

AMENDMENT NO. \_\_\_\_\_ (to be filled in by H199-ASUxfr-32 [v.12] Principal Clerk) Page 1 of 34 Amends Title [YES] Date ,2024 Third Edition Senator moves to amend the bill on page 1, line 5, by rewriting the line to read: "DEPARTMENT OF TRANSPORTATION, AND TO MAKE OTHER CHANGES TO LAWS RELATED TO TRANSPORTATION."; and on page 2, line 8, by deleting "January 1, 2024." and substituting "January 1, 2025."; and on page 2, line 22, by deleting "December 1, 2023," and substituting "December 1, 2024,"; and on page 2, lines 25-50, by deleting the lines; and on page 3, line 15, by deleting "July 1, 2023." and substituting "July 1, 2024."; and on page 3, line 17, through page 4, line 4, by deleting the lines; and on page 5, lines 3-4, by deleting "January 1, 2024." and substituting "January 1, 2025."; and on page 5, line 12, by deleting "December 31, 2023." and substituting "December 31, 2024."; and on page 5, line 32, through page 6, line 5, by deleting the lines; and on page 6, line 11, by deleting "January 1, 2024," and substituting "January 1, 2025,"; and on page 7, line 45, by deleting "October 1, 2024," and substituting "October 1, 2025,"; and on page 8, lines 6-31, by deleting the lines; and on page 10, line 1, by deleting "July 1, 2023," and substituting "July 1, 2024,"; and on page 12, line 35, by rewriting the line to read: "this section, "rental vehicles" also includes motor vehicles of the cargo type, including a cargo

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1 2 on page 12, line 39, by deleting "October 1, 2023." and substituting "October 1, 2024."; and 3 4 on page 13, line 37, by deleting "July 1, 2023." and substituting "July 1, 2024."; and 5 6 on page 14, line 24, by deleting "July 1, 2023." and substituting "July 1, 2024."; and 7 8 on page 14, lines 24-25, by inserting the following between the lines: 9 "COMMERCIAL **DRIVERS** LICENSE **COMPLIANCE** WITH 10 REQUIREMENTS

# **FEDERAL**

**SECTION 21.(a)** G.S. 20-17.4(a) is amended by adding a new subdivision to read: "(10) A conviction of fraud in connection with issuance of a commercial drivers license or commercial learner's permit."

**SECTION 21.(b)** G.S. 20-17.4(*l*) reads as rewritten:

"(*l*) Disqualification for <del>Testing Positive in a Drug or Alcohol Test.</del> Violations. – Upon receipt of notice of a positive drug or alcohol test, or of refusal to participate in a drug or alcohol test, pursuant to G.S. 20 37.19(c), prohibited status in the Federal Motor Carrier Safety Administration's Commercial Driver's License Drug and Alcohol Clearinghouse, established pursuant to 49 U.S.C. § 31306, the Division must disqualify a CDL holder from operating a commercial motor vehicle for a minimum of 30 days and until receipt of proof of successful completion of assessment and treatment by a substance abuse professional in accordance with 49 C.F.R. § 382.503."

#### **SECTION 21.(c)** G.S. 20-37.13(h) reads as rewritten:

The Division shall promptly notify any driver who fails to meet the medical certification requirements in accordance with 49 C.F.R. § 383.71. The Division shall give the driver 60 days to provide the required documentation. If the driver fails to provide the required comply with the commercial drivers license medical certification documentation requirements. If the driver fails to comply within the period allowed, the Division shall automatically downgrade a commercial drivers license to a class C regular drivers license."

**SECTION 21.(d)** G.S. 20-37.20 reads as rewritten:

### "§ 20-37.20. Notification of traffic convictions.

Out-of-state Resident. – Within 10 days after receiving a report of the conviction of (i) any nonresident holder of a commercial driver license or commercial learner's permit for any violation of State law or local ordinance relating to motor vehicle traffic control, other than parking violations, committed in a motor vehicle, or (ii) any nonresident holder of a drivers license for any violation of State law or local ordinance relating to motor vehicle traffic control, other than parking violations, committed in a commercial motor vehicle, the Division shall electronically notify the driver licensing authority in the licensing state or foreign jurisdiction of the conviction.

...."

**SECTION 21.(e)** Subsection (d) of this section becomes effective August 1, 2024. The remainder of this section becomes effective October 1, 2024.

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#### DIVISION ACTION ON COMMISSION CONTRACTOR APPLICATIONS

SECTION 22.(a) G.S. 20-63 is amended by adding the following new subsection: "(h3) Commission Contractor Applications. – The Division shall review an application and issue a decision to award or not award a commission contract within 60 days of the date the application is submitted. If the Division requests additional information from the applicant within the 60-day period following submission of the application, the Division shall make a decision within 30 days of the date of submission of the requested information, or within 60 days of the date of submission of the original application, whichever is later."

**SECTION 22.(b)** This section becomes effective October 1, 2024, and applies to commission contract applications submitted on or after that date.

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#### COMMISSION CONTRACTOR APPLICATIONS AND CONTRACTS

**SECTION 23.(a)** G.S. 20-63(h) reads as rewritten:

Commission Contracts for Issuance of Plates and Certificates. - All registration "(h) plates, registration certificates, and certificates of title issued by the Division, outside of those issued from the office of the Division located in Wake, Cumberland, or Mecklenburg Counties and those issued and handled through the United States mail, shall be issued insofar as practicable and possible through commission contracts entered into by the Division for the issuance of the plates and certificates in localities throughout North Carolina, including military installations within this State, with persons, firms, corporations or governmental subdivisions of the State of North Carolina. The Division shall accept applications for new commission contracts or renewal of existing contracts and enter into contracts with commission contractors in the commission contractor's business entity name, unless the commission contractor chooses to enter into a contract as an individual. The Division shall make a reasonable effort in every locality, except as noted above, to enter into a commission contract for the issuance of the plates and certificates and a record of these efforts shall be maintained in the Division. In the event the Division is unsuccessful in making commission contracts, it shall issue the plates and certificates through the regular employees of the Division. Whenever registration plates, registration certificates, and certificates of title are issued by the Division through commission contract arrangements, the Division shall provide proper supervision of the distribution. Nothing contained in this subsection allows or permits the operation of fewer outlets in any county in this State than are now being operated.

The terms of a commission contract entered under this subsection shall specify the duration of the contract and either include or incorporate by reference standards by which the Division may supervise and evaluate the performance of the commission contractor. The duration of an initial commission contract may not exceed eight years and the duration of a renewal commission contract may not exceed two years. The Division may award monetary performance bonuses, not to exceed an aggregate total of ninety thousand dollars (\$90,000) annually, to commission contractors based on their performance.

The terms of a commission contract entered under this subsection shall allow the commission contractor to sell the contractor's business, as applicable, and assign contractual rights to another qualified contractor prior to expiration of the contract. A qualified contractor is a person, firm, corporation, or governmental subdivision of the State of North Carolina, with demonstrated

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experience as a commission contractor in North Carolina or equivalent experience in another state, as determined by the Division. All Division equipment and software shall be transferred to the new commission contractor upon sale, in accordance with guidelines established by the Division.

The amount of compensation payable to a commission contractor is determined on a per transaction basis. The collection of the highway use tax and the removal of an inspection stop are each considered a separate transaction for which one dollar and sixty-eight cents (\$1.68) compensation shall be paid. The issuance of a limited registration "T" sticker and the collection of property tax are each considered a separate transaction for which compensation at the rate of one dollar and forty cents (\$1.40) and one dollar and sixteen cents (\$1.16) respectively, shall be paid by counties and municipalities as a cost of the combined motor vehicle registration renewal and property tax collection system. The performance at the same time of one or more of the transactions below is considered a single transaction for which one dollar and eighty-nine cents (\$1.89) compensation shall be paid:

- (1) Issuance of a registration plate, a registration card, a registration sticker, or a certificate of title.
- (2) Issuance of a handicapped placard or handicapped identification card.
- (3) Acceptance of an application for a personalized registration plate.
- (4) Acceptance of a surrendered registration plate, registration card, or registration renewal sticker, or acceptance of an affidavit stating why a person cannot surrender a registration plate, registration card, or registration renewal sticker.
- (5) Cancellation of a title because the vehicle has been junked.
- (6) Acceptance of an application for, or issuance of, a refund for a fee or a tax, other than the highway use tax.
- (7) Receipt of the civil penalty imposed by G.S. 20-311 for a lapse in financial responsibility or receipt of the restoration fee imposed by that statute.
- (8) Acceptance of a notice of failure to maintain financial responsibility for a motor vehicle.
- (8a) Collection of civil penalties imposed for violations of G.S. 20-183.8A.
- (8b), (9) Repealed by Session Laws 2013-372, s. 2(a), effective July 1, 2013.
- (10) Acceptance of a temporary lien filing.
- (11) Conversion of an existing paper title to an electronic lien upon request of a primary lienholder."

**SECTION 23.(b)** For any commission contractor who has contracted with the Division prior to the effective date of this section in the commission contractor's business entity name and has been required by the Division to renew a commission contract in the commission contractor's individual name, the Division must notify the contractor within 30 days of the effective date of this section and provide an opportunity for that contractor to amend and reenter the commission contract in the contractor's business entity name. In order to amend and reenter a commission contract under this subsection, the commission contractor shall notify the Division of the contractor's intent within 30 days of the notification, and the Division shall allow the

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contractor a reasonable amount of time to make arrangements necessary to effectuate the transition.

**SECTION 23.(c)** This section becomes effective October 1, 2024.

#### BOND REQUIREMENTS FOR COMMISSION CONTRACTORS

**SECTION 24.** G.S. 20-63.01 reads as rewritten:

"§ 20-63.01. Bonds required for commission contractors.

(a) A guaranty surety bond is required for each commission contractor that is not a governmental subdivision of this State that is granted a contract to issue license plates or conduct business pursuant to G.S. 20-63. Provided, however, a commission contractor that is unable to secure a bond may, with the consent of the Division, provide an alternative to a guaranty surety bond, as provided in subsection (c) of this section.

The Division may revoke, with cause, a contract with a commission contractor that fails to maintain a bond or an alternative to a bond, pursuant to this section.

- (b) (1) When application is made for a contract or contract renewal, the applicant shall file a guaranty surety bond with the clerk of the superior court and/or the register of deeds of the county in which the commission contractor will be located. The bond shall be in favor of the Division. The bond shall be executed by the applicant as principal and by a bonding company authorized to do business in this State. The bond shall be conditioned to provide indemnification to the Division for a loss of revenue for any reason, including bankruptcy, employee embezzlement or theft, foreclosure, or ceasing to operate.
  - (2) The bond shall be in an amount determined by the Division to be adequate to provide indemnification to the Division under the terms of the bond. The bond amount shall be at least one hundred thousand dollars (\$100,000).
  - (3) The bond shall remain in force and effect until cancelled by the guarantor.surety. The guarantor surety may cancel the bond upon 30 days' notice to the Division. Cancellation of the bond shall not affect any liability incurred or accrued prior to the termination of the notice period.
  - (4) The Division may be able to negotiate bonds for contractors who qualify for bonds as a group under favorable rates or circumstances. If so, the Division may require those contractors who can qualify for the group bond to obtain their bond as part of a group of contractors. The Division may deduct the premiums for any bonds it may be able to negotiate at group rates from the commissioned contractors' compensation.
- (c) An applicant that is unable to secure a bond may seek a waiver of the guaranty-surety bond from the Division and approval of one of the guaranty-surety bond alternatives set forth in this subsection. With the approval of the Division, an applicant may file with the clerk of the superior court and/or the register of deeds of the county in which the commission contractor will be located, in lieu of a bond:
  - (1) An assignment of a savings account in an amount equal to the bond required (i) that is in a form acceptable to the Division; (ii) that is executed by the

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1	applicant; (iii) that is executed by a federally insured depository institution or
2	a trust institution authorized to do business in this State; and (iv) for which
3	access to the account in favor of the State of North Carolina is subject to the
4	same conditions as for a bond in subsection (b) of this section.
5	(2) A certificate of deposit (i) that is executed by a federally insured depository
6	institution or a trust institution authorized to do business in this State; (ii) that
7	is either payable to the State of North Carolina, unrestrictively endorsed to the
8	Division of Motor Vehicles; in the case of a negotiable certificate of deposit
9	is unrestrictively endorsed to the Division of Motor Vehicles; or in the case of
10	a nonnegotiable certificate of deposit, is assigned to the Division of Motor
11	Vehicles in a form satisfactory to the Division; and (iii) for which access to
12	the certificate of deposit in favor of the State of North Carolina is subject to
13	the same conditions as for a bond in subsection (b) of this section."
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15	CLARIFY LPA ADVISORY COMMITTEE SUBJECT TO OPEN MEETINGS LAW
16	<b>SECTION 25.</b> G.S. 20-63.02 is amended by adding a new subsection to read:
17	"(d) Open Meetings. – All meetings of the LPA Advisory Committee shall comply with the
18	provisions of Article 33C of Chapter 143 of the General Statutes."
19	
20	LPA ISSUANCE OF ONE-DAY TITLES
21	SECTION 26.(a) G.S. 20-85 reads as rewritten:
22	"§ 20-85. Schedule of fees.
23	(a) The following fees are imposed concerning a certificate of title, a registration card, or
24	a registration plate for a motor vehicle. These fees are payable to the Division and are in addition
25	to the tax imposed by Article 5A of Chapter 105 of the General Statutes:
26	•••
27	(11) Each set of replacement Stock Car Racing Theme plates
28	Issued under G.S. 20-79.4 <u>25.00.</u> 25.00
29	(12) Each application for a certificate of title prepared and delivered using
30	a one-day title service
31	
32	(a1) Two dollars (\$2.00) of the fee imposed for any transaction assessed a fee under
33	subdivision (a)(1), (a)(2), (a)(3), (a)(7), $\frac{(a)(8)}{(a)(9)}$ , or (a)(9), or (a)(12) of this section

...." **SECTION 26.(b)** G.S. 20-85.1 is repealed.

**SECTION 26.(c)** G.S. 20-85(a1) reads as rewritten:

"(a1) Two dollars (\$2.00) of the fee imposed for any transaction assessed a fee under subdivision (a)(1), (a)(2), (a)(3), (a)(7), (a)(8), (a)(9), or (a)(12) of this section shall be credited

shall be credited to the North Carolina Highway Fund. The Division shall use the fees derived

from transactions with commission contract agents for the payment of compensation to commission contract agents. An additional twenty cents (20¢) of the fee imposed for any

transaction assessed a fee under subdivision (a)(1) or (a)(12) of this section shall be credited to

the Mercury Pollution Prevention Fund in the Department of Environmental Quality.

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to the North Carolina Highway Fund. The Division shall use the fees derived from transactions with commission contract agents for the payment of compensation to commission contract agents.  $\frac{1}{12}$ 

**SECTION 26.(d)** G.S. 20-63(h1) reads as rewritten:

"(h1) Commission contracts entered into by the Division under this subsection shall also provide for the payment of an additional two dollars (\$2.00) of compensation to commission contract agents for any transaction assessed a fee under subdivision (a)(1), (a)(2), (a)(3), (a)(7),  $\frac{a}{a}$ (8), or  $\frac{a}{9}$ (0)(8), (a)(9), or (a)(12) of G.S. 20-85.

...."

**SECTION 26.(e)** G.S. 20-66 reads as rewritten:

#### "§ 20-66. Renewal of vehicle registration.

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

20 ...." 

**SECTION 26.(f)** G.S. 20-4.02(a)(10) reads as rewritten:

"(10) G.S. 20 85.1.G.S. 20-85(a)(12)."

**SECTION 26.(g)** Subsection (c) of this section becomes effective June 30, 2031. The remainder of this section becomes effective July 1, 2024.

## ONLINE VEHICLE REGISTRATION VENDOR CLARIFICATION

**SECTION 27.** G.S. 20-63(j) reads as rewritten:

(j) The Division shall contract with at least two online motor vehicle registration vendors which may enter into contracts with motor vehicle dealers and other participants, including but not limited to out of state entities, such as dealers, fleet, leasing, and rental car companies, to complete and file Division required documents for the issuance of a certificate of title, registration plate, or registration card or a duplicate certificate of title, registration plate, or registration card for a motor vehicle, upon purchase or sale of a vehicle. Vendors under contract with the Division pursuant to this subsection may also enter into contracts with used motor vehicle dealers whose primary business is the sale of salvage vehicles on behalf of insurers to complete and file documents required by the Division for the issuance of a salvage certificate of title. The Division shall not unreasonably deny a contract or access to any entity."

# REMOVE STATUTORY MILEAGE LIMITATION ON CERTAIN COVERED FARM VEHICLE EXEMPTIONS

**SECTION 28.(a)** G.S. 20-37.16(e) reads a rewritten:

"(e) The requirements for a commercial drivers license do not apply to vehicles used for personal use such as recreational vehicles. A commercial drivers license is also waived for the

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1	following classes of v	ehicles as	permitted by regulation of the United States Department of
2	Transportation:		
3			
4	(3) A fa	arm vehic	le that meets all of the following criteria:
5	a.		trolled and operated by the farmer or the farmer's employee and
6			xclusively for farm use.
7	b.		d to transport either agricultural products, farm machinery, or
8			upplies, both to or from a farm.
9	c.		used in the operations of a for-hire motor carrier.
10	d.		d within 150 miles of the farmer's farm. intrastate within the
11	<b></b>		al state border of North Carolina.
12	A fa		le includes a forestry vehicle that meets the listed criteria when
13			forestry operation."
14			.S. 20-118(c)(12)a. reads as rewritten:
15	"a.		sporting any of the following items within 150 miles of the point
16			gination: the official state border of North Carolina:
17		1.	Agriculture, dairy, and crop products transported from a farm
18			or holding facility to a processing plant, feed mill, or market.
19		2.	Water, fertilizer, pesticides, seeds, fuel, or animal waste
20			transported to or from a farm.
21		3.	Meats, livestock, or live poultry transported from the farm
22			where they were raised to a processing plant or market.
23		3a.	Feed or feed ingredients that are used in the feeding of poultry
24			or livestock and transported from a storage facility, holding
25			facility, or mill to a farm.
26		4.	Forest products originating and transported from a farm or
27			woodlands to market with delay interruption or delay for
28			further packaging or processing after initiating transport.
29		5.	Wood residuals, including wood chips, sawdust, mulch, or tree
30			bark from any site.
31		6.	Raw logs to market.
32		7.	Trees grown as Christmas trees from field, farm, stand, or
33			grove to a processing point."
34	SECTION	<b>28.</b> (c) G	.S. 20-381(b) reads as rewritten:
35	"(b) The definit	tions set o	out in 49 Code of Federal Regulations § 171.8 apply to this
36	subsection. The transp	ortationof	an agricultural product, other than a Class 2 material, over local
37			farm by a farmer operating as an intrastate private motor carrier
38		•	s of Parts 171 through 180 of 49 CFR as provided in 49 CFR §
39			n agricultural product to or from a farm within 150 miles of the
40	farmthe official state b	order of N	orth Carolina by a farmer operating as an intrastate private motor

carrier is exempt from the requirements of Subparts G and H of Part 172 of 49 CFR as provided

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in 49 CFR § 173.5(b)."

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## FEES FOR ANNUAL OVERSIZE/OVERWEIGHT PERMITS FOR MOVEMENT OF COMMODITIES

**SECTION 29.(a)** G.S. 20-119 reads as rewritten:

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

. . .

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

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

Commodity: Annual Fee:

Annual Permit to

Move House Trailers or Trailer Frames \$200.00

Annual Permit to Move Other Commodities \$\frac{\$100.00}{2}\$185.00

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

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

• • •

(j) Electric vehicle batteries, transported on the same vehicle with a weight up to 132,000 pounds, shall be considered a nondivisible load for purposes of permit issuance pursuant to this section. In addition to the fee set out in subsection (b) of this section, upon issuance of an annual permit to transport electric vehicle batteries, the applicant shall pay to the Department a fee of four hundred ninety-eight dollars (\$498.00)."

**SECTION 29.(b)** This section becomes effective July 1, 2024, and applies to applications for permits on or after that date.

#### USE OF LOANER/DEALER PLATES ON SERVICE LOANER VEHICLES

**SECTION 30.(a)** G.S. 20-79.02(g) reads as rewritten:

"(g) Applicability. – Prior to January 1, 2025, a A new motor vehicle dealer may, but is not required to, display an LD license plate on a service loaner vehicle. Beginning on or after January 1, 2025, a new motor vehicle dealer shall display an LD license plate on any new motor vehicle placed into service as a loaner vehicle if either of the following circumstances exists:

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1	<del>(1)</del>	The new motor vehicle dealer is receiving incen	tive or warranty compensation from			
2	<del>a manufa</del>	cturer, factory branch, distributor, or distributor b	• •			
3	service loaner.					
4	<del>(2)</del>	The new motor vehicle dealer is receiving a fe	ee or other compensation from the			
5	\ /	ustomers for the use of the vehicle as a service k				
6		<b>SECTION 30.(b)</b> Section 1.1(b) of S.L. 2015-2				
7	S.L. 2018	-27 and Section 1(b) of S.L. 2020-51, reads as r				
8		"SECTION 1.1.(b) This section is effective wh				
9	Decembe	<del>r 31, 2024.</del> law."				
10		<b>SECTION 30.(c)</b> Section 1.4(b) of S.L. 2015-2	32, as amended by Section 4.5(c) of			
11	S.L. 2018	-27 and Section 1(c) of S.L. 2020-51, reads as re-				
12		"SECTION 1.4.(b) This section is effective wh				
13	Decembe	<del>r 31, 2024.</del> law."	r			
14		- , · · · · · · · · · · · · · · · · · ·				
15	AUTHO	RIZE SPECIAL REGISTRATION PLATES				
16		<b>SECTION 31.(a)</b> G.S. 20-63(b1) is amended by	adding a new subdivision to read:			
17		"() Home of the Venus Flytrap."				
18		<b>SECTION 31.(b)</b> G.S. 20-79.4(b) is amended	by adding two new subdivisions to			
19	read:		•			
20	"(b)	Types. – The Division shall issue the following	types of special registration plates:			
21	, ,					
22		() Home of the Venus Flytrap. – Issuable to	a registered owner of a motor vehicle			
23		in accordance with G.S. 20-81.12. The p	plate shall bear a picture of a Venus			
24		Flytrap and the phrase "Home of the Ve	enus Flytrap."			
25		() North Carolina School of Science and Ma	athematics. – Issuable to a registered			
26		owner of a motor vehicle in accordance	with G.S. 20-81.12. The plate shall			
27		feature the school logo and the acronym	"NCSSM," and the letters "SM" to			
28		the right of the segment of the plate desi				
29		"				
30		SECTION 31.(c) G.S. 20-79.7 reads as rewritte	en:			
31	"§ 20-79.	7. Fees for special registration plates and distr				
32	•••					
33	(a1)	Fees. – All other special registration plates are s	subject to the regular motor vehicle			
34		n fee in G.S. 20-87 or G.S. 20-88 plus an addition				
35		Special Plate	Additional Fee Amount			
36	•••					
37	Home of	American Golf	Expired July 1, 2016			
38	Home of	the Venus Flytrap	\$30.00			
39	HOMES4		\$30.00			
40	•••					
41	North Car	olina Paddle Festival	Expired July 1, 2016			
42	North Car	olina School of Science and Mathematics	\$30.00			
43	North Car	olina Sheriffs' Association	\$30.00			
43	North Car	olina Sheriffs' Association				

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

_		-,			
9	Special Plate	<u>SRPA</u>	<u>CCAPA</u>	<b>CWMTF</b>	<u>PRTF</u>
10					
11	Home of American Golf – Ex-				
12	pired July 1, 2016				
13	Home of the Venus Flytrap	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
14	HOMES4NC	\$10	\$20	0	0
15					
16	North Carolina Paddle Festival				
17	<ul><li>Expired July 1, 2016</li></ul>				
18	North Carolina School of				
19	Science and Mathematics	<u>\$10</u>	<u>\$20</u>	<u>0</u>	<u>0</u>
20	North Carolina Sheriffs'	\$10	\$20	0	0
21	Association				
22					

**SECTION 31.(d)** G.S. 20-81.12 is amended by adding two new subsections to read:

- Home of the Venus Flytrap. The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of "Home of the Venus Flytrap" plates to the North Carolina Botanical Garden Foundation, Inc., to be used to support plant conservation and plant research.
- North Carolina School of Science and Mathematics. The Division shall transfer quarterly the money in the Collegiate and Cultural Attraction Plate Account derived from the sale of "North Carolina School of Science and Mathematics" plates to the NCSSM Foundation."

**SECTION 31.(e)** The Revisor of Statutes is authorized to alphabetize, number, and renumber the special registration plates listed in G.S. 20-63(b1), 20-79.4(b), 20-79.7(a1) and (b), and 20-81.12 to ensure that all special registration plates are listed in alphabetical order and numbered accordingly.

**SECTION 31.(f)** This section becomes effective July 1, 2024.

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#### AMEND DEFINITION OF ESTABLISHED SALESROOM

**SECTION 32.** G.S. 20-286(6) reads as rewritten:

- "(6) Established salesroom. – A salesroom that meets the following requirements:
  - Contains at least 96 square feet of floor space in a permanent enclosed building. This requirement does not preclude a dealer from utilizing the same permanent enclosed building for other business uses,

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		1 age 12 01 34
1		including uses conducted by a separate business entity, as long as all
2		requirements for an established salesroom are met.
3	ł	Displays, or is located immediately adjacent to, a sign having block
4		letters not less than three inches in height on contrasting background,
5		clearly and distinctly designating the trade name of the business.
6	(	c. Is a place at which a permanent business of bartering, trading, and
7		selling motor vehicles will be carried on in good faith on an ongoing
8		basis whereby the dealer can be contacted by the public at reasonable
9		times.
10	(	d. Is a place where the books, records, and files required by the Division
11	_	under this Article are kept.
12		The term includes the area contiguous to or located within 500 feet of the
13	-	premises on which the salesroom is located. The term does not include a tent,
14		a temporary stand, or other temporary quarters. The minimum area
15		requirement does not apply to any place of business lawfully in existence and
16 17	(	duly licensed on or before January 1, 1978."
18	INCDEASE DUD	ATION OF DEALER LICENSE FROM ONE TO TWO YEARS
19		ON 33.(a) G.S. 20-288 reads as rewritten:
20		ation for license; license requirements; expiration of license; bond.
21	5 20-200. Applie	anon for needee, needee requirements, expiration of needee, bond.
22	(a1) A used	motor vehicle dealer may obtain a license by filing an application, as
23		ection (a) of this section, and providing the following:
24	-	The required fee.
25		Proof that the applicant, within the last 12 months, has completed a 12-hour
26		icensing course approved by the Division if the applicant is seeking an initial
27		icense and a-one six-hour course approved by the Division for each year of
28		he licensing period immediately preceding the renewal if the applicant is
29		seeking a renewal license. The requirements of this subdivision do not apply
30	t	to a used motor vehicle dealer the primary business of which is the sale of
31	S	salvage vehicles on behalf of insurers or to a manufactured home dealer
32	1	icensed under G.S. 143-143.11 who complies with the continuing education
33	1	requirements of G.S. 143-143.11B. The requirement of this subdivision does
34	r	not apply to persons age 62 or older as of July 1, 2002, who are seeking a
35		renewal license. This subdivision also does not apply to an applicant who
36		nolds a license as a new motor vehicle dealer as defined in G.S. 20-286(13)
37		and operates from an established showroom located in an area within a radius
38	(	of 30 miles around the location of 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.

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- 1 (3) If the applicant is an individual, proof that the applicant is at least 18 years of 2 age and proof that all salespersons employed by the dealer are at least 18 years 3 of age. 4 (4) The application for a dealer license plate. 5 A certification as to whether the applicant or any entity having any common (5) 6 7
  - ownership or affiliation with the applicant is a motor vehicle manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative. In the event the applicant indicates on the application that the applicant or any parent, subsidiary, affiliate, or any other entity related to the applicant is a manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative, the applicant shall be required to state whether the applicant contends it qualifies for a motor vehicle dealer's license in accordance with any of the exceptions to the prohibition on the issuance of a motor vehicle dealer's license to any manufacturer, factory branch, factory representative, distributor, distributor branch, or distributor representative, as provided in G.S. 20-305.2(a).

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All licenses that are granted shall be for a period of one year-two years unless sooner revoked or suspended. The Division shall vary the expiration dates of all licenses that are granted so that an equal number of licenses expire at the end of each month, quarter, or other period consisting of one or more months to coincide with G.S. 20-79(c).

- (f) A corporate surety bond furnished pursuant to this section or renewal thereof may also be canceled by the surety prior to the next premium anniversary date without the prior written consent of the license holder for the following reasons:
  - Nonpayment of premium in accordance with the terms for issuance of the (1) surety bond; or
  - (2) An act or omission by the license holder or his representative that constitutes substantial and material misrepresentation or nondisclosure of a material fact in obtaining the surety bond or renewing the bond.

Any cancellation permitted by this subsection is not effective unless written notice of cancellation has been delivered or mailed to the license holder and to the Commissioner not less than 30 days before the proposed effective date of cancellation. The notice must be given or mailed-delivered by certified mail or electronic means to the license holder at its last known address. The notice must state the reason for cancellation. Cancellation for nonpayment of premium is not effective if the amount due is paid before the effective date set forth in the notice of cancellation. Cancellation of the surety shall not affect any liability incurred or accrued prior to the termination of the 30-day notice period.

A corporate surety may refuse to renew a surety bond furnished pursuant to this section by giving or mailing written notice of nonrenewal to the license holder and to the Commissioner not less than 30 days prior to the premium anniversary date of the surety bond. The notice must be given or mailed delivered by certified mail or electronic means to the license

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holder at its last known address. Nonrenewal of the surety bond shall not affect any liability incurred or accrued prior to the premium anniversary date of the surety bond."

**SECTION 33.(b)** This section becomes effective October 1, 2024, and applies to licenses issued on or after that date. For licensed used motor vehicle dealers applying for renewal on or after that date, the Division shall stagger the expiration dates of licenses issued to those dealers such that, if a license was initially issued to the dealer in an even-numbered year, the first license issued on or after October 1, 2024, shall expire in the next even-numbered year, and, if a license was initially issued to the dealer in an odd-numbered year, the first license issued on or after October 1, 2024, shall expire in the next odd-numbered year.

#### **INCREASE LITTERING PENALTIES**

SECTION 34.(a) G.S. 14-399 reads as rewritten:

### "§ 14-399. Littering.

- (a) No person, including any firm, organization, private corporation, or governing body, agents or employees of any municipal corporation shall intentionally or recklessly throw, scatter, spill or place or intentionally or recklessly cause to be blown, scattered, spilled, thrown or placed or otherwise dispose of any litter upon any public property or private property not owned by the person within this State or in the waters of this State including any public highway, public park, lake, river, ocean, beach, campground, forestland, recreational area, trailer park, highway, road, street or alley except:
  - (1) When the property is designated by the State or political subdivision thereof for the disposal of garbage and refuse, and the person is authorized to use the property for this purpose; or
  - (2) Into a litter receptacle in a manner that the litter will be prevented from being carried away or deposited by the elements upon any part of the private or public property or waters.
- (a1) No person, including any firm, organization, private corporation, or governing body, agents, or employees of any municipal corporation shall scatter, spill, or place or cause to be blown, scattered, spilled, or placed or otherwise dispose of any litter upon any public property or private property not owned by the person within this State or in the waters of this State including any public highway, public park, lake, river, ocean, beach, campground, forestland, recreational area, trailer park, highway, road, street, or alley except:
  - (1) When the property is designated by the State or political subdivision thereof for the disposal of garbage and refuse, and the person is authorized to use the property for this purpose; or
  - (2) Into a litter receptacle in a manner that the litter will be prevented from being carried away or deposited by the elements upon any part of the private or public property or waters.
- (a2) Subsection (a1) of this section does not apply to the accidental blowing, scattering, or spilling of an insignificant amount of municipal solid waste, as defined in G.S. 130A-290(18a), during the automated loading of a vehicle designed and constructed to transport municipal solid waste if the vehicle is operated in a reasonable manner and according to manufacturer specifications.

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- (b) When litter is blown, scattered, spilled, thrown or placed from a vehicle or watercraft, the operator thereof shall be presumed to have committed the offense. This presumption, however, does not apply to a vehicle transporting nontoxic and biodegradable agricultural or garden products or supplies, including mulch, tree bark, wood chips, and raw logs.
- (c) Any person who violates subsection (a) of this section in an amount not exceeding <u>45</u> <u>10</u> pounds and not for commercial purposes is guilty of a Class 3 misdemeanor punishable by a fine of not less than <u>two-five</u> hundred <u>fifty-dollars</u> (<u>\$250.00)(\$500.00)</u> nor more than one thousand dollars (\$1,000) for the first offense. In addition, the court may require the violator to perform community service of not less than eight hours nor more than 24 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed. Any second or subsequent violation of subsection (a) of this section in an amount not exceeding <u>45-10</u> pounds and not for commercial purposes within three years after the date of a prior violation is a Class 3 misdemeanor punishable by a fine of not less than <u>five hundredone thousand</u> dollars (<u>\$500.00)(\$1,000)</u> nor more than <u>two-three</u> thousand dollars (<u>\$2,000)-(\$3,000)</u>. In addition, the court may require the violator to perform community service of not less than 16 hours nor more than 50 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed.
- (c1) Any person who violates subsection (a1) of this section in an amount not exceeding 15-10 pounds is guilty of an infraction punishable by a fine of not more than one-two hundred dollars (\$100.00).(\$200.00). In addition, the court may require the violator to perform community service of not less than four hours nor more than 12 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed. Any second or subsequent violation of subsection (a1) of this section in an amount not exceeding 15-10 pounds within three years after the date of a prior violation is an infraction punishable by a fine of not more than two-five hundred dollars (\$200.00).(\$500.00). In addition, the court may require the violator to perform community service of not less than eight hours nor more than 24 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed. For purposes of this subsection, the term "litter" shall not include nontoxic and biodegradable agricultural or garden products or supplies, including mulch, tree bark, and wood chips.
- (d) Any person who violates subsection (a) of this section in an amount exceeding 15-10 pounds but not exceeding 500 pounds and not for commercial purposes is guilty of a Class 3 misdemeanor punishable by a fine of not less than five hundredone thousand dollars (\$500.00)(\$1,000) nor more than two-three thousand dollars (\$2,000).(\$3,000). In addition, the court shall require the violator to perform community service of not less than 24-50 hours nor more than 100 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other community service commensurate with the offense committed.
- (d1) Any person who violates subsection (a1) of this section in an amount exceeding 15 10 pounds but not exceeding 500 pounds is guilty of an infraction punishable by a fine of not more than two-five hundred dollars (\$200.00).(\$500.00). In addition, the court may require the violator to perform community service of not less than eight 24 hours nor more than 24.50 hours.

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The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed.

- (e) Any person who violates subsection (a) of this section in an amount exceeding 500 pounds or in any quantity for commercial purposes, or who discards litter that is a hazardous waste as defined in G.S. 130A-290 is guilty of a Class I felony-felony punishable by a fine of five thousand dollars (\$5,000). In addition, the court shall require the violator to perform community service of not less than 100 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other community service commensurate with the offense committed.
- (e1) Any person who violates subsection (a1) of this section in an amount exceeding 500 pounds is guilty of an infraction punishable by a fine of not more than three hundred two thousand five hundred dollars (\$300.00).(\$2,500). In addition, the court may shall require the violator to perform community service of not less than 16 hours nor more than 50 hours. The community service required shall be to pick up litter if feasible, and if not feasible, to perform other labor commensurate with the offense committed.
- (e2) If any person violates subsection (a) or (a1) of this section in an amount exceeding 15 10 pounds or in any quantity for commercial purposes, or discards litter that is a hazardous waste as defined in G.S. 130A-290, the court shall order the violator to:
  - (1) Remove, or render harmless, the litter that he discarded in violation of this section:
  - (2) Repair or restore property damaged by, or pay damages for any damage arising out of, his discarding litter in violation of this section; or
  - (3) Perform community public service relating to the removal of litter discarded in violation of this section or to the restoration of an area polluted by litter discarded in violation of this section.
- (e3) Any violation of this section involving the disposal of any litter into the waters of this State shall be punished as a violation of subsection (a) of this section.
  - (f) A court may enjoin a violation of this section.
- (f1) If a violation of subsection (a) of this section involves the operation of a motor vehicle, upon a finding of guilt, the court shall forward a record of the finding to the Department of Transportation, Division of Motor Vehicles, which shall record a penalty of one point on the violator's drivers license pursuant to the point system established by G.S. 20-16. There shall be no insurance premium surcharge or assessment of points under the classification plan adopted under G.S. 58-36-65 for a finding of guilt under this section.
- (g) A motor vehicle, vessel, aircraft, container, crane, winch, or machine involved in the disposal of more than 500 pounds of litter in violation of subsection (a) of this section is declared contraband and is subject to seizure and summary forfeiture to the State.
- (h) If a person sustains damages arising out of a violation of subsection (a) of this section that is punishable as a felony, a court, in a civil action for the damages, shall order the person to pay the injured party threefold the actual damages or two hundred dollars (\$200.00), whichever amount is greater. In addition, the court shall order the person to pay the injured party's court costs and attorney's fees.
  - (i) For the purpose of the section, unless the context requires otherwise:

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1		(1)	"Aircraft" means a motor vehicle or other vehicle that is used or designed to
2			fly, but does not include a parachute or any other device used primarily as
3		(2)	safety equipment.
4		(2)	Repealed by Session Laws 1999-454, s. 1.
5		(2a)	"Commercial purposes" means litter discarded by a business, corporation,
6			association, partnership, sole proprietorship, or any other entity conducting
7		(2)	business for economic gain, or by an employee or agent of the entity.
8 9		(3)	"Law enforcement officer" means any law enforcement officer sworn and
0			certified pursuant to Article 1 of Chapter 17C or 17E of the General Statutes, except company police officers as defined in G.S. 74E-6(b)(3). In addition,
11			and solely for the purposes of this section, "law enforcement officer" means
12			any employee of a county or municipality designated by the county or
13			municipality as a litter enforcement officer.
4		(4)	"Litter" means any garbage, rubbish, trash, refuse, can, bottle, box, container,
14 15		( · /	wrapper, paper, paper product, tire, appliance, mechanical equipment or part,
6			building or construction material, tool, machinery, wood, motor vehicle or
17			motor vehicle part, vessel, aircraft, farm machinery or equipment, sludge from
8			a waste treatment facility, water supply treatment plant, or air pollution control
9			facility, dead animal, or discarded material in any form resulting from
20			domestic, industrial, commercial, mining, agricultural, or governmental
20 21 22 23 24 25 26 27			operations. While being used for or distributed in accordance with their
22			intended uses, "litter" does not include political pamphlets, handbills,
23			religious tracts, newspapers, and other similar printed materials the
24			unsolicited distribution of which is protected by the Constitution of the United
25		(5)	States or the Constitution of North Carolina.
26		(5)	"Vehicle" has the same meaning as in G.S. 20-4.01(49).
	(:)	(6)	"Watercraft" means any boat or vessel used for transportation across the water.
28 29	(j) section.	n sna.	ll be the duty of all law enforcement officers to enforce the provisions of this
30	(k)	Thice	ection does not limit the authority of any State or local agency to enforce other
31	` '		linances relating to litter or solid waste management."
32	iaws, raic		<b>FION 34.(b)</b> This section becomes effective December 1, 2024, and applies to
33	offenses		tted on or after that date.
34			
35	CLARIF	Y CI	VILIAN TRAFFIC INVESTIGATORS ARE NOT PRIVATE
36	INVEST	IGATO	ORS
37		SECT	<b>TION 35.</b> G.S. 74C-3(b) is amended by adding a new subdivision to read:
88		"(19)	A person performing duties as a Civilian Traffic Investigator pursuant to
39			G.S. 160A-499.6."
10			
11	INCREA		MAXIMUM VEHICLE REGISTRATION TAX RATE FOR
12	TRANSP		TION AUTHORITIES
13		SEC.	<b>FION 36.(a)</b> G.S. 105-561 reads as rewritten:

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#### "§ 105-561. Authority registration tax authorized.

(a) Tax Authorized. – The board of trustees of an Authority may, by resolution, levy an annual license tax in accordance with this Article upon any motor vehicle with a tax situs within its territorial jurisdiction. The purpose of the tax levied under this Article is to raise revenue for capital and operating expenses of an Authority in providing public transportation systems. The rate of tax levied under this Article must be a full dollar amount, but may not exceed eight dollars (\$10.00) ten dollars (\$10.00) a year.

...

(d) Special Tax District. – If a regional transportation authority created under Article 27 of Chapter 160A of the General Statutes or a regional public transportation authority created under Article 26 of Chapter 160A of the General Statutes has not levied the tax under this section or has levied the tax at a rate of less than eight dollars (\$8.00),ten dollars (\$10.00), it may create a special district that consists of the entire area of one or more counties within its territorial jurisdiction and may levy on behalf of the special district the tax authorized in this section. The rate of tax levied within the special district may not, when combined with the rate levied within the entire territorial jurisdiction of the authority; exceed eight dollars (\$8.00). ten dollars (\$10.00). The regional transportation authority may not levy or increase a tax within the special district unless the board of commissioners of each county in the special district has adopted a resolution approving the levy or increase.

A special district created pursuant to this subsection is a body corporate and politic and has the power to carry out the purposes of this subsection. The board of trustees of the regional transportation authority created under Article 27 of Chapter 160A of the General Statutes or a regional public transportation authority created under Article 26 of Chapter 160A of the General Statutes shall serve, ex officio, as the governing body of a special district it creates pursuant to this subsection. The proceeds of a tax levied under this subsection may be used only for the benefit of the special district and only for the purposes provided in G.S. 105-564. Except as provided in this subsection, a tax levied under this subsection is governed by the provisions of this Article."

**SECTION 36.(b)** This section becomes effective July 1, 2024.

### REQUIRE PRIVATE ENTITY TO ADMINISTER LOGO SIGN PROGRAM

**SECTION 37.(a)** G.S. 136-89.56 reads as rewritten:

### "§ 136-89.56. Commercial enterprises.

- (a) No commercial enterprises or activities shall be authorized or conducted by the Department of Transportation, or the governing body of any city or town, within or on the property acquired for or designated as a controlled-access facility, as defined in this Article, except for:
  - (1) Materials displayed at welcome centers which shall be directly related to travel, accommodations, tourist-related activities, tourist-related services, and attractions. The Department of Transportation shall issue rules regulating the display of these materials. These materials may contain advertisements for real estate; and

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- (2) Vending machines permitted by the Department of Transportation and placed by the Division of Services for the Blind, Department of Health and Human Services, as the State licensing agency designated pursuant to Section 2(a)(5) of the Randolph-Sheppard Act (20 USC 107a(a)(5)). The Department of Transportation shall regulate the placing of the vending machines in highway rest areas and shall regulate the articles to be dispensed. In order to permit the establishment of adequate fuel and other service facilities by private owners or their lessees for the users of a controlled-access facility, the Department of Transportation shall permit access to service or frontage roads within the publicly owned right-of-way of any controlled-access facility established or designated as provided in this Article, at points which, in the opinion of the Department of Transportation, will best serve the public interest. The location of such fuel and other service facilities may be indicated to the users of the controlled-access facilities by appropriate signs, the size, style, and specifications of which shall be determined by the Department of Transportation.
- The location of fuel, gas, food, lodging, camping, and attraction facilities may be (b) indicated to the users of the controlled-access facilities by appropriate logos placed on signs owned, controlled, and erected within the right-of-way of fully and partially controlled-access highways by by, or pursuant to contract with, the Department of Transportation. The Department shall contract with a private entity to administer the erection of signs and placement of logos, as authorized by this subsection. The responsibilities of the private entity shall include the following: acquisition and erection of signs; design, manufacture, and placement of logos on signs; maintenance of signs and logos; receipt and response to information requests concerning the program; and management of the financial transactions related to the program. The owners, operators or lessees of fuel, gas, food, lodging, camping, and attraction facilities who wish to place a logo identifying their business or service on a sign shall furnish a logo meeting the size, style and specifications determined by the Department of Transportation and shall pay the Department of Transportation a fee set by the vendor and approved by the Board of Transportation. The Board shall set the The fee set by the vendor shall be determined based on market rates for the number of vehicles that pass by the sign, reflecting the value of the visibility and access provided to the participating businesses and to cover the initial costs of signs, sign installation, and maintenance, and the costs of administering the logo sign program. Nothing in this subsection shall be construed to authorize any Department contractor to conduct any commercial activity upon signs erected and maintained within the right-of-way of fully and partially controlled-access highways pursuant to this subsection. The Transportation Mobility and Safety Division of the Department of Transportation shall administer the logo sign program, including receiving requests for information concerning the logo sign program."

**SECTION 37.(b)** The Department of Transportation may adopt temporary rules and shall adopt permanent rules consistent with subsection (a) of this section.

**SECTION 37.(c)** No later than 120 days after the effective date of this section, the Department shall issue a request for proposal (RFP) and select a vendor in accordance with this section.

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## CLARIFY TURNPIKE AUTHORITY STATUTES FOR COMPLETE 540 AND MID-CURRITUCK BRIDGE PROJECTS

**SECTION 38.(a)** G.S. 136-89.183(a) reads as rewritten:

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

...

- (2) To study, plan, develop, and undertake preliminary design work on Tumpike Projects. At the conclusion of these activities, the Turnpike Authority is authorized to design, establish, purchase, construct, operate, and maintain no more than eleven projects, which shall include the following:
  - a. Triangle Expressway, including segments also known as N.C. 540, Triangle Parkway, <u>Phases 1 and 2 of Complete 540</u>, and the Westem Wake Freeway in Wake and Durham Counties. The described segments constitute one project.

. .

Any other project proposed by the Authority in addition to the projects listed in this subdivision requires prior consultation with the Joint Legislative Commission on Governmental Operations pursuant to G.S. 120-76.1 no less than 180 days prior to initiating the process required by Article 7 of Chapter 159 of the General Statutes.

With the exception of the two projects set forth in sub subdivisions a. and c. of this subdivision, the Turnpike projects selected for construction by the Turnpike Authority, prior to the letting of a contract for the project, shall meet the following conditions: (i) two of the projects must be ranked in the top 35 based on total score on the Department produced list entitled "Mobility Fund Project Scores" dated June 6, 2012, and, in addition, may be subject to G.S. 136-18(39a); (ii) of the projects not ranked as provided in (i), one may be subject to G.S. 136-18(39a); (iii) the projects shall be included in any applicable locally adopted comprehensive transportation plans; (iv) the projects shall be shown in the current State Transportation Improvement Program; and (v) toll projects must be approved by all affected Metropolitan Planning Organizations and Rural Transportation Planning Organizations for tolling.

...."

#### **SECTION 38.(b)** G.S. 136-189A(b) reads as rewritten:

"(b) Contract to Construct Accelerated Pilot Toll Bridge Project. – The Authority shall contract with a single one or more private firm firms to design, obtain all necessary permits for, and construct the toll bridge described in G.S. 136 89.183(a)(2), known as the Mid-Currituck Bridge, in order to provide accelerated, efficient, and cost-effective completion of the project."

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1	<b>AUTHORIZE I</b>	RAIL T	TRANSPORTATION CORRIDOR AUTHORITY
2	SECT	ΓION 3	<b>9.(a)</b> Chapter 160A of the General Statutes is amended by adding a new
3	Article to read:		
4			"Article 33.
5			"Rail Transportation Corridor Authority.
6	'' <u>§ 160A-880.</u> T	Title an	d purpose.
7	This Article s	shall be	known and may be cited as the "Rail Transportation Corridor Authority
8	Act." The purpo	ose of the	his Article is to authorize the creation of an Authority to establish,
9			intain, equip, and operate any structure, facility, or improvement to aid
10	commerce, publ	ic trans	portation, and any other rail services associated with rail corridors.
11	' <u>§ 160A-881. I</u>		
12	The following	ig defin	itions apply in this Article:
13	<u>(1)</u>	Autho	ority. – A Rail Transportation Corridor Authority.
14	<u>(2)</u>	Board	d of Trustees. – The governing board of an Authority.
15	<u>(3)</u>	Costs	. – The capital cost of a rail corridor project or special user project,
16		<u>inclu</u>	<u>ling:</u>
17		<u>a.</u>	The costs of doing any or all of the following:
18			1. Acquiring, constructing, erecting, providing, developing,
19			installing, furnishing, and equipping.
20			<u>2.</u> <u>Reconstructing, remodeling, altering, renovating, replacing,</u>
21 22 23 24 25 26			refurnishing, and reequipping.
22			<ul> <li><u>Enlarging, expanding, and extending.</u></li> <li><u>Demolishing, relocating, improving, grading, draining.</u></li> </ul>
23			
24			landscaping, paving, widening, and resurfacing.
25		<u>b.</u>	The costs of all property, both real and personal and both improved
26			and unimproved, and of plants, works, appurtenances, structures,
27			facilities, furnishings, machinery, equipment, vehicles, easements,
28			water rights, air rights, franchises, and licenses used or useful in
29			connection with a rail corridor project or special user project.
30		<u>c.</u>	The costs of demolishing or moving structures from land acquired and
31			acquiring land to which the structures are to be moved.
32		<u>d.</u>	Financing charges, including estimated interest during the acquisition
33			or construction of a rail corridor project or special user project and for
34			one year thereafter.
35		<u>e.</u>	The costs of services to provide plans, specifications, studies, reports,
36		c	surveys, and estimates of costs and revenues.
37		<u>f.</u>	The costs of paying any interim financing, including principal,
38			interest, and premium, related to the acquisition or construction of a
39 40		~	rail corridor project or special user project.
40 41		<u>g.</u> b	Administrative and legal expenses and administrative charges.
41 42		<u>h.</u>	The costs of establishing and maintaining debt service and other reserves.
+ 4			TENELVEN.

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1		i. Any other services, costs, and expenses necessary or incidental to a
		rail corridor project or special user project.
2 3	<u>(4)</u>	Credit facility. – An agreement with a banking institution, an insurance
4		institution, an investment institution, or other financial institution located
5		inside or outside the United States of America that provides for prompt
6		payment, whether at maturity, presentment, or tender for purchase,
7		redemption, or acceleration, of part or all of the principal or purchase price,
8		redemption premium, if any, and interest on a debt issued by the Authority
9		and for repayment of the institution.
10	<u>(5)</u>	Financing agreement. – A written instrument establishing the rights and
1		responsibilities of the Authority and the operator concerning a financed
12		special user project. A financing agreement may be a lease, a lease and lease
13		back, a sale and lease back, a lease purchase, an installment sale and purchase
14 15		agreement, a conditional sales agreement, a secured or unsecured loan
15		agreement, or other similar contract and may involve property in addition to
16		the financed property.
17	<u>(6)</u>	Obligor. – A person, including an operator, who has entered into a financing
18		or other agreement obligating the person to make payments to the Authority
19		to finance a special user project.
20	<u>(7)</u>	Operator. – The person entitled to the use or occupancy of a special user
		project.
21 22 23 24 25 26 27	<u>(8)</u>	Organizing entity. – The elected boards of county commissioners and each
23		municipality that have created or joined an Authority in accordance with
24		G.S. 160A-883.
25	<u>(9)</u>	Person. – Any person, corporation, partnership, association, trust, or other
26		<u>legal entity.</u>
27	<u>(10)</u>	Public transportation. – Transportation of passengers whether or not for hire
28		by any means of conveyance, including, but not limited to, a street or elevated
29		railway or guideway, subway, motor vehicle or motor bus, carpool or vanpool,
30		either publicly or privately owned and operated, holding itself out to the
31		general public for the transportation of persons within or working within the
32		territorial jurisdiction of the Authority or as otherwise provided by this
33		Article.
34	<u>(11)</u>	Public transportation system. – Without limitation, a combination of real and
35		personal property, structures, improvements, buildings, equipment, vehicle
36		parking, or other facilities, railroads and railroad rights-of-way whether held
37		in fee simple by quitclaim or easement, and rights-of-way, or any combination
38		thereof, used or useful for the purposes of public transportation.
39	<u>(12)</u>	Rail. – Transportation of passengers, as a mode of public transportation, or
10		freight utilizing fixed or semi-fixed tracks.
11	<u>(13)</u>	Railroad. – Any person or company providing transportation by rail for
12		compensation.

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1	<u>(14)</u>	Rail corridor. – A combination of rail line and real and personal property,
2		structures, improvements, buildings, equipment, vehicle parking, and other
3		appurtenant fixtures essential to rail operations and public transportation,
4		including any facilities, maintenance yard, marshalling yard, transfer yard,
5		utilities, pedestrian foot paths, and bicycle paths.
6	<u>(15)</u>	Rail corridor project Any of the following that is part of or used in
7		connection with a rail corridor and is not a special user project:
8		a. Any land, equipment, or buildings or other structures, whether located
9		on one or more sites within a rail corridor.
10		<u>b.</u> The addition to or the rehabilitation, improvement, renovation, or
11		enlargement of any property described in sub-subdivision a. of this
12		subdivision.
13		The term includes infrastructure improvements, such as improvements to
14		railroad facilities, roads, bridges, and water, sewer, or electric utilities. A rail
15		corridor project may include a facility leased to one or more entities under a
16		true lease.
17	<u>(16)</u>	Rail Transportation Corridor Authority. – A public body corporate and politic
18		organized in accordance with the provisions of this Article for the purposes,
19		with the powers, and subject to the restrictions hereinafter set forth.
20	(17)	Revenues. – For a special user project, the term means rents, fees, charges,
21		payments, proceeds, or other income or profit derived from the special user
22		project or from the financing agreement or security document for the special
23		user project. For a rail corridor project, the term means rents, fees, charges,
24		payments, proceeds, or other income or profit derived from the rail corridor
25		project or from any pledge of nontax revenues, appropriation, or payment
26		made by the State or unit of local government in which the rail corridor is
27		located.
28	<u>(18)</u>	Security document. – One or more written instruments establishing the rights
29		and responsibilities of the Authority to finance a special user project. A
30		security document may contain an assignment, pledge, mortgage, or other
31		encumbrance of part or all of the Authority's interest in, or right to receive
32		revenues from, a special user project or any other property provided by the
33		operator or other obligor under a financing agreement. A financing agreement
34		and a security document may be combined as one instrument.
35	<u>(19)</u>	Special user project. – Any land, equipment, or buildings or other structures
36		located on one or more sites within the rail corridor and the addition to or the
37		rehabilitation, improvement, renovation, or enlargement of a structure located
38		within the rail corridor when the property is to be used as or in connection
39		with any of the following:
40		a. An undertaking for industry, including an industrial or a
41		manufacturing factory, mill, assembly plant, or fabricating plant, a
42		freight terminal, an industrial research, development, or laboratory

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1			facility, or an industrial processing or distribution facility for industrial
2			or manufactured products.
3			b. A commercial, processing, mining, transportation, distribution,
4			storage, marine, aviation, rail, or environmental facility or
5			improvement.
6			c. Any combination of items mentioned in sub-subdivisions a. and b. of
7			this subdivision.
8			A special user project, during its economic life, is to be principally used by
9			one or more for-profit entities other than as lessee under a lease that has a fair
10			market value rental and is not treated as a financing lease or installment sale
11			for federal tax law purposes. A special user project may include all
12			appurtenances and incidental facilities such as land, a headquarters or office
13			facility, warehouses, distribution centers, access roads, sidewalks, utilities,
14			railway sidings, trucking and similar facilities, parking facilities, waterways,
15			docks, wharves, and other improvements necessary or convenient for the
16			construction, maintenance, and operation of any structure.
17		(20)	Unit of local government. – A county, city, town, or municipality of this State,
18			and any other political subdivision, public corporation, authority, or district in
19			this State, that is or may be authorized by law to acquire, establish, construct,
20			improve, maintain, own, or operate a rail corridor.
21		<u>(21)</u>	Unit of local government's chief administrative official. – The county
22			manager, city manager, town manager, or other person in whom the
23			responsibility for the unit of local government's administrative duties is
24			vested.
25	' <u>§ 160A-</u>	882. D	efinition of territorial jurisdiction of the Authority; rail corridor boundary
26		and se	ervice area designation.
27	<u>(a)</u>	An Au	thority may be created for any area of the State that, at the time of creating the
28	Authority	, meets	the following criteria:
29		<u>(1)</u>	The area consists of three or more contiguous counties each containing
30			portions of an existing rail corridor.
31		<u>(2)</u>	The distance between the rail corridor milepost origination and termination
32			points is no more than 25 miles in length.
33		(3)	If the Authority intends to receive existing rail corridor interests in property,
34		<u></u>	those rail property interests can be transferred to the Authority without
35			purchase of those rail corridor interests in property.
36		<u>(4)</u>	An Authority shall not have jurisdiction over any Class I railroad, as that term
37			is defined under 49 U.S.C. 20102 and 49 C.F.R. 1201.1-1, nor a rail line or
38			rail corridor owned or operated by the United States Department of Defense.
39	<u>(b)</u>	The te	rritorial jurisdiction of the Authority shall be coterminous with the boundaries
40	of the thre	e or mo	ore organizing counties, except as provided in subdivision (3) of subsection (a)
41	of this sec	ction.	
42	<u>(c)</u>	The ra	til corridor service area of the Authority shall be designated by and recorded in
43	the minut	es of th	ne Board of Trustees, consistent with its purpose, and shall not exceed the

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immediately adjacent and proximate area of the rail corridor as owned or otherwise controlled 2 by the Authority for the powers provided under G.S. 160A-886.

- The boundaries of the rail corridor of the Authority shall be designated by and recorded in the minutes of the Board of Trustees once the properties and rail line making up the rail corridor are in the Authority's possession or control. If there is a change in the rail corridor boundaries after it is initially designated, the rail corridor designation shall be updated and recorded in the minutes of the Board of Trustees at its next meeting. The Authority may not extend the rail corridor into a political subdivision that is not an organizing entity under G.S. 160A-883 without (i) the consent of the governing body of that political subdivision or (ii) the political subdivision having first become an organizing entity as provided under G.S. 160A-883(e). A majority vote of the governing body shall constitute consent.
- The designation required by subsection (d) of this section shall describe the rail corridor boundaries by its rail milepost origination and termination points and one or more of the following:
  - <u>(1)</u> Reference to a map, deed, or other title instrument.
  - Metes and bounds. (2)
  - General descriptions referring to natural boundaries, boundaries of existing (3) political subdivisions, or boundaries of tracts or parcels of land.

#### "§ 160A-883. Creation and expansion of Authority.

- 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 the boards of commissioners of all three or more counties within an area for which an Authority may be created pursuant to G.S. 160A-882(a) and the elected board of each municipality containing a portion of the rail corridor.
- Public Hearing. A resolution to form an Authority under this Article shall be (b) 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, a description of the rail corridor to be controlled, purchased, or otherwise operated by the Authority, the proposed articles of incorporation of the Authority, and the time and place of the public hearing.
- 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.
  - The name of each organizing entity.
- 37 Certificate of Incorporation. – A certified copy of each resolution organizing an Authority under the provisions of this Article shall be filed with the Secretary of State, together 38 39 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 40 that the notice of hearing was properly published, then the Secretary must issue a certificate of 41 42 incorporation under the seal of the State and record the same in an appropriate book of record. 43 The issuance of the certificate of incorporation by the Secretary of State shall constitute the

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- 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.
- Resolution to Join. If, at any time subsequent to the creation of an Authority, the Authority proposes or otherwise intends to extend the rail corridor into a county or municipality that is not already an organizing entity of the Authority, that county or municipality may join the Authority under the provisions of this Article upon the adoption of a resolution to join by the elected board of the county or municipality. A resolution to join 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, a description of the rail corridor to be controlled, purchased, or otherwise operated by the Authority, the proposed articles of incorporation of the Authority as updated to include the new organizing entity, and the time and place of the public hearing. A certified copy of each resolution to join 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 the resolution, including the updated articles of incorporation, conform to the provisions of this Article and that the notice of hearing was properly published, then the Secretary of State must issue an updated certificate of incorporation under the seal of the State and record the same in an appropriate book of record. The updated certificate of incorporation is conclusive evidence of the fact that the Authority has been duly updated under the provisions of this Article.
- (f) Members. When the Authority has been duly organized or updated and its members appointed to the Board of Trustees, the chair of the Board of Trustees shall certify to the Secretary of State the names and addresses of the members as well as the address of the principal office of the Authority.
- (g) Members Not Liable. No member of the Board of Trustees shall be subject to any personal liability or accountability by reason of their execution of any debt, or the issuance of any debt.
- (h) Compensation of the Board of Trustees. Members of the Board of Trustees shall receive the sum of fifty dollars (\$50.00) as compensation for the attendance at each duly conducted meeting of the Authority.
- (i) The Authority shall, promptly following the close of each fiscal year, submit an annual report of its activities for the preceding year to the Governor, the General Assembly, and the Local Government Commission. Each report shall be accompanied by an audit of its books and accounts. The costs of all audits, whether conducted by the State Auditor's staff or contracted with a private auditing firm, shall be paid from funds of the Authority. The Authority shall submit annual reports to the Joint Legislative Commission on Governmental Operations. The reports shall summarize the Authority's activities during the quarter and contain any information about the Authority's activities that is requested by the Commission.

### "§ 160A-884. Board of Trustees.

(a) Members. – The Authority shall be governed by a Board of Trustees and consist of one member for each organizing entity having adopted a resolution for the creation of or a resolution to join the Authority under G.S. 160A-883, and one member for each regional council

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- of government, as created pursuant to Part 2 of Article 20 of Chapter 160A of the General Statutes, containing a portion of the rail corridor.
  - (b) Appointment. The Board of Trustees seats held by each member of the organizing entities having adopted a resolution for the creation of or a resolution to join the Authority shall be filled by the respective unit of local government's chief administrative official or its designee. The Board of Trustees seats held by each regional council of government containing a portion of the rail corridor shall be held by the Executive Director of that council or the Executive Director's designee.
  - (c) Ex Officio. Any unit of local government's chief administrative official serving on the Board of Trustees is an ex officio voting member as part of the duties of their office in accordance with G.S. 128-1.2 and not considered to be serving in a separate office.
  - (d) Ethics. Members of the Board of Trustees are subject to the provisions of G.S. 136-13, 136-13.1, and 136-14.
  - (e) Quorum. A majority of the membership of the Board of Trustees, excluding vacant seats, shall constitute a quorum. A member who has withdrawn from a meeting without being excused by a majority vote of the remaining members present shall be counted as present for the purposes of determining whether or not a quorum is present. No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under any other provision of law.
  - (f) Action. An affirmative vote equal to a majority of all members of the Board of Trustees not excused from voting on the question at issue shall be required to authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the Authority.
  - Chair and Vice-Chair of the Board of Trustees. At the first meeting of the Board of Trustees, the chair of the Board of Trustees shall be elected from the Board of Trustees' membership by a majority vote of a quorum of the Board of Trustees. Also, at the first meeting of the Board of Trustees, and from the remaining Board of Trustees' membership not elected as chair, a vice-chair of the Board of Trustees shall be elected by a majority vote of a quorum of the Board of Trustees to fulfill the roles and duties of the chair of the Board of Trustees in the chair's absence. The terms of the chair and vice-chair so elected shall be for three years with no limit on the number of consecutive terms for which the chair or vice-chair may serve.
  - (h) Vacancies. All members of the Board of Trustees shall remain in office unless (i) a unit of local government's chief administrative official no longer holds that office in its respective government, (ii) a unit of local government's chief administrative official replaces its designee, (iii) the Executive Director of the regional council of government no longer holds the office of Executive Director of the council, or (iv) the Executive Director of the council replaces its designee. A vacancy for the chair of the Board of Trustees shall be filled by the vice-chair for the remainder of the applicable three-year term, and a special election for a replacement vice-chair shall occur at the next Board of Trustees meeting pursuant to the procedure set out in subsection (g) of this section. A vacancy of the vice-chair shall prompt a special election for a replacement vice-chair at the next Board of Trustees meeting pursuant to the procedure set out in subsection (g) of this section.

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1	'' <u>§ 160A-885.</u> A	dvisory committees.
2	The Board of	Trustees may provide for the selection of such advisory committees as it may
3	find appropriate,	which may or may not include members of the Board of Trustees.
4	'' <u>§ 160A-886.</u> R	ail Transportation Corridor Authority.
5	<u>(a)</u> The A	authority shall have all powers necessary to execute the provisions of this
6	Article, which sh	all include at least the following powers:
7	<u>(1)</u>	The powers of a corporate body, including the power to sue and be sued, to
8		make contracts, to adopt and use a common seal, and to alter the adopted seal
9		as needed.
10	<u>(2)</u>	To make rules and regulations and create and operate agencies, committees,
11		and departments as needed to implement this Article.
12 13	<u>(3)</u>	To pay all necessary costs and expenses in the formation, organization,
13		administration, and operation of the Authority.
14	<u>(4)</u>	To employ persons deemed necessary to carry out the functions and duties
14 15		assigned to them by the Authority and to fix their compensation within the
16		limit of available funds.
17	<u>(5)</u>	To retain and employ counsel, appraisers, auditors, architects, engineers,
18		private consultants, and real estate counselors on an annual salary, contract
19		basis, or otherwise for rendering professional or technical services from funds
20		available to the Authority.
21	<u>(6)</u>	To operate a rail corridor and enter and perform contracts to provide and
21 22 23 24 25 26 27		operate rail and rail corridor services and facilities within the rail corridor
23		service area.
24	<u>(7)</u>	To charge and collect fees and rents for the use of the rail corridor or for
25		services rendered in the operation of the rail corridor.
26	<u>(8)</u>	To develop and make data, plans, information, surveys, and studies within the
27		territorial jurisdiction of the Authority and to prepare and make
28	(2)	recommendations in regard thereto.
29	<u>(9)</u>	To enter in a reasonable manner lands, waters, or premises of the territorial
30		jurisdiction for the purpose of making data, examinations, plans, surveys, and
31		studies whereby such entry shall not be deemed a trespass except that the
32		Authority shall be liable for any actual and consequential damages resulting
33	(10)	from such entries.
34	<u>(10)</u>	To purchase or finance real or personal property in the manner provided for
35	(4.4)	cities and counties under G.S. 160A-20.
36	<u>(11)</u>	To acquire, lease as lessee with or without option to purchase, hold, own, and
37		use any property within the rail corridor service area, real or personal, tangible
38		or intangible, or any interest therein, and to sell, lease as lessor with or without
39		option to purchase, transfer, or dispose thereof, whenever the same is no
40		longer required for purposes of the Authority, or exchange same for other
41		property or rights that are useful for the Authority's purposes, including
42 42		construction of bridges, buildings, cargo transfer systems, culverts, facilities,
43		industrial track, main track, mass transit systems, maintenance yards,

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Page 29 of 34 marshalling yards, rights-of-way, roadbed, sidings, structures, transfer yards, tunnels, and all other railroad appurtenances. Before constructing a bridge, the Authority shall consult with the Department of Transportation. 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 rail corridor 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. To make or enter 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, units of local government, public transportation authorities, and private parties, to effectuate the purpose of this Article. 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 rail, buses, trams, taxicabs, and other methods of public transportation that originate and terminate within the rail corridor as fully as the unit of local government is now or hereafter empowered to do within the jurisdiction of the unit of local government. To issue debt for the purpose of financing the costs of a rail corridor project or any part thereof and to refund, whether or not in advance of maturity or the earliest redemption date, any such debt. The principal of and interest on the debt is payable solely from the revenues pledged to its payment and neither the State, municipality, or county is obligated to pay the principal or interest, except from such revenues. To apply for, accept, and administer loans and grants of money from any federal agency, the State, or its political subdivisions, or from any other public or private sources available, to expend the money in accordance with the requirements imposed by the lender or donor, and to give any evidence of indebtedness that are required. No indebtedness of any kind incurred or created by the Authority shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the Authority shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions. To execute the powers provided in subsection (a) of this section, the Board of Trustees shall determine the policies of the Authority by majority vote of the members of the Board of

Trustees present and voting, a quorum having been established. Once a policy is determined, the Board of Trustees shall communicate it to the chair, who shall have the sole and exclusive

authority to execute the policy of the Authority. No member of the Board of Trustees shall have

42 the responsibility or authority to give operational directives to any employee of the Authority 43 other than the chair.

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#### "§ 160A-887. Fiscal accountability.

An Authority created under this Article is a public authority subject to the provisions of Chapter 159 of the General Statutes.

### "§ 160A-888. Funds.

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The establishment and operation of an Authority are governmental functions and constitute a public purpose, and the State of North Carolina and any unit of local government may appropriate funds to support the establishment and operation of the Authority. The State of North Carolina and 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 from the State of North Carolina, or from the United States or any department, agency, or instrumentality thereof. The Department of Transportation may allocate to an Authority any funds appropriated for rail corridors, public transportation, or any funds whose use is not restricted by law.

### "§ 160A-889. Public hearing and approval requirements.

- (a) To the extent federal tax law requires public hearings to be held with respect to the issuance of debt to finance a rail corridor project or special user project, the hearings may be called for by the chair and must be held before one or more members of the Board of Trustees. The hearings may be held at any place within the territorial jurisdiction of the Authority pursuant to public notice given in accordance with current federal tax regulations.
- (b) To the extent federal tax law requires approval following the hearing of the issuance of debt to finance a rail corridor project or special user project and except as otherwise provided under federal tax regulations, approval shall be sought from, and the chair of the Board of Trustees shall report the results of the public hearing accompanied by information relating to the purposes for the proposed debt to the following:
  - (1) For host approval, the (i) elected board of county commissioners of an organizing entity of the Authority for each county in which a financed project is partially located or (ii) an at-large, elected official of the board of county commissioners for each county in which a financed project is partially located.
  - General for issuer approval, the organizing entities of the Authority may, by mutual agreement, specify either of the following as an "applicable elected representative," as defined in 26 U.S.C. § 147(f)(2), of the Authority and authorize such applicable elected representative to approve the issuance of debt on behalf of the Authority for the purposes of 26 U.S.C. § 147(f)(2)(A)(i):
    - <u>a.</u> The elected governing board of an organizing entity of the Authority.
    - <u>b.</u> An at-large, elected official of the governing board of an organizing entity of the Authority.

#### "\\$ 160A-890. Special user project financing agreement.

- (a) Every special user project financing agreement shall contain provisions ensuring all of the following:
  - (1) That the amounts payable under the financing agreement are sufficient to pay, when due, the principal of, redemption premium, if any, and interest on issued debt to pay the costs of the special user project.
- 42 (2) That the operator pays all costs incurred by the Authority in connection with the financing and administration of the special user project including.

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1	insurance costs, the cost of administering the financing agreement and the
2	security document, and the fees and expenses of the fiscal agent or trustee,
3	paying agents, attorneys, consultants, and others.
4	That the operator pays all the costs and expenses of operation, maintenance,
5	and upkeep of the special user project.
6	(b) The financing agreement, if in the nature of a lease agreement, shall either provide
7	that the obligor shall have an option to purchase, or require that the obligor purchase, the special
8	user project upon the expiration or termination of the financing agreement subject to the condition
9	that payment in full of the debt principal shall have been made.
10	(c) The financing agreement may provide the Authority with rights and remedies in the
11	event of a default by the obligor, including, without limitation, any one or more of the following
12	(1) Acceleration of all amounts payable under the financing agreement.
13	(2) Reentry and repossession of the special user project.
14	(3) <u>Termination of the financing agreement.</u>
15	(4) Leasing or sale of foreclosure of the special user project to others.
16	(5) <u>Taking whatever actions at law or in equity may appear necessary or desirable</u>
17	to collect the amounts payable under, and to enforce covenants made in, the
18	financing agreement.
19	(d) The Authority's interest in a special user project under a financing agreement may be
20	that of owner, lessor, lessee, conditional or installment vendor, mortgagor, mortgagee, secured
21	party, or otherwise, but the Authority need not have any ownership or possessory interest in the
22	special user project.
23	(e) The Authority may assign all or any of its rights and remedies under the financing
24	agreement to debt holders under a security document.
25	(f) The financing agreement may contain additional provisions as in the determination
26	of the Board of Trustees are necessary or convenient to effectuate the purposes of this Article
27	"§ 160A-891. County and municipal agreements.
28	Any county or municipality in which all or part of the rail corridor is located may enter into
29	an agreement with the Authority providing for payments to be made by the county or
30	municipality, as applicable, to the Authority. A county or municipality may not enter into an
31	agreement to make payments to the Authority until after the Authority designates the rail
32	corridor. Neither the county nor municipality's obligations under the agreement shall constitute
33	a pledge of its faith and credit. The Authority has the power and authorization to enter into
34	agreements with such local governments as provided in the Interlocal Cooperation Act,
35	G.S. 160A-460 through G.S. 160A-466.
36	"§ 160A-892. Taxation of property.
37	The property of the Authority, both real and personal, its acts, activities, and income shall be
38	exempt from any tax or tax obligation; in the event of any lease of Authority property, or other

exempt from any tax or tax obligation; in the event of any lease of Authority property, or other arrangement which amounts to a leasehold interest, to a private party, this exemption shall not apply to the value of such leasehold interest, nor shall it apply to the income of the lessee. Otherwise, however, for the purpose of taxation, when property of the Authority is leased to private parties solely for the purpose of the Authority, the acts and activities of the lessee shall be considered as the acts and activities of the Authority and the exemption. The interest on debt

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or obligations issued by the Authority shall be exempt from State taxes. Property that is part of or is located on the rail corridor and is not owned by the Authority, including property that is part of a special user project, is not exempt from tax due to its location.

### "§ 160A-893. Authority of Utilities Commission not affected.

- (a) Except as otherwise provided in this Article, nothing in this Article shall be construed to limit or otherwise affect the power or authority of the North Carolina Utilities Commission or the right of appeal to the North Carolina Utilities Commission as provided by law.
- (b) The North Carolina Utilities Commission shall not have jurisdiction over rates, fees, charges, routes, and schedules of an Authority for service within the rail corridor.

### "§ 160A-894. Removal and relocation of utility structures.

- (a) The Authority shall have the power to require any public utility, railroad, or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances, or facilities in, upon, under, over, across, or along any ways on which the Authority has the right to own, construct, operate, or maintain its rail corridor, to relocate such installation, structures, equipment, apparatus, appliances, or facilities from their locations, or, in the sole discretion of the affected public utility, railroad, or other public service corporation, to remove such installations, structures, equipment, apparatus, appliances, or facilities from their locations.
- (b) If the owner or operator thereof fails or refuses to relocate them, the Authority may proceed to do so.
- (c) The Authority shall provide any necessary new locations and necessary real estate interests for such relocation, and for that purpose the power of eminent domain as provided in G.S. 160A-898 may be exercised provided the new locations shall not be in, on, or above, a public highway; the Authority may also acquire the necessary new locations by purchase or otherwise.
- (d) Any affected public utility, railroad, or other public service corporation shall be compensated for any real estate interest taken in a manner consistent with G.S. 160A-898, subject to the right of the Authority to reduce the compensation due by the value of any property exchanged under this section.
- (e) The method and procedures of a particular adjustment to the facilities of a public utility, railroad, or other public service corporation shall be covered by an agreement between the Authority and the affected party or parties.
- (f) The Authority shall reimburse the public utility, railroad, or other public service corporation, for the cost of relocations or removals which shall be the entire amount paid or incurred by the utility properly attributable thereto after deducting the cost of any increase in the service capacity of the new installations, structures, equipment, apparatus, appliances, or facilities and any salvage value derived from the old installations, structures, equipment, apparatus, or appliances.

#### "§ 160A-895. Acquisition, disposition, or exchange of real property.

(a) 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, but not limited to, the power of eminent domain, the fee or any lesser interest in real or personal property for use by the Authority.

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<u>(b)</u>	Exercise of the power of eminent domain by the Authority shall be in accordance with	h
Chapter 4	0A of the General Statutes.	

- (c) Exchange. The Authority may exchange any property it acquires for other property usable in carrying out the powers conferred on the Authority and also, upon the payment of just compensation, may remove a building or another structure from land needed for its purposes and reconstruct the structure on another location. The Authority may not use the power of eminent domain to acquire property for exchange.
- (d) Site Selection. In selecting one or more sites for adjoining rail facilities or property for shell or storage buildings, the Authority shall consider comprehensive plans and land-use regulations adopted by local governments and the capability of local governments to provide services as specified in subdivisions (1) through (3) of this subsection. This subsection shall not be construed to require the Authority to comply with any local ordinance, regulation, or plan except as may be otherwise specifically provided by federal or State law, regulation, or rule. Plans, regulations, and capabilities to be considered are:
  - (1) Local comprehensive plans, including education, emergency response, law enforcement, water supply, stormwater management, solid waste management, and wastewater treatment.
  - (2) <u>Local land use regulations, including appearance, floodplain zoning, subdivision zoning, and watershed protection elements.</u>
  - (3) The capability of local governments to provide services and manage growth and development related to the establishment of the rail corridor.

#### "§ 160A-896. Termination.

Whenever the Board of Trustees shall by resolution determine that the purposes for which the Authority was formed have been substantially fulfilled and that debt issued and all other obligations incurred by the Authority have been fully paid or satisfied, the Board may declare the Authority to be dissolved. On the effective date of the resolution, the title to all funds and other property owned by the Authority at the time of the dissolution shall vest in and possession of the funds and other property shall be delivered to the State."

**SECTION 39.(b)** G.S. 160A-20 reads as rewritten:

#### "§ 160A-20. Security interests.

...

- (h) Local Government Defined. As used in this section, the term "unit of local government" means any of the following:
  - (16) A Rail Transportation Corridor Authority created pursuant to Article 33 of this Chapter."

#### BUDGET ALIGNMENT AND TRANSPARENCY

**SECTION 40.(a)** The Chief Financial Officer of the Department of Transportation ("CFO") in consultation with Office of State Budget and Management, Office of the State Controller, and the Fiscal Research Division, shall align the internal ledger and business practices of the Department of Transportation with the Department's certified budget in accordance with the standards established by the Governmental Accounting Standards Board (GASB). For this

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1	purpose, the CFO sl	nall use the State Accounting S	System to guide the development and adoption	
2	of procedures to ensure that budget compliance, including the movement of appropriations across			
3	fiscal years, is clearly documented. The requirements of this section shall be completed by July			
4	1, 2025.			
5	<b>SECTION 40.(b)</b> Beginning October 1, 2024, and every quarter thereafter until the			
6	completion date set forth in subsection (a) of this section, the CFO shall submit progress reports			
7	on the implementation of this section, including any legislative recommendations, to the Join			
8	Legislative Transportation Oversight Committee (JLTOC) and the Fiscal Research Division.			
9	DDIDGE NAMINA	C		
10	BRIDGE NAMING			
11	<b>SECTION 41.</b> Notwithstanding any provision of law to the contrary, the Departmen			
12 13	of Transportation shall designate the SR 1740/Old Lake Road overpass being constructed over			
14	U.S. 74/76 in Columbus County near the Town of Lake Waccamaw as the "Waccamaw Siouar Tribe Bridge"."; and			
15	Tibe bridge., and	1		
16	hy renumbering sec	ctions in the bill accordingly.		
10	by renambering see	cuons in the oil accordingly.		
	SIGNED			
		Amendment Sponsor	:	
	SIGNED			
	Committee Chair if Senate Committee Amendment			
	ADOPTED	FAILED	TABLED	
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