15A-300.1(d).

Section 3 would exempt unmanned aircraft systems used by emergency management agencies for emergency management purposes from State law restrictions on unmanned aircraft system uses; and specify the following as permissible emergency management functions: incident command; area reconnaissance; search and rescue; preliminary damage assessment; hazard risk management; and floodplain mapping.

Section 4 would align State commercial unmanned aircraft system permitting law with federal commercial unmanned aircraft system operator regulations, and would clarify that the State criteria and requirements could not be more restrictive than federal regulations.

Section 5 would exempt model aircraft used for hobby or recreational purposes from State law testing and permitting requirements for unmanned aircraft system operation in Article 10 of Chapter 63 of the General Statutes.

EFFECTIVE DATE: Section 1 of this act becomes effective December 1, 2017, and applies to offenses committed on or after that date, and acts occurring and causes of action arising on or after that date. The remainder of this act becomes effective when it becomes law.

SPEAKER REGISTRATION SHEET

SENATE COMMITTEE TRANSPORTATION — 5/24/17

Name of Committee — Date

SPEAKERS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Julia Adams Scheurich	Oak City GR - NCAD
Joy Hicks	NCDOT
Jan Withers	DSDHH

NAME OF MEETING : SENATE COMMITTEE TRANSPORTATION

DATE: 5/24/17

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Reggie Skinner	NC-DMV
Tracy Buchholz	NC DMV
Joe McClure	McClure
J. Jerry Williams	LPAs - RAWC - NCMA
Rachel Gaulin	PBL
Brad Salmon	PPS
Sahib Singh	Rep Donna White
[illegible]	[illegible]
Ken Melton	K.M.A.
[illegible]	Duke Energy
Jake Cox	NCC
Seth Perry	NCR
Gary White	NCDOT
David Ferrell	VB
Doug Misken	PSG

NAME OF MEETING : SENATE COMMITTEE TRANSPORTATION

DATE: 5/24/17

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Jan Withers	NC DSDHH
Jeff Mobley	NC DSDHH
Penny Hufton	SOC
Deans Eatman	NCDOT
Joy Hicks	NCDOT
Sherin Lee	NC DMV
Alex Obiol	Cynthia Ball
Katy Kilfoy	BP
[illegible]	[illegible]
[illegible]	NCDPS
Andy Brandon	NCDPS
Morgan Dunn	WalkWise
Ed [illegible]	BP
Mildred Spearman	NCAOC
Chris Brownlow	NWC
Jenn Curro	NLOC

Senate Committee on Transportation
Wednesday, May 31, 2017 at 12:00 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 12:00 PM on May 31, 2017 in Room 1027/1128 of the Legislative Building. Fifteen members were present.

Senator Jim Davis, Chair, presided.

Senator Davis called the meeting to order and thanked Sergeant-At-Arms (John Enloe, Linda Matthews,Terry Barnhardt) and Pages (Sarah Boyd, Ellenboro, Senator Hise; Elizabeth Edwards, Charlotte, Senator Berger; Kaley Smith, Elizabethtown, Senator Brett; Caroline King, Rutherfordton, Senator Hise; Lexi Kopp, Southport, Senator Rabon; Lance Linderman, Charlotte, Senator Waddell) for their service to the committee.

HB 21 Driver Instruction/Law Enforcement Stops. (Representatives Goodman, Faircloth, McNeill, Earle) Senator Davis recognized Representative Goodman to explain the bill. House Bill 21 would require the Division of Motor Vehicles to include a description of law enforcement traffic stop procedures and appropriate driver actions and interactions with law enforcement officers within its driver license handbook. It would also require the Department of Public Instruction to instruct on these topics in the driver education curriculum. Senator McInnis offered and explained an amendment (Attachment 1). Senator Alexander's motion to accept the amendment was approved. Representative Goodman and Senator McInnis responded to questions and comments from Senators Harrington, Randleman, and Waddell. Senator Davis asked for a motion to roll the amendment into a PCS. Senator Woodard's motion was approved. The bill was voted unfavorable as to committee substitute bill #1, but favorable as to Senate committee substitute bill and re-referred to Senate Rules.

HB 110 DOT/DMV Changes - Megaproject Funding. (Representatives Torbett, Iler, Shepard) Senator Davis recognized Representative Torbett and Giles Perry, Legislative Analyst, to explain the bill. House Bill 1101 makes changes to State law related to DOT and DMV, as recommended by the Joint Legislative Transportation Oversight Committee. The PCS makes a technical change in Section 10. The PCS also incorporates the substance of House Bill 219 into a new Part III of this bill. House Bill 219 would establish a Megaproject Fund to fund higher cost and larger scale transportation projects, as recommended by the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions. Torbett and Perry responded to questions and comments from Senators Harrington, Van Duyn, Woodard, Meredith, Krawiec, and Rabon. Senator Rabon's motion for a favorable report was approved with a re-referral to Senate Rules.

HB 716 CMVs/Use of Platoons. (Representative Torbett) Senator Davis recognized Representative Torbett to explain the bill. House Bill 716 (proposed committee substitute) would exempt the driver of a non-leading commercial motor vehicle traveling in a platoon, where

authorized by the Department of Transportation, from the statutory requirements that vehicles leave sufficient space between them. The proposed committee substitute limits the applicability of Section 1 to only those areas authorized by DOT, and adds Section 2. Senator McInnis offered an amendment (Attachment 2). Senator Gunn's motion to consider the amendment as a PCS bill carried. Representative Torbett, and Kevin Lacy, NCDOT engineer, responded to questions and comments from Senators Alexander, Gunn, Waddell, and Meredith. Senator Woodard's motion for unfavorable as to bill, but favorable as to Senate committee substitute bill carried with a re-referral to Senate Rules.

SB 391 Ferry Transportation Authority. (Senator Rabon) Senator Davis recognized Senator Rabon to explain the bill. SB 391 enacts a new Article 29, General Transportation Authority, in GS Chapter 160A to authorize the creation of an Authority to provide reliable and safe public ferry transportation services in its service area. Defines *ferry transportation service* as the transportation of passengers or freight by any means of conveyance, including ferry, barge, vehicle, or tram. Senator Rabon offered an amendment (Attachment 3) and responded to questions and comments from Senators Gunn, Waddell, and Meredith. Charles Paul III, Bald Head Island, commented on the bill. Senator Woodard's motion for the amendment to be rolled into a PCS was approved. The bill was voted unfavorable as to bill but favorable as to committee substitute bill with a re-referral to Senate Rules.

The meeting adjourned at 12:45 PM.

Senator Jim Davis, Chair
Presiding

Kaye Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, May 31, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 21	Driver Instruction/Law Enforcement Stops.	Representative Goodman Representative Faircloth Representative McNeill Representative Earle
HB 110	DOT/DMV Changes - Megaproject Funding.	Representative Torbett Representative Iler Representative Shepard
HB 716	CMVs/Use of Platoons.	Representative Torbett
SB 391	Ferry Transportation Authority.	Senator Rabon

Presentations

Other Business

Adjournment

Principal Clerk ____
Reading Clerk ____

Corrected #1: HB 21, HB 110, HB 716, and SB 391 added

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	May 31, 2017	12:00 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 21	Driver Instruction/Law Enforcement Stops.	Representative Goodman Representative Faircloth Representative McNeill Representative Earle
HB 110	DOT/DMV Changes - Megaproject Funding.	Representative Torbett Representative Iler Representative Shepard
HB 716	CMVs/Use of Platoons.	Representative Torbett
SB 391	Ferry Transportation Authority.	Senator Rabon

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 31, 2017

Senator J. Davis,
submits the following with recommendations as to passage:

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

SB **391** Ferry Transportation Authority.

Draft Number:	S391-PCS15207-RB-19
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

Final of three reports

Senator Bill Rabon will handle SB 391

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 31, 2017

Senator J. Davis,
submits the following with recommendations as to passage:

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

HB **716** CMVs/Use of Platoons.

Draft Number:	H716-PCS10362-RW-25
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	Yes

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

HB **21** **(CS#1)** Driver Instruction/Law Enforcement Stops.

Draft Number:	H21-PCS10363-BG-24
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 2

Committee Clerk Comments:

Second of three reports

Senator Jim Davis will handle HB 716
Senator Tom McInnis will handle HB 21

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, May 31, 2017

Senator J. Davis,
submits the following with recommendations as to passage:

FAVORABLE

HB **110** **(CS#2)** DOT/DMV Changes - Megaproject Funding.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Jim Davis will handle HB 110

CMR461-V-1

HOUSE BILL 21:
Driver Instruction/Law Enforcement Stops.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	May 31, 2017
Introduced by:	Reps. Goodman, Faircloth, McNeill, Earle	**Prepared by:**	Giles Perry
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: House Bill 21 would require the Division of Motor Vehicles to include a description of law enforcement traffic stop procedures and appropriate driver actions and interactions with law enforcement officers within its driver license handbook. It would also require the Department of Public Instruction to instruct on these topics in the driver education curriculum.

CURRENT LAW: G.S. 20-88.1(d) requires the Division to prepare and revise the driver license handbook that explains the traffic laws of this State.

G.S. 115C-215 requires the Department of Public Instruction to organize and administer a standardized program of driver education to be offered at the public high schools of this State to make driver safety and training education available to all students. G.S. 115C-215(b) sets the minimum education curriculum requirements for that driver education program.

BILL ANALYSIS:

Section 1 would require the Division of Motor Vehicles to consult with State Highway Patrol, the Sheriff's Association, the Association of Chiefs of Police, and the Police Benevolent Association, in creating, and revising, the driver license handbook to include a description of law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers.

Section 2 would require the Department of Public Instruction to include, in the driver education curriculum instruction, law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers.

This section directs the Department to consult with State Highway Patrol, the Sheriff's Association, the Association of Chiefs of Police, and the Police Benevolent Association in developing the curriculum.

EFFECTIVE DATE: Section 1 of this act would become effective January 1, 2018. The remainder of this act would become effective when it becomes law, and applies beginning with the 2017-2018 school year.

This bill summary was substantially contributed to by Howard Marsilio and Kara McCraw, Staff Attorneys.

Karen Cochrane-Brown
Director

H21-SMRW-68 E2 -V-1

Legislative Analysis Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 2

HOUSE BILL 21
Committee Substitute Favorable 4/4/17

Short Title: Driver Instruction/Law Enforcement Stops. (Public)

Sponsors:

Referred to:

January 30, 2017

A BILL TO BE ENTITLED

AN ACT TO REQUIRE DRIVER INSTRUCTION ON LAW ENFORCEMENT PROCEDURES DURING TRAFFIC STOPS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-88.1(d) reads as rewritten:

"(d) The Division shall prepare a driver license handbook that explains the traffic laws of the State and shall periodically revise the handbook to reflect changes in these laws. The Division, in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, the North Carolina Association of Chiefs of Police, and the North Carolina Police Benevolent Association, shall include in the driver license handbook a description of law enforcement procedures during traffic stops and the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers. At the request of the Department of Public Instruction, the Division shall provide free copies of the handbook to that Department for use in the program of driver education offered at public high schools."

SECTION 2. G.S. 115C-215(b) reads as rewritten:

"(b) The driver education curriculum shall include the following:

(1) Instruction on the rights and privileges of the handicapped and the signs and symbols used to assist the handicapped relative to motor vehicles, including the "international symbol of accessibility" and other symbols and devices as provided in Article 2A of Chapter 20 of the General Statutes.

(2) At least six hours of instruction on the offense of driving while impaired and related subjects.

(3) At least six hours of actual driving experience. To the extent practicable, this experience may include at least one hour of instruction on the techniques of defensive driving.

(4) At least one hour of motorcycle safety awareness training.

(5) Instruction on law enforcement procedures for traffic stops that is developed in consultation with the State Highway Patrol, the North Carolina Sheriff's Association, the North Carolina Association of Chiefs of Police, and the North Carolina Police Benevolent Association. The instruction shall provide a description of the actions that a motorist should take during a traffic stop, including appropriate interactions with law enforcement officers."

SECTION 3. Section 1 of this act becomes effective January 1, 2018. The remainder of this act is effective when it becomes law and applies beginning with the 2017-2018 school year.

ATTACHMENT 1

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 21

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

H21-ABG-14 [v.1]

Amends Title [NO]
Second Edition

Date 5/31 ,2017

Senator Tom McInnis

moves to amend the bill on page 1, lines 9 through 10, by rewriting those lines to read:
"Association, and the North Carolina Association of Chiefs of Police, shall include in the driver license handbook a description of law ";

and on page 1, lines 29 through 30, by rewriting those lines to read:
"Association, and the North Carolina Association of Chiefs of Police. The instruction shall provide ".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

H21-ABG-14-V-1

HOUSE BILL 110:
DOT/DMV Changes - Megaproject Funding.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	May 31, 2017
Introduced by:	Reps. Torbett, Iler, Shepard	**Prepared by:**	Giles Perry
Analysis of:	Third Edition		Staff Attorney

OVERVIEW: ***House Bill 110[1] makes changes to State law related to DOT and DMV, as recommended by the Joint Legislative Transportation Oversight Committee. The bill also incorporates the substance of House Bill 219 into Part III, which establishes a Megaproject Fund to fund higher cost and larger scale transportation projects, as recommended by the House Select Committee on Strategic Transportation Planning and Long Term Funding Solutions.***

CURRENT LAW and BILL ANALYSIS:

PART I. Department of Transportation Changes

Section 1. This section codifies and makes modifications to DOT's existing residual property disposal procedures. Residual property must be sold by public sale and approved by the Board of Transportation except in the following circumstances:

- Properties located adjacent to controlled access projects that are landlocked may be sold to adjoining property owner by negotiation.
- Properties may be sold to State agencies or institutions by negotiation.
- Properties may be exchanged with a public utility company in consideration for property to be acquired for highway purposes from the utility.
- Properties with an area of one acre or less and a value of $25,000 or less, and the highest and best use is for assemblage with adjacent property, may be sold to adjoining owner by negotiation.
- Properties with values of less than $5,000 may be sold by negotiation without approval of the Governor and Council of State.
- Properties located outside the right-of-way for a project may be sold by negotiation to property owners and tenants displaced by the project.

Section 2. This section extends the sunset of DOT's minority-owned and women-owned business program from August 31, 2017 to August 31, 2019. The sunset has been extended four times since enacted in 2009. The statute does not establish a percentage goal. It requires DOT to conduct periodic

[1] As introduced, this bill was identical to S3, as introduced by Sens. Rabon and Harrington, which is currently in the House Committee on Rules, Calendar, and Operations of the House.

studies on the availability and utilization of minority-owned and women-owned businesses and to report to the Transportation Oversight Committee on the results of the study.

Section 3. This section repeals a requirement that the Department of Administration, Office of State Human Resources, Department of Transportation, and Department of Environmental Quality jointly develop and periodically update a plan to reduce vehicle miles traveled by State employees and private sector employees. The requirement was part of a State goal to reduce air pollution. There continues to be a State goal to replace light duty cars and trucks with alternative-fueled vehicles and to reduce State employee vehicle miles traveled in commuting without reducing total work hours or productivity.

PART II. Division of Motor Vehicles Changes

Section 4. This section amends current law applicable to vehicle emissions inspections in certain counties by clarifying that fuel cell electric and plug-in electric vehicles with a gasoline engine component are subject to the requirement.

Section 5. This section modifies the process by which DMV determines whether to revoke the driver's license of a person who has been adjudicated incompetent.

- It provides that if a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes recommends that any person's driving privilege be revoked, DMV shall immediately revoke it.
- If the clerk of court, in the order, recommends that the person retain their driving privilege or makes no recommendation concerning the driving privilege, DMV must determine whether the person can retain their driving privilege, based upon an inquiry of the facts.
- Any revocation would be subject to review by the DMV Medical Review Board.

This section would become effective February 1, 2018, and apply to adjudications on or after that date.

Section 6. This section redesignates DMV License and Theft "inspectors" as "agents".

Section 7. This section restricts issuance of 10-day temporary license plates to no more than two per year per person.

This section would become effective January 1, 2018.

Section 8. In 2016, in House Bill 959, enacted as S.L. 2016-90, the General Assembly repealed the requirement for an owner to sign a motor vehicle registration card. This section makes a technical correction to the prior change, to repeal the requirement of "space for the owner's signature" on the registration card.

Section 9. This section authorizes remote renewal and conversion of a full provisional license to a regular Class C license, provides that a full provisional license expires on the 60th day after the holder's 21st birthday; and authorizes persons remotely renewing a license to update their address.

This section would become effective March 1, 2018.

Section 10. This section requires a motor vehicle dealer who issues a temporary registration plate to a purchaser to deliver the sales documents and fees to DMV within 20 days (10 working days under current law). G.S. 20-58.2 provides that a security interest is perfected as of the date of the execution of the agreement if the application for notation of a security interest is delivered to DMV within 20 days after the date of the security agreement. This section conforms the deadline dates for dealers with the date in G.S. 20-58.2.

This section would become effective when it becomes law.

Section 11. This section modifies the law governing special identification cards issued by DMV, to:

- Provide that special ID cards issued to persons under age 18 expire after five years; to persons over age 18 after 8 years; and to non-citizens who are legally present under authority issued by the United States government at the expiration of their authorized legal presence.
- Clarify that the fee ($13) for a special identification card also applies to the renewal, unless the special ID card applicant is eligible for a fee exception.
- Authorize an application for a free special ID card by a person with a developmental disability to be made on a form approved by DMV.
- Authorize remote renewal of special ID cards, in specified circumstances.
- Provide for central issuance and mailing of special ID cards.

This section becomes effective December 1, 2017.

Section 12. This section amends the law enforcement authority of officers and inspectors (renamed agents by Section 6) of DMV, to authorize them to enforce criminal laws "when they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

Section 13. This section repeals the Driver's License Technology Fund, which was established in 2001 to fund a driver license information verification system for ABC permittees. DMV reports the fund has a zero balance and is no longer in use.

Section 14. This section makes a technical correction to the definition of "motor vehicle" in the NC Motor Vehicle Reinsurance Facility statutes, to correct an error from the 2016 session in House Bill 959, S.L. 2016-90, in which the statute was inconsistently amended by two different sections of that bill.

PART III. Megaproject Fund to Fund Higher Cost and Larger Scale Transportation Projects

In 2013, the General Assembly enacted the Strategic Transportation Investments Act, known as STI, which created a Transportation Investment Strategy Formula for funding State transportation projects. The Act funds projects in three categories: Statewide, Regional, and Divisional.

- Statewide category projects are ranked based 100% on data from multiple criteria.
- Regional category projects are ranked based 70% on data from multiple criteria, and 30% on local input (Division Engineer, MPO and RPO input).
- Divisional category projects are ranked based 50% on data, and 50% on local input (Division Engineer, MPO and RPO input).

Section 15. This section creates a Megaproject Fund within the Highway Trust Fund and provides that the Megaproject Fund would consist of appropriations or transfers made by the General Assembly to the Fund. It directs DOT to use funds in the Megaproject Fund to fund transportation projects, of statewide or regional significance that exceed two hundred million dollars ($200,000,000) in total project cost. The projects would be selected by a workgroup overseen by DOT, using project selection criteria established pursuant to Section 17 of this bill. This section directs DOT to shall develop, and update annually, a report containing a completion schedule for all projects to be funded from the Megaproject Fund, the selection criteria, and DOT's anticipated schedule for future projects. The Department is required to submit the report to the Joint Legislative Transportation Oversight Committee by November 1 of each year.

Section 16. This section amends the Strategic Transportation Investment Act formula to exclude funds appropriated or transferred to the Megaproject Fund.

Section 17. This section directs DOT to establish a workgroup for the purposes of developing megaproject selection criteria, and selecting projects using the criteria. This section becomes effective when it becomes law.

The Megaproject Fund selection criteria must do the following:

- Address large scale, significant transportation needs of the State.
- Provide for interstate and intrastate connectivity between urban and rural areas and between rural areas.
- Encourage economic development in both urban and rural areas of the State.
- Improve existing major highway corridors by increasing capacity and relieving congestion.
- Provide for infrastructure improvements and rail and highway connectivity to the State ports.
- Encourage delivery of projects in the most effective, efficient, and expeditious manner.

In addition, Section 17 of the bill:

- Provides for workgroup membership meeting times, and meeting frequency.
- Requires, with 45 days of its initial convening, for the workgroup to provide a report to the Joint Legislative Transportation Oversight Committee on its progress in creating the megaproject selection criteria.
- Requires, within 3 months of the workgroup's initial convening, for it to provide a report to the Joint Legislative Transportation Oversight Committee on the megaproject selection criteria it has developed.

PART IV. Effective Date

Section 18. Except as otherwise provided, this act becomes effective July 1, 2017.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 3

HOUSE BILL 110*
Committee Substitute Favorable 4/4/17
Committee Substitute #2 Favorable 4/19/17

Short Title: DOT/DMV Changes - Megaproject Funding. (Public)

Sponsors:

Referred to:

February 16, 2017

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO STATE LAW RELATED TO THE DEPARTMENT OF TRANSPORTATION AND THE DIVISION OF MOTOR VEHICLES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE, AND TO ESTABLISH A MEGAPROJECT FUND TO FUND HIGHER-COST AND LARGER-SCALE TRANSPORTATION PROJECTS, AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM FUNDING SOLUTIONS.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF TRANSPORTATION CHANGES

DOT RESIDUE PROPERTY DISPOSAL

SECTION 1.(a) G.S. 136-19 is amended by adding a new subsection to read:

"(j) Remainder properties acquired in connection with acquisition of right-of-way shall be disposed of as follows:

(1) The sale of all residues will be by public sale, except as hereinafter specified.

(2) Residue properties sold by public sale may be sold by sealed bid or by auction at the election of the Right of Way Branch. The sale of such properties must be advertised by at least one of the following methods:

a. Publication in a newspaper having general circulation in the county in which the property is situated.

b. On a Department of Transportation Web site.

c. By placement of a "For Sale" sign on the residue.

(3) After opening bids or closing of auction, upset bids may be considered. The high bid shall be presented to the Board of Transportation at its next regular meeting after the date of the sale for rejection or acceptance. The Department of Transportation may reject all bids if the Department does not consider the bids to be in accord with the appraised or fair market value as determined by the Department.

(4) Residue properties sold by public sale may also be sold by real estate brokers licensed in North Carolina at the election of the Chief Engineer. The highest offer to purchase shall be presented to the Board of Transportation at its next regular meeting after the acceptance of the offer to purchase. The

Department of Transportation may reject all offers to purchase if the Department does not consider them to be in accord with the appraised or fair market value as determined by the Department.

(5) Those residue properties located adjacent to controlled access projects that are landlocked may be sold to the adjoining property owner by negotiation rather than public sale for a consideration that is approved by the Division Right of Way Agent and the Right of Way Unit Manager.

(6) Residue properties may be sold to State agencies and institutions and other governmental units by negotiation rather than public sale and may be donated provided their future use is for public purposes.

(7) Residue acquired in connection with highway purposes may be used for the purpose of exchange with a public utility company in part or in full consideration for property to be acquired for highway purposes from the public utility company. Such exchanges shall be based on the appraised values of the surplus property and the property to be acquired for highway purposes. Residue property acquired in connection with right-of-way for a project may be used for the purpose of exchange in part or full consideration for right-of-way being acquired from another property owner on the project. Such exchanges shall be based on the appraised values of the residue property and the right-of-way to be acquired.

(8) Residues which have an area of one acre or less and a value of twenty-five thousand dollars ($25,000) or less and the highest and best use is for assemblage with adjacent property may be sold without advertising by negotiations rather than public sale to an adjoining owner. The Division Right of Way Agent together with an area appraiser will determine the value of the residue. Factors such as the after value as indicated in the original appraisal, sales of similar properties, and sales of other residues, if any, in the area may be considered in determining the value. After a value has been established, the Division Right of Way Agent or their designee may negotiate with the adjoining owners concerning the disposal of each residue. The decision of the Division Right of Way Agent to accept and complete a sale is final.

(9) The Manager of Right of Way shall dispose of residues with values of less than five thousand dollars ($5,000), as determined in accordance with subdivision (8) of this subsection, by executing and delivering on behalf of the Department of Transportation a quitclaim deed to the buyers of such residues after the transactions are first approved by the Board of Transportation. Conveyances of residues with values of less than five thousand dollars ($5,000) shall not require the approval of the Governor and Council of State.

(10) Residue properties or portions of residue properties acquired in connection with right-of-way for a project and located outside the right-of-way for that project may be sold by negotiation rather than by public sale to property owners and tenants who are displaced by the project for relocation of the displacee. Such sales shall be based upon the appraised value of the residue properties.

(11) Except as noted in this subsection, all sales of surplus lands, including, but not limited to, surplus rights-of-way, residues, and uneconomic remnants, require the approval of the Board of Transportation."

SECTION 1.(b) The Department of Transportation may adopt, amend, or repeal rules to implement G.S. 136-19(j), as enacted by this section.

EXTEND SUNSET FOR DOT MINORITY-OWNED/WOMEN-OWNED BUSINESSES PROGRAM

SECTION 2. G.S. 136-28.4(e) reads as rewritten:

"(e) This section expires August 31, ~~2017.~~2019."

ELIMINATE ANNUAL REPORT ON REDUCING VEHICLE MILES TRAVELED BY STATE EMPLOYEES

SECTION 3. Subsections (d) and (e) of G.S. 143-215.107C are repealed.

PART II. DIVISION OF MOTOR VEHICLES CHANGES

CLARIFY THAT HYBRID VEHICLES WITH EMISSIONS COMPONENTS ARE SUBJECT TO EMISSIONS INSPECTIONS

SECTION 4. 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:

...

(12a) Fuel cell electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.

b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.

c. Uses hydrogen and a fuel cell to produce electricity on board to power an electric motor to propel the vehicle.

d. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.

e. Has a maximum speed capability of at least 65 miles per hour.

...

(28a) Plug-in electric vehicle. – A four-wheeled motor vehicle that does not have the ability to be propelled by a gasoline engine and that meets each of the following requirements:

a. Is made by a manufacturer primarily for use on public streets, roads, and highways and meets National Highway Traffic Safety Administration standards included in 49 C.F.R. § 571.

b. Has not been modified from original manufacturer specifications with regard to power train or any manner of powering the vehicle.

c. Is rated at not more than 8,500 pounds unloaded gross vehicle weight.

d. Has a maximum speed capability of at least 65 miles per hour.

e. Draws electricity from a battery that has all of the following characteristics:

1. A capacity of not less than four kilowatt hours.

2. Capable of being recharged from an external source of electricity.

...."

MODIFY PROCESS BY WHICH DMV DETERMINES WHETHER TO REVOKE A DRIVERS LICENSE OF A PERSON WHO HAS BEEN ADJUDICATED INCOMPETENT

SECTION 5.(a) G.S. 20-17.1(a) reads as rewritten:

"(a) The Commissioner, upon receipt of notice that any person has been legally adjudicated incompetent or has been involuntarily committed to an institution for the treatment of ~~alcoholism or drug addiction,~~ an alcohol abuse or substance abuse disorder, shall forthwith make inquiry into the facts for the purpose of determining whether such person is competent to operate a motor vehicle. ~~If a person has been adjudicated incompetent under Chapter 35A of the General Statutes, in making an inquiry into the facts, the Commissioner shall consider the clerk of court's recommendation regarding whether the incompetent person should be allowed to retain his or her driving privilege.~~ If a clerk of court, in any incompetency adjudication order under Chapter 35A of the General Statutes, recommends that any person's driving privilege be revoked, the Division shall immediately revoke such person's driving privilege. If the clerk of court, in any such order, recommends that the person retain the person's driving privilege, or makes no recommendation concerning the person's driving privilege, the Division shall determine whether the person shall retain the person's driving privilege, based upon an inquiry of the facts. Unless the Commissioner is satisfied that such person is competent to operate a motor vehicle with safety to persons and property, ~~he~~ the Commissioner shall revoke such person's driving privilege. ~~Provided that if such person requests, in writing, a hearing, he shall retain his license until after the hearing, and if the revocation is sustained after such hearing, the person whose driving privilege has been revoked under the provisions of this section,~~ Any person whose driving privilege is revoked pursuant to this subsection shall have the right to a review by the review board as provided in G.S. 20-9(g)(4) upon written request filed with the Division."

SECTION 5.(b) This section becomes effective February 1, 2018, and applies to adjudications on or after that date.

REDESIGNATE DMV LICENSE AND THEFT INSPECTORS AS AGENTS

SECTION 6.(a) G.S. 20-16.5(e) reads as rewritten:

"(e) Procedure if Report Filed with Judicial Official When Person Is Present. – If a properly executed revocation report concerning a person is filed with a judicial official when the person is present before that official, the judicial official shall, after completing any other proceedings involving the person, determine whether there is probable cause to believe that each of the conditions of subsection (b) has been met. If he determines that there is such probable cause, he shall enter an order revoking the person's driver's license for the period required in this subsection. The judicial official shall order the person to surrender his license and if necessary may order a law-enforcement officer to seize the license. The judicial official shall give the person a copy of the revocation order. In addition to setting it out in the order the judicial official shall personally inform the person of his right to a hearing as specified in subsection (g), and that his license remains revoked pending the hearing. The revocation under this subsection begins at the time the revocation order is issued and continues until the person's license has been surrendered for the period specified in this subsection, and the person has paid the applicable costs. The period of revocation is 30 days, if there are no pending offenses for which the person's license had been or is revoked under this section. If at the time of the current offense, the person has one or more pending offenses for which his license had been or is revoked under this section, the revocation shall remain in effect until a final judgment, including all appeals, has been entered for the current offense and for all pending offenses. In no event, may the period of revocation under this subsection be less than 30 days. If within five working days of the effective date of the order, the person does not surrender his license or demonstrate that he is not currently licensed, the clerk shall immediately issue a pick-up order.

The pick-up order shall be issued to a member of a local law-enforcement agency if the law enforcement officer was employed by the agency at the time of the charge and the person resides in or is present in the agency's territorial jurisdiction. In all other cases, the pick-up order shall be issued to an officer or ~~inspector~~ agent of the Division. A pick-up order issued pursuant to this section is to be served in accordance with G.S. 20-29 as if the order had been issued by the Division."

SECTION 6.(b) G.S. 20-49 reads as rewritten:

"**§ 20-49. Police authority of Division.**

The Commissioner and such officers and ~~inspectors~~ agents of the Division as ~~he~~ the Commissioner shall designate and all members of the Highway Patrol and law enforcement officers of the Department of Public Safety shall have the power:

...."

SECTION 6.(c) G.S. 20-49.1 reads as rewritten:

"**§ 20-49.1. Supplemental police authority of Division ~~officers.~~officers and agents.**

(a) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and ~~inspectors~~ agents of the Division whom the Commissioner designates have the authority to enforce criminal laws under any of the following circumstances:

(1) When they have probable cause to believe that a person has committed a criminal act in their presence and at the time of the violation they are engaged in the enforcement of laws otherwise within their jurisdiction.

(2) When they are asked to provide temporary assistance by the head of a State or local law enforcement agency or his designee and the request is within the scope of the agency's subject matter jurisdiction.

While acting pursuant to this subsection, the Division officers and agents shall have the same powers vested in law enforcement officers by statute or common law. When acting pursuant to subdivision (2) of this subsection, the Division officers and agents shall not be considered an officer, employee, or agent of the State or local law enforcement agency or designee asking for temporary assistance. Nothing in this section shall be construed to expand the Division officers' or agents' authority to initiate or conduct an independent investigation into violations of criminal laws outside the scope of their subject matter or territorial jurisdiction.

(b) In addition to the law enforcement authority granted in G.S. 20-49 or elsewhere, the Commissioner and the officers and ~~inspectors~~ agents of the Division whom the Commissioner designates have the authority to investigate drivers license fraud and identity thefts related to drivers license fraud and to make arrests for these offenses."

SECTION 6.(d) 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 year 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 1980 model 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 1980 model year or older unless the ~~inspector~~ agent 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~~ agent 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 6.(e) G.S. 20-108 reads as rewritten:

"**§ 20-108. Vehicles or component parts of vehicles without manufacturer's numbers.**

...

(b) The Commissioner and such officers and ~~inspectors~~ agents of the Division of Motor Vehicles as he has designated may take and possess any motor vehicle or component part if its engine number, vehicle identification number, or manufacturer's serial number has been altered, changed, or obliterated or if such officer or agent has probable cause to believe that the driver or person in charge of the motor vehicle or component part has violated subsection (a) above. Any officer or agent who so takes possession of a motor vehicle or component part shall immediately notify the Division of Motor Vehicles and the rightful owner, if known. The notification shall contain a description of the motor vehicle or component part and any other facts that may assist in locating or establishing the rightful ownership thereof or in prosecuting any person for a violation of the provisions of this Article.

(c) Within 15 days after seizure of a motor vehicle or component part pursuant to this section, the Division shall send notice by certified mail to the person from whom the property was seized and to all claimants to the property whose interest or title is in the registration records in the Division of Motor Vehicles that the Division has taken custody of the motor vehicle or component part. The notice shall also contain the following information:

(1) The name and address of the person or persons from whom the motor vehicle or component part was seized;

(2) A statement that the motor vehicle or component part has been seized for investigation as provided in this section and that the motor vehicle or component part will be released to the rightful owner:

a. Upon a determination that the identification number has not been altered, changed, or obliterated; or

b. Upon presentation of satisfactory evidence of the ownership of the motor vehicle or component part if no other person claims an interest in it within 30 days of the date the notice is mailed. Otherwise, a hearing regarding the disposition of the motor vehicle or component part may take place in a court having jurisdiction.

(3) The name and address of the officer or agent to whom evidence of ownership of the motor vehicle or component part may be presented; and

(4) A copy statement of the text contained in this section.

(d) Whenever a motor vehicle or component part comes into the custody of an ~~officer,~~ officer or agent, the Division of Motor Vehicles may commence a civil action in the District Court in the county in which the motor vehicle or component part was seized to determine whether the motor vehicle or component part should be destroyed, sold, converted to the use of the Division or otherwise disposed of by an order of the court. The Division shall give notice of the commencement of such an action to the person from whom the motor vehicle or component part was seized and all claimants to the property whose interest or title is in the registration records of the Division of Motor Vehicles. Notice shall be by certified mail sent within 10 days after the filing of the action. In addition, any possessor of a motor vehicle or component part described in this section may commence a civil action under the provisions of this section, to

which the Division of Motor Vehicles may be made a party, to provide for the proper disposition of the motor vehicle or component part.

...

(j) An officer or agent taking into custody a motor vehicle or component part under the provisions of this section is authorized to obtain necessary removal and storage services, but shall incur no personal liability for such services. The person or company so employed shall be entitled to reasonable compensation as a claimant under (e), and shall not be deemed an unlawful possessor under (a)."

LIMIT ISSUANCE OF 10-DAY TEMPORARY VEHICLE REGISTRATION TAGS

SECTION 7.(a) G.S. 20-50(b) reads as rewritten:

"(b) The Division may issue a temporary license plate for a vehicle. A temporary license plate is valid for the period set by the Division. The period may not be less than 10 days nor more than 60 days. Except for a vehicle that is model year 1980 or older and is being transported directly to or from a vehicle show or exhibition, the Division shall not issue more than two 10-day temporary license plates to a person for a particular vehicle during an annual registration period.

A person may obtain a temporary license plate for a vehicle by filing an application with the Division and paying the required fee. An application must be filed on a form provided by the Division.

The fee for a temporary license plate that is valid for 10 days is ten dollars ($10.00). The fee for a temporary license plate that is valid for more than 10 days is the amount that would be required with an application for a license plate for the vehicle. If a person obtains for a vehicle a temporary license plate that is valid for more than 10 days and files an application for a license plate for that vehicle before the temporary license plate expires, the person is not required to pay the fee that would otherwise be required for the license plate.

A temporary license plate is subject to the following limitations and conditions:

(1) It may be issued only upon proper proof that the applicant has met the applicable financial responsibility requirements.
(2) It expires on midnight of the day set for expiration.
(3) It may be used only on the vehicle for which issued and may not be transferred, loaned, or assigned to another.
(4) If it is lost or stolen, the person who applied for it must notify the Division.
(5) It may not be issued by a dealer.
(6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license plates apply to temporary license plates insofar as possible."

SECTION 7.(b) This section becomes effective January 1, 2018, and applies to applications received on or after that date.

REMOVE SIGNATURE LINE FROM MOTOR VEHICLE REGISTRATION CARD

SECTION 8. G.S. 20-57(b) reads as rewritten:

"(b) The registration card shall be delivered to the owner and shall contain upon the face thereof the name and address of the owner, ~~space for the owner's signature,~~ the registration number assigned to the vehicle, and a description of the vehicle as determined by the Commissioner, provided that if there are more than two owners the Division may show only two owners on the registration card and indicate that additional owners exist by placing after the names listed "et al." An owner may obtain a copy of a registration card issued in the owner's name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

ALLOW REMOTE CONVERSION OF CERTAIN FULL PROVISIONAL LICENSES TO CLASS C LICENSES

SECTION 9.(a) G.S. 20-7(f)(1) reads as rewritten:

"(1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 expires on the sixtieth day following the person's twenty-first birthday."

SECTION 9.(b) G.S. 20-7(f)(6) reads as rewritten:

"(6) Remote ~~renewal.~~renewal or conversion. – Subject to the following requirements and limitations, the Division may offer remote renewal of a drivers ~~license~~ license, or remote conversion of a full provisional license, issued by the Division:

a. Requirements. – To be eligible for remote renewal or conversion under this subdivision, a person must meet all of the following requirements:

1. The license holder (i) possesses a ~~valid, unexpired~~ valid Class C drivers license ~~that was issued when the person was at least 18 years old.~~or (ii) possesses a valid full provisional license and is at least 18 years old at the time of the remote conversion request.

2. The license holder's current license includes no restrictions other than a restriction for corrective lenses.

3. The license holder attests, in a manner designated by the Division, that (i) the license holder is a resident of the State and currently resides at the address on the license to be ~~renewed,~~ renewed or converted, (ii) the license holder's name as it appears on the license to be renewed or converted has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the license holder does not currently reside at the address on the license to be renewed or converted, the license holder may comply with the address requirement of this sub-sub-subdivision by providing the address at which the license holder resides at the time of the remote renewal or conversion request.

4. ~~The~~ For a remote renewal, the most recent renewal was an in-person renewal and not a remote renewal under this subdivision.

5. The license holder is otherwise eligible for renewal or conversion under this subsection.

b. Waiver of requirements. – When renewing or converting a drivers license pursuant to this subdivision, the Division may waive the examination and photograph that would otherwise be required for the ~~renewal.~~renewal or conversion.

c. Duration of remote ~~renewal.~~renewal or conversion. – A ~~renewed~~ drivers license issued to a person by remote renewal or conversion under this subdivision expires according to the following schedule:

1. For a person at least 18 years old but less than 66 years old, on the birthday of the licensee in the eighth year after issuance.

2. For a person at least 66 years old, on the birthday of the licensee in the fifth year after issuance.

d. Rules. – The Division shall adopt rules to implement this subdivision.

e. Federal law. – Nothing in this subdivision shall be construed to supersede any more restrictive provisions for renewal or conversion of drivers licenses prescribed by federal law or regulation.

f. Definition. – For purposes of this subdivision, "remote ~~renewal"~~ renewal or conversion" means renewal or conversion of a drivers license or full provisional license by mail, telephone, electronic device, or other secure means approved by the Commissioner."

SECTION 9.(c) Subsection (a) of this section becomes effective March 1, 2018, and applies to full provisional licenses issued on or after that date. The remainder of this section becomes effective March 1, 2018.

TEMPORARY REGISTRATION PLATES/EXTEND TIME LIMIT FOR DELIVERY OF SALES DOCUMENTS

SECTION 10.(a) G.S. 20-79.1(d)(3) reads as rewritten:

"(d) A dealer shall:

...

(3) Within ~~10 working~~ 20 days, mail or deliver the application and fees to the Division or deliver the application and fees to a local license agency for processing. Delivery need not be made if the contract for sale has been rescinded in writing by all parties to the contract."

SECTION 10.(b) This section is effective when it becomes law and applies to sales made on or after that date.

SPECIAL IDENTIFICATION CARDS/MODIFY ISSUANCE PROCESS AND ALLOW REMOTE RENEWAL

SECTION 11.(a) G.S. 20-37.7 reads as rewritten:

"§ 20-37.7. Special identification card.

...

(d) ~~Expiration and Fee.~~Duration. – ~~A special~~ Special identification ~~card issued to a person for the first time under this section expires when a drivers license issued on the same day to that person would expire. A special identification card renewed under this section expires when a drivers license renewed by the card holder on the same day would expire.~~cards shall be issued and renewed pursuant to the provisions of this subsection:

(1) Duration for persons under age 18. – A special identification card issued to or renewed by a person under the age of 18 expires on the birthday of the holder in the fifth year after issuance.

(2) Duration for persons age 18 and older. – A special identification card issued to or renewed by a person at least 18 years old expires on the birthday of the holder in the eighth year after issuance.

(3) Duration for certain other drivers. – The durations listed in subdivisions (1) and (2) of this subsection are valid unless the Division determines that a special identification card of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a special identification card of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.

(4) When to renew. – A person may apply to the Division to renew a special identification card during the 180-day period before the special identification card expires. The Division may not accept an application for renewal made before the 180-day period begins.

(d1) Fee. – The fee for a new or renewed special identification card is the same as the fee set in G.S. 20-14 for a duplicate license. The fee does not apply to a special identification card issued to a resident of this State as follows:

...

(7) The applicant has a developmental disability. To obtain a special identification card without paying a fee pursuant to this subdivision, an applicant must present a ~~letter from~~ letter, or a form approved by the Division, signed by his or her primary care provider certifying that the applicant has a developmental disability. For purposes of this subdivision, the term "developmental disability" has the same meaning as in G.S. 122C-3.

(d2) Remote Renewal. – Subject to the following limitations and requirements, the Division may offer remote renewal of a special identification card issued by the Division:

(1) Requirements. – To be eligible for remote renewal under this subsection, a person must meet all of the following requirements:

a. The special identification card holder possesses a valid special identification card that was issued when the person was at least 18 years old.

b. The special identification card holder attests, in a manner designated by the Division, that (i) the special identification card holder is a resident of the State and currently resides at the address on the special identification card to be renewed, (ii) the special identification card holder's name as it appears on the special identification card to be renewed has not changed, and (iii) all other information required by the Division for an in-person renewal under this Article has been provided completely and truthfully. If the special identification card holder does not currently reside at the address on the special identification card to be renewed, the special identification card holder may comply with the address requirement of this sub-subdivision by providing the address at which the special identification card holder resides at the time of the remote renewal request.

c. The most recent renewal was an in-person renewal and not a remote renewal under this subsection.

d. The special identification card holder is otherwise eligible for renewal under this subsection.

(2) Definition. – For purposes of this subsection, "remote renewal" means renewal of a special identification card by mail, telephone, electronic device, or other secure means approved by the Commissioner.

~~(d1)~~(d3) Severe Disability. – For a person who has a physician's letter certifying that a severe disability causes the person to be homebound, the Division shall adopt rules allowing for application for or renewal of a special photo identification card under this section by means other than a personal appearance.

(d4) Special Identification Card to Be Sent by Mail. – The Division shall issue to the applicant a temporary identification certificate valid for 60 days. The temporary identification certificate shall not be valid for identification purposes, except when conducting business with the Division and not otherwise prohibited by federal law. The Division shall produce the applicant's special identification card 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 special identification card 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 11.(b) G.S. 20-9.2(c) reads as rewritten:

"(c) This section does not apply to special identification cards issued pursuant to ~~G.S. 20-37.7(d)(5) or (6).~~subdivision (5) or (6) of subsection (d1) of G.S. 20-37.7."

SECTION 11.(c) G.S. 163-275(13) reads as rewritten:

"(13) For any person falsely to make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting, including declarations made under this Chapter, ~~G.S. 20-37.7(d)(5), 20-37.7(d)(6),~~G.S. 20-37.7(d1)(5), 20-37.7(d1)(6), 130A-93.1(c), and 161-10(a)(8)."

SECTION 11.(d) Subsections (b) and (c) of this section and subsection (d2) of G.S. 20-37.7, as enacted by subsection (a) of this section, become effective December 1, 2017. The remainder of this section becomes effective December 1, 2017, and applies to initial applications and renewals on or after that date.

DMV OFFICERS/EXPAND LIST OF SITUATIONS WHERE POLICE AUTHORITY MAY BE EXERCISED

SECTION 12. G.S. 20-49.1(a) is amended by adding a new subdivision to read:

"(3) When they are responding to an emergency situation that (i) is occurring in their immediate vicinity and (ii) would likely result in bodily harm or loss of property without immediate intervention."

ELIMINATION OF DRIVERS LICENSE TECHNOLOGY FUND

SECTION 13. G.S. 20-37.01 and G.S. 20-37.02(e) are repealed.

MOTOR VEHICLE DEFINITION/TECHNICAL CORRECTION

SECTION 14. G.S. 58-37-1(6) reads as rewritten:

"(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., and a moped, as defined in ~~G.S. 20-4.01(27)d1., or~~ G.S. 20-4.01(27)d1. "Motor vehicle" does not mean an electric assisted bicycle, as defined in G.S. 20-4.01(7a)."

PART III. ESTABLISHMENT OF MEGAPROJECT FUND TO FUND HIGHER-COST AND LARGER-SCALE TRANSPORTATION PROJECTS

ESTABLISHMENT OF MEGAPROJECT FUND

SECTION 15. Chapter 136 of the General Statutes is amended by adding a new Article to read:

"Article 14C.

"Megaproject Fund.

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

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

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

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

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

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

The Department of Transportation shall develop, and update annually, a report containing a completion schedule for all projects to be funded from the Megaproject Fund, including the selection criteria and reasoning used for each project. The annual update shall indicate the projects, or portions thereof, that were completed during the preceding fiscal year, any changes in the original completion schedules, and the reasons for the changes. The report shall also include the Department's anticipated schedule for future projects. The Department shall submit the report and the annual updates to the Joint Legislative Transportation Oversight Committee by November 1 of each year."

EXCLUSION FROM TRANSPORTATION INVESTMENT STRATEGY FORMULA

SECTION 16. G.S. 136-189.11(b) is amended by adding a new subdivision to read:

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

...

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

WORKGROUP AND MEGAPROJECT SELECTION CRITERIA

SECTION 17.(a) Establishment of Workgroup and Megaproject Selection Criteria. – The Department of Transportation shall establish a workgroup for the purposes of developing megaproject selection criteria and selecting projects in accordance with G.S. 136-189.13, as enacted by Section 1 of this act. The megaproject selection criteria shall:

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

SECTION 17.(b) Membership. – The workgroup shall consist of the following members:

(1) A representative from the workgroup established under G.S. 136-189.11(h).

(2) A representative from the North Carolina Association of Municipal Planning Organizations.
(3) A representative from the North Carolina Association of Rural Planning Organizations.
(4) A representative from the North Carolina League of Municipalities.
(5) A representative from the North Carolina Association of County Commissioners.
(6) A representative from the North Carolina Metropolitan Mayors Coalition.
(7) A representative from the North Carolina Council of Regional Governments.

SECTION 17.(c) Selection of Members; Cochairs. – The Department of Transportation shall select the members listed in subsection (b) of this section. The cochairs of the workgroup shall be the members listed in subdivisions (2) and (3) of subsection (b) of this section.

SECTION 17.(d) Meetings. – The Department of Transportation shall establish and convene the workgroup required under this section within 30 days of the effective date of this section. Within the three-month period from the date the workgroup is convened, the workgroup shall hold at least three meetings. One meeting shall set forth the goals and objectives of the workgroup, a second meeting shall discuss the progress made in meeting its goals and objectives, and a third meeting shall present the outcomes achieved from the workgroup process, including a presentation on the selection criteria established by the workgroup. Additional meetings shall be on the call of the cochairs. Each member may be represented by a designee, who shall have the same voting powers as the member. The workgroup shall meet in offices provided by the Department of Transportation. In addition, the Department of Transportation shall provide the necessary secretarial and clerical staff and supplies to help the workgroup accomplish its goals and objectives.

SECTION 17.(e) Quorum. – A quorum of the workgroup shall consist of a majority of the workgroup's total membership.

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

SECTION 17.(g) This section is effective when it becomes law.

PART IV. EFFECTIVE DATE

SECTION 18. Except as otherwise provided, this act becomes effective July 1, 2017.

HOUSE BILL 716: CMVs/Use of Platoons.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	May 31, 2017
Introduced by:	Rep. Torbett	**Prepared by:**	Howard Marsilio
Analysis of:	First Edition		Staff Attorney

OVERVIEW: House Bill 716 would exempt the driver of a nonleading commercial motor vehicle traveling in a platoon from the requirement that a vehicle following another vehicle leave sufficient space between them.

CURRENT LAW: G.S. 20-152(a) requires a driver of a motor vehicle to keep a reasonable and prudent distance between vehicles when driving while considering the speed of others, traffic, and highway conditions.

G.S. 20-152(b) requires a motor vehicle following another motor vehicle to leave sufficient space for an overtaking vehicle to merge between the two vehicles without danger, if conditions permit. This subsection does not apply to funeral processions.

BILL ANALYSIS: This bill would add a subsection (c) to G.S. 20-152 exempting the drivers of nonleading commercial motor vehicles traveling in a platoon, unified through an electronically interconnected braking system, from the spacing requirements in subsection (a) and subsection (b) of this section.

EFFECTIVE DATE: This act would become effective July 1, 2017. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

Karen Cochrane-Brown
Director

H716-SMRW-67 E1 -V-1

Legislative Analysis Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 1

HOUSE BILL 716

Short Title: CMVs/Use of Platoons. (Public)

Sponsors: Representative Torbett.
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Transportation

April 11, 2017

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE LAWS REGULATING THE DISTANCE BETWEEN MOTOR VEHICLES TRAVELING ON THE ROAD DO NOT APPLY TO ANY NONLEADING COMMERCIAL MOTOR VEHICLE TRAVELING WITHIN A PLATOON.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-152 reads as rewritten:

"**§ 20-152. Following too closely.**

(a) The driver of a motor vehicle shall not follow another vehicle more closely than is reasonable and prudent, having due regard for the speed of such vehicles and the traffic upon and the condition of the highway.

(b) The driver of any motor vehicle traveling upon a highway outside of a business or residential district and following another motor vehicle shall, whenever conditions permit, leave sufficient space so that an overtaking vehicle may enter and occupy such space without danger, except that this shall not prevent a motor vehicle from overtaking and passing another motor vehicle. This provision shall not apply to funeral processions.

(c) Subsections (a) and (b) of this section shall not apply to the driver of any nonleading commercial motor vehicle traveling in a platoon with other commercial motor vehicles. For purposes of this subsection, the term "platoon" means a group of individual commercial motor vehicles traveling in a unified manner through the use of an electronically interconnected braking system."

SECTION 2. This act becomes effective July 1, 2017. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

ATTACHMENT 2

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 716

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

H716-ARW-19 [v.2]

Amends Title [YES]
First Edition

Date 5/31 ,2017

Senator Tom McInnis

moves to amend the bill:

On page 1, line 5, by rewriting that line to read:
"PLATOON WHERE AUTHORIZED BY THE DEPARTMENT OF TRANSPORTATION.";

On page 1, line 18, by rewriting that line to read:
"commercial motor vehicle traveling in a platoon on any roadway where the Department of Transportation has by traffic ordinance authorized travel by platoon. For";

On page 1, lines 21-22, by adding between those lines the following:
"**SECTION 2.** The Department shall submit a report on the implementation of this act to the Joint Legislative Transportation Oversight Committee on or before April 1, 2018."; and

On page 1, line 22, by renumbering "**SECTION 2.**" as "**SECTION 3.**".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

SENATE BILL 391:
Ferry Transportation Authority.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	May 31, 2017
Introduced by:	Sen. Rabon	**Prepared by:**	Giles Perry
Analysis of:	First Edition		Staff Attorney

OVERVIEW: Senate Bill 391 authorizes the creation of a Ferry Transportation Authority to operate a ferry system in the area of a tidal river, and adjoining estuaries, in the vicinity of a municipality that is only accessible by water.

CURRENT LAW: Under current law, public transportation authorities are authorized by Articles 25, 26, and 27 of Chapter 160A, for the purpose of operating public bus and rail transportation systems in specified areas of the State.

BILL ANALYSIS: Senate Bill 391 authorizes the creation of a Ferry Transportation Authority to operate a ferry transportation system.

The bill specifies the following:

- **Service Area**: The service area of a Ferry Transportation Authority is defined as the area of a tidal river, and adjoining estuaries, in the vicinity of a municipality that is only accessible by water.[1]
- **Creation:** Following notice and public hearing, a Ferry Transportation Authority could be created by resolution of each of the following: (1) The elected board of a municipality only accessible by vessel, (2) The elected board of a municipality where any mainland terminal of the Authority is located, (3) The board of commissioners of the county where the Authority is located.
- **Board of Trustees**: The Ferry Transportation Authority would be governed by an 11 member Board of Trustees, with staggered 3-year terms, appointed as specified in new G.S. 160A-685(b). One member would be appointed by the Governor, one by the President Pro Tem, one by the Speaker, three by the Secretary of DOT, one by the affected county, one by the mainland terminal municipality, and one by the island municipality.
- **Fiscal Accountability**: the Ferry Transportation Authority would be subject to the provision of Chapter 159, the Local Government Local Government Budget and Fiscal Control Act.
- **No State Funds.** The bill provides the State would not be required to provide any funds for the operation of the Authority.

[1] The Village of Bald Head Island, The Town of Southport, and adjacent areas meet the description of an authorized service area of a Ferry Transportation Authority authorized by this act.

- **Powers:** A Ferry Transportation Authority would have the powers listed in new G.S. 160A- 685, including the power to acquire the component parts of a ferry transportation system, to operate the system, sets rates for its services, and to issue revenue bonds and bond anticipation notes.
- **Rates, Routes, Schedules.** A Ferry Transportation Authority authorized under this act would be exempt from Utilities Commission rate-making jurisdiction, and would be required to give 30 days' public notice of any changes to rates, routes, and schedules. The initial rates, routes and schedules of a ferry service provided by an Authority would have to be the same as any private ferry service an Authority acquired.
- **Competition:** Competition by the Ferry Transportation Authority with private entities would be limited to authorized charter services, as provided by new G.S. 160A-687.
- **Eminent Domain:** a Ferry Transportation Authority would be authorized to utilize eminent domain for the purposes of the Authority.

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

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 1

SENATE BILL 391

Short Title:	Ferry Transportation Authority.	(Public)
Sponsors:	Senator Rabon (Primary Sponsor).	
Referred to:	Rules and Operations of the Senate	

March 28, 2017

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE CREATION OF A FERRY TRANSPORTATION AUTHORITY.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 160A of the General Statutes is amended by adding a new Article to read:

"Article 29.

"Ferry Transportation Authority.

"**§ 160A-680. Title and purpose.**

This Article shall be known and may be cited as the "Ferry Transportation Authority Act." The purpose of this Article is to authorize creation of an Authority to provide reliable and safe public ferry transportation services in its service area.

"**§ 160A-681. Definitions.**

The following definitions apply in this Article:

(1) Authority. – The Ferry Transportation Authority.

(2) Board of Trustees. – The governing board of the Authority.

(3) Ferry Transportation Authority. – A public body corporate and politic organized in accordance with the provisions of this Article for the purposes, with the powers, and subject to the restrictions hereinafter set forth.

(4) Ferry transportation service. – Transportation of passengers or freight by any means of conveyance, including a ferry, barge, vehicle, or tram.

(5) Ferry transportation system. – A combination of real and personal property, structures, improvements, buildings, equipment, maritime vessels, vehicles, vehicle parking, trams, shuttle buses, docks, terminals, and other facilities necessary for the maintenance and operation of a ferry transportation service. The term does not include public streets, roads, or highways.

(6) Unit of local government. – A county, city, town, or municipality of this State, and any other political subdivision, public corporation, authority, or district in this State, that is or may be authorized by law to acquire, establish, construct, enlarge, improve, maintain, own, or operate a ferry transportation system.

(7) Unit of local government's chief administrative official. – The county manager, city manager, town manager, or other person in whom the responsibility for the unit of local government's administrative duties is vested.

(8) Vessel. – Watercraft or other artificial contrivance used, or capable of being used, as a means of transportation of passengers or freight on water.

"**§ 160A-682. Service area of Authority.**

The boundaries of the service area of the Authority shall be determined by the Board of Trustees, consistent with the purpose of the Authority. The service area of an authority created pursuant to this Article may include, but cannot exceed, all of the following:

(1) The area of a tidal river, and adjoining estuaries, in the vicinity of a municipality that is only accessible by vessel.

(2) Terminals, parking, maintenance facilities, facilities utilized for tram and bus service, and other related facilities in or in the vicinity of the same tidal river and a municipality that is only accessible by vessel.

(3) Terminals, parking, maintenance facilities, facilities utilized for tram and bus service, and other related facilities in or in the vicinity of the same tidal river and a municipality in which the mainland terminal used to provide ferry transportation service is located.

"**§ 160A-683. Creation of Authority.**

(a) Resolution of Creation. – An Authority may be organized under the provisions of this Article upon the adoption of a resolution to create such an Authority by each of the following:

(1) The elected board of a municipality only accessible by vessel.

(2) The elected board of a municipality where any mainland terminal of the Authority is located.

(3) The board of commissioners of the county where the Authority is located.

(b) Public Hearing. – A resolution to form an Authority under this Article shall be adopted after a public hearing. Notice of the public hearing must be given at least once, not less than 10 days prior to the date fixed for the hearing, in a newspaper having a general circulation in the county. The notice must contain a brief statement of the substance of the proposed resolution, the proposed articles of incorporation of the Authority, and the time and place of the public hearing.

(c) Articles of Incorporation. – A resolution to form an Authority under this Article must include articles of incorporation that set forth all of the following:

(1) The name of the Authority.

(2) A statement that the Authority is organized under this Article.

(3) The name of each organizing entity.

(d) Certificate of Incorporation. – A certified copy of each resolution signifying the determination to organize an Authority under the provisions of this Article shall be filed with the Secretary of State, together with proof of publication of the notice of hearing. If the Secretary of State finds that each resolution, including the articles of incorporation, conform to the provisions of this Article and that the notice of hearing was properly published, then the Secretary must issue a certificate of incorporation under the seal of the State and record the same in an appropriate book of record. The issuance of the certificate of incorporation by the Secretary of State shall constitute the Authority, a public body and body politic and corporate of the State of North Carolina. The certificate of incorporation is conclusive evidence of the fact that the Authority has been duly created and established under the provisions of this Article.

(e) Officers. – When the Authority has been duly organized and its officers elected, the secretary of the Authority shall certify to the Secretary of State the names and addresses of the officers as well as the address of the principal office of the Authority.

"**§ 160A-684. Board of Trustees.**

(a) Members. – The Board of Trustees consists of 11 members. The Mayor and Mayor Pro Tempore of the municipality only accessible by vessel serve as ex officio voting members.

The remaining nine members serve staggered three-year terms and are appointed as provided in subsection (b) of this section. Members of the Board of Trustees shall receive the sum of fifty dollars ($50.00) as compensation for attendance at each duly conducted meeting of the Authority.

(b) Appointment. – Nine members of the Board of Trustees are appointed as provided in this subsection. The members must be residents of this State at the time of appointment, and must maintain their residency during the duration of their term. Appointed members serve at the pleasure of the appointing authority. A vacancy in a term prior to the expiration of the term must be filled by the appropriate appointing authority. The members are appointed as follows:

(1) One member by the Governor.

(2) Two members by the General Assembly under G.S. 120-121, one of whom is appointed upon the recommendation of the President Pro Tempore of the Senate and one of whom is appointed upon the recommendation of the Speaker of the House of Representatives.

(3) Three members appointed by the Secretary of the Department of Transportation, at least one of whom must own real property in the service area of the Authority, as determined under G.S. 160A-682, and at least one of whom must be a member of the Board of Transportation.

(4) One member by the board of commissioners of the county where the Authority is located, who must be a resident of the county but not a resident of the municipality only accessible by vessel.

(5) One member by the elected board of a municipality where the mainland terminal of the Authority is located, who must be a resident of that municipality.

(6) One member appointed by the elected board of a municipality only accessible by vessel, who must be a year-round resident of the municipality only accessible by vessel.

(c) Terms. – A term begins on July 1 of the year of appointment and ends on June 30 of the third year. A member appointed under subsection (b) of this section may not serve more than two consecutive terms on the Board of Trustees. In calculating the number of terms served, a partial term that is less than 18 months in length will not be included.

(d) Meetings. – The Board of Trustees must meet at least once every three months. A majority of the members of the Board of Trustees constitute a quorum for the transaction of business. The Board of Trustees must annually elect from its membership a chairperson, vice-chairperson, secretary, and treasurer.

(e) Ethics. – Members of the Board of Trustees are subject to the provisions of G.S. 136-13, 136-13.1, and 136-14.

(f) Reports. – The Board of Trustees must submit an annual report of its activities, holdings, and finances, including an audit of its accounts by a certified public accountant, to the Secretary of the Department of Transportation and to the Joint Legislative Commission on Governmental Operations. The report must be submitted by October 1 of each year.

"**§ 160A-685. Ferry Transportation Authority.**

(a) Financial Accountability. – An Authority created under this Article is a public authority subject to the provisions of Chapter 159 of the General Statutes.

(b) Funds. – The establishment and operation of an Authority are governmental functions and constitute a public purpose. The State or any unit of local government may, but is not obligated to, appropriate funds to support the establishment and operation of the Authority. The State or any unit of local government may also dedicate, sell, convey, donate, or lease any of their interests in any property to the Authority. An Authority may apply for grants or any other type of financing from the State, the United States, or any department, agency, or instrumentality thereof.

(c) General Powers. – The general powers of the Authority include any one or more of the following:

(1) To sue and be sued.

(2) To have a seal.

(3) To make rules and regulations, not inconsistent with this Article, for its organization and internal management.

(4) To employ persons deemed necessary to carry out the functions and duties assigned to them by the Authority and to fix their compensation within the limit of available 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.

(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.

(7) To acquire, lease as lessee with or without option to purchase, hold, own, and use any 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 that are useful for the Authority's purposes, including, but not necessarily limited to, barge service, marine maintenance, ferry terminals, and parking 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 ferry 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, barge service, marine maintenance, ferry terminals, and parking 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.

(10) To purchase or finance real or personal property in the manner provided for cities and counties under G.S. 160A-20.

(11) To surrender to the State of North Carolina, upon the approval of the Secretary of the Department of Administration, any property no longer required by the Authority.

(12) To develop and make data, plans, information, surveys, and studies within the service area of the Authority and to prepare and make recommendations in regard thereto.

(13) 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.

(14) To make, enter into, and perform contracts with private parties and transportation companies with respect to the management and operation of ferry transportation services.

(15) To make, enter into, and perform contracts with other entities for the joint use of property or rights, for the establishment of connecting routes, joint fares, or transfer of 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.

(17) With the consent of the unit of local government that 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 ferries, buses, trams, taxicabs, and other methods of public passenger transportation that originate and terminate within the service area of the Authority as fully as the unit of local government is now or hereafter empowered to do within the jurisdiction of the unit of local government.

(18) To operate a ferry transportation system and to enter into and perform contracts to provide and operate ferry 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 a ferry transportation system outside the service area of the Authority.

(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 Part 1 of Article 20 of this Chapter; 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 ferry transportation system outside the service area of the 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 service area of the Authority.

(21) To do all things necessary or convenient to carry out its purpose and to exercise the powers granted to the Authority.

(22) To facilitate the coordination of transportation plans in the service area.

(23) To maintain databases for the projection of future travel demands in the service area.

(24) To provide other transportation related services, as determined by the Board of Trustees in its discretion.

(25) To contract for, or to provide and maintain, with respect to the facilities and property owned, leased, operated, or under the control of the Authority, and within the service area thereof, a security force to protect persons and property, dispense unlawful or dangerous assemblages and assemblages that obstruct full and free passage, control pedestrian and vehicular traffic, and otherwise preserve and protect the public peace, health, and safety. A member of the security 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 the member is discharging those duties.

(26) 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 ferry transportation system.

(27) To issue bonds and bond anticipation notes under the Local Government Revenue Bond Act, Articles 5 and 9 of Chapter 159 of the General Statutes, or as otherwise provided by law, for the purpose of acquiring, constructing, improving, maintaining, operating, or financing a ferry 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 notes. As provided in G.S. 159-94, the principal of and interest on the bond is payable solely from the revenues pledged to its payment and neither the State nor the municipality is obligated to pay the principal or interest, except from such revenues.

"**§ 160A-686. Rates, fees, charges, routes, and schedules.**

(a) Notice. – The Board of Trustees must give at least 30 days' public notice of any change to rates, fees, charges, routes, or schedules, except as necessitated by an emergency situation. The Board of Trustees must report any change to rates, fees, charges, routes, or schedules to the Secretary of the Department of Transportation and to the Joint Legislative Commission on Governmental Operations.

(b) Regulation. – Notwithstanding G.S. 62-3(23)a.3. and 4., the North Carolina Utilities Commission shall not have jurisdiction over the provision of ferry transportation service within the Authority's service area.

"**§ 160A-687. Competition.**

(a) Prohibition. – No equipment of the Authority may be used for charter, tour, or sight-seeing service, except as provided by this section.

(b) Charter Services. – Equipment of the Authority may be used for one-time charter service events, if all of the following conditions are met:

(1) The use of the equipment for the charter service is approved in writing by the Board of Trustees.

(2) The revenues received by the Authority from the provision of the charter service exceed fully allocated expenses.

(3) The charter service does not adversely affect regularly scheduled ferry transportation services provided by the Authority.

"**§ 160A-688. Power of eminent domain.**

The Authority shall have continuing power to acquire, by gift, grant, devise, exchange, purchase, lease with or without option to purchase, or any other lawful method, including the power of eminent domain, the fee or any lesser interest in real or personal property for use by the Authority. Exercise of the power of eminent domain by the Authority shall be in accordance with Chapter 40A of the General Statutes.

"**§ 160A-689. Termination.**

The Board of Trustees may terminate the existence of the Authority at any time when it has no outstanding indebtedness. In the event of such termination, all property and assets of the Authority not otherwise encumbered shall automatically become the property of the State of North Carolina, and the State of North Carolina shall succeed to all rights, obligations, and liabilities of the Authority."

SECTION 2. G.S. 62-3(23) reads as rewritten:

"**§ 62-3. Definitions.**

As used in this Chapter, unless the context otherwise requires, the term:

...

(23) ...

m. The term "public utility" shall not include a Ferry Transportation Authority created pursuant to Article 29 of Chapter 160A of the General Statutes."

SECTION 3. G.S. 159-81(1) reads as rewritten:

"**§ 159-81. Definitions.**

The words and phrases defined in this section shall have the meanings indicated when used in this Article:

(1) "Municipality" means a county, city, town, incorporated village, sanitary district, metropolitan sewerage district, metropolitan water district, metropolitan water and sewerage district, county water and sewer district, water and sewer authority, hospital authority, hospital district, parking authority, special airport district, special district created under Article 43 of Chapter 105 of the General Statutes, regional public transportation authority, regional transportation authority, regional natural gas district, regional sports authority, airport authority, joint agency created pursuant to Part 1 of Article 20 of Chapter 160A of the General Statutes, a joint agency authorized by agreement between two cities to operate an airport pursuant to G.S. 63-56, ~~and~~ the North Carolina Turnpike Authority described in Article 6H of Chapter 136 of the General Statutes and transferred to the Department of Transportation pursuant to G.S. 136-89.182(b), and a Ferry Transportation Authority created pursuant to Article 29 of Chapter 160A of the General Statutes, but not any other forms of State or local government.

...."

SECTION 4. G.S. 160A-20(h) is amended by adding a new subdivision to read:

"(15) A Ferry Transportation Authority created pursuant to Article 29 of this Chapter."

SECTION 5.(a) To achieve the staggered terms for the nine members of the Board of Trustees in accordance with G.S. 160A-684(b), as enacted by Section 1 of this act, and notwithstanding the term of office provisions in G.S. 160A-684(c), as enacted by Section 1 of this act, the terms of the individuals serving on the initial Board of Trustees will be as provided below:

(1) The appointee of the Governor shall serve for a one-year term, expiring June 30 in the year following the creation of the Authority.

(2) The appointee of the President Pro Tempore of the Senate shall serve for a one-year term, expiring June 30 in the year following the creation of the Authority.

(3) The appointee of the Speaker of the House of Representatives shall serve for a one-year term, expiring June 30 in the year following the creation of the Authority.

(4) The appointees of the Secretary of the Department of Transportation shall each serve for a two-year term, expiring June 30 in the second year following the creation of the Authority.

(5) The appointee of the board of commissioners described in G.S. 160A-684(b)(4), as enacted by Section 1 of this act, shall serve for a three-year term, expiring June 30 in the third year following the creation of the Authority.

(6) The appointee of the elected board of the municipality described in G.S. 160A-684(b)(5), as enacted by Section 1 of this act, shall serve for a three-year term, expiring June 30 in the third year following the creation of the Authority.

(7) The appointee of the elected board of the municipality described in G.S. 160A-684(b)(6), as enacted by Section 1 of this act, shall serve for a three-year term, expiring June 30 in the third year following the creation of the Authority.

SECTION 5.(b) This section becomes effective upon the issuance of a certificate of incorporation by the Secretary of State for a Ferry Transportation Authority created under Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act.

SECTION 6.(a) If (i) a Ferry Transportation Authority is created pursuant to Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act, and (ii) an existing, privately owned ferry transportation service is currently operating a ferry transportation system in the service area of the Authority, as described in G.S. 160A-682, as enacted by Section 1 of this act, pursuant to a Certificate of Public Convenience and Necessity issued by the North Carolina Utilities Commission in effect as of the effective date of this act, then the assets used and useful for the ferry transportation system, as defined in G.S. 160A-681, as enacted by Section 1 of this act, and owned by the private ferry transportation service or its affiliates shall be acquired, by purchase, gift, lease, or otherwise, by that Authority at or below their appraised value, such purchase to be financed by bonds or notes issued by the Authority or other financing mechanisms permitted under Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act. Upon the purchase of these assets by that Authority, the Certificate of Public Convenience and Necessity issued by the North Carolina Utilities Commission to such privately owned ferry transportation service shall be terminated and all franchise rights to operate a ferry transportation system utilizing these assets will be transferred at that time to the Authority without further action by the North Carolina Utilities Commission.

SECTION 6.(b) If (i) a Ferry Transportation Authority is created pursuant to Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act, (ii) an existing, privately owned ferry transportation service is currently operating a ferry transportation system in the service area of the Authority, as described in G.S. 160A-682, as enacted by Section 1 of this act, and (iii) the Ferry Transportation Authority acquires the assets used and useful for the ferry transportation system, as defined in G.S. 160A-681, as enacted by Section 1 of this act, from the privately owned ferry transportation service, then the initial rates, fees, charges, routes, and schedules of the Ferry Transportation Authority must be the same rates, fees, charges, routes, and schedules in effect for such existing privately owned ferry transportation service as of the date of its acquisition by the Authority.

SECTION 6.(c) This section becomes effective upon the issuance of a certificate of incorporation by the Secretary of State for a Ferry Transportation Authority created pursuant to Article 29 of Chapter 160A of the General Statutes, as enacted by Section 1 of this act.

SECTION 7. Except as otherwise provided, this act is effective when it becomes law.

ATTACHMENT 3

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 391

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

S391-ARB-31 [v.3]

Amends Title [NO]
First Edition

Date 5/13 ,2017

Senator Rabon

moves to amend the bill on page 2, lines 35 and 36, by deleting the phrase "signifying the determination to organize" and substituting the word "organizing";

and on page 3, line 26, by deleting the word "year-round";

and on page 3, lines 34 and 35, by rewriting the lines to read:
"business. The Board of Trustees must annually elect from its membership a chair and vice-chair. The Board of Trustees may elect from its membership or appoint a non-member to serve as secretary or treasurer.";

And on page 4, lines 30 and 31, by adding a new subdivision to read, and by renumbering the remaining subdivisions accordingly:

"(9) To accept gifts or grants of money, real or personal property, or services from a person, the State, the federal government, or a unit of local government.";

And on page 5, line 41, by inserting the phrase "within the service area of the Authority" immediately before the comma;

And on page 6, line 26, by deleting the word "one-time" and substituting the word "occasional".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

S391-ARB-31-V-3

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee

ON

Transportation

May 31, 2017 - 12:00 PM

Room 1027/1128

Senate Sergeant at Arms:

JOHN ENLOE

LINDA MATTHEWS

TERRY BARNHARDT

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027

DATE: 5-31 **TIME:** Noon

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

Page Name	Hometown	Sponsoring Senator
1. Sarah Boyd	Ellenboro	Hise
2. Elizabeth Edwards	Charlotte	Berger
3. ~~Kaley Smith~~ Kaley Smith	Elizabethtown	Brett
4. Caroline King	Rutherfordton	Hise
5. Lexi Kopp	Southport	Rabon
6. Lance Linderman	Charlotte	Waddell
7.		
8.		

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

NAME OF MEETING: Senate Committee on Transportation

DATE: May 31, 2017 Room 1027/1128

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Sarah Wolfe	MWC
Robert Sawyer	NCDOT/DMV L&T
Seth Palmer	NCR
Jeff Canaday	NCCN
Alexandra Zegger	NCCN
Jay Stem	NCAA
Beryl Jenkins	CAROLINAS AGC
[illegible]	NCADA
Amanda Donovan	KTS
Hampton Billings	KTS
STEVE WATKINS	LICENSE & THEFT BUREAU
MATTHEW NIES	LICENSE & THEFT BUREAU

NAME OF MEETING: Senate Committee on Transportation

DATE: May 31, 2017 Room 1027/1128

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Jonathan W Purgeant	NCDMV
Hope Mozingo	NCDMV
Crystal Collins	NC Trucking Assn
Rick Zechini	Williams mullen
Sterling Baker	NCDOT
Joy Hicks	NCDOT
Kevin Lacy	NCDOT

SPEAKER REGISTRATION SHEET

Senate Trans. 5/31/17

Name of Committee Date

SPEAKERS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Charles A. Paul III	Bald Head Island LTD, LLC
Kevin Lacy	NCDOT

Committee on Transportation
June 7, 2017
12:00 p.m.
Room 1027/1128 LB
Chairs:
Senator Jim Davis Senator Tom McInnis

The Senate Committee on Transportation met June 7, 2017 at 12:00 p.m. in Room 1027/1128 LB.

Senator Tom McInnis presided.

Senator McInnis called the committee to order, asked to silence phones, the Sergeant at Arms, and pages.

Senator Meredith made a motion to accept the PCS for House Bill 469 Regulation of Fully Autonomous Vehicles. The PCS was accepted and House Bill 469 was before the committee for discussion. Representative Shepard explained House Bill 469. He then answered questions from the committee members. There were four public guest speakers on the bill.

The meeting adjourned at 12:30p.m.

Senator Tom McInnis
Presiding

Libby Spain (Sen. Tom McInnis)
Committee Clerk

Senate Committee on Transportation
Wednesday, June 7, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks
Silence Phones
Introduction of Pages
Introduction of Sergeant at Arms

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 469	Regulation of Fully Autonomous Vehicles. For Discussion Only	Representative Shepard Representative Torbett

Adjournment

HOUSE BILL 469:
Regulation of Fully Autonomous Vehicles.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	June 7, 2017
Introduced by:	Reps. Shepard, Torbett	**Prepared by:**	Howard Marsilio
Analysis of:	PCS to Second Edition H469-CSBG-23		Committee Counsel

OVERVIEW: The Proposed Committee Substitute (PCS) for House Bill 469 would create a new Article 18 in Chapter 20, which would regulate fully autonomous vehicles and make various changes to the motor vehicle laws to account for the operation of fully autonomous vehicles.

The PCS consolidates and incorporates many of the changes to current motor vehicles laws in previous editions of this bill into one location within Chapter 20, and makes various clarifying and technical changes.

[As introduced, this bill was identical to S337, as introduced by Sens. Meredith, J. Davis, McInnis, which is currently in Senate Rules and Operations of the Senate.]

CURRENT LAW:

Current State law does not specifically regulate the operation of vehicles with automated driving systems.

BILL ANALYSIS:

Section 1 would create a new Article 18 within Chapter 20 of the General Statutes, regulating fully autonomous vehicles by creating definitions and clarifying the applicability of, and modifying, existing motor vehicles laws to account for the operation of fully autonomous vehicles by:

- Creating G.S. 20-400 which would contain key definitions applicable to fully autonomous vehicles such as "automatic driving system" and "fully autonomous vehicle".
- Creating G.S. 20-401 which would clarify the applicability of, and modify, current motor vehicle laws as they relate to the operation of fully autonomous vehicles as follows:
    - The operator of a fully autonomous vehicle with the automated driving system engaged would not be required to be licensed to operate a motor vehicle.
    - Vehicle registration card requirements would be satisfied if the vehicle registration card is in the vehicle, and readily available to be inspected by an officer or inspector.
    - The parent or legal guardian of a minor would be responsible for a violations of the prohibition on children in an open bed of a pickup or the child restraint law, if the violation occurs in a fully autonomous vehicle.
    - It would be unlawful for a parent or legal guardian to knowingly permit a person less than 12 years old to ride in a fully autonomous without supervision by someone 18 or older.

- The registered owner a fully autonomous vehicle would be responsible for moving violations, if the violation involves a fully autonomous vehicle.
- A vehicle would not be considered unattended merely because it is a fully autonomous vehicle with the automated driving system engaged for the purposes of potential violations located within Chapter 20.
- In the event of a motor vehicle crash, if all of the following conditions are met, then various provisions in G.S. 20-166 and G.S. 20-166.1, would be satisfied, and no violation of those provisions shall be charged, if the following conditions are met:
  - The vehicle or the operator of the vehicle promptly contacts the appropriate law enforcement agency to report the crash.
  - The vehicle or operator of the vehicle promptly calls for medical assistance, if appropriate.
  - For a reportable crash, the vehicle remains at the scene of the crash until vehicle registration and insurance information is provided to the parties affected by the crash, and a law enforcement officer authorizes the vehicle to be removed.
  - For a non-reportable crash, the vehicle remains at the scene or in the immediate vicinity of the crash until vehicle registration and insurance information is provided to the parties affected by the crash.

- Creating subsection (g) within G.S. 20-401 which would allow a person to operate a fully autonomous vehicle if the vehicle meets all of the following requirements:
  - The vehicle is (i) capable of being operated in compliance with The Motor Vehicle Act of 1937 (Articles 3), Safety Emissions Inspection Program (Article 3A), Miscellaneous Provisions Relating to Motor Vehicles (Article 7), and The Vehicle Financial Responsibility Act of 1957 (Article 13) of Chapter 20 and (ii) has been, at the time of its manufacture, certified by the manufacturer as being in compliance with applicable federal motor vehicle safety standards.
  - The vehicle has the capability to meet the requirements of subsection (f) in G.S. 20-401 when a fully autonomous vehicle in involved in a crash.
  - The vehicle can achieve a minimal risk condition, which requires the fully autonomous vehicle to initiate a safe stop in case of a system failure.
  - The vehicle is covered by a motor vehicle liability policy meeting the applicable requirements of G.S. 20-279.21.
  - The vehicle is registered in accordance with Part 3 of Article 3 of this Chapter, and, if registered in this State, the vehicle shall be identified on the registration and registration card as a fully autonomous vehicle.
- Creating subsection (h) within G.S. 20-401 which would prohibit local governments from enacting local laws or ordinances related to the regulation of motor vehicles with an automated driving system, other than regulation specifically authorized in Chapter 153A and Chapter 160A of the General Statutes that is not specifically related to those types of motor vehicles.
- Creating G.S. 20-402, which would clarify that: (i) nothing in Article shall be construed to affect, alter, or amend the applicability of Chapter 20 to vehicles with an automated driving system but may require an operator to respond appropriately to a request to intervene, and (ii) the local

ordinance preemption provision applies to motor vehicles with an automated driving system but may require an operator to respond appropriately to a request to intervene.

EFFECTIVE DATE: This act becomes effective December 1, 2017, and applies to offenses committed on or after that date. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H D

HOUSE BILL 469
Committee Substitute Favorable 4/24/17
PROPOSED SENATE COMMITTEE SUBSTITUTE H469-CSBG-23 [v.19]
06/06/2017 03:03:56 PM

Short Title: Regulation of Fully Autonomous Vehicles. (Public)

Sponsors:

Referred to:

March 27, 2017

A BILL TO BE ENTITLED

AN ACT TO REGULATE THE OPERATION OF FULLY AUTONOMOUS MOTOR VEHICLES ON THE PUBLIC HIGHWAYS OF THIS STATE.

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 18.

"Regulation of Fully Autonomous Vehicles.

"**§ 20-400. Definitions.**

The following definitions apply in this Article:

(1) Automated Driving System. – The hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of whether it is operating within a limited or unlimited operational design domain.

(2) Dynamic Driving Task. – All of the real-time operational and tactical control functions required to operate a motor vehicle in motion or which has the engine running, such as:

a. Lateral vehicle motion control via steering.

b. Longitudinal motion control via acceleration and deceleration.

c. Monitoring the driving environment via object and event detection, recognition, classification, and response preparation.

d. Object and event response execution.

e. Maneuver planning.

f. Enhancing conspicuity via lighting, signaling, and gesturing.

(3) Fully Autonomous Vehicle. – A motor vehicle equipped with an automated driving system and that will not at any time require an occupant to perform any portion of the dynamic driving task when the automated driving system is engaged. If equipment that allows an occupant to perform any portion of the dynamic driving task is installed, it must be stowed or made unusable in such a manner that an occupant cannot assume control of the vehicle when the automated driving system is engaged.

(4) Minimal Risk Condition. – An operating mode in which a fully autonomous vehicle with the automated driving system engaged achieves a reasonably safe state, bringing the vehicle to a complete stop, upon experiencing a

failure of the automatic driving system that renders the vehicle unable to perform any portion of the dynamic driving task.

(5) Operator. — For the purposes of this Article, is a person as defined in G.S. 20-4.01. An operator does not include an occupant within a fully autonomous vehicle performing solely strategic driving functions.

(6) Operational Design Domain. – Specific conditions under which an automated driving system is limited to effectively operate, such as geographical limitations, roadway types, speed range, and environmental conditions.

(7) Strategic Driving Functions. – Control of navigational parameters such as trip scheduling or the selection of destinations and waypoints, but does not include any portion of the dynamic driving task.

"**§ 20-401. Regulation of fully autonomous vehicles.**

(a) Driver's License not Required. — Notwithstanding the provisions of G.S. 20-7 and this Chapter, the operator of a fully autonomous vehicle with the automated driving system engaged is not required to be licensed to operate a motor vehicle.

(b) Vehicle Registration Card in Vehicle. — For a fully autonomous vehicle, the provisions of G.S. 20-49(4) and G.S. 20-57(c) are satisfied if the vehicle registration card is in the vehicle, and readily available to be inspected by an officer or inspector.

(c) Parent or Legal Guardian Responsible for Certain Violations. — The parent or legal guardian of a minor is responsible for a violation of G.S. 20-135.2B, the prohibition on children in an open bed of a pickup, or G.S. 20-137.1, the child restraint law, if the violation occurs in a fully autonomous vehicle.

(c1) Minimum Age for Unsupervised Minors in Fully Autonomous Vehicles. - It is unlawful for any parent or legal guardian of a person less than twelve years of age to knowingly permit that person to occupy a fully autonomous vehicle in motion or which has the engine running unless the person is under the supervision of a person eighteen years of age or older.

(d) Registered Owner Responsible for Moving Violations.—The registered owner of a fully autonomous vehicle is responsible for a violation of this Chapter that is considered a moving violation, if the violation involves a fully autonomous vehicle.

(e) Unattended Vehicle. – A vehicle shall not be considered unattended pursuant to G.S. 20-163 or any other provision of Chapter 20 of the General Statutes merely because it is a fully autonomous vehicle with the automated driving system engaged.

(f) Duty to Stop in the Event of a Crash. — If all of the following conditions are met when a fully autonomous vehicle is involved in a crash, then the provisions of subsections (a) through (c2) and subsection (e) of G.S. 20-166, and subsections (a) and (c) of G.S. 20-166.1 shall be considered satisfied, and no violation of those provisions shall be charged:

(1) The vehicle or the operator of the vehicle promptly contacts the appropriate law enforcement agency to report the crash.

(2) The vehicle or operator of the vehicle promptly calls for medical assistance, if appropriate.

(3) For a reportable crash, the vehicle remains at the scene of the crash until vehicle registration and insurance information is provided to the parties affected by the crash, and a law enforcement officer authorizes the vehicle to be removed.

(4) For a non-reportable crash, the vehicle remains at the scene or in the immediate vicinity of the crash until vehicle registration and insurance information is provided to the parties affected by the crash.

(g) Operation. – A person may operate a fully autonomous vehicle if the vehicle meets all of the following requirements:

(1) Unless an exemption has been granted under applicable State or federal law, the vehicle is (i) capable of being operated in compliance with Articles 3, 3A, 7, and 13 of this Chapter and (ii) has been, at the time of its manufacture, certified by the manufacturer as being in compliance with applicable federal motor vehicle safety standards.

(2) The vehicle has the capability to meet the requirements of subsection (f) of this section.

(3) The vehicle can achieve a minimal risk condition.

(4) The vehicle is covered by a motor vehicle liability policy meeting the applicable requirements of G.S. 20-279.21.

(5) The vehicle is registered in accordance with Part 3 of Article 3 of this Chapter, and, if registered in this State, the vehicle shall be identified on the registration and registration card as a fully autonomous vehicle.

(h) Preemption. — No local government shall enact any local law or ordinance related to the regulation or operation of vehicles with an automated driving system, other than regulation specifically authorized in Chapter 153A and Chapter 160A of the General Statutes that is not specifically related to those types of motor vehicles.

§ 20-402. Applicability to non-fully autonomous vehicles.

(a) Applicability of Article.–Nothing in Article shall be construed to affect, alter, or amend the right to operate a motor vehicle equipped with hardware and software capable of performing the entire dynamic driving task with the expectation that a human operator will respond appropriately to a request to intervene.

(b) Applicability of G.S. 20-401(h).–For purposes of this Chapter, a motor vehicle equipped with hardware and software capable of engaging in the entire dynamic driving task with the expectation that a human operator will respond appropriately to a request to intervene is subject to G.S. 20-401(h).

(c) Definitions.—As used in this section, "a request to intervene" means notification by a vehicle to the human operator that the operator should promptly begin or resume performance of the entire dynamic driving task.

SECTION 2. This act becomes effective December 1, 2017, and applies to offenses committed on or after that date. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

SPEAKER SIGN-UP SHEETS

Senate Committee On Transportation

June 7, 2017 – Room 1027 / 1128 LOB – 12:00 PM

PLEASE SIGN IN BELOW

Kevin Lacy	NCDOT
Doug Misker	Public Sector Group (Google)
Tim Moore	LGA
Laurie Onorio	Walk West on behalf of Global Automakers

Senate Committee On Transportation

June 7, 2017 – Room 1027 / 1128 LB – 12:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Jonathan Bapbalier	Bapbalier & Assoc
Tonya Heaton	TDH
David Crawford	AIANC
Justin Harrison	NCDTSEA
Caroline Perry	WalkWest
Morgan Dunn	Walk West
Kathy Kirkpatrick	SP
Jade Cai	NLL
Kemi Bunce	[illegible]
Chris Brigman	[illegible]
Joy Hiatt	NCDOT
Deana Eatman	NCDOT
Kevin Lacy	NCDOT
Hope Morgan	NCDMV
John Congleton	NCDOJ/NCDMV
Neil Dalton	NCDOJ/NCDMV
Thayer	CGA
Henry Jones	Jordan Price
Laurie Simone	Walk West

Senate Committee On Transportation

June 7, 2017 – Room 1027 / 1128 LB – 12:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Doug Misken	PSL
Wendy Kelly	Focus Carolina
Cathy Thomas	Focus Carolina
Bhagan Jackson	Focus Carolina
Chris Haley	General Assembly
Danielle Carr	Gen Assembly
Deonnell Williams	Gen Assembly
Ryan Gee	Cap Ad

Senate Committee On Transportation

June 7, 2017 – Room 1027 / 1128 LB – 12:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
BERRY Jenkins	CAROLINAS AGC
NIQRI TENNYSON	SELF
James S. Walker	NC Turnpike Authority
JEFF BARNHART	MWC
Ashley Pekrul	NC Grange
Kristen Page	NCMS
Sue Ann Forrest	NCMS
[illegible]	[illegible]
BILL SWOGER	FJ
Lisa Martin	Cap-Ad
[illegible]	[illegible]
JOE LANIER	TSS
[illegible]	[illegible]
Robert Sparks	Daily Bulletin
Henry Lassiter	CHATHAM
Don Hume	SA
Lee Teague	TAG
Karl Logan	NC DPI – Dr Education
Grady McCallie	NC Conservation Network

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027

DATE: 6-7 **TIME:** Noon

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

Page Name	Hometown	Sponsoring Senator
1. May Stowe	Raleigh	Senator Brent Jackson
2. Macy Magan	Wilmington	Lee
3. Madelyn Robertson	Hickory	Wells
4. [redacted] Gwyn	Raleigh	~~Alexander~~
5. Chloe Nicola	Locust	McInnis
6. Shandel McCallum	Rowland	Britt
7. Aydlett Gwyn	Raleigh	Alexander
8.		

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

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee

On

Transportation

June 7, 2017

Room 1027 / 1128, LB

12:00 PM

Senate Sergeant at Arms:

TERRY BARNHARDT

JIM HAMILTON

CHARLES MARSALIS

Senate Committee on Transportation
Wednesday, June 14, 2017 at 12:00 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 12:00 PM on June 14, 2017 in Room 1027/1128 of the Legislative Building. Sixteen members were present.

Senator Jim Davis, Chair, presided.

Senator Davis welcomed visitors and thanked members, Sergeant-At-Arms (Terry Edmondson, Billy Fitschler, Tom Burroughs) and Pages (A___H___, Wake, Senator McKissick; Graham West, Fayetteville, Senator Meredith; Matthew Durham, Hickory, Senator Rabon; Aaron Meyershoffer, Greensboro, Senator Berger; Lilliam Nguyen, Charlotte, Senator Ford) and thanked them for their service.

HB 128 Prohibit Drone Use Over Prison/Jail. (Representatives McNeill, Torbett, Faircloth) Representative McNeill explained the bill. House Bill 128 would create multiple criminal offenses making it unlawful for a person to use an unmanned aircraft system (UAS) near local confinement facilities or State or federal correctional facilities. This bill would create use exceptions from the default distance restrictions. The bill would also require the Division of Aviation of the Department of Transportation to petition the Federal Aviation Administration to designate these facilities as fixed site facilities and develop the guidelines for notices for marked boundaries. Senator McInnis offered a committee substitute (Attachment #1). Senator Ford's motion to consider the committee substitute was approved. Representative McNeill responded to questions and comments from Senators Daniel, Meredith, Woodard, VanDuyn, Ford, Harrington, Alexander, Howard, and McInnis. Senator Davis recognized Andy Brandon (NCDPS), Doug ____ (Google), and Laurie Onorio (Walkwest) to assist Representative McNeill. Senator Meredith's motion for Unfavorable as to Committee Substitute Bill No.3, But Favorable as to Senate Committee Substitute Bill was approved. The bill has a sequential referral to Judiciary.

HB 349 Currituck-Developer Funds for Road Constr. (Representative Steinburg) Representative Steinberg explained the bill. House Bill 349ı authorizes Currituck County to use funds contributed by a developer pursuant to a county subdivision road ordinance for the purpose of improving roads serving the subdivision or development, in conjunction with DOT. Representative Steinburg responded to questions from Senators Rabon and Waddell. Senator Woodard's motion for a Favorable report was approved with a referral to Rules.

HB 469 Regulation of Fully Autonomous Vehicles. (Representatives Shepard, Torbett) Representative Shephard explained the bill. The Proposed Committee Substitute (PCS) for House Bill 469 would create a new Article 18 in Chapter 20, which would regulate fully autonomous vehicles and make various changes to the motor vehicle laws to account for the operation of fully autonomous vehicles. The PCS consolidates and incorporates many of the changes to current motor vehicles laws in previous editions of this bill into one location within Chapter 20, and makes various clarifying and technical changes. Senator Meredith offered a Senate committee substitute (Attachment #2). Senator Dunn's motion to hear the committee

substitute was approved. Representative Shephard and Giles Perry (Legislative Analyst) responded to questions and comments from Senators Meredith, Smith Ingram, Ford, Daniel, Waddell, Woodard, and Harrington. Senator Davis recognized Harry Lightsey (General Motors), Thomas Moore (Cardinal Government Affairs), and Cindy Albert (Daimler) to assist Representative Shephard. Senator Dunn's motion for Unfavorable as to Committee Substitute Bill No. 1, But Favorable as to Senate Committee Substitute Bill was approved with a sequential referral to Judiciary.

The meeting adjourned at (not noted but prior to 1 PM).

Senator Jim Davis, Chair
Presiding

Kaye Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, June 14, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 128	Prohibit Drone Use Over Prison/Jail.	Representative McNeill Representative Torbett Representative Faircloth
HB 349	Currituck-Developer Funds for Road Constr.	Representative Steinburg
HB 469	Regulation of Fully Autonomous Vehicles.	Representative Shepard Representative Torbett

Presentations

Other Business

Adjournment

Kaye Culberson (Sen. Jim Davis)

From: Kaye Culberson (Sen. Jim Davis)
Sent: Thursday, June 08, 2017 01:35 PM
To: Kaye Culberson (Sen. Jim Davis)
Subject: <NCGA> Senate Transportation Committee Meeting Notice for Wednesday, June 14, 2017 at 12:00 PM
Attachments: Add Meeting to Calendar_LINC_.ics

Principal Clerk ____
Reading Clerk ____

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	June 14, 2017	12:00 PM	1027/1128 LB

Agenda to be determined

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, June 14, 2017

Senator J. Davis,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 3, BUT FAVORABLE AS TO SENATE COMMITTEE SUBSTITUTE BILL

HB **128** **(CS#3)** Prohibit Drone Use Over Prison/Jail.

Draft Number:	H128-PCS40602-BG-25
Sequential Referral:	Judiciary
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

Second of three reports

Senator Warren Daniel will handle HB 128

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, June 14, 2017

Senator J. Davis,
submits the following with recommendations as to passage:

FAVORABLE

HB **349** Currituck-Developer Funds for Road Constr.

Draft Number:	None
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

First of multiple reports

Senator Bill Cook will handle HB 349

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, June 14, 2017

Senator J. Davis,
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 **469** **(CS#1)** Regulation of Fully Autonomous Vehicles.

Draft Number:	H469-PCS40604-BG-23
Sequential Referral:	Judiciary
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Committee Clerk Comments:

Final of three reports.

Senator Wesley Meredith will handle HB 469

HOUSE BILL 128:
Prohibit Drone Use Over Prison/Jail.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Judiciary. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	June 14, 2017
Introduced by:	Reps. McNeill, Torbett, Faircloth	**Prepared by:**	Howard Marsilio
Analysis of:	Fourth Edition		Committee Counsel

OVERVIEW: House Bill 128 would create multiple criminal offenses making it unlawful for a person to use an unmanned aircraft system (UAS) near local confinement facilities or State or federal correctional facilities. This bill would create use exceptions from the default distance restrictions. The bill would also require the Division of Aviation of the Department of Transportation to petition the Federal Aviation Administration to designate these facilities as fixed site facilities and develop the guidelines for notices for marked boundaries.

CURRENT LAW: The following UAS related offenses make it unlawful to:

- Interfere with manned aircraft, G.S. 14-280.3 Interference with manned aircraft by unmanned aircraft systems. This offense is a Class H felony.
- Possess or use a UAS that has a weapon attached, G.S. 14-401.24(a) Unlawful possession and use of unmanned aircraft systems. This offense is a Class E felony.
- Fish or hunt using a UAS unless an exception for possession or use that is authorized by federal law or regulation applies, G.S. 14-401.24(b) Unlawful possession and use of unmanned aircraft systems. This offense is a Class 1 misdemeanor.
- Publish or disseminate thermal or infrared images revealing individuals, materials, or activities inside of a structure taken by a UAS, G.S. 14-401.25 Unlawful distribution of images. This offense is a Class A1 misdemeanor.
- Intentionally interfere with the lawful taking of wildlife resources with a UAS, G.S. 113-295 Unlawful harassment of persons taking wildlife resources. This offense is a Class 1 misdemeanor.
- Operate a UAS in this State for commercial purposes without a permit, G.S. 63-96 Permit required for commercial operation of unmanned aircraft systems. This offense is a Class 1 misdemeanor.

BILL ANALYSIS:

SECTION 1 - This bill would make unauthorized UAS use within a horizontal distance of 500 feet from buildings, a fixed perimeter, or a marked boundary, or a vertical distance of 250 feet of local confinement facilities or State or federal correctional facilities unlawful.

The following uses would not be violations, unless otherwise prohibited by State or federal law:

- A person using a UAS with written consent from the facility.

- An authorized law enforcement use pursuant to G.S. 15A-300.1(c).
- A public utility, wireless signal provider or commercial entity using the UAS for inspections or a purpose directly related to the business, and abiding by certain criteria such as maintaining a 150-foot distance and providing notification to the facility.
- First responders or emergency management agencies using a UAS in response to an emergency.

The following new criminal offenses would be created:

- A Class H felony, and a fine of one thousand five hundred dollars ($1,500), for a violation while delivering or attempting to deliver a weapon.
- A Class I felony, and a fine of one thousand dollars ($1,000), for a violation while delivering or attempting to deliver contraband. For the purpose of this subdivision, the term "contraband" includes controlled substances, cigarettes, alcohol, and communication devices, but does not include weapons.
- A Class 1 misdemeanor, and a fine of five hundred dollars ($500.00), for a violation for any other purpose.

This bill would also authorize law enforcement to seize a UAS and property used in connection with a violation. A UAS and other property seized in connection with a violation may be forfeited. Unmanned aircraft systems would be forfeited pursuant to G.S. 18B-504 (forfeiture of conveyances used to conceal, convey, or transport intoxicating beverages). Other property, weapons, or contraband would be forfeited pursuant to G.S. 18B-504, G.S. 14-269.1 (confiscation and disposition of deadly weapons), or G.S. 90-112 (forfeiture related to controlled substances).

The proceeds of seized property disposed of by sale for a violation of this act would be paid to the school fund in accordance with Article IX, Section 7 of the Constitution of North Carolina.

SECTION 2 would require the Division of Aviation of the Department of Transportation to petition the Federal Aviation Administration to designate these facilities as fixed site facilities pursuant to the Extension, Safety, and Security Act of 2016. It would also require the Social Services Commission of DHHS, and DPS, to provide the Division of Aviation with a list of local confinement and state correctional facilities.

SECTION 3 would require the Division to develop guidelines for the content and dimensions for posted notices for marked boundaries around facilities.

EFFECTIVE DATE: This act would become effective December 1, 2017, and would apply to offenses committed on or after that date.

HOUSE BILL 128

Committee Substitute Favorable 3/7/17
Committee Substitute #2 Favorable 3/21/17
Committee Substitute #3 Favorable 4/4/17

Short Title: Prohibit Drone Use Over Prison/Jail. (Public)

Sponsors:

Referred to:

February 20, 2017

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT THE USE OF AN UNMANNED AIRCRAFT SYSTEM NEAR A LOCAL CONFINEMENT FACILITY OR STATE OR FEDERAL CORRECTIONAL FACILITY.

The General Assembly of North Carolina enacts:

SECTION 1. Article 16B of Chapter 15A of the General Statutes is amended by adding a new section to read:

"**§ 15A-300.3. Use of an unmanned aircraft system near a confinement or correctional facility prohibited.**

(a) Prohibition. – No person, entity, or State agency shall use an unmanned aircraft system within a horizontal distance of 500 feet or a vertical distance of 250 feet from any local confinement facility, as defined in G.S. 153A-217, or State or federal correctional facility. For the purpose of this section, horizontal distance shall extend outward from the furthest exterior building walls, perimeter fences, and permanent fixed perimeter, or from another boundary clearly marked with posted notices. Posted notices shall be conspicuously posted not more than 100 yards apart along a marked boundary and comply with Department of Transportation guidelines.

(b) Exceptions. – Unless the use of the unmanned aircraft system is otherwise prohibited under State or federal law, the distance restrictions of subsection (a) of this section do not apply to any of the following:

(1) A person operating an unmanned aircraft system with written consent from the official in responsible charge of the facility.

(2) A law enforcement officer using an unmanned aircraft system in accordance with G.S. 15A-300.1(c).

(3) A public utility, as defined in G.S. 62-3(23), a provider, as defined in G.S. 146-29.2(a)(6), or a commercial entity, provided that the public utility, provider, or commercial entity complies with all of the following:

a. The unmanned aircraft system remains outside a horizontal distance of 150 feet or a vertical distance of 150 feet from any local confinement facility or State or federal correctional facility.

b. Notifies the official in responsible charge of the facility at least 24 hours prior to operating the unmanned aircraft system.

c. Uses the unmanned aircraft system for the purpose of inspecting public utility or provider transmission lines, equipment, or

communication infrastructure or for another purpose directly related to the business of the public utility, provider, or commercial entity.

d. Uses the unmanned aircraft system for commercial purposes pursuant to and in compliance with (i) Federal Aviation Administration regulations, authorizations, or exemptions and (ii) Article 10 of Chapter 63 of the General Statutes.

e. The person operating the unmanned aircraft system does not physically enter the prohibited space without an escort from the facility.

(4) An emergency management agency, as defined in G.S. 166A-19.3, emergency medical services personnel, firefighters, and law enforcement officers, when using an unmanned aircraft system in response to an emergency.

(c) Penalty. – The following penalties apply for violations of this section:

(1) A person who uses an unmanned aircraft system (i) in violation of subsection (a) of this section or (ii) pursuant to an exception in subsection (b) of this section and who delivers, or attempts to deliver, a weapon to a local confinement facility or State or federal correctional facility is guilty of a Class H felony, which shall include a fine of one thousand five hundred dollars ($1,500). For purposes of this subdivision, the term "weapon" is as defined in G.S. 14-401.24(c).

(2) A person who uses an unmanned aircraft system (i) in violation of subsection (a) of this section or (ii) pursuant to an exception in subsection (b) of this section and who delivers, or attempts to deliver, contraband to a local confinement facility or State or federal correctional facility is guilty of a Class I felony, which shall include a fine of one thousand dollars ($1,000). For purposes of this subdivision, the term "contraband" includes controlled substances, as defined in G.S. 90-87, cigarettes, alcohol, and communication devices, but does not include weapons.

(3) A person who uses an unmanned aircraft system in violation of subsection (a) of this section for any other purpose is guilty of a Class 1 misdemeanor, which shall include a fine of five hundred dollars ($500.00).

(d) Seizure, Forfeiture, and Disposition of Seized Property. – A law enforcement agency may seize an unmanned aircraft system and any attached property, weapons, and contraband used in violation of this section. An unmanned aircraft system used in violation of this section and seized by a law enforcement agency is subject to forfeiture and disposition pursuant to G.S. 18B-504. An innocent owner or holder of a security interest applying to the court for release of the unmanned aircraft system, in accordance with G.S. 18B-504(h), shall also provide proof of ownership or security interest and written certification that the unmanned aircraft system will not be returned to the person who was charged with the violation of subsection (a) of this section. The court shall forfeit and dispose of any other property, weapons, or contraband seized by a law enforcement agency in connection with a violation of this section pursuant to G.S. 18B-504, 14-269.1, 90-112, or any combination thereof."

SECTION 2. For the purpose of restricting the operation of an unmanned aircraft system in accordance with Section 1 of this act, the Division of Aviation of the Department of Transportation shall petition the Federal Aviation Administration (FAA) to designate any local confinement facility, as defined in G.S. 153A-217, or State or federal correctional facility in the State as a fixed site facility, pursuant to rules and regulations adopted pursuant to section 2209 of the FAA Extension, Safety, and Security Act of 2016, Public Law No. 114-190. The Division shall follow all guidance from the FAA in submitting and processing the petition. The

Division shall publish designations by the FAA in accordance with this act on the Division Web site.

At the request of the Division, the Social Services Commission of the Department of Health and Human Services shall provide to the Division a list of local confinement facilities, as defined in G.S. 153A-217, including facility location and a contact person for each facility. At the request of the Division, the Department of Public Safety shall provide to the Division a list of State correctional facilities, including facility location, a contact person for each facility, and each facility's operational status.

SECTION 3. The Division of Aviation of the Department of Transportation shall develop guidelines for the content and dimensions for posted notices to mark boundaries in accordance with Section 1 of this act.

SECTION 4. This act becomes effective December 1, 2017, and applies to offenses committed on or after that date.

ATTACHMENT 1

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 128

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

H128-ABG-15 [v.3]

Amends Title [NO]
Fourth Edition

Date 6/14 ,2017

Senator Thomas McInnis

moves to amend the bill on page 1, lines 31-32, by rewriting those lines to read:

"b. Notifies the official in responsible charge of the facility at least 24 hours prior to operating the unmanned aircraft system. A commercial entity operating in compliance with G.S.15A-300.1, and pursuant to the provisions of this subdivision is exempt from the 24 hour notice requirement."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____

HOUSE BILL 349:
Currituck-Developer Funds for Road Constr.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	June 14, 2017
Introduced by:	Rep. Steinburg	**Prepared by:**	Giles Perry
Analysis of:	First Edition		Staff Attorney

OVERVIEW: House Bill 349[1] authorizes Currituck County to use funds contributed by a developer pursuant to a county subdivision road ordinance for the purpose of improving roads serving the subdivision or development, in conjunction with DOT.

CURRENT LAW: Under G.S. 153A-331, a county subdivision ordinance may require a developer to contribute funds in lieu of required road construction to serve the residents of a subdivision or development. Funds contributed in accordance with this section must be transferred to a municipality for the construction of the roads serving the subdivision or development.

BILL ANALYSIS: House Bill 349, applicable to Currituck County only, amends the current law concerning developer contributions of funds to serve a county subdivision or development, under a county subdivision ordinance, to provide that the county may use the funds to undertake improvements to the roads serving the subdivision or development, pursuant to an agreement with NC DOT.

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

BACKGROUND: There are no municipalities located in Currituck County.

[1] As introduced, this bill was identical to S281, as introduced by Sen. Cook, which is currently in Senate Rules and Operations of the Senate.

Karen Cochrane-Brown
Director

Legislative Analysis Division
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 1

HOUSE BILL 349*

Short Title: Currituck-Developer Funds for Road Constr. (Local)

Sponsors: Representative Steinburg.
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Transportation, if favorable, State and Local Government II

March 15, 2017

A BILL TO BE ENTITLED

AN ACT TO ALLOW CURRITUCK COUNTY TO USE DEVELOPER FUNDS FOR THE CONSTRUCTION OF ROADS TO ALLOW FOR INTERCONNECTIVITY OF SUBDIVISION STREETS AND ROADS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 153A-331 reads as rewritten:

"**§ 153A-331. Contents and requirements of ordinance.**

...

(c) A subdivision control ordinance may provide that a developer may provide funds to the county whereby the county may acquire recreational land or areas to serve the development or subdivision, including the purchase of land that may be used to serve more than one subdivision or development within the immediate area.

(d) The ordinance may provide that in lieu of required street construction, a developer may provide funds to be used for the development of roads to serve the occupants, residents, or invitees of the subdivision or development. All funds received by the county under this section shall be ~~transferred to the municipality to be~~ used solely for the development of roads, including design, land acquisition, and construction. ~~Any municipality receiving funds from a county under this section is authorized to expend such funds outside its corporate limits for the purposes specified in the agreement between the municipality and the county.~~ However, a county may undertake these activities in conjunction with the Department of Transportation pursuant to an agreement between the county and the Department of Transportation. Any formula adopted to determine the amount of funds the developer is to pay in lieu of required street construction shall be based on the trips generated from the subdivision or development. The ordinance may require a combination of partial payment of funds and partial dedication of constructed streets when the governing body of the county determines that a combination is in the best interest of the citizens of the area to be served.

...."

SECTION 2. This act applies to Currituck County only.

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

HOUSE BILL 469:
Regulation of Fully Autonomous Vehicles.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	June 14, 2017
Introduced by:	Reps. Shepard, Torbett	**Prepared by:**	Howard Marsilio
Analysis of:	PCS to Second Edition H469-CSBG-23		Committee Counsel

OVERVIEW: The Proposed Committee Substitute (PCS) for House Bill 469 would create a new Article 18 in Chapter 20, which would regulate fully autonomous vehicles and make various changes to the motor vehicle laws to account for the operation of fully autonomous vehicles.

The PCS consolidates and incorporates many of the changes to current motor vehicles laws in previous editions of this bill into one location within Chapter 20, and makes various clarifying and technical changes.

[As introduced, this bill was identical to S337, as introduced by Sens. Meredith, J. Davis, McInnis, which is currently in Senate Rules and Operations of the Senate.]

CURRENT LAW:

Current State law does not specifically regulate the operation of vehicles with automated driving systems.

BILL ANALYSIS:

Section 1 would create a new Article 18 within Chapter 20 of the General Statutes, regulating fully autonomous vehicles by creating definitions and clarifying the applicability of, and modifying, existing motor vehicles laws to account for the operation of fully autonomous vehicles by:

- Creating G.S. 20-400 which would contain key definitions applicable to fully autonomous vehicles such as "automatic driving system" and "fully autonomous vehicle".
- Creating G.S. 20-401 which would clarify the applicability of, and modify, current motor vehicle laws as they relate to the operation of fully autonomous vehicles as follows:
    - The operator of a fully autonomous vehicle with the automated driving system engaged would not be required to be licensed to operate a motor vehicle.
    - Vehicle registration card requirements would be satisfied if the vehicle registration card is in the vehicle, and readily available to be inspected by an officer or inspector.
    - The parent or legal guardian of a minor would be responsible for a violations of the prohibition on children in an open bed of a pickup or the child restraint law, if the violation occurs in a fully autonomous vehicle.
    - It would be unlawful for a parent or legal guardian to knowingly permit a person less than 12 years old to ride in a fully autonomous without supervision by someone 18 or older.

- The registered owner a fully autonomous vehicle would be responsible for moving violations, if the violation involves a fully autonomous vehicle.
- A vehicle would not be considered unattended merely because it is a fully autonomous vehicle with the automated driving system engaged for the purposes of potential violations located within Chapter 20.
- In the event of a motor vehicle crash, if all of the following conditions are met, then various provisions in G.S. 20-166 and G.S. 20-166.1, would be satisfied, and no violation of those provisions shall be charged, if the following conditions are met:
  - The vehicle or the operator of the vehicle promptly contacts the appropriate law enforcement agency to report the crash.
  - The vehicle or operator of the vehicle promptly calls for medical assistance, if appropriate.
  - For a reportable crash, the vehicle remains at the scene of the crash until vehicle registration and insurance information is provided to the parties affected by the crash, and a law enforcement officer authorizes the vehicle to be removed.
  - For a non-reportable crash, the vehicle remains at the scene or in the immediate vicinity of the crash until vehicle registration and insurance information is provided to the parties affected by the crash.

- Creating subsection (g) within G.S. 20-401 which would allow a person to operate a fully autonomous vehicle if the vehicle meets all of the following requirements:
  - The vehicle is (i) capable of being operated in compliance with The Motor Vehicle Act of 1937 (Articles 3), Safety Emissions Inspection Program (Article 3A), Miscellaneous Provisions Relating to Motor Vehicles (Article 7), and The Vehicle Financial Responsibility Act of 1957 (Article 13) of Chapter 20 and (ii) has been, at the time of its manufacture, certified by the manufacturer as being in compliance with applicable federal motor vehicle safety standards.
  - The vehicle has the capability to meet the requirements of subsection (f) in G.S. 20-401 when a fully autonomous vehicle in involved in a crash.
  - The vehicle can achieve a minimal risk condition, which requires the fully autonomous vehicle to initiate a safe stop in case of a system failure.
  - The vehicle is covered by a motor vehicle liability policy meeting the applicable requirements of G.S. 20-279.21.
  - The vehicle is registered in accordance with Part 3 of Article 3 of this Chapter, and, if registered in this State, the vehicle shall be identified on the registration and registration card as a fully autonomous vehicle.
- Creating subsection (h) within G.S. 20-401 which would prohibit local governments from enacting local laws or ordinances related to the regulation of motor vehicles with an automated driving system, other than regulation specifically authorized in Chapter 153A and Chapter 160A of the General Statutes that is not specifically related to those types of motor vehicles.
- Creating G.S. 20-402, which would clarify that: (i) nothing in Article shall be construed to affect, alter, or amend the applicability of Chapter 20 to vehicles with an automated driving system but may require an operator to respond appropriately to a request to intervene, and (ii) the local

ordinance preemption provision applies to motor vehicles with an automated driving system but may require an operator to respond appropriately to a request to intervene.

EFFECTIVE DATE: This act becomes effective December 1, 2017, and applies to offenses committed on or after that date. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H D

HOUSE BILL 469

Committee Substitute Favorable 4/24/17
PROPOSED SENATE COMMITTEE SUBSTITUTE H469-CSBG-23 [v.19]
06/06/2017 03:03:56 PM

Short Title: Regulation of Fully Autonomous Vehicles. (Public)

Sponsors:

Referred to:

March 27, 2017

A BILL TO BE ENTITLED

AN ACT TO REGULATE THE OPERATION OF FULLY AUTONOMOUS MOTOR VEHICLES ON THE PUBLIC HIGHWAYS OF THIS STATE.

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 18.

"Regulation of Fully Autonomous Vehicles.

"**§ 20-400. Definitions.**

The following definitions apply in this Article:

(1) Automated Driving System. – The hardware and software that are collectively capable of performing the entire dynamic driving task on a sustained basis, regardless of whether it is operating within a limited or unlimited operational design domain.

(2) Dynamic Driving Task. – All of the real-time operational and tactical control functions required to operate a motor vehicle in motion or which has the engine running, such as:

a. Lateral vehicle motion control via steering.

b. Longitudinal motion control via acceleration and deceleration.

c. Monitoring the driving environment via object and event detection, recognition, classification, and response preparation.

d. Object and event response execution.

e. Maneuver planning.

f. Enhancing conspicuity via lighting, signaling, and gesturing.

(3) Fully Autonomous Vehicle. – A motor vehicle equipped with an automated driving system and that will not at any time require an occupant to perform any portion of the dynamic driving task when the automated driving system is engaged. If equipment that allows an occupant to perform any portion of the dynamic driving task is installed, it must be stowed or made unusable in such a manner that an occupant cannot assume control of the vehicle when the automated driving system is engaged.

(4) Minimal Risk Condition. – An operating mode in which a fully autonomous vehicle with the automated driving system engaged achieves a reasonably safe state, bringing the vehicle to a complete stop, upon experiencing a

failure of the automatic driving system that renders the vehicle unable to perform any portion of the dynamic driving task.

(5) Operator. — For the purposes of this Article, is a person as defined in G.S. 20-4.01. An operator does not include an occupant within a fully autonomous vehicle performing solely strategic driving functions.

(6) Operational Design Domain. – Specific conditions under which an automated driving system is limited to effectively operate, such as geographical limitations, roadway types, speed range, and environmental conditions.

(7) Strategic Driving Functions. – Control of navigational parameters such as trip scheduling or the selection of destinations and waypoints, but does not include any portion of the dynamic driving task.

"**§ 20-401. Regulation of fully autonomous vehicles.**

(a) Driver's License not Required. — Notwithstanding the provisions of G.S. 20-7 and this Chapter, the operator of a fully autonomous vehicle with the automated driving system engaged is not required to be licensed to operate a motor vehicle.

(b) Vehicle Registration Card in Vehicle. — For a fully autonomous vehicle, the provisions of G.S. 20-49(4) and G.S. 20-57(c) are satisfied if the vehicle registration card is in the vehicle, and readily available to be inspected by an officer or inspector.

(c) Parent or Legal Guardian Responsible for Certain Violations. — The parent or legal guardian of a minor is responsible for a violation of G.S. 20-135.2B, the prohibition on children in an open bed of a pickup, or G.S. 20-137.1, the child restraint law, if the violation occurs in a fully autonomous vehicle.

(c1) Minimum Age for Unsupervised Minors in Fully Autonomous Vehicles. - It is unlawful for any parent or legal guardian of a person less than twelve years of age to knowingly permit that person to occupy a fully autonomous vehicle in motion or which has the engine running unless the person is under the supervision of a person eighteen years of age or older.

(d) Registered Owner Responsible for Moving Violations.—The registered owner of a fully autonomous vehicle is responsible for a violation of this Chapter that is considered a moving violation, if the violation involves a fully autonomous vehicle.

(e) Unattended Vehicle. – A vehicle shall not be considered unattended pursuant to G.S. 20-163 or any other provision of Chapter 20 of the General Statutes merely because it is a fully autonomous vehicle with the automated driving system engaged.

(f) Duty to Stop in the Event of a Crash. — If all of the following conditions are met when a fully autonomous vehicle is involved in a crash, then the provisions of subsections (a) through (c2) and subsection (e) of G.S. 20-166, and subsections (a) and (c) of G.S. 20-166.1 shall be considered satisfied, and no violation of those provisions shall be charged:

(1) The vehicle or the operator of the vehicle promptly contacts the appropriate law enforcement agency to report the crash.

(2) The vehicle or operator of the vehicle promptly calls for medical assistance, if appropriate.

(3) For a reportable crash, the vehicle remains at the scene of the crash until vehicle registration and insurance information is provided to the parties affected by the crash, and a law enforcement officer authorizes the vehicle to be removed.

(4) For a non-reportable crash, the vehicle remains at the scene or in the immediate vicinity of the crash until vehicle registration and insurance information is provided to the parties affected by the crash.

(g) Operation. – A person may operate a fully autonomous vehicle if the vehicle meets all of the following requirements:

(1) Unless an exemption has been granted under applicable State or federal law, the vehicle is (i) capable of being operated in compliance with Articles 3, 3A, 7, and 13 of this Chapter and (ii) has been, at the time of its manufacture, certified by the manufacturer as being in compliance with applicable federal motor vehicle safety standards.

(2) The vehicle has the capability to meet the requirements of subsection (f) of this section.

(3) The vehicle can achieve a minimal risk condition.

(4) The vehicle is covered by a motor vehicle liability policy meeting the applicable requirements of G.S. 20-279.21.

(5) The vehicle is registered in accordance with Part 3 of Article 3 of this Chapter, and, if registered in this State, the vehicle shall be identified on the registration and registration card as a fully autonomous vehicle.

(h) Preemption. — No local government shall enact any local law or ordinance related to the regulation or operation of vehicles with an automated driving system, other than regulation specifically authorized in Chapter 153A and Chapter 160A of the General Statutes that is not specifically related to those types of motor vehicles.

§ 20-402. Applicability to non-fully autonomous vehicles.

(a) Applicability of Article.–Nothing in Article shall be construed to affect, alter, or amend the right to operate a motor vehicle equipped with hardware and software capable of performing the entire dynamic driving task with the expectation that a human operator will respond appropriately to a request to intervene.

(b) Applicability of G.S. 20-401(h).–For purposes of this Chapter, a motor vehicle equipped with hardware and software capable of engaging in the entire dynamic driving task with the expectation that a human operator will respond appropriately to a request to intervene is subject to G.S. 20-401(h).

(c) Definitions.—As used in this section, "a request to intervene" means notification by a vehicle to the human operator that the operator should promptly begin or resume performance of the entire dynamic driving task.

SECTION 2. This act becomes effective December 1, 2017, and applies to offenses committed on or after that date. Prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

ATTACHMENT 2

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 469*

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

H469-ARW-27 [v.5]

Amends Title [NO]
H469-CSBG-23[v.19]

Date 6/14 ,2017

Senator Meredith

moves to amend the bill on

page 1, line 26 by deleting the word "and"; and

page 2, line 19 by adding after the word "vehicle," the phrase "physically or electronically,"; and

page 2, line 29-30 by deleting the phrase "registered owner of a fully autonomous vehicle" and substituting "person in whose name the fully autonomous vehicle is registered"; and

page 3, line 2-5 by deleting those lines and substituting the following"
"the vehicle:

a. is capable of being operated in compliance with Articles 3, 3A, 7, 11, and 13 of this Chapter;
b. complies with applicable federal law; and
c. has been certified as being in compliance with applicable federal motor vehicle safety standards by any of the following:
   i. the vehicle manufacturer at the time of the manufacture;
   ii. the manufacturer of the automated vehicle system prior to any introduction of the automated driving system-equipped vehicle on a public roadway; or
   iii. an after-market installer of the automated driving system upon completion of such installation."; and

page 3, line 15 by deleting the phrase "vehicles with an automated driving system," and substituting the phrase "fully autonomous vehicles or vehicles equipped with an automated driving system,"; and

page 3, lines 18-29 by deleting those lines, and substituting the following:
"**§ 20-402. Applicability to Vehicles Other Than Fully Autonomous Vehicles.**

(a) Definitions.—As used in this section, a "request to intervene" means notification by a vehicle to the human operator that the operator should promptly begin or resume performance of part or all of the dynamic driving task.

(b) Applicability.– Operation of a motor vehicle equipped with an automated driving system capable of performing the entire dynamic driving task with the expectation that a human operator will respond appropriately to a request to intervene is lawful under this Chapter, and subject to the provisions of this Chapter.".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Transportation, Senate Committee

June 14, 2017

Room 1027/1128 LB

12:00 PM

Senate Sergeant at Arms:

TERRY EDMONDSON

BILLY FITSCHLER

TOM BURROUGHS

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027 LB

DATE: 6-14-17 **TIME:** Noon

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

Page Name	Hometown	Sponsoring Senator
1. Hiram Hauter	Wake	Mckissick
2. Graham West	Fayetteville	Meredith
3. Matthew Durham	Hickory	Rabon
4. Aaron Meyerhoffer	Greensboro	Berger
5. Lillian Nguyen	Charlotte	Sen. Ford
6.		
7.		
8.		

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

SPEAKER SIGN-UP SHEET

TRANSPORTATION, Senate Committee

June 14, 2017 – Room 1027 / 1128 LOB – 12:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Andy Brandon	N.C. DPS
THOMAS MOORE	Cardinal Gov't Affairs
HARRY Lightsey	Gen. Motors
Cindy Albert	Mercedes Benz / Daimler
Doug	Google Waymo
Lori ~~Antonio~~ Onorio	Walkwest

Transportation, Senate Committee

June 14, 2017 – Room 1127/1128 LB – 12:00 PM

PLEASE SIGN IN BELOW

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Laurie Amorie	Walk West
Deans Eatman	NCDOT
Joy Hicks	NCDOT
Cindy Thomas	Food Carolina
[illegible]	[illegible]
Gary Thompson	DPS/EM
Andy Brandon	NC DPS
[illegible]	CGA
Eric Hommy	GN
Harry Lightsey	GM
Joe Lanier	TSS
CYNTHIA ALBERT	DAIMLER/MERCEDES-BENZ
Ashley Perkins	NC Chamber
JEFF BARNHART	MWC
[illegible]	[illegible]
Phebe Young	MWC
[illegible]	LWVNC

Transportation, Senate Committee

June 14, 2017 – Room 1127/1128 LB – 12:00 PM

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Jake Cashion	NC
Nick Tennyson	SEEF
Robert Sparks	Daily Bulletin
Doug Mistum	PSC
Janfana Batts	NCGA
Tonya Hafton	TJS
Dave Collins	SEANC
Reubencelo Lemmy	Intern License and Theft
Quianti Cherry	DOT
Brad Salmon	JPS
[illegible] Blinco	NWC
Kevin Lacy	DOT
Wendy Kelly	Trans Carolina
Rhaegan Jackson	Trans Carolina

Transportation, Senate Committee

June 14, 2017 – Room 1127/1128 LB – 12:00 PM

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Sarah Bales	Burkett Assoc.
[illegible]	RANC - [illegible] LPA, NCMA
Caroline Perry	WalkWest
Morgan Dunn	WalkWest
Zach Smith	AG office
Neil Dalton	AG office
Hope Magenta	NCDMV
Donna Beane	NCDMV
Srinivas Kandimalla	~~State~~ DOT - IT
[illegible]	MLA
Stephen Isaacs	KMA
Philip Isley	[illegible]
Lori Anne Nance	LAHM
[illegible]	Jordan [illegible]

Transportation, Senate Committee

June 14, 2017 – Room 1127/1128 LB – 12:00 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Robert Sawyer	NCDOT / DMV LGT
Taft Stevens	
Megan Pope	
Joe McClees	McClees Consulting
[illegible]	NCAOA
Erica Galk	NCGA
Doug Carter	NCSSA
Lee Tripp	TAG

Senate Committee on Transportation
Wednesday, June 21, 2017 at 12:30 PM
Room 1027/1128 of the Legislative Building

MINUTES

The Senate Committee on Transportation met at 12:30 PM on June 21, 2017 in Room 1027/1128 of the Legislative Building. Twelve members were present.

Senator Tom McInnis, Chair, presided.

Senator McInnis welcomed committee members, Sergeants-At-Arms (John Enloe, Linda Matthews, Hal Roach), and Pages (Mitchell Barker, Brown Summit, Senator Berger; Matthew Barker, Brown Summit, Senator Berger; Olivia Bennett, Pittsboro, Senator Foushee; Parker Davis, Wilksboro, Senator Randelman; Lucas Boyd, Fort Bragg, Senator Meredith; Katie Long, Holly Springs, Senator Berger) and thanked them for their service.

Senator McInnis recognized Representative Brawley to explain House Bill 30.

HB 30 Colorectal Cancer Awareness License Plate. (Representatives Brawley, Dulin, Torbett, Grange) House Bill 30 would authorize the Division of Motor Vehicles to issue a new Colorectal Cancer Awareness special license plate. The bill would do the following:

- Authorize a new full color "Colorectal Cancer Awareness" special license plate, requiring at least 500 paid applications before DMV will develop the plate.
- Establish a $30 extra fee for the plate, with $20 of that fee to be used to promote prevention and early detection of colorectal cancer and to provide support to persons affected.
- Provide that the plate will not be subject to the new development process enacted in 2014 for special registration plates, which requires an organization proposing a new plate to first submit the required number of paid applications to DMV before legislation is introduced to authorize the plate.

Senator Ford offered a motion for a Favorable report. There being no questions or comments from the committee or visitors, the motion passed with re-referrals to Senate Finance and Rules.

With no further business for consideration, Senator McInnis adjourned the meeting at 12:40 PM.

Senator Tom McInnis, Chair
Presiding

Kaye Culberson, Committee Clerk

Senate Committee on Transportation
Wednesday, June 21, 2017, 12:00 PM
1027/1128 Legislative Building

AGENDA

Welcome and Opening Remarks

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 30	Colorectal Cancer Awareness License Plate.	Representative Brawley Representative Dulin Representative Torbett Representative Grange

Presentations

Other Business

Adjournment

Principal Clerk _____
Reading Clerk _____

Corrected #1: Note TIME CHANGE

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	June 21, 2017	12:30 PM	1027/1128 LB

The following will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 30	Colorectal Cancer Awareness License Plate.	Representative Brawley Representative Dulin Representative Torbett Representative Grange

Senator Jim Davis, Co-Chair
Senator Tom McInnis, Co-Chair

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, June 21, 2017

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

FAVORABLE

HB **30** Colorectal Cancer Awareness License Plate.

Draft Number:	None
Sequential Referral:	Finance
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 1

Senator Dan Bishop will handle HB 30

HOUSE BILL 30:
Colorectal Cancer Awareness License Plate.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	June 21, 2017
Introduced by:	Reps. Brawley, Dulin, Torbett, Grange	**Prepared by:**	Giles Perry
Analysis of:	First Edition		Staff Attorney

OVERVIEW: House Bill 30 would authorize the Division of Motor Vehicles to issue a new Colorectal Cancer Awareness special license plate.

CURRENT LAW: North Carolina offers a number of special registration plates. Upon application and payment of the required registration fees, a person may obtain from the Division of Motor Vehicles a special registration plate for a motor vehicle registered in that person's name, if the person qualifies for the plate.

In 2014, the General Assembly enacted legislation creating a new development process for special registration plates, which requires the organization desiring the plate to submit, by February 15, the required number of paid applications to the Division of Motor Vehicles before legislation is introduced to authorize the plate. The Division is required to submit a report to the General Assembly each year by March 15 identifying applicants who have met the plate development requirements and are eligible for legislative consideration.

The issuance of most special plates is contingent upon the receipt by DMV of at least 300 applications for the particular plate if it is on a standard "First in Flight" background or at least 500 applications if it is on a full-color background.

BILL ANALYSIS: House Bill 30 would do the following:

- Authorize a new full color "Colorectal Cancer Awareness" special license plate, requiring at least 500 paid applications before DMV will develop the plate.
- Establish a $30 extra fee for the plate, with $20 of that fee to be used to promote prevention and early detection of colorectal cancer and to provide support to persons affected.
- Provide that the plate will not be subject to the new development process enacted in 2014 for special registration plates, which requires an organization proposing a new plate to first submit the required number of paid applications to DMV before legislation is introduced to authorize the plate.

EFFECTIVE DATE: This act would become effective July 1, 2017.

BACKGROUND: As a general rule, the fee for a special registration plate is the regular vehicle registration fee, which is $36, plus a special registration plate fee of at least $10. $10 of the special registration plate fee is credited to the Special Registration Plate Account. After deducting the cost of the plates from this account, $1.3 million is appropriated to provide operating assistance for Visitor Centers. Fifty percent (50%) of the remaining revenue is transferred quarterly to the Department of

Transportation for highway beautification and the remainder is transferred quarterly to the Highway Fund to be used for the Roadside Vegetation Management Program.

The cost of some special plates includes a fee in addition to the $10 special registration plate fee. In those instances, the first $10 goes to the special registration plate fund and the remainder is transferred quarterly to designated beneficiaries of the additional fee amount.

Trina Griffin, Wendy Graf-Ray and Cindy Avrette of the Legislative Analysis Division substantially contributed to this summary.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H 1

HOUSE BILL 30

Short Title:	Colorectal Cancer Awareness License Plate.	(Public)
Sponsors:	Representatives Brawley, Dulin, Torbett, and Grange (Primary Sponsors).	
Referred to:	Transportation, if favorable, Finance	

February 1, 2017

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A COLORECTAL CANCER AWARENESS SPECIAL REGISTRATION PLATE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-63(b1) reads as rewritten:

"(b1) The following special registration plates do not have to be a "First in Flight" plate or "First in Freedom" plate as provided in subsection (b) of this section. The design of the plates that are not "First in Flight" plates or "First in Freedom" plates must be developed in accordance with G.S. 20-79.4(a3). For special plates authorized in G.S. 20-79.7 on or after July 1, 2013, the Division may not issue the plate on a background under this subsection unless it receives at least 200 applications for the plate in addition to the applications required under G.S. 20-79.4 or G.S. 20-81.12.

…

(54) Colorectal Cancer Awareness."

SECTION 2. G.S. 20-79.4(b) reads as rewritten:

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

…

() Colorectal Cancer Awareness. – Issuable to the registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate shall bear (i) the phrase "It Takes a Warrior to Battle Cancer!" across the top of the plate, (ii) a symbol on the left side of the plate of a blue ribbon with two wings that are colored blue, grey, and black, (iii) the phrase "Blue Ribbon Warrior" above the symbol, (iv) the phrase "Colorectal Cancer Awareness" below the symbol, and (v) the letters "CC" on the right side of the plate. The plate authorized under this subdivision is not subject to G.S. 20-79.3A(c) or the deadline set forth in G.S. 20-79.3A(b).

…."

SECTION 3. G.S. 20-79.7 reads as rewritten:

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

…

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

Special Plate	Additional Fee Amount
…	
Coastal Land Trust	$30.00
Colorectal Cancer Awareness	$30.00
Crystal Coast	Expired July 1, 2016

...

(b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and Cultural Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

Special Plate	SRPA	CCAPA	CWMTF	PRTF
...				
Coastal Land Trust	$10	$20	0	0
Colorectal Cancer Awareness	$10	$20	0	0
Concerned Bikers Association/ ABATE of North Carolina – Expired July 1, 2016				

...."

SECTION 4. G.S. 20-81.12 reads as rewritten:

"**§ 20-81.12. Collegiate insignia plates and certain other special plates.**

...

(b155) Colorectal Cancer Awareness. – The Division must receive 300 or more applications for a Colorectal Cancer Awareness plate before the plate may be developed. The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of Colorectal Cancer Awareness plates to the Colon Cancer Coalition to be used to promote prevention and early detection of colorectal cancer and to provide support to persons affected.

...."

SECTION 5. The Revisor of Statutes is authorized to alphabetize, number, and renumber the special registration plates listed in G.S. 20-79.4(b) to ensure that all the special registration plates are listed in alphabetical order and numbered accordingly.

SECTION 6. This act becomes effective July 1, 2017.

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee

On

Transportation

June 21, 2017 – 12:30 PM

Room 1027/1128

Senate Sergeant at Arms:

JOHN ENLOE

LINDA MATTHEWS

HAL ROACH

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027

DATE: 6-21 **TIME:** ~~Noon~~ 12:30

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

Page Name	Hometown	Sponsoring Senator
1. Mitchell Barker	Brown summit	Berger
2. Matthew Barker	Brown summit	Berger
3. ~~Alex Farlue~~		
4. Olivia Bennett	Pittsboro	Foushee
5. Parker Davis	Wilkesboro	Randelman
6. Lucas Boyd	Ft Bragg	Meredith
7. Katie Long	Holly Springs	Berger
8.		

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

Senate Committee On Transportation

June 21, 2017 – Room 1027/1128 – 12:30 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Wendy Kage	Fiscal Council
Jennifer Keel	DMV
Hope Mangum	NCDMV
Lam Pay	MWC

Senate Committee On Transportation

June 21, 2017 – Room 1027/1128 – 12:30 PM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Tracy Kimbrell	Parker Poe
[illegible]	[illegible]
SueAnn Forrest	NCMS

Committee on Transportation
June 6, 2018
10:00 a.m.
Room 1027/1128 LB
Chairs:
Senator Jim Davis Senator Tom McInnis

The Senate Committee on Transportation met June 6, 2018 at 10:00 a.m. in Room 1027/1128 LB.

Senator Tom McInnis presided.

Senator McInnis called the committee to order and asked to silence phones. He then introduced the Sergeant at Arms and pages.

S758
Presented by Senator Rabon. It was a technical amendment. Motion by Sen. Alexander and amendment carried.
Senator Harrington presented part of the bill. Sen. Smith moved for a favorable report at the appropriate time. Senator Rabon then presented the rest of the bill. There were no questions. The bill as amended passed and was rolled into a PCS.

H223
Wendy Graf-Ray, staff, presented the bill. Senator Harrington moved for a favorable report at the appropriate time.
Senator Daniel presented an amendment. Senator Clarke offered a motion and the amendment carried.
Sen. Smith asked for a favorable report and the bill as amended was rolled into a PCS.

The meeting adjourned at 10:30a.m.

Senator Tom McInnis
Presiding

Libby Spain (Sen. Tom McInnis)
Committee Clerk

Senate Committee on Transportation
Wednesday, June 6, 2018, 10:00 AM
1027/1128 Legislative Building
Chairman Sen. Tom McInnis

AGENDA

Welcome and Opening Remarks

Please Silence Phones and Electronic Devices

Introduction of Pages

Bills

BILL NO.	SHORT TITLE	SPONSOR
HB 223	Disabled Veteran Plate for Motorcycles. Presenting: Rep. Speciale	Representative Cleveland
SB 758	Build NC Bond Act of 2018. Presenting: Sen. Rabon	Senator Rabon Senator Harrington Senator J. Davis

Presentations

Other Business

Adjournment

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

TRANSPORTATION COMMITTEE REPORT
Senator J. Davis, Co-Chair
Senator McInnis, Co-Chair

Wednesday, June 06, 2018

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

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

HB **223** Disabled Veteran Plate for Motorcycles.

Draft Number:	H223-PCS40749-SUf-41
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	Rules and Operations of the Senate
Long Title Amended:	Yes

UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1, BUT FAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 2

SB **758** **(CS#1)** Build NC Bond Act of 2018.

Draft Number:	S758-PCS15307-BG-34
Sequential Referral:	Rules and Operations of the Senate
Recommended Referral:	None
Long Title Amended:	No

TOTAL REPORTED: 2

Senator Harry Brown will handle HB 223
Senator Harry Brown will handle SB 758

CMR715-V-2

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H D

HOUSE BILL 223
PROPOSED SENATE COMMITTEE SUBSTITUTE H223-CSSUf-41 [v.2]
06/05/2018 07:29:09 PM

Short Title: Special Registration Plates. (Public)

Sponsors:

Referred to:

March 2, 2017

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE DISABLED VETERAN AND PARTIALLY DISABLED VETERAN SPECIAL REGISTRATION PLATES FOR MOTORCYCLES, TO AUTHORIZE THE DIVISION TO PRODUCE AN "ALPHA PHI ALPHA FRATERNITY" SPECIAL REGISTRATION PLATE, AND TO REDUCE THE NUMBER OF APPLICATIONS REQUIRED FOR COLLEGIATE INSIGNIA PLATES FOR PUBLIC MILITARY COLLEGES AND UNIVERSITIES.

The General Assembly of North Carolina enacts:

AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE DISABLED VETERAN AND PARTIALLY DISABLED VETERAN SPECIAL REGISTRATION PLATES FOR MOTORCYCLES

SECTION 1.(a) G.S. 20-79.4(b) reads as rewritten:

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

...

(62) Disabled Veteran. – Issuable to a veteran of the Armed Forces of the United States who suffered a 100% service-connected disability. A person may obtain from the Division a special registration plate under this subdivision for the registered owner of a motor vehicle or a motorcycle.

...

(179) Partially Disabled Veteran. – Issuable to a veteran of the Armed Forces of the United States who suffered a service connected disability of less than 100%. A person may obtain from the Division a special registration plate under this subdivision for the registered owner of a motor vehicle or a motorcycle.

...."

SECTION 1.(b) G.S. 20-79.7(a) reads as rewritten:

"(a) Free of Charge. – Upon request, ~~the~~and except for the special registration plate listed in subdivision (2) of this subsection, the Division shall annually provide and issue free of charge a single special registration plate listed in this subsection to a person qualified to receive the plate in accordance with G.S. 20-79.4(a2). For the special registration plate listed in subdivision (2) of this subsection, and upon request, the Division shall annually provide and issue free of charge a single registration plate for both a motor vehicle and a motorcycle to a person qualified to receive each plate in accordance with G.S. 20-79.4(a2). This subsection does not apply to a special registration plate issued for a vehicle that has a registered weight greater than 6,000 pounds. The regular motor vehicle registration fees in G.S. 20-88 apply if the registered weight of the vehicle is greater than 6,000 pounds:

(1) A Legion of Valor registration plate to a recipient of the Legion of Valor award.
(2) A 100% Disabled Veteran registration plate to a 100% disabled veteran.
(3) An Ex-Prisoner of War registration plate to an ex-prisoner of war.
(4) A Bronze Star Valor registration plate to a recipient of the Bronze Star Medal for valor in combat award.
(5) A Silver Star registration plate to a recipient of the Silver Star award."

AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE AN "ALPHA PHI ALPHA FRATERNITY" SPECIAL REGISTRATION PLATE

SECTION 2.(a) G.S. 20-63(b1)(47) is reenacted as it existed immediately before its repeal.

SECTION 2.(b) G.S. 20-79.4(b)(6) is reenacted as it existed immediately before its repeal.

SECTION 2.(c) The Alpha Phi Alpha Fraternity special registration plate listed as expired in G.S. 20.79.7(a1) and (b) is reenacted as it existed immediately before its repeal.

SECTION 2.(d) The additional fee amount for the Alpha Phi Alpha Fraternity special registration plate listed under G.S. 20.79.7(a1), as reenacted by this section, is modified to thirty dollars ($30.00). The Revisor of Statutes shall reorganize the table accordingly.

SECTION 2.(e) The distribution of fees for the Alpha Phi Alpha Fraternity special registration plate listed under G.S. 20.79.7(b), as reenacted by this section, is modified to ten dollars ($10.00) for the Special Registration Plate Account (SRPA) and twenty dollars ($20.00) for the Collegiate and Cultural Attraction Plate Account (CCAPA). The Revisor of Statutes shall reorganize the table accordingly.

SECTION 2.(f) G.S. 20-81.12(b39) is reenacted as it existed immediately before its repeal and reads as rewritten:

"(b39) Alpha Phi Alpha Fraternity. – The Division ~~must receive 300 or more applications for the Alpha Phi Alpha Fraternity plate before the plate may be developed. The Division~~ shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of the Alpha Phi Alpha Fraternity plates to the ~~Association of North Carolina Alphamen (ANCA) Educational Foundation~~ Education Consortium of North Carolina, Inc., for scholarships for the benefit of African-American males ~~in ANCA~~ attending accredited North Carolina colleges and universities."

SECTION 2.(g) This section becomes effective February 1, 2019.

REDUCE THE NUMBER OF APPLICATIONS REQUIRED FOR COLLEGIATE INSIGNIA PLATES FOR PUBLIC MILITARY COLLEGES AND UNIVERSITIES

SECTION 3. G.S. 20-81.12(a) reads as rewritten:

"(a) Collegiate Insignia Plates. – ~~The~~ Except for a collegiate insignia plate for a public military college or university, the Division must receive 300 or more applications for a collegiate insignia license plate for a college or university before a collegiate license plate may be developed. For a collegiate insignia license plate for a public military college or university, the Division must receive 100 or more applications before a collegiate license plate may be developed. The color, design, and material for the plate must be approved by both the Division and the alumni or alumnae association of the appropriate college or university. The Division must transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of in-State collegiate insignia plates to the Board of Governors of The University of North Carolina for in-State, public colleges and universities and to the respective board of trustees for in-State, private colleges and universities in proportion to the number of collegiate plates sold representing that institution for use for academic enhancement."

EFFECTIVE DATE

SECTION 4. Except as otherwise provided, this act is effective when it becomes law.

HOUSE BILL 223:
Special Registration Plates.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	June 6, 2018
Introduced by:	Rep. Cleveland	**Prepared by:**	Wendy Ray
Analysis of:	PCS to First Edition H223-CSSUf-41		Staff Attorney

OVERVIEW: The Proposed Committee Substitute for House Bill 223 would make the following changes to the law as it relates to special registration plates:

- ***Authorize the Division of Motor Vehicles to issue a 100% Disabled Veteran motorcycle plate and a Partially Disabled Veteran motorcycle plate, and authorize the Division to issue free of charge, upon request, a single 100% Disabled Veteran motorcycle plate.***
- ***Authorize the Division to produce a new Alpha Phi Alpha special registration plate.***
- ***Reduce the number of applications required from 300 to 100 before the Division would develop a collegiate insignia plate for a public military college or university.***

CURRENT LAW AND BILL ANALYSIS: The PCS for House Bill 223 would make changes to the Division of Motor Vehicles' authority to issue special registration plates as follows:

Disabled and Partially Disabled Veteran motorcycle plates. Under current law, the Division is issuing the following:

- Disabled Veteran license plates, issuable to a veteran of the Armed Forces of the United States who has suffered a 100% service connected disability.

  The first plate of this type issued to an applicant is free of charge. Additional plates are issuable at the regular registration fee of $36, and no additional special plate fee.

- Partially Disabled Veteran license plates, issuable to a veteran of the Armed Forces of the United States who suffered a service connected disability of less than 100%.

  This plate is issuable for the regular registration fee and no additional special plate fee.

- Motorcycle plates: Currently, the Division is authorized to issue a Blue Ridge Parkway motorcycle plate and personalized motorcycle plates.

Section 1 of the PCS would authorize the Division to issue:

- A Disabled Veteran motorcycle plate. The first Disabled Veteran motorcycle plate issued would be free of charge. This plate would be in addition to the first Disabled Veteran regular license plate, which would continue to be free of charge. Subsequent motorcycle plates of this type would be issuable for the regular motorcycle registration plate fee.
- A Partially Disabled Veteran motorcycle plate, for the regular motorcycle registration plate fee.

Alpha Phi Alpha Fraternity special plate. **Section 2** would authorize the Division to produce an Alpha Phi Alpha Fraternity special registration plate. This would be a reauthorization of a plate that was authorized previously but expired in 2016. This organization has now successfully completed the statutory plate development process. The plate would be on a full color background. The fee for the plate would be the regular registration fee plus $30, with the first $10 going to the Special Registration Plate Account and the remaining $20 to be transferred to the Education Consortium of North Carolina, Inc. for scholarships to benefit African-American males attending accredited North Carolina colleges and universities.

Collegiate Insignia Plates for public military colleges and universities. Current law provides an authorization for a category of special plates representing colleges and universities. The Division must receive at least 300 applications for a particular college or university to produce a collegiate insignia plate pursuant to this authorization. **Section 3** of the PCS would reduce the minimum number of applications required to produce a collegiate insignia plate for a public military college or university from 300 to 100.

EFFECTIVE DATE: Except for the authorization for the new Alpha Phi Alpha plate, which would become effective February 1, 2019, the act would be effective when it becomes law.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 223

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

H223-ASU-35 [v.1]

Amends Title [NO]
H223-CSSUf-41

Date June 6 ,2018

Senator Daniel

moves to amend the bill on page 3, lines 1-2, by deleting the lines and substituting the following:

"RENEWAL NOT REQUIRED FOR HANDICAPPED PLACARD AFTER AGE 80

SECTION 4. G.S. 20-37.6(c1) reads as rewritten:

"(c1) Application and Renewal; Medical Certification. – The initial application for a distinguishing license plate, removable windshield placard, or temporary removable windshield placard shall be accompanied by a certification of a licensed physician, a licensed ophthalmologist, a licensed optometrist, a licensed physician assistant, a licensed nurse practitioner, or the Division of Services for the Blind that the applicant is handicapped or by a disability determination by the United States Department of Veterans Affairs that the applicant is handicapped. For an initial application for a temporary removable windshield placard only, the certification that the applicant is handicapped may be made by a licensed certified nurse midwife. The application for a temporary removable windshield placard shall contain additional certification to include the period of time the certifying authority determines the applicant will have the disability. Distinguishing license plates shall be renewed annually, but subsequent applications shall not require a medical certification that the applicant is handicapped. Removable windshield placards shall be renewed every five years, and, except for a person certified as totally and permanently disabled at the time of the initial application or a prior renewal under this subsection, the renewal shall require a medical recertification that the person is ~~handicapped.~~handicapped: provided that, renewal shall not be required for any placard that expires after the person to whom it is issued is 80 years of age, and the placard shall remain valid. Temporary removable windshield placards shall expire no later than six months after issuance."

EFFECTIVE DATE

SECTION 5. Except as otherwise provided, this act is effective when it becomes law."; and

by amending the title accordingly.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 223

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

H223-ASU-35 [v.1]

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

S 2

SENATE BILL 758
Finance Committee Substitute Adopted 6/5/18

Short Title: Build NC Bond Act of 2018. (Public)

Sponsors:

Referred to:

May 30, 2018

A BILL TO BE ENTITLED

AN ACT TO ENACT THE BUILD NC BOND ACT OF 2018.

The General Assembly of North Carolina enacts:

SECTION 1. Short Title. – This act shall be known as the "Build NC Bond Act of 2018."

SECTION 2. Legislative Intent. – The intent of the Build NC Bond Act of 2018 is to maintain the integrity of the Strategic Transportation Investments Act (STI). Toward this end and consistent with STI:

(1) The bond proceeds shall not be treated as revenue.

(2) Debt service is subject to the distribution formula in G.S. 136-189.11.

(3) Funds distributed under the Build NC Bond Act of 2018 to be used for the Regional Impact Projects tier shall be allocated within two percent (2%) by population of Distribution Regions based on the most recent estimates certified by the Office of State Budget and Management and used for Regional Impact Projects pursuant to the criteria in G.S. 136-189.11(d)(2)(a).

(4) Funds distributed under the Build NC Bond Act of 2018 to be used for the Division Need Projects tier shall be allocated within two percent (2%) of an equal share to each of the Department divisions, as defined in G.S. 136-14.1, and used for Division Need Projects pursuant to the criteria in G.S. 136-189.11(d)(3)(a).

(5) The formula variance in G.S. 136-189.11(e) shall only apply to the debt service.

(6) Nothing in the Build NC Bond Act of 2018 prevents the issuance of other bonds or special indebtedness for highway or transportation purposes under Article 9 of Chapter 142 of the General Statutes.

SECTION 3. G.S. 142-82 reads as rewritten:

"**§ 142-82. Definitions.**

The following definitions apply in this Article:

...

(2a) Build NC Bonds. – Special indebtedness issued to finance Build NC Projects, with the Build NC Net Proceeds of such special indebtedness used in accordance with both of the following requirements, measured in the aggregate for all issues:

a. Within two percent (2%) of fifty percent (50%) of the Build NC Net Proceeds during such period used for Division Need Projects in

accordance with the requirements of Article 14B of Chapter 136 of the General Statutes.

b. The remainder of the Build NC Net Proceeds during such period used for Regional Impact Projects in accordance with the requirements of Article 14B of Chapter 136 of the General Statutes.

(2b) Build NC Net Proceeds. – The proceeds of an issue of Build NC Bonds net of deposits for the costs described in sub-subdivisions d., e., and f. of subdivision (6) of this section.

(2c) Build NC Project. – A capital facility identified and selected for financing with Build NC Bonds under this Article by the process set forth in Article 14B of Chapter 136 of the General Statutes.

...."

SECTION 4. Article 9 of Chapter 142 of the General Statutes is amended by adding a new section to read:

"**§ 142-97. Additional provisions with respect to Build NC Bonds.**

The following requirements and limitations apply to the issuance and sale of Build NC Bonds:

(1) Subject to appropriation by the General Assembly, funds from the Highway Trust Fund shall be the source for repayment of special indebtedness resulting from the sale of Build NC Bonds.

(2) The State Treasurer shall not issue any Build NC Bonds unless (i) the State Treasurer recommends the issuance of the Build NC Bonds and (ii) the State Treasurer has made a determination that all of the following requirements have been or shall be met:

a. The Department of Transportation's average month-end cash balance for the first three months in the calendar year prior to the date of determination is equal to or less than one billion dollars ($1,000,000,000).

b. The total amount of Build NC Bonds outstanding after such issuance will not cause the recommended transportation debt target established by the Debt Affordability Advisory Committee in accordance with G.S. 142-101 to be exceeded.

c. At least six months prior to the expected date of the Build NC Bond issuance, the Department of Transportation:

1. Consulted with the State Treasurer about the proposed Build NC Bond issuance.

2. Consulted with the Joint Legislative Transportation Oversight Committee and the Joint Legislative Commission on Governmental Operations to provide details of the proposed issuance, including (i) the total amount of the Build NC Bonds that will be issued, (ii) the estimated amount of the debt service payments, and (iii) the estimated amount of debt capacity that would be remaining after the issuance.

(3) Except as otherwise provided in subdivision (7) of this subsection, the total amount of special indebtedness from the issuance of Build NC Bonds shall not exceed three billion dollars ($3,000,000,000).

(4) Except as otherwise provided in subdivision (7) of this subsection, each individual issuance of Build NC Bonds is limited to no more than three hundred million dollars ($300,000,000) in each fiscal year.

(5) The Department of Transportation may not use the proceeds realized from the sale of Build NC Bonds for a nonhighway project or a project utilizing tolling pursuant to the authority set forth in subdivision (39) or (39a) of G.S. 136-18.

(6) For purposes of satisfying the requirements of G.S. 142-15.17, Build NC Projects constitute projects as to which the General Assembly has enacted legislation expressly approving the use of a State-supported financing arrangement.

(7) The restrictions set forth in sub-subdivision a. of subdivision (2) of this section and subdivisions (3) and (4) of this section do not apply to Build NC Bonds that are refunding bonds meeting the requirements set forth in G.S. 142-29.5.

(8) The provisions of G.S. 142-83 do not apply to Build NC Bonds, nor shall Build NC Bonds be counted for the purposes of that section in limiting the issuance of other debt.

(9) The provisions of subsection (e) of G.S. 142-84 do not apply to Build NC Bonds."

SECTION 5. G.S. 142-89(a) reads as rewritten:

"(a) Terms and Conditions. – Bonds or notes may bear any dates; may be serial or term bonds or notes, or any combination of these; may mature in any amounts and at any times, not exceeding 15 years from their dates for Build NC Bonds and 40 years from their ~~dates;~~dates for all other bonds and notes; may be payable at any places, either within or without the United States, in any coin or currency of the United States that at the time of payment is legal tender for payment of public and private debts; may bear interest at any rates, which may vary from time to time; and may be made redeemable before maturity, at the option of the State or otherwise as may be provided by the State, at any prices, including a price greater than the face amount of the bonds or notes, and under any terms and conditions, all as may be determined by the State Treasurer, by and with the consent of the Council of State."

SECTION 6. The State Treasurer, in consultation with the Department of Transportation, shall develop and implement a debt management policy to guide the Department's practices in regards to issuing Build NC Bonds, as defined in G.S. 142-82(2a), as enacted in Section 3 of this act. By July 1, 2019, the State Treasurer shall submit a report to the Joint Legislative Transportation Oversight Committee detailing the debt management plan developed in accordance with this section.

SECTION 7. This act becomes effective January 1, 2019, and expires December 31, 2028.

SENATE BILL 758:
Build NC Bond Act of 2018.

2017-2018 General Assembly

Committee:	Senate Transportation. If favorable, re-refer to Rules and Operations of the Senate	**Date:**	June 6, 2018
Introduced by:	Sens. Rabon, Harrington, J. Davis	**Prepared by:**	Howard Marsilio
Analysis of:	Second Edition		Committee Counsel

OVERVIEW: Senate Bill 758 would authorize the issuance of Build NC Bonds, a type of special indebtedness in which the proceeds shall be used only for Division Need Projects and Regional Impact Projects in accordance with the Strategic Transportation Investments ("STI") law set forth in Article 14B of Chapter 136 of the General Statutes.

CURRENT LAW: The State Capital Facilities Finance Act, which is set forth in Article 9 of Chapter 142 of the General Statutes, authorizes the State to incur or issue special indebtedness, subject to the various terms and conditions in the Article. Special indebtedness issued under this Article may be used to finance the cost of "capital facilities," which is defined as any one or more of the following:

- Any one or more buildings, utilities, structures, or other facilities or property developments, including streets and landscaping, and the acquisition of equipment, machinery, and furnishings in connection with these items.
- Additions, extensions, enlargements, renovations, and improvements to existing buildings, utilities, structures, or other facilities or property developments, including streets and landscaping.
- Land or an interest in land.
- Other infrastructure.
- Furniture, fixtures, equipment, vehicles, machinery, and similar items.

Special indebtedness is not secured by the full faith and credit (taxing power) of the State, so voter approval is not required.

BILL ANALYSIS: The bill would do the following:

Section 1: Provide that the act shall be known as the "Build NC Bond Act of 2018."

Section 2: Describe the legislative intent.

Section 3: Amend the State Capital Facilities Finance Act by defining the terms "Build NC Project", "Build NC Bonds" and Build NC Net Proceeds" and setting forth two requirements for Build NC Bonds, as:

- (i) within two percent (2%) of fifty percent (50%) of the net proceeds from an issuance of Build NC Bonds must be used for Division Need Projects in accordance with the requirements of the STI law; and
- (ii) the remainder of the proceeds must be used for Regional Impact Projects in accordance with the requirements of the STI law.

Section 4: Further amend the State Capital Facilities Finance Act to include the following requirements and limitations regarding the issuance and sale of Build NC Bonds:

- The source of repayment for Build NC Bonds is the Highway Trust Fund.
- The State Treasurer shall not issue any Build NC Bonds unless (i) the State Treasurer recommends the issuance and (ii) the State Treasurer has made a determination that all of the following requirements have been or shall be met:
  - The Department of Transportation's average month end cash balance required for the first three months in the calendar year prior to the date of determination is equal to or less than one billion dollars ($1,000,000,000).
  - The total amount of Build NC Bonds outstanding will not cause the recommended transportation debt target established by the Debt Affordability Advisory Committee to be exceeded.
  - At least 6 months prior to the expected date of a Build NC Bond issuance, the Department of Transportation has consulted with the State Treasurer, the Joint Legislative Transportation Oversight Committee, and the Joint Legislative Commission on Governmental Operations, about the total issuance, debt servicing, and post issuance debt capacity.
- The total amount of special indebtedness resulting from the sale of Build NC Bonds shall not exceed three billion dollars ($3,000,000,000).
- Except as otherwise provided, each individual issuance of Build NC Bonds is limited to no more than three hundred million dollars ($300,000,000) in each fiscal year.
- The Department of Transportation may not use the Build NC Proceeds for (i) non-highway projects or (ii) projects utilizing tolling.
- Passage of this act would satisfy the requirement, of G.S. 142-15.17, that the General Assembly expressly authorize this type of financing arrangement through legislation.
- Certain restrictions under Section 4 of the bill regarding the Department's cash balance prior to determination, total amount of special indebtedness, and amount cap per fiscal year, would not apply to Build NC Bonds used as a refunding bond under G.S. 142-29.5.
- The special indebtedness approval requirement and limitation set forth in G.S. 142-83.
- Since the projects to be financed with Build NC Bonds are selected through the STI process, the requirement set forth in G.S. 142-84(e) that the Department of Administration make decisions about the type of capital facility and amount financed would not apply.

Section 5: Provide that the maturity date for a Build NC Bond may not exceed 15 years.

Section 6: Direct the State Treasurer, in consultation with the Department of Transportation, to develop a debt management plan for Build NC Bonds and to submit a report to the Joint Legislative Transportation Oversight Committee by July 1, 2019.

EFFECTIVE DATE: This act would become effective January 1, 2019, and expire December 31, 2028.

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 758

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

S758-ABG-30 [v.1]

Amends Title [NO]
Second Edition

Date June 6 ,2018

Senator Robson

moves to amend the bill on page 2, line 43 and line 46, by deleting the word "subsection," and substituting the word "section,".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

S758-ABG-30-V-1

Senate Pages Attending

COMMITTEE: Transportation **ROOM:** 1027

DATE: 6-6 **TIME:** 10 AM

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

Page Name	Hometown	Sponsoring Senator
1. Aidan McGonigle	Hertford	Cook
2. Gray perry	Washington	COOK
3. Morgan Smithey	Millers Creek	Randleman
4. Maddison Frazier	Wilkesboro	Randleman
5. Morgan Estes	Durham	Harrington
6.		
7.		
8.		

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

NCGA

NORTH CAROLINA GENERAL ASSEMBLY

Senate Committee

On

Transportation

June 6, 2018

Room 1027 / 1128

Legislative Building – 10:00 AM

Senate Sergeant at Arms:

TOM BURROUGHS

BILLY FRITSCHER

JIM HAMILTON

SPEAKER SIGN-UP SHEETS

Senate Committee On Transportation

June 6, 2018 – Room 1027 / 1128

Legislative Building – 10:00 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Glenn Johnson	DHV glenn.johnson.dav37 @ gmail.com

SIGN-UP SHEET

Senate Committee On Transportation

June 6, 2018 – Room 1027 / 1128

Legislative Building – 10:00 AM

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NAME	FIRM OR AGENCY
Lexi Arthur	NF
Meeghan Lewis	NCchamber
Henry M Lancaster B	CA
Amber Harris	NWRC
T. Jerry Williams	TJWLC
Joe McClees	McClees Consulting Inc.
Deans Eatman	NCDOT
Joy Hicks	NCDOT
A B Swindell	Concrete Supply
Justin Delaney	NCDOT
[illegible]	NCDOT
BOBBY LENIS	NCDOT
J.H. TROGDON	NCDOT
Ellis Powell	CAPA
Clark JENKINS	NC Senate, Rep.
BERRY JENKINS	CA Rep JENKINS AGC
Crystal T	CA
NICK TENNYSON	EL ROBINSON

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NAME	FIRM OR AGENCY
Mary Jennings	SAS
Brenda Bracebalcer	Vet Vote of Amer
Cole Hughes	NC Chamber
Matthew Babcock	PPAB
Jason Soper	NC Chamber
Elizabeth Biser	Brooks Pierce
Kate Kingsbury	Brooks Pierce
Mary Maureen Asbill	SELC
Olivia Banner	SELC
Nicolas Eason	SELC
Hao-Ann Tong	SELC
Brooke Rainey Pierce	SELC
Carson Tuttle	MVA
CHARLIE BOONE	CBA/ABATE OF NC
Sallie James	Governor's office
Joe Bost	Charlotte Chamber
Caitlin Little	SUG
Mark Bando	OSBM

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NAME	FIRM OR AGENCY
LAURA PURYEAR	MWC
Gren Boot	NCDOT
John Feldmann	NCCN
[illegible]	RMC
Isaac [illegible]	Governor's Office
CHUCK CHURCH	DMV
Sherry Lee	NCDMV
J Goodman	CCC
PRESTON HOWARD	NCMA
Morgan Dunn	Walk West
CS Hollis	CSH
Glenn Johnson	DOV 37

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NAME	FIRM OR AGENCY
MONTEZL IRVIN	RAMEY KEMP/ACEC