

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE SUPPLEMENTAL SOURCES OF REVENUE FOR LOCAL
3 GOVERNMENT TRANSPORTATION SYSTEM FINANCING.

4 The General Assembly of North Carolina enacts:

5
6 **PART I. LEGISLATIVE FINDINGS**

7 **SECTION 1.1.** The General Assembly makes the following findings:

- 8 (1) Transportation plays a vital role in the State’s economy; it makes economic
9 activity possible (e.g., connecting producers to raw materials, workers, and
10 customers) and is a major economic activity in its own right.ⁱ
 - 11 (2) Increased investment in public transportation can lead to significant economic
12 growth as a result of both the short-term stimulus impact of public transportation
13 outlays and a longer-term, cumulative impact on economic productivity.ⁱⁱ
 - 14 (3) Multiple research studies show a link between access to transportation and
15 economic mobility.ⁱⁱⁱ
 - 16 (4) Sound transportation investments lower the costs of moving people and goods,
17 thereby increasing economic productivity and improving standards of living.^{iv}
 - 18 (5) Some studies have suggested that traffic congestion costs the United States
19 economy over \$120 billion annually.^v
 - 20 (6) Potential costs of congestion include those related to increased travel time, added
21 fuel costs, increased unreliability, emissions and environmental damage, excess
22 vehicle operating costs, loss of productivity, increased inventory costs, and higher
23 frequency of cargo delays.^{vi}
 - 24 (7) Research studies have linked traffic congestion to higher rates of depression and
25 anxiety, lower job and overall satisfaction, and even increased rates of domestic
26 violence.^{vii}
 - 27 (8) Traffic congestion is typically a bigger problem in more urbanized and rapidly
28 growing areas.
 - 29 (9) North Carolina is home to urbanized and rapidly growing areas that are
30 experiencing the negative effects of traffic congestion.
 - 31 (10) According to a February 2024 Forbes article, Charlotte, North Carolina scored
32 second in a “hardest commute report.”^{viii}
 - 33 (11) Congestion begins slowing the employment growth rate in a region at
34 approximately 37 annual hours of commuter delay and halts growth altogether at
35 180 annual hours of commuter delay.^{ix}
 - 36 (12) According to the Texas A&M Transportation Institute, the Charlotte-Concord-
37 Gastonia MSA reached 38 annual hours of commuter delay in 2000 and climbed
38 to 53 hours in 2019.^x
 - 39 (13) In 20 years, the Charlotte region’s population will grow by 50% from 2.6 million
40 today to 4.1 million in 2045.^{xi}
 - 41 (14) As congestion continues to increase, it’s estimated that up to 126,100 jobs and
42 \$3.0 billion in tax receipts could go unrealized by the end of 2050 in the
43 Charlotte-Concord-Gastonia MSA.^{xii}
 - 44 (15) Additional sources of transportation funding are needed to help these areas
45 address congestion so as not to impede future economic growth.
- 46

1 **PART II. REVISIONS TO CURRENT MECKLENBURG COUNTY SALES TAX FOR**
2 **PUBLIC TRANSPORTATION**

3 **SECTION 2.1.** G.S. 105-506.1 reads as rewritten:

4 **“§ 105-506.1. Definitions.**

5 The definitions in G.S. 105-164.3 and the following definitions apply in this Article:

- 6 ...
- 7 (3) Public transportation system. – Any combination of real and personal property
8 established for purposes of public transportation. The systems may include one or
9 more of the following: structures, improvements, buildings, equipment, vehicle
10 parking or passenger transfer facilities, railroads and railroad rights-of-way,
11 rights-of-way, bus services, shared-ride services, high-occupancy vehicle
12 facilities, car-pool and vanpool programs, voucher programs, telecommunications
13 and information systems, integrated fare systems, and the interconnected bicycle
14 and pedestrian infrastructure that supports public transportation, bus lanes, and
15 busways. The term includes tunnels and other infrastructure designed to rapidly
16 transport people, freight, or vehicles through automated means. The term does
17 not include, however, streets, roads, or highways except to the extent they are
18 dedicated to public transportation vehicles or to the extent they are necessary for
19 access to vehicle parking or passenger transfer facilities.
- 20 (4) Transportation authority. – For the purposes of Part 2 of this Article, a
21 metropolitan public transportation authority created pursuant to Article 33 of
22 Chapter 160A. For the purposes of Parts 3 and 4 of this Article, a regional public
23 transportation authority created pursuant to Article 26 of Chapter 160A of the
24 General Statutes; and for the purposes of Parts 3 and 5 of this Article, a regional
25 transportation authority created pursuant to Article 27 of Chapter 160A of the
26 General Statutes.”

27 **SECTION 2.2.** G.S. 105-507.2 reads as rewritten:

28 **“§ 105-507.2. ~~Levy and collection~~ Levy, collection, and repeal of sales and use tax.**

29 (a) If the majority of those voting in a referendum held pursuant to G.S. 105-507.1 vote for
30 the levy of the tax, the board of commissioners of the county may, by resolution, levy one-half
31 percent (½%) local sales and use taxes in addition to any other State and local sales and use taxes
32 levied pursuant to law. Except as provided in this Part, the adoption, levy, collection,
33 administration, and repeal of these additional taxes shall be in accordance with Article 39 of this
34 Chapter. In applying the provisions of Article 39 of this Chapter to this Part, references to ‘this
35 Article’ mean ‘Part 1 of Article 43 of Chapter 105 of the General Statutes’.

36 (b) No action by a county to repeal a tax levied under this Part may become effective while
37 previously issued or, as provided in this subsection, refinanced, bonds, notes, or other financing
38 secured or payable by receipts derived from the tax allocated to a municipality or a transportation
39 authority by the county remain outstanding. Nothing in this Part obligates a county to exercise
40 any power of taxation or restricts the ability of the county to repeal the tax previously levied. If a
41 county repeals a tax levied under this Part, a municipality or transportation authority may
42 refinance previously issued bonds, notes, or other financing that are secured or payable by
43 receipts for the tax revenue under this Part to reduce debt service as allowed under the law so
44 long as the refinancing does not extend the date of maturity for the previously issued bonds,
45 notes, or other financing.”

46 **SECTION 2.3.** G.S. 105-507.3(b) reads as rewritten:

1 “(b) Use. - A county must allocate the net proceeds distributed to it in accordance with
2 its financial plan adopted pursuant to G.S. 105-507 and use the net proceeds only for financing,
3 constructing, operating, and maintaining local public transportation systems. Any other unit of
4 local government may use the net proceeds distributed to it under this Part only for financing,
5 constructing, operating, and maintaining local public transportation systems. Every unit of
6 government shall use the net proceeds to supplement and not to supplant or replace existing
7 funds or other resources for public transportation systems. The net proceeds distributed to any
8 unit of local government, other than the county that levies the tax, pursuant to this Part may be
9 included as revenues within the meaning of G.S. 159-81(4), including any modifications of that
10 statute.”

11 **SECTION 2.4.** G.S. 105-507.3, as amended by Section 2.3 of this act, reads as
12 rewritten:

13 “**§ 105-507.3. Distribution and use of taxes.**

14 (a) Distribution. – The Secretary shall, on a monthly basis, allocate to each taxing county the
15 net proceeds of the tax levied under this Part by that county. If the Secretary collects taxes under
16 this Part in a month and the taxes cannot be identified as being attributable to a particular taxing
17 county, the Secretary shall allocate these taxes among the taxing counties, in proportion to the
18 amount of taxes collected in each county under this Part in that month and shall include them in
19 the monthly distribution.

20 The Secretary shall distribute the net proceeds of the tax levied by a county ~~on a per capita~~
21 ~~basis among the county and the units of local government in the county that operate public~~
22 ~~transportation systems to the largest transportation authority that includes the county.~~ No
23 proceeds shall be distributed to a ~~county that does not operate a public transportation system or~~
24 ~~to a unit of local government~~ transportation authority that does not operate a public
25 transportation system.

26 (b) Use. - A ~~county must allocate the net proceeds distributed to it in accordance with its~~
27 ~~financial plan adopted pursuant to G.S. 105-507 and use the net proceeds only for financing,~~
28 ~~constructing, operating, and maintaining local public transportation systems. Any other unit of~~
29 ~~local government~~ transportation authority may use the net proceeds distributed to it under this
30 Part only for financing, constructing, operating, and maintaining local public transportation
31 systems. ~~Every unit of government shall use the net proceeds to supplement and not to supplant~~
32 ~~or replace existing funds or other resources for public transportation systems.~~ The net proceeds
33 distributed to any unit of local government, other than the county that levies the tax, pursuant to
34 this Part may be included as revenues within the meaning of G.S. 159-81(4), including any
35 modifications of that statute.”

36 **SECTION 2.5.** Section 2.4 of this act becomes effective only if Mecklenburg County
37 levies a tax authorized under Part IV of this act. If Mecklenburg County levies a tax authorized
38 under Part IV of this act, then Section 2.4 becomes effective on the same date that the tax levied
39 under that Part becomes effective. The remainder of this Part is effective when it becomes law.
40

41 **PART III. REVISIONS TO CURRENT MECKLENBURG COUNTY U-DRIVE-IT TAX**

42 **SECTION 3.1.** Section 3.1 of S.L. 1997-417, as added by Section 30 of S.L. 2006-162
43 and amended by Section 2.(h) of S.L. 2009-527, reads as rewritten:

44 "**SECTION 3.1.** A county authorized to impose a tax under Part 2 of Article 43 of
45 Chapter 105 of the General Statutes is considered an authority under Article 50 of Chapter 105 of
46 the General Statutes, as enacted by Section 3 of this act, and the board of commissioners of that

1 county is considered the board of trustees of the authority under Article 50. G.S. 105-554 of
2 Article 50 does not apply to the proceeds of a tax imposed by a county considered an authority
3 under this section. The proceeds of a tax imposed by a county considered an authority under this
4 section must be transferred to the largest city in metropolitan public transportation authority
5 including that county operating a public transportation system and used only for financing,
6 constructing, operating, and maintaining a public transportation system. The proceeds may
7 supplant existing funds allocated for a public transportation system. The term 'public
8 transportation system' has the same meaning as defined in G.S. 105-506.1."

9 **SECTION 3.2.** This Part act becomes effective only if Mecklenburg County levies a tax
10 authorized under Part IV of this act. If Mecklenburg County levies a tax authorized under Part
11 IV of this act, then this Part becomes effective on the same date that the tax levied under that Part
12 becomes effective.

13
14 **PART IV. ADDITIONAL MECKLENBURG COUNTY ROADWAY SYSTEMS AND**
15 **PUBLIC TRANSPORTATION SYSTEMS SALES TAX**

16 **SECTION 4.1.** Title. – This Part is the Mecklenburg County Roadway Systems and
17 Public Transportation Systems Sales Tax Act and may be cited by that name. This Part gives
18 Mecklenburg County an opportunity to obtain an additional source of revenue with which to
19 meet its needs for financing roadway systems and public transportation systems. It provides the
20 County with authority to levy sales and use taxes. All such taxes must be approved in a
21 referendum.

22 **SECTION 4.2.** Definitions. – The definitions in G.S. 105-164.3, G.S. 105-506.1, and the
23 following definitions apply in this Part:

- 24 (1) Authority. – A metropolitan public transportation authority created under Article
25 33 of Chapter 160A, as enacted by Part V of this act.
- 26 (2) Eligible municipality. – Any of the following municipalities in Mecklenburg
27 County: the City of Charlotte and the Towns of Cornelius, Davidson,
28 Huntersville, Matthews, Mint Hill, and Pineville.
- 29 (3) Red Line. – A rail project that includes, at a minimum, service from the center of
30 the City of Charlotte through the towns of Cornelius, Davidson, and Huntersville
31 and, provided that agreement is obtained from applicable local governments
32 outside of Mecklenburg County, continues to a point north of the jurisdiction of
33 the Town of Davidson, and in no event shall the terminus be in the Town of
34 Davidson’s jurisdiction unless approved by the Town of Davidson.
- 35 (4) Roadway system. – A roadway together with appurtenances to a roadway which
36 includes, but is not limited to plans, designs, and related studies; rights-of-way,
37 whether conveyed by deed or easement; construction, maintenance, and
38 improvements to streets and highways, intersections, streetscapes and
39 landscaping, pedestrian facilities, bicycle facilities, parking lots, curbs, gutters,
40 storm drainage, bridges, overpasses, grade crossings, street lighting, and traffic
41 control devices; utility relocations; publicly accessible electric vehicle charging
42 infrastructure, hydrogen fueling infrastructure, propane fueling infrastructure,
43 natural gas fueling infrastructure, and vehicle-to-grid infrastructure; current and
44 emerging intelligent transportation technologies, including the ability of vehicles
45 to communicate with infrastructure, buildings, and other road users; projects that
46 facilitate intermodal connections between emerging transportation technologies,

1 such as magnetic levitation and hyperloop; protective features, including natural
2 infrastructure, to enhance the resilience of a transportation facility; and measures
3 to protect a roadway system from cybersecurity threats.

4 **SECTION 4.3.** Exemption of Food. – A tax levied under this Part does not apply to the
5 sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to the sales price of a
6 bundled transaction taxable pursuant to G.S. 105-467(a)(5a).

7 **SECTION 4.4.(a)** Advisory Referendum. – The Mecklenburg County Board of
8 Commissioners may direct the county board of elections to conduct an advisory referendum
9 within the County on the question of whether a local sales and use tax at the rate of one percent
10 (1%) may be levied in accordance with this Part. The election shall be held in accordance with
11 the procedures of G.S. 163-287. The Board of Commissioners shall hold a public hearing on the
12 question at least 30 days before the date the election is to be held.

13 **SECTION 4.4.(b)** Ballot Question. – The form of the question to be presented on a
14 ballot for a special election concerning the levy of a tax authorized by this Part shall be:

15 “[] FOR [] AGAINST

16 One percent (1%) local sales and use taxes, in addition to the current local sales and use
17 taxes, to be used only for roadway systems and public transportation systems.”

18 **SECTION 4.5.** Levy of Tax. –The Board of Commissioners may, by resolution, levy
19 one percent (1%) local sales and use taxes in addition to any other State and local sales and use
20 taxes levied pursuant to law only if all the following conditions are satisfied:

- 21 (1) The majority of those voting in a referendum held pursuant to Section 4.4(a) of
22 this Part vote for the levy of the tax.
23 (2) An Authority that includes Mecklenburg County has been established.
24 (3) At least one eligible municipality or an Authority maintains a public
25 transportation system in the County.

26 **SECTION 4.6.** Administration. – Except as otherwise provided in this Part, the
27 adoption, levy, collection, administration, and repeal of these additional taxes shall be in
28 accordance with Article 39 of Chapter 105 of the General Statutes. Nothing in this Part obligates
29 Mecklenburg County to exercise any power of taxation or restricts the ability of the County to
30 repeal the tax previously levied.

31 **SECTION 4.7.** Distribution. – The Secretary of Revenue shall, on a monthly basis,
32 distribute to Mecklenburg County the net proceeds of the tax levied under this Part.
33 Mecklenburg County must distribute forty percent (40%) of the net proceeds of a tax levied
34 under this Part as provided in Section 4.8 of this act and sixty percent (60%) of the net proceeds
35 of a tax levied under this Part as provided in Section 4.9 of this act.

36 **SECTION 4.8.** Roadway Distribution and Use. – Mecklenburg County must distribute
37 forty percent (40%) of the net proceeds of a tax levied under this Part among the eligible
38 municipalities as provided in this section. Each eligible municipality shall annually submit to the
39 County a copy of the statement certified by a registered engineer or surveyor that is submitted to
40 the Department of Transportation under G.S. 136.41.1(a) of the total number of miles of streets
41 in that municipality that are not part of the State highway system. The word “street” as used
42 under this subdivision has the same definition as provided in G.S. 136-41.1(a). Each eligible
43 municipality shall use the net proceeds distributed to it under this subdivision only for costs
44 associated with financing, constructing, operating, or maintaining roadway systems.

- 45 (1) Procedure. The following amounts must be computed before the distribution of
46 any tax proceeds under this subsection.

- 1 a. The monthly amount for each eligible municipality other than the City of
2 Charlotte is equal to one hundred twenty-five percent (125%) of the
3 greater of the following two amounts:
 - 4 1. The amount generated by multiplying the net proceeds distributed
5 under this section during a month by the percentage proportion that
6 the mileage of streets in the eligible municipality that do not form a
7 part of the State highway system bears to the total mileage of the
8 streets that do not constitute a part of the State highway system in
9 all eligible municipalities combined.
 - 10 2. The sum of the following:
 - 11 I. The amount generated by multiplying seventy-five percent
12 (75%) of the net proceeds distributed under this section
13 during a month by the percentage proportion that the
14 population of the eligible municipality bears to the total
15 population of all eligible municipalities according to the
16 most recent annual estimates of population as certified to
17 the Secretary of Revenue by the State Budget Officer.
 - 18 II. The amount generated by multiplying twenty-five percent
19 (25%) of the net proceeds distributed under this section
20 during a month in the percentage proportion that the
21 mileage of streets in each eligible municipality that do not
22 form a part of the State highway system bears to the total
23 mileage of the streets that do not constitute a part of the
24 State highway system in all eligible municipalities
25 combined.
- 26 b. The monthly amount for the City of Charlotte is the remainder of net
27 proceeds to be distributed under this section during a month after the
28 amounts for the other eligible municipalities are determined under Section
29 4.8(1)a. of this act.
- 30 c. The annual amount for an eligible municipality is equal to the sum of the
31 12 monthly amounts for that municipality.
- 32 d. The baseline amount for an eligible municipality other than the City of
33 Charlotte is equal to the following:
 - 34 1. For fiscal years beginning on or after the effective date of the levy
35 of the tax but prior to the first full fiscal year beginning on or after
36 one year after the effective date of the levy of the tax, the baseline
37 amount is zero.
 - 38 2. For fiscal years beginning on or after at least one full fiscal year
39 after the effective date of the levy of the tax but before the release
40 of census data by the U.S. Census Bureau for the next decennial
41 census, the annual amount as calculated under Section 4.8(1)c. of
42 this act for the first full fiscal year beginning on or after the
43 effective date of the levy of the tax.
 - 44 3. For later fiscal years, the annual amount as calculated under
45 Section 4.8(1)c. of this act for the first fiscal year beginning on or

- 1 after the release of census data by the U.S. Census Bureau for the
2 most recent decennial census.
- 3 e. The baseline amount for the City of Charlotte is zero.
- 4 (2) Distribution. The distribution of net proceeds under this subdivision is as follows:
- 5 a. For the first 11 months of the fiscal year, the County shall distribute the
6 monthly amount to each eligible municipality.
- 7 b. For the final month of the of the fiscal year, the distribution is as follows:
- 8 1. If the total net proceeds distributed to the County for the fiscal year
9 are less than the total net proceeds distributed to the County for the
10 preceding fiscal year, the County shall distribute the monthly
11 amount to each eligible municipality.
- 12 2. If the total net proceeds distributed to the County for the fiscal year
13 are greater than the total net proceeds distributed to the County for
14 the preceding fiscal year, the County shall distribute the proceeds
15 as follows:
- 16 I. If the annual amount for each municipality is greater than
17 the baseline amount for that municipality, the monthly
18 amount.
- 19 II. Except as provided in Section 4.8(2)b.2.III. of this act, if
20 the annual amount for any municipality is less than the
21 baseline amount for that municipality, then the following:
- 22 A. The amount to be distributed to each eligible
23 municipality whose annual amount is less than the
24 baseline amount is the amount needed so that the
25 total amount distributed to that municipality for the
26 fiscal year is equal to the baseline amount.
- 27 B. The amount to be distributed to the other eligible
28 municipalities is the monthly amount as reduced by
29 this sub-sub-sub-sub-subdivision. The amount of
30 the reduction is equal to the difference between the
31 annual amount and the baseline amount for all
32 eligible municipalities combined that receive a
33 distribution under Section 4.8(2)b.2.II.A. of this act
34 multiplied by a percentage. The percentage is equal
35 to the percentage proportion that the population of
36 the eligible municipality bears to the total
37 population of all eligible municipalities subject to
38 distribution under this sub-sub-sub-sub-subdivision
39 according to the most recent annual estimates of
40 population as certified to the Secretary of Revenue
41 by the State Budget Officer.
- 42 III. If the calculation required in Section 4.8(2)b.2.II.B. would
43 result in the annual amount for any of those eligible
44 municipalities to be lower than that municipality’s baseline
45 amount, then the county shall distribute to each eligible
46 municipality the monthly amount.

1 **SECTION 4.9.** Public Transportation Distribution and Use. – Mecklenburg County must
2 distribute sixty percent (60%) of the net proceeds of the tax levied under this Part to the
3 Authority. The Authority shall use the net proceeds distributed to it under this section only for
4 costs associated with financing, acquiring, constructing, operating, and maintaining any
5 combination of real and personal property for a public transportation system. The Authority may
6 accomplish these purposes by undertaking these activities itself or by entering an interlocal
7 agreement with a municipality in Mecklenburg County that operates a public transportation
8 system to use funds allocated under this subdivision for those purposes as directed by the
9 Authority in the interlocal agreement. An interlocal agreement entered under this section may
10 include a binding commitment on the part of the Authority to allocate all or a portion of these
11 proceeds to the municipality for a defined number of years or until a defined condition is met,
12 such as the satisfaction of any debt that was issued for public transportation systems. In addition,
13 the Authority may enter an agreement with a private entity whereby that entity uses these funds
14 for this purpose as directed by the Authority in the agreement. The net proceeds of a tax levied
15 under this Part that are distributed to the Authority may be included as revenues within the
16 meaning of G.S. 159-81(4), including any modifications of that statute. The following conditions
17 apply to the use of funds distributed under this section.

- 18 (1) No more than two-thirds of these funds may be used for the capital construction
19 costs of new or expanded rail projects over any period of 30 calendar years
20 combined. Compliance with this section is first determined at the end of the first
21 30-year period, and then annually thereafter based on the previous 30-year period.
22 Nothing in this subsection will be interpreted to adversely impact the rights of
23 bondholders to any funds distributed or pledged to secure bonds, notes or other
24 obligations used to finance or refinance real and personal property for a public
25 transportation system.
- 26 (2) The Authority shall complete at least fifty percent (50%) of the Red Line as
27 evidenced by a scope of work schedule created and submitted by the general
28 contractor or construction manager on the project before the completion of any
29 other rail project, absent the existence or occurrence of force majeure events that
30 delay completion of the Red Line or make completion of the Red Line
31 impracticable. For the purposes of this Section, a scope of work schedule is
32 defined as a listing of project tasks associated with a project timeline that is
33 updated as the Red Line construction project progresses. For the purposes of this
34 Section, force majeure events include fire, flood, earthquakes, other elements of
35 nature, acts of war, terrorism, riots, civil disorders, rebellions or revolutions,
36 nuclear or chemical contamination, epidemics, quarantines, acts of the federal or
37 State government, a declared state of emergency, strikes or labor disruptions other
38 than those specific to the Authority, or other conditions beyond its reasonable
39 control and which, by reasonable diligence, the Authority is unable to prevent.
40 Should a force majeure event delay or halt the Red Line project, the Authority
41 shall resume the original Red Line schedule as soon as practicable when the force
42 majeure event has ceased or subsided. Planning, design, and construction work
43 may occur simultaneously on other rail projects, but only to the extent that those
44 activities do not interfere with or delay the completion of the Red Line.
- 45 (3) The Authority shall solicit input from the Towns of Cornelius, Davidson, and
46 Huntersville on all aspects of the Red Line design, including conceptual design,

1 construction drawings, and station location. If the Red Line extends to the Town
2 of Mooresville, the Authority shall also solicit input from that Town.

- 3 (4) The Authority shall reimburse the City of Charlotte for the acquisition of the
4 Norfolk Southern O-Line and related property. The amount to be reimbursed may
5 not be more than the cost to the City of Charlotte to acquire the property from
6 Norfolk Southern, including any costs for indebtedness incurred by the City with
7 respect to the acquisition. The Authority and the City of Charlotte shall jointly
8 agree to a schedule for reimbursement of these costs.

9 **SECTION 4.10.** Repeal of Tax – The Mecklenburg County Board of Commissioners
10 may by resolution repeal the levy and imposition of the tax in the County as provided in G.S.
11 105-473(c). The Board of Commissioners, upon adoption of a repeal resolution, shall cause a
12 certified copy of the resolution to be delivered immediately to the Secretary of Revenue. No
13 liability for any tax levied under this Part that attached prior to the effective date on which a levy
14 is repealed shall be discharged as a result of such repeal, and no right to a refund of tax or
15 otherwise that accrued prior to the effective date on which a levy is repealed shall be denied as a
16 result of such repeal. If a county repeals a tax levied under this Part, the Authority or a
17 municipality may refinance previously issued bonds, notes, or other financing that are secured or
18 payable by receipts for the tax revenue under this Part to reduce debt service as allowed under
19 the law so long as the refinancing does not extend the date of maturity for the previously issued
20 bonds, notes, or other financing. No repeal of taxes levied and imposed under this Part shall be
21 effective until the latest of the following:

- 22 (1) The end of the fiscal year in which the repeal resolution was adopted.
23 (2) The date by which all previously issued or, as provided in this section, refinanced,
24 bonds, notes, or other financing obtained by the Authority or a municipality
25 secured or payable by receipts from the tax levied under this Part have been
26 satisfied.
27 (3) The date by which the Authority has fully reimbursed the City for the purchase of
28 the O-Line as required by Section 4.9(4) of this act.
29

30 **PART V. METROPOLITAN PUBLIC TRANSPORTATION AUTHORITY**

31 **SECTION 5.1.** Chapter 160A of the General Statutes is amended by adding a new
32 Article to read:

33 “Article 33.

34 “Metropolitan Public Transportation Authority.

35 “§ 160A-880. Title.

36 This Article shall be known and may be cited as the "Metropolitan Public Transportation
37 Authority Act."

38 “§ 160A-881. Definitions.

39 As used in this Article, unless the context otherwise requires:

- 40 (1) Authority. – A metropolitan public transportation authority as defined by
41 subdivision (5) of this section.
42 (2) Board of trustees. – The governing board of the authority, in which the general
43 legislative powers of the authority are vested.
44 (3) Population. – The number of persons residing in respective areas as defined and
45 enumerated in the most recent decennial federal census.
46 (4) Public transportation system. – Defined in G.S. 105-506.1.

1 (5) Metropolitan public transportation authority. – A body corporate and politic
2 organized in accordance with the provisions of this Article for the purposes, with
3 the powers and subject to the restrictions hereinafter set forth.

4 (6) Unit of local government. – Any county, city, town or municipality of this State,
5 and any other political subdivision, public corporation, authority, or district in this
6 State, which is or may be authorized by law to acquire, establish, construct,
7 enlarge, improve, maintain, own, and operate public transportation systems.

8 (7) Unit of local government's chief administrative official. – The county manager,
9 city manager, town manager, or other person by whatever title, in whom the
10 responsibility for the unit of local government's administrative duties is vested.

11 **“§ 160A-882. Definition of territorial jurisdiction of authority.**

12 An authority may be created for any area of the State that, at the time of creation of the
13 authority, meets all the following criteria:

14 (1) The area consists of a single county that has a population greater than 1 million.

15 (2) The county borders another state.

16 (3) The county includes at least one unit of local government that operates a light rail
17 system.

18 **“§ 160A-883. Creation of authority.**

19 (a) The Board of Commissioners of a county for which an authority may be created as
20 defined in G.S. 160A-882 may by resolution signify its determination to organize an authority
21 under the provisions of this Article. The resolution shall be adopted after a public hearing
22 thereon, notice of which hearing shall be given by publication at least once, not less than 10 days
23 prior to the date fixed for such hearing, in a newspaper having a general circulation in the
24 county. The notice shall contain a brief statement of the substance of the proposed resolution,
25 shall set forth the proposed articles of incorporation of the authority and shall state the time and
26 place of the public hearing to be held thereof. No county shall be required to make any other
27 publication of such resolution under the provisions of any other law.

28 (b) Each such resolution shall include articles of incorporation which shall set forth all the
29 following:

30 (1) The name of the authority.

31 (2) A statement that the authority is organized under this Article.

32 (3) The name of the organizing county.

33 (4) A provision stating that an affirmative vote equal to at least seventy-five percent
34 (75%) of the membership of the board trustees is required to amend the articles of
35 incorporation or to adopt or amend the bylaws of the authority.

36 (c) A certified copy of the resolutions signifying the determination to organize an authority
37 under the provisions of this Article shall be filed with the Secretary of State, together with proof
38 of publication of the notice of hearing on each of such resolutions. If the Secretary of State finds
39 that the resolution, including the articles of incorporation, conform to the provisions of this
40 Article and that the notices of hearing were properly published, the Secretary shall file the
41 resolutions and proofs of publication and shall issue a certificate of incorporation under the seal
42 of the State and shall record the same in an appropriate book of record. The issuance of a
43 certificate of incorporation by the Secretary of State constitutes the authority a public body and
44 body politic and corporate of the State of North Carolina. The certificate of incorporation is
45 conclusive evidence of the fact that the authority has been duly created and established under the
46 provisions of this Article.

1 (d) When the authority has been duly organized and its officers elected as provided in this
2 Article, the secretary of the authority shall certify to the Secretary of State the names and
3 addresses of officers as well as the address of the principal office of the authority.

4 (e) The authority may become a Designated Recipient pursuant to the Urban Mass
5 Transportation Act of 1964, as amended.

6 **“§ 160A-884. Territorial jurisdiction of the authority.**

7 (a) The initial territorial jurisdiction of an authority created pursuant to this Article shall be
8 coterminous with the boundaries of the county that organized it.

9 (b) Except as provided by this Article, the jurisdiction of the authority may include all local
10 public passenger transportation operating within the territorial jurisdiction of the authority, but
11 the authority may not take over the operation of any existing public transportation without the
12 consent of the owner.

13 (c) The authority shall not have jurisdiction over public transportation subject to the
14 jurisdiction of and regulated by the Interstate Commerce Commission, nor shall it have
15 jurisdiction over intrastate public transportation classified as common carriers of passengers by
16 the North Carolina Utilities Commission.

17 **“§ 160A-885. Membership; officers; compensation.**

18 (a) The governing body of an authority is the board of trustees. The initial board of trustees
19 shall consist of 27 members, appointed as provided in this section. For each appointment below,
20 the appointing authority may appoint an alternate that may act in the absence of the primary
21 person appointed. The appointments are as follows:

22 (1) 12 members appointed by the board of commissioners of the county that created
23 the authority as follows:

24 a. The board of commissioners shall appoint one member as recommended
25 by the governing body of the municipality that has the second largest
26 population of residents that reside in the county.

27 b. The board of commissioners shall appoint one member as recommended
28 by the governing body of the municipality that has the third largest
29 population of residents that reside in the county.

30 c. The board of commissioners shall appoint one member as recommended
31 by the governing body of the municipality that has the fourth largest
32 population of residents that reside in the county.

33 d. The board of commissioners shall appoint one member as recommended
34 by the governing body of the municipality that has the fifth largest
35 population of residents that reside in the county.

36 e. The board of commissioners shall appoint one member as recommended
37 by the governing body of the municipality that has the sixth largest
38 population of residents that reside in the county.

39 f. The board of commissioners shall appoint one member as recommended
40 by the governing body of the municipality that has the seventh largest
41 population of residents that reside in the county.

42 g. The board of commissioners shall appoint six members in its discretion.
43 No more than one of these members may be an elected official of the
44 county.

45 (2) 12 members appointed by the governing body of the largest municipality in the
46 county that created the authority as follows:

1 a. At least three of these appointments must be made upon the
2 recommendation of an entity that represents business interests in the
3 county. The municipality may reject a recommendation from the entity
4 that represents business interests. If the municipality rejects a
5 recommendation, then the entity that represents business interests shall
6 make another recommendation to the municipality with respect to the
7 appointment. This process shall continue until the municipality accepts
8 the recommendation of the entity that represents business interests.

9 b. The governing body shall appoint nine members in its discretion. No
10 more than two of these members may be an elected official of the
11 municipality.

12 (3) Two members appointed by the General Assembly, one upon the recommendation
13 of the President Pro Tem of the Senate and one upon the recommendation of the
14 Speaker of the House of Representatives.

15 (4) One member appointed by the Governor.

16 (b) Members of the board of trustees shall serve for terms of four years, provided that one-
17 half of the initial appointments shall be for two-year terms, to be determined by lot at the first
18 meeting of the board of trustees. Initial terms of office shall commence upon approval by the
19 Secretary of State of the articles of incorporation.

20 (c) An appointing authority may appoint one or more of its members to the board of trustees,
21 subject to the limitations of subsection (a) of this section. Service on the board of trustees may be
22 in addition to any other office which a person is entitled to hold. Each voting member of the
23 board of trustees may hold elective public office as defined by G.S. 128-1.1(d).

24 (d) Members of the board of trustees shall have demonstrated experience or qualifications in
25 the areas of law, finance, engineering, public transportation, urban planning, logistics,
26 government, architecture, or economic development.

27 (e) Members of the board of trustees shall reside within the territorial jurisdiction of the
28 authority as defined by G.S160A-884.

29 (f) Every two years, the board of trustees shall elect from its membership a group of officers,
30 which shall include a Chairperson, Vice-Chairperson, Secretary, and Treasurer. An election of an
31 officer must be by a majority vote at a meeting where a quorum is present.

32 (g) No trustee may serve for more than two consecutive terms on the board of trustees, but a
33 person who has been a member for two consecutive terms may be reappointed after being off the
34 board of trustees for a period of at least two years. An initial term that is two years or less shall
35 not be counted in determining the limitation on consecutive terms. This limitation applies
36 regardless of whether the appointments are made by the same appointing authority.

37 **“§ 160A-886. Expansion of authority.**

38 Upon approval of authorizing resolutions by the board of trustees and the board of
39 commissioners of the affected county, the territorial jurisdiction and service area of an authority
40 may be expanded to include a whole county within this State that is contiguous to the then
41 existing territorial jurisdiction of the authority. Each of the authorizing resolutions must receive
42 an affirmative vote equal to at least seventy-five percent (75%) of the membership of the
43 applicable board. The authorizing resolutions shall contain provisions with respect to the
44 following:

45 (1) The date on which the territorial jurisdiction is to be expanded to include the
46 county.

1 (2) The extent to which the composition of the board of trustees may be amended, if
2 at all, due to the addition of the county to the territorial jurisdiction of the
3 authority. The authorizing resolutions shall not eliminate or amend the
4 requirements with respect to appointments to the board of trustees that are
5 provided in G.S. 160A-885. Subsections (b) through (g) of G.S. 160A-885 shall
6 apply to any additional appointments to the board of trustees.

7 (3) Financial, legal, or operational commitments with respect to the county that is to
8 be added to the territorial jurisdiction of the authority.

9 (4) Any other matter determined to be relevant by the board of trustees and the board
10 of commissioners of the affected county.

11 **“§ 160A-887. Voting; removal.**

12 (a) A majority of the board of trustees constitutes a quorum for the transaction of business.
13 Each member shall have one vote.

14 (b) Each member of the board of trustees may be removed with or without cause by the
15 appointing authority.

16 (c) Appointments to fill vacancies shall be made for the remainder of the unexpired term by
17 the respective appointing authority charged with the responsibility for making such appointments
18 pursuant to G.S. 160A-885. All members shall serve until their successors are appointed and
19 qualified, unless removed from office.

20 **“§ 160A-888. Advisory committees.**

21 The board of trustees may provide for the selection of such advisory committees as it may
22 find appropriate, which may or may not include members of the board of trustees.

23 **“§ 160A-889. Purpose of the authority.**

24 The purpose of the authority shall be to finance, provide, operate, and maintain for a safe,
25 clean, reliable, adequate, convenient, energy efficient, economically and environmentally sound
26 public transportation system for the service area of the authority through the granting of
27 franchises, ownership and leasing of terminals, buses and other transportation facilities and
28 equipment, and otherwise through the exercise of the powers and duties conferred upon it, in
29 order to enhance mobility in the region and encourage sound growth patterns. Such a service,
30 facility, or function shall be financed, provided, operated, or maintained in the service area of the
31 authority either in addition to or to a greater or lesser extent than services, facilities, or functions
32 are financed, provided, operated, or maintained for the entirety of the respective units of local
33 government. An authority may take direct action to accomplish these purposes or may enter
34 agreements with another unit of local government in the service area of the authority or a private
35 entity to accomplish these purposes.

36 **“§ 160A-890. Service area of the authority.**

37 The service area of the authority shall be as determined by the board of trustees consistent
38 with its purpose but shall not exceed the sum of the following:

39 (1) The territorial jurisdiction of the authority.

40 (2) An area outside of the territorial jurisdiction of the authority provided that one of
41 the following conditions is satisfied:

42 a. If the area is within this State, the governing bodies of the political
43 subdivisions to which service is to be extended approve by majority vote
44 of their governing boards the extension of service into the political
45 subdivision or the purchase of real property within the political
46 subdivision for the extension of service.

b. If the area is in another state, the extension of service is approved by any applicable federal or State agency and in accordance with the other state’s laws.

“§ 160A-891. General powers of the authority.

The general powers of the authority include all the following:

- (1) To sue and be sued.
- (2) To have a seal.
- (3) To make rules and regulations, not inconsistent with this Article, for its organization and internal management.
- (4) To employ persons deemed necessary to carry out the functions and duties assigned to them by the authority and to fix their compensation, within the limit of available funds.
- (5) With the approval of the unit of local government's chief administrative official, to use officers, employees, agents, and facilities of the unit of local government for such purposes and upon such terms as may be mutually agreeable.
- (6) To retain and employ counsel, auditors, engineers and private consultants on an annual salary, contract basis, or otherwise for rendering professional or technical services and advice.
- (7) To acquire, lease as lessee with or without option to purchase, hold, own, and use any franchise, property, real or personal, tangible or intangible, or any interest therein and to sell, lease as lessor with or without option to purchase, transfer (or dispose thereof) whenever the same is no longer required for purposes of the authority, or exchange same for other property or rights which are useful for the authority purposes, including but not necessarily limited to parking facilities.
- (8) To acquire by gift, purchase, lease as lessee with or without option to purchase or otherwise to construct, improve, maintain, repair, operate, or administer any component parts of a public transportation system or to contract for the maintenance, operation, or administration thereof or to lease as lessor the same for maintenance, operation, or administration by private parties, including parking facilities.
- (9) To make or enter into contracts, agreements, deeds, leases with or without option to purchase, conveyances or other instruments, including contracts and agreements with the United States, the State of North Carolina, and units of local government.
- (10) To purchase or finance real or personal property in the manner provided for cities and counties under G.S. 160A-20.
- (11) To surrender to the State of North Carolina or a unit of local government any property no longer required by the authority.
- (12) To develop and make data, plans, information, surveys, and studies of public transportation facilities within the territorial jurisdiction of the authority and to prepare and make recommendations in regard thereto.
- (13) To enter in a reasonable manner lands, waters, or premises for the purpose of making surveys, soundings, drillings, and examinations whereby such entry shall not be deemed a trespass except that the authority shall be liable for any actual and consequential damages resulting from such entries.
- (14) To develop and carry out demonstration projects.

- 1 (15) To make, enter into, and perform contracts with private parties, and public
2 transportation companies with respect to the management and operation of public
3 passenger transportation.
- 4 (16) To make, enter into, and perform contracts with any public utility, railroad, or
5 transportation company for the joint use of property or rights, for the
6 establishment of through routes, joint fares, or transfer of passengers.
- 7 (17) To make, enter into, and perform agreements with governmental entities for
8 payments to the authority for the transportation of persons for whom the
9 governmental entities desire transportation.
- 10 (18) With the consent of the unit of local government which would otherwise have
11 jurisdiction to exercise the powers enumerated in this subdivision: to issue
12 certificates of public convenience and necessity; and to grant franchises and enter
13 into franchise agreements and in all respects to regulate the operation of buses and
14 other methods of public passenger transportation which originate and terminate
15 within the territorial jurisdiction of the authority as fully as the unit of local
16 government is now or hereafter empowered to do within the territorial jurisdiction
17 of the unit of local government.
- 18 (19) To operate public transportation systems, to enter into and perform contracts to
19 operate public transportation services and facilities, and to own or lease property,
20 facilities, and equipment necessary or convenient therefor, and to rent, lease or
21 otherwise sell the right to do so to any person, public or private; further, to obtain
22 grants, loans and assistance from the United States, the State of North Carolina,
23 any public body, or any private source whatsoever, but may not operate or
24 contract for the operation of public transportation systems outside the territorial
25 jurisdiction of the authority except as provided by subdivision (21) of this section.
- 26 (20) To enter into and perform contracts and agreements with other metropolitan
27 public transportation authorities, public transportation authorities, regional public
28 transportation authorities, or units of local government pursuant to the provisions
29 of G.S. 160A-460 through 160A-464 (Part 1 of Article 20 of Chapter 160A of the
30 General Statutes); further to enter into contracts and agreements with private
31 transportation companies, but this subdivision does not authorize the operation of,
32 or contracting for the operation of, service of a public transportation system
33 outside the service area of the authority.
- 34 (21) To operate public transportation systems extending service into any political
35 subdivision of the State of North Carolina unless a particular unit of local
36 government operating its own public transportation system or franchising the
37 operation of a public transportation system by majority vote of its governing
38 board, shall deny consent.
- 39 (22) To operate public transportation systems extending service into another state, but
40 only if the extension of service is authorized by any applicable federal or State
41 agency and in accordance with the other state’s laws.
- 42 (23) Except as restricted by covenants in bonds, notes, or equipment trust certificates,
43 to set in its sole discretion rates, fees and charges for use of its public
44 transportation system.
- 45 (24) To do all things necessary or convenient to carry out its purpose and to exercise
46 the powers granted to the authority.

1 (25) To issue bonds or other obligations of the authority as provided by law and apply
2 the proceeds thereof to the financing of any public transportation system or any
3 part thereof and to refund, whether or not in advance of maturity or the earliest
4 redemption date, any such bonds or other obligations of the authority or another
5 municipality that financed or refinanced real and personal property for a public
6 transportation system to be owned or operated by the authority.

7 (26) To contract for, or to provide and maintain, with respect to the facilities and
8 property owned, leased with or without option to purchase, operated or under the
9 control of the authority, and within the territory thereof, a security force to protect
10 persons and property, dispense unlawful or dangerous assemblages and
11 assemblages which obstruct full and free passage, control pedestrian and
12 vehicular traffic, and otherwise preserve and protect the public peace, health, and
13 safety; for these purposes a member of such force shall be a peace officer and, as
14 such, shall have authority equivalent to the authority of a police officer of the city
15 or county in which said member of such force is discharging such duties.

16 (27) To contract for the purchase, lease, or other acquisition of any apparatus, supplies,
17 materials, or equipment for public transit purposes with any person or entity that,
18 within the previous 60 months, after having completed a public formal bid
19 process substantially similar to that required by Article 8 of Chapter 143 of the
20 General Statutes or through the competitive proposal method provided in G.S.
21 143-129(h), has contracted to furnish the apparatus, supplies, materials, or
22 equipment to any unit or agency approved in G.S. 143-129(g) if the person or
23 entity is willing to furnish the items at the same or more favorable prices, terms,
24 and conditions as those provided under the contract with the other unit or agency.
25 Any purchase made under this section shall be approved by the board of trustees
26 as provided in G.S. 143-129(g).

27 **“§ 160A-892. Authority of Utilities Commission not affected.**

28 (a) Except as otherwise provided in this Article, nothing in this Article shall be construed to
29 limit or otherwise affect the power or authority of the North Carolina Utilities Commission or the
30 right of appeal to the North Carolina Utilities Commission as provided by law.

31 (b) The North Carolina Utilities Commission shall not have jurisdiction over rates, fees,
32 charges, routes, and schedules of an authority for service within its territorial jurisdiction.

33 **“§ 160A-893. Fiscal accountability.**

34 An authority is a public authority subject to the provisions of Chapter 159 of the General
35 Statutes.

36 **“§ 160A-894. Funds.**

37 The establishment and operation of an authority are governmental functions and constitute a
38 public purpose, and the State of North Carolina and any unit of local government may
39 appropriate funds to support the establishment and operation of the authority. The State of North
40 Carolina and any unit of local government may also dedicate, sell, convey, donate, or lease any
41 of their interests in any property to the authority. An authority may apply for grants from the
42 State of North Carolina, or from the United States or any department, agency, or instrumentality
43 thereof. The Department of Transportation may allocate to an authority any funds appropriated
44 for public transportation, or any funds whose use is not restricted by law.

45 **“§ 160A-895. Competition.**

1 No equipment of the authority may be used for charter, tour, or sight-seeing service except as
2 allowed under regulations adopted by the Federal Transit Administration.

3 **“§ 160A-896. Effect on existing franchises and operations.**

4 Creation of the authority shall not have an effect on any existing franchises granted by any
5 unit of local government; such existing franchises shall continue in full force and effect until
6 legally terminated; further, all ordinances and resolutions of the unit of local government
7 regulating local public transportation systems, bus operations, and taxicabs shall continue in full
8 force and effect now and in the future, unless superseded by regulations of the authority; such
9 superseding, if any, may occur only on the basis of prior mutual agreement between the authority
10 and the respective unit of local government.

11 **“§ 160A-897. Termination.**

12 The board of trustees may terminate the existence of the authority by adopting a resolution
13 by majority vote to do so at any time when it has no outstanding indebtedness. The resolution to
14 terminate the existence of the authority does not become effective unless and until ratified by
15 majority vote of the board of commissioners of the county that created the authority. In the event
16 of such termination, all property and assets of the authority not otherwise encumbered shall
17 become the property of a unit of local government within the territorial jurisdiction of the
18 authority as specified in the termination resolution and, if accepted by the unit of local
19 government, the unit of local government shall succeed to all rights, obligations, and liabilities of
20 the authority.

21 **“§ 160A-898. Controlling provisions.**

22 Insofar as the provisions of this Article are not consistent with the provisions of any other
23 law, public or private, the provisions of this Article shall be controlling.

24 **“§ 160A-899. Bonds and notes authorized.**

25 In addition to the powers granted by this Article, the authority may issue bonds and notes
26 pursuant to the provisions of The State and Local Government Revenue Bond Act, Article 5 of
27 Chapter 159 of the General Statutes, for the purpose of financing public transportation systems
28 or any part thereof and to refund such bonds and notes and to refund any bonds, notes or other
29 obligations of another municipality used to finance or refinance real and personal property for a
30 public transportation system to be owned or operated by the authority, whether or not in advance
31 of their maturity or earliest redemption date

32 **“§ 160A-900. Equipment trust certificates.**

33 In addition to the powers here and before granted, the authority shall have continuing power
34 to purchase equipment, and in connection therewith execute agreements, leases with or without
35 option to purchase, or equipment trust certificates. All money required to be paid by the authority
36 under the provisions of such agreements, leases with or without option to purchase, and
37 equipment trust certificates shall be payable solely from the fares, fees, rentals, charges,
38 revenues, and earnings of the authority, monies derived from the sale of any surplus property of
39 the authority, and gifts, grants, and contributions from any source whatever. Payment for such
40 equipment or rentals may be made in installments; the deferred installments may be evidenced
41 by equipment trust certificates payable solely from the aforesaid revenues or receipts and title to
42 such equipment may or may not vest in the authority until the equipment trust certificates are
43 paid.

44 **“§ 160A-901. Power of eminent domain.**

45 (a) The authority shall have continuing power to acquire, by gift, grant, devise, exchange,
46 purchase, lease with or without option to purchase, or any other lawful method, including the

1 power of eminent domain, the fee or any lesser interest in real or personal property for use by the
2 authority.

3 (b) Exercise of the power of eminent domain by the authority shall be in accordance with
4 Chapters 40A and 136 of the General Statutes.

5 **“§ 160A-902. Tax exemption.**

6 The property of the authority, both real and personal, its acts, activities and income shall be
7 exempt from any tax or tax obligation; in the event of any lease of authority property, or other
8 arrangement which amounts to a leasehold interest, to a private party, this exemption shall not
9 apply to the value of such leasehold interest nor shall it apply to the income of the lessee.

10 Otherwise, however, for the purpose of taxation, when property of the authority is leased to
11 private parties solely for the purpose of the authority, the acts and activities of the lessee shall be
12 considered as the acts and activities of the authority and the exemption. The interest on bonds or
13 obligations issued by the authority shall be exempt from State taxes.

14 **“§ 160A-903. Removal and relocation of utility structures.**

15 (a) The authority shall have the power to require any public utility, railroad, or other public
16 service corporation owning or operating any installations, structures, equipment, apparatus,
17 appliances or facilities in, upon, under, over, across or along any ways on which the authority has
18 the right to own, construct, operate or maintain its public transportation system, to relocate such
19 installation, structures, equipment, apparatus, appliances or facilities from their locations, or, in
20 the sole discretion of the affected public utility, railroad, or other public service corporation, to
21 remove such installations, structures, equipment, apparatus, appliances or facilities from their
22 locations.

23 (b) If the owner or operator thereof fails or refuses to relocate them, the authority may
24 proceed to do so.

25 (c) Except as otherwise agreed, the authority shall provide any necessary new locations and
26 necessary real estate interests for such relocation, and for that purpose the power of eminent
27 domain as provided in G.S. 160A-901 may be exercised provided the new locations shall not be
28 in, on or above, a public highway; the authority may also acquire the necessary new locations by
29 purchase or otherwise.

30 (d) Except as otherwise agreed, any affected public utility, railroad or other public service
31 corporation shall be compensated for any real estate interest taken in a manner consistent with
32 G.S. 160A-901, subject to the right of the authority to reduce the compensation due by the value
33 of any property exchanged under this section.

34 (e) The method and procedures of a particular adjustment to the facilities of a public utility,
35 railroad or other public service corporation shall be covered by an agreement between the
36 authority and the affected party or parties.

37 (f) Except as otherwise agreed, the authority shall reimburse the public utility, railroad or
38 other public service corporation, for the cost of relocations or removals which shall be the entire
39 amount paid or incurred by the utility properly attributable thereto after deducting the cost of any
40 increase in the service capacity of the new installations, structures, equipment, apparatus,
41 appliances or facilities and any salvage value derived from the old installations, structures,
42 equipment, apparatus or appliances.

43 **“§ 160A-904. Reports to the General Assembly.**

44 The authority shall annually submit to the General Assembly, on or before February 1, its
45 annual operating report, including a report of its administrative expenditures, and its audited
46 financial report. In odd-numbered years, the report shall be submitted to the Senate and House

1 Transportation Committees. In even-numbered years, the report shall be submitted to the Joint
2 Legislative Transportation Oversight Committee.

3 **“§ 160A-905. Limitations on rail transportation liability.**

4 (a) As used in this section:

5 (1) Claim. – A claim, action, suit, or request for damages, whether compensatory,
6 punitive, or otherwise, made by any person or entity against:

7 a. The authority, a railroad, or an operating rights railroad; or

8 b. An officer, director, trustee, employee, parent, subsidiary, or affiliated
9 corporation as defined in G.S. 105-130.2, or agent of: the authority, a
10 railroad, or an operating rights railroad.

11 (2) Operating rights railroad. – A railroad corporation or railroad company that, prior
12 to January 1, 2001, was granted operating rights by a State-Owned Railroad
13 Company or operated over the property of a State-Owned Railroad Company
14 under a claim of right over or adjacent to facilities used by or on behalf of the
15 authority.

16 (3) Passenger rail services. – The transportation of rail passengers by or on behalf of
17 the authority and all services performed by a railroad pursuant to a contract with
18 the authority in connection with the transportation of rail passengers, including,
19 but not limited to, the operation of trains; the use of right of way, trackage, public
20 or private roadway and rail crossings, equipment, or station areas or appurtenant
21 facilities; the design, construction, reconstruction, operation, or maintenance of
22 rail related equipment, tracks, and any appurtenant facilities; or the provision of
23 access rights over or adjacent to lines owned by the authority or a railroad, or
24 otherwise occupied by the authority or a railroad, pursuant to charter grant, fee
25 simple deed, lease, easement, license, trackage rights, or other form of ownership
26 or authorized use.

27 (4) Railroad. – A railroad corporation or railroad company, including a State-Owned
28 Railroad Company as defined in G.S. 124-11, that has entered into any contracts
29 or operating agreements of any kind with the authority concerning passenger rail
30 services.

31 (b) Contracts Allocating Financial Responsibility Authorized. – The authority may contract
32 with any railroad to allocate financial responsibility for passenger rail services claims, including,
33 but not limited to, the execution of indemnity agreements, notwithstanding any other statutory,
34 common law, public policy, or other prohibition against same, and regardless of the nature of the
35 claim or the conduct giving rise to such claim.

36 (c) Insurance Required. –

37 (1) If the authority enters into any contract authorized by subsection (b) of this
38 section, the contract shall require the authority to secure and maintain, upon and
39 after the commencement of the operation of trains by or on behalf of the
40 authority, a liability insurance policy covering the liability of the parties to the
41 contract, a State-Owned Railroad Company as defined in G.S. 124-11 that owns
42 or claims an interest in any real property subject to the contract, and any operating
43 rights railroad for all claims for property damage, personal injury, bodily injury,
44 and death arising out of or related to passenger rail services. The policy shall
45 name the parties to the contract, a State-Owned Railroad Company as defined in
46 G.S. 124-11 that owns or claims an interest in any real property subject to the

1 contract, and any operating rights railroad as named insureds and shall have
2 policy limits of not less than two hundred million dollars (\$200,000,000) per
3 single accident or incident, and may include a self-insured retention in an amount
4 of not more than five million dollars (\$5,000,000).

5 (2) If the authority does not enter into any contract authorized by subsection (b) of
6 this section, upon and after the commencement of the operation of trains by or on
7 behalf of the authority, the authority shall secure and maintain a liability
8 insurance policy, with policy limits and a self-insured retention consistent with
9 subdivision (1) of this subsection, for all claims for property damage, personal
10 injury, bodily injury, and death arising out of or related to passenger rail services.

11 (d) Liability Limit. – The aggregate liability of the authority, the parties to the contract or
12 contracts authorized by subsection (b) of this section, a State-Owned Railroad Company as
13 defined in G.S. 124-11, and any operating rights railroad for all claims arising from a single
14 accident or incident related to passenger rail services for property damage, personal injury,
15 bodily injury, and death is limited to two hundred million dollars (\$200,000,000) per single
16 accident or incident or to any proceeds available under any insurance policy secured pursuant to
17 subsection (c) of this section, whichever is greater.

18 (e) Effect on Other Laws. – This section shall not affect the damages that may be recovered
19 under the Federal Employers' Liability Act, 45 U.S.C. § 51, et seq., (1908); or under Article 1 of
20 Chapter 97 of the General Statutes.

21 **“§ 160A-906. Civil liability.**

22 Except as provided in G.S. 160A-905, the authority shall be deemed a city for purposes of
23 civil liability pursuant to G.S. 160A-485. Governmental immunity of the authority is waived to a
24 minimum of twenty million dollars (\$20,000,000) per single accident or incident. The authority
25 shall maintain a minimum of twenty million dollars (\$20,000,000) per single accident or incident
26 of liability insurance. Participation in a local government risk pool pursuant to Article 23 of
27 Chapter 58 of the General Statutes shall be deemed to be the purchase of insurance for the
28 purpose of this section.”

29
30 **PART VI. REQUIREMENTS IF MECKLENBURG COUNTY CREATES A**
31 **METROPOLITAN PUBLIC TRANSPORTATION AUTHORITY**

32 **SECTION 6.1.** If Mecklenburg County creates a metropolitan public transportation
33 authority under Article 33 of Chapter 160A, as enacted by Part V of this act, then that Authority
34 is subject to all the provisions of this Part.

35 **SECTION 6.2.** The Authority shall conduct a study of the issues listed in this Section.
36 The Authority may use any source of funding available to it to conduct the studies required by
37 this Section. This specifically includes funds provided to the Authority by another unit of
38 government and funds that the Authority receives as a donation or grant from any other public or
39 private source. The Authority shall complete the study required under this Section and publish a
40 report no later than July 1, 2025. The Authority shall publish the report and submit copies of the
41 report to the President Pro Tempore of the Senate, the Speaker of the House of Representatives,
42 the Legislative Library, the Mecklenburg County Board of Commissioners, the Charlotte City
43 Council, the Town of Cornelius Board of Commissioners, the Town of Davidson Board of
44 Commissioners, the Town of Huntersville Board of Commissioners, the Town of Matthews
45 Board of Commissioners, the Town of Mint Hill Board of Commissioners, the Town of

1 Mooresville Board of Commissioners, and the Pineville Town Council. The Authority shall
2 study the following issues:

- 3 (1) Legal and financial considerations with respect to the transfer or use of assets
4 from the City of Charlotte or the Charlotte Area Transportation System (CATS) to
5 the Authority.
- 6 (2) Legal and financial considerations with respect to outstanding indebtedness issued
7 by the City of Charlotte with respect to CATS to ensure no adverse impacts in
8 relation to the outstanding indebtedness.
- 9 (3) Legal and financial considerations with respect to agreements and recognitions by
10 the City of Charlotte or CATS with respect to the public transportation system
11 with any federal, state, regional, or local governmental entities.
- 12 (4) Legal and financial considerations with respect to human resources of a transfer
13 of assets, liabilities, and operations of the public transportation system from the
14 City of Charlotte or CATS to the Authority, including issues related, but not
15 limited, to employee pensions, retirement plans, and benefits.
- 16 (5) A recommendation as to whether the transfer of assets, liabilities, and operations
17 of the existing public transportation system to the Authority is feasible and
18 advisable.
- 19 (6) Any other issue determined to be relevant by the Authority.

20 **SECTION 6.3.** If Mecklenburg County creates a metropolitan public transportation
21 authority under the provisions of Article 33 of Chapter 160A of the General Statutes, as enacted
22 by Part V of this act, before the convening of the 2025 Regular Session of the 2025 General
23 Assembly, then as of the date of the issuance of a certificate of incorporation by the Secretary of
24 State under G.S. 160A-883(c), as enacted by Part V of this act, the General Assembly makes the
25 following appointments to the Board of Trustees of that Authority:

- 26 (1) [President Pro Tem’s appointee].
- 27 (2) [Speaker’s appointee].

28 **SECTION 6.4.** The Authority shall do the following no later than one year after
29 enactment of this act:

- 30 (1) Adopt bylaws that are consistent with the provisions of Article 33 of Chapter
31 160A of the General Statutes.
- 32 (2) Establish policies with respect to Board governance, including the adoption of a
33 Code of Ethics for Trustees and key employees and the adoption of a Conflicts of
34 Interest policy.
- 35 (3) Create a human resources plan. This includes, at a minimum:
 - 36 a. Creating an organizational chart that specifies positions that report directly
37 to the Authority’s Board of Trustees.
 - 38 b. Completing the search for direct reports to the Board of Trustees.
 - 39 c. Creating personnel policies and procedures including those related to
40 employee recruitment and retention, compensation and benefit policies
41 and plans, and an employee code of conduct.
 - 42 d. Taking all steps necessary to ensure participation by the Authority in the
43 Local Government Employees’ Retirement System under Article 3 of
44 Chapter 128 of the General Statutes.
 - 45 e. Creating a plan, including a timeline, to implement a transfer of
46 employees of CATS from the City of Charlotte to the Authority.

- 1 f. Developing or acquiring information technology and other assets needed
2 to implement the human resources plan.
- 3 (4) Develop financial policies for the Authority.
- 4 (5) Develop operational policies for the Authority including policies related to
5 business continuity, system operation, maintenance of the system and system
6 assets, fares, purchasing and contracts, transit rules and regulations, travel
7 markets, transit service, and advertising and sponsorships.
- 8 (6) Develop an information technology plan for the operation and administration of
9 the public transportation system. The plan shall include provisions related to
10 cybersecurity, data privacy, and the use of websites and mobile applications.
- 11 (7) Create a plan, including a timeline, for the acquisition of the assets of CATS from
12 the City of Charlotte. This includes:
 - 13 a. Drafting agreements to be entered into with the City of Charlotte with
14 respect to the use, control, and acquisition of assets of CATS. With
15 respect to assets of CATS that were procured with funds available to the
16 City other than federal or State funds received by the City with respect to
17 CATS and funds generated by a tax levied under Article 43 of Chapter
18 105 of the General Statutes or a tax levied under Section 3.1 of S.L. 1997-
19 417, as added by Section 30 of S.L. 2006-162 and amended by Section
20 2.(h) of S.L. 2009-527 and this act, the agreements shall provide that the
21 City has a right of reverter with respect to the property if the property is no
22 longer used for a purpose supporting the operation of a public
23 transportation system.
 - 24 b. Negotiating an agreement with the City of Charlotte to reimburse the City
25 for the acquisition of the Norfolk Southern O-Line as provided in Section
26 4.9(4) of this act.
 - 27 c. Drafting agreements with the City of Charlotte with respect to any
28 outstanding bonds, notes, or other financing secured or payable by receipts
29 from the taxes levied under Article 43 of Chapter 105 of the General
30 Statutes or under Section 3.1 of S.L. 1997-417, as added by Section 30 of
31 S.L. 2006-162 and amended by Section 2.(h) of S.L. 2009-527 and this
32 act.
 - 33 d. Notwithstanding the agreements above, any agreements entered into
34 between the City and the Authority will require that the Authority
35 undertake all obligations necessary to ensure that the City will remain in
36 compliance with and will not have an adverse impact on the City's
37 outstanding bonds, notes on other financing obligations for the public
38 transportation system.
- 39 (8) Take all steps necessary to ensure approval by the Federal Transit Administration
40 and any other applicable federal or State agency of the use, control, and
41 acquisition of CATS assets.
- 42 (9) Draft amendments to the interlocal agreement between Mecklenburg County, the
43 City of Charlotte, the Town of Cornelius, the Town of Davidson, the Town of
44 Huntersville, the Town of Matthews, the Town of Mint Hill, and the Town of
45 Pineville dated February 16, 1999, as amended, to provide for the termination of
46 that agreement at the time a tax levied under Part IV of this act becomes effective,

1 subject to any continuing obligations agreed to by the parties to the agreement.
2 The agreement shall contain provisions dissolving the Metropolitan Transit
3 Commission created under that interlocal agreement and repealing all
4 maintenance-of-effort requirements.

- 5 (10) Draft agreements or amendments to agreements with third parties to ensure that
6 the Authority may be substituted for the City as a party to any ongoing contracts,
7 agreements, rights, responsibilities, or liabilities with respect to CATS once the
8 Authority assumes operational control of CATS.

9 **SECTION 6.5.** If Mecklenburg County enacts a tax authorized by Part IV of this act,
10 then the Authority and the City of Charlotte shall do all the following effective as of the date the
11 tax levied under that Part becomes effective:

- 12 (1) The Authority shall begin receiving the proceeds of all the following:
13 a. Taxes levied under Part IV of this act as provided in that Part.
14 b. Taxes levied under Article 43 of Chapter 105 of the General Statutes as
15 provided in G.S. 105-507.3
16 c. Taxes levied under Section 3.1 of S.L. 1997-417, as added by Section 30
17 of S.L. 2006-162 and amended by Section 2.(h) of S.L. 2009-527 and this
18 act, as provided in that act.
- 19 (2) The City shall transfer control of the operational assets of CATS to the Authority
20 subject to use agreements between the City and Authority.
- 21 (3) The City shall retain ownership of any assets that are pledged as security for any
22 outstanding indebtedness. Once any outstanding indebtedness is satisfied, the
23 City shall begin transferring ownership of these assets of CATS to the Authority
24 as provided in the agreements.
- 25 (4) The City shall begin transferring ownership of other physical assets of CATS to
26 the Authority as provided in the agreements.
- 27 (5) The City shall retain the \$30 million required fund balance from the existing
28 CATS Revenue Reserve Fund. If these reserves must be used by the City to cover
29 any debt service payments due within the current fiscal year, the Authority shall
30 provide an amount sufficient to return the fund balance to the \$30 million
31 required balance. Once all applicable debt obligations have been satisfied, any
32 amount remaining in the Fund shall revert to the Authority.
- 33 (6) The Authority shall begin making payments to the City in accordance with
34 agreements between the Authority and City for the following:
35 a. An amount to the City that is, at a minimum, sufficient to cover any debt
36 service payments due within the current fiscal year. Amounts must be
37 provided according to a schedule that ensures the funds are available prior
38 to the required payment dates.
39 b. An amount to reimburse the City for the acquisition of the Norfolk
40 Southern O-Line as provided in the agreements.
- 41 (7) Except as provided with specifically identified positions or individuals,
42 employees of CATS shall be transferred from the City to the Authority.

43 **SECTION 6.6.** If Mecklenburg County enacts a tax authorized by Part IV of this act,
44 then as of the date the tax levied under that Part becomes effective the interlocal agreement
45 between Mecklenburg County, the City of Charlotte, the Town of Cornelius, the Town of
46 Davidson, the Town of Huntersville, the Town of Matthews, the Town of Mint Hill, and the

1 Town of Pineville dated February 16, 1999, as amended, and any other interlocal agreement with
2 respect to the tax levied under Article 43 of Chapter 105 of the General Statutes or a tax levied
3 under Section 3.1 of S.L. 1997-417, as added by Section 30 of S.L. 2006-162 and amended by
4 Section 2.(h) of S.L. 2009-527 and this act, is terminated subject to any continuing obligations
5 agreed to by the parties to that agreement. In addition, the Metropolitan Transit Commission is
6 dissolved as of that date.

7 **SECTION 6.7.** If Mecklenburg County creates a metropolitan public transportation
8 authority under Article 33 of Chapter 160A, as enacted by Part V of this act, then,
9 notwithstanding G.S. 160A-890 as enacted by that Part, any service outside of the territorial
10 jurisdiction of the Authority that is offered as of the date that the Authority assumes operational
11 control of the assets of CATS may continue without the governing bodies of the applicable
12 political subdivisions granting approval by majority vote for the continuation of service.

13
14 **PART VII. REVENUE BONDS**

15 **SECTION 7.1.** The definitions in G.S. 159-81 apply in this Part.

16 **SECTION 7.2.** In addition to the revenues included in G.S. 159-81(4), a municipality
17 may include as revenues the receipts from any sales and use tax or other local tax received by a
18 municipality in connection with its ownership and operation of a revenue bond project or a utility
19 or public service enterprise facility or system of which a revenue bond project is a part as long as
20 the pledge of such receipts does not constitute a pledge of the municipality's taxing power.

21 **SECTION 7.3.** In addition to the powers provided in G.S. 159-83, a municipality has the
22 authority to finance and refinance the cost of public transportation systems, facilities, or
23 equipment with bonds or notes secured in one or more of the following ways: (1) By the
24 revenues of the public transportation systems, facilities, or equipment, (2) By pledge, mortgage,
25 or grant of a security interest in all or a portion of the real and personal property, whether owned
26 or leased, comprising the public transportation systems, facilities, or equipment, and (3) as
27 otherwise provided in Article 5 of Chapter 159 of the General Statutes. Notwithstanding
28 anything in G.S. 159-83(a) or otherwise in Article 5 of Chapter 159 of the General Statutes to the
29 contrary, each municipality may secure bonds or notes by a pledge of all or any portion of the
30 revenues of public transportation systems, facilities, or equipment without regard to meeting the
31 expense and maintenance and operation of and renewals and replacements with respect to the
32 revenue bond project.

33 **SECTION 7.4.** This Part applies only to cities with a population of greater than 870,000
34 according to the 2020 federal decennial census or any subsequent federal decennial census and
35 metropolitan public transportation authorities created under Article 33 of Chapter 160A of the
36 General Statutes, as enacted by Part V of this act.

37
38 **PART VIII. CONFORMING CHANGES**

39 **SECTION 8.1.** G.S. 40A-3(c) reads as rewritten:

40 “(c) Other Public Condemnors. – For the public use or benefit, the following political
41 entities shall possess the power of eminent domain and may acquire property by purchase, gift,
42 or condemnation for the stated purposes.

43 ...
44 (14) A metropolitan public transportation authority established under Article 33 of
45 Chapter 160A of the General Statutes for the purposes of that Article.”

46 **SECTION 8.2.** G.S. 105-164.14(c) reads as rewritten:

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

13 This subsection applies only to the following governmental entities:

- 14 ...
- 15 (15) A regional public transportation authority created pursuant to Article 26 of
16 Chapter 160A of the General Statutes, a metropolitan public transportation
17 authority created pursuant to Article 33 of Chapter 160A of the General Statutes,
18 or a regional transportation authority created pursuant to Article 27 of Chapter
19 160A of the General Statutes.

20 ...”

21 **SECTION 8.3.** G.S. 136-44.20(b1) reads as rewritten:

22 “(b1) The Secretary may, subject to the appropriations made by the General Assembly
23 for any fiscal year, enter into State Full Funding Grant Agreements with a Regional Public
24 Transportation Authority (RPTA) duly created and existing pursuant to Article 26 of Chapter
25 ~~160A,~~ 160A of the General Statutes, a Regional Transportation Authority (RTA) duly created
26 and existing pursuant to Article 27 of Chapter ~~160A,~~ 160A of the General Statutes, a
27 Metropolitan Public Transportation Authority (MPTA) duly created and existing pursuant to
28 Article 33 of Chapter 160A of the General Statutes, or a city organized under the laws of this
29 State as defined in G.S. 160A-1(2), to provide State matching funds for "new start" fixed
30 guideway projects in development by any entity pursuant to 49 U.S.C. § 5309. These grant
31 agreements shall be executable only upon an Authority's or city's completion of and the Federal
32 Transit Administration (FTA) approval of Preliminary Engineering and Environmental Impact
33 Studies in anticipation of federal funding pursuant to 49 U.S.C. § 5309.

34 Prior to executing State Full Funding Grant Agreements, the Secretary shall submit proposed
35 grant agreements or amendments to the Joint Legislative Transportation Oversight Committee
36 for review. The agreements, consistent with federal guidance, shall define the limits of the "new
37 starts" projects within the State, commit maximum levels of State financial participation, and
38 establish terms and conditions of State financial participation.

39 State Full Funding Grant Agreements may provide for contribution of State funds in
40 multiyear allotments. The multiyear allotments shall be based upon the Department's estimates,
41 made in conjunction with an Authority or city, of the grant amount required for "new start"
42 project work to be performed in the appropriation fiscal year.

43 State funds may be used to fund fixed guideway projects developed without federal funding
44 by the Department, a Regional Public Transportation Authority (RPTA) duly created and
45 existing pursuant to Article 26 of Chapter 160A of the General Statutes, a Regional
46 Transportation Authority (RTA) duly created and existing pursuant to Article 27 of Chapter

1 160A of the General Statutes, a Metropolitan Public Transportation Authority (MPTA) duly
2 created and existing pursuant to Article 33 of Chapter 160A of the General Statutes, or a unit of
3 local government. In addition, State funds may be used to pay administrative costs incurred by
4 the Department while participating in such fixed guideway projects.”

5 **SECTION 8.4.** G.S. 136-44.27(e) and (f) read as rewritten:

6 “(e) Funds distributed by the Department under this section shall be used by counties,
7 public transportation authorities, metropolitan public transportation authorities, or regional
8 public transportation authorities in a manner consistent with transportation development plans
9 which have been approved by the Department and the Board of County Commissioners. To
10 receive funds apportioned for a given fiscal year, a county shall have an approved transportation
11 development plan. Funds that are not obligated in a given fiscal year due to the lack of such a
12 plan will be distributed to the eligible counties based upon the distribution formula prescribed by
13 subsection (d) of this section.

14 (f) A regional public transportation authority created pursuant to Article 25 or Article 26 of
15 Chapter 160A of the General Statutes and a metropolitan public transportation authority created
16 under Article 33 of Chapter 160A of the General Statutes may, upon written agreement with the
17 municipalities served by a public transportation authority, county served by the metropolitan
18 public transportation authority, or counties served by the regional public transportation authority,
19 apply for and receive any funds to which the member municipality or counties are entitled to
20 receive based on the distribution formula set out in subsection (d) of this section.”

21 **SECTION 8.5.** G.S. 143-129(h) reads as rewritten:

22 “(h) Transportation Authority Purchases. – Notwithstanding any other provision of this
23 section, any board or governing body of any regional public transportation authority, hereafter
24 referred to as a "RPTA," created pursuant to Article 26 of Chapter 160A of the General Statutes,
25 ~~or~~ a regional transportation authority, hereafter referred to as a "RTA," created pursuant to
26 Article 27 of Chapter 160A of the General Statutes, or a metropolitan public transportation
27 authority, hereafter referred to as a “MPTA”, created pursuant to Article 33 of Chapter 160A of
28 the General Statutes may approve the entering into of any contract for the purchase, lease, or
29 other acquisition of any apparatus, supplies, materials, or equipment without competitive bidding
30 and without meeting the requirements of subsection (b) of this section if the following
31 procurement by competitive proposal (Request for Proposal) method is followed.

32 The competitive proposal method of procurement is normally conducted with more than one
33 source submitting an offer or proposal. Either a fixed price or cost reimbursement type contract
34 is awarded. This method of procurement is generally used when conditions are not appropriate
35 for the use of sealed bids. If this procurement method is used, all of the following requirements
36 apply:

- 37 (1) Requests for proposals shall be publicized. All evaluation factors shall be
38 identified along with their relative importance.
- 39 (2) Proposals shall be solicited from an adequate number of qualified sources.
- 40 (3) ~~RPTAs or RTAs~~ RPTAs, RTAs, or MPTAs shall have a method in place for
41 conducting technical evaluations of proposals received and selecting awardees,
42 with the goal of promoting fairness and competition without requiring strict
43 adherence to specifications or price in determining the most advantageous
44 proposal.
- 45 (4) The award may be based upon initial proposals without further discussion or
46 negotiation or, in the discretion of the evaluators, discussions or negotiations may

1 be conducted either with all offerors or with those offerors determined to be
2 within the competitive range, and one or more revised proposals or a best and
3 final offer may be requested of all remaining offerors. The details and deficiencies
4 of an offeror's proposal may not be disclosed to other offerors during any period
5 of negotiation or discussion.

- 6 (5) The award shall be made to the responsible firm whose proposal is most
7 advantageous to the ~~RPTA's or the RTA's~~ RPTA's, RTA's, or MPTA's program
8 with price and other factors considered.

9 The contents of the proposals shall not be public records until 14 days before the award of
10 the contract.

11 The board or governing body of the ~~RPTA or the RTA~~ RPTA, the RTA, or the MPTA shall,
12 at the regularly scheduled meeting, by formal motion make findings of fact that the procurement
13 by competitive proposal (Request for Proposals) method of procuring the particular apparatus,
14 supplies, materials, or equipment is the most appropriate acquisition method prior to the issuance
15 of the requests for proposals and shall by formal motion certify that the requirements of this
16 subsection have been followed before approving the contract.

17 Nothing in this subsection subjects a procurement by competitive proposal under this
18 subsection to G.S. 143-49, 143-52, or 143-53.”

19 ~~RPTAs and RTAs~~ RPTAs, RTAs, and MPTAs may adopt regulations to implement this
20 subsection.”

21 **SECTION 8.6.** G.S. 143-157.1(d) reads as rewritten:

22 “(d) Reporting by Local Units of Government. – By September 1 of each year and
23 with regard to each local board listed in this subsection, the information required by subsection
24 (b) of this section shall be submitted on behalf of the appointing authority to the Secretary of
25 State by the clerk of that appointing authority. Appointments to each of the following local
26 boards, whether established by State law or local decision, or appointments to those local boards
27 having equivalent functions, however named or denominated, must be reported:

- 28 ...
29 (26) A public transportation authority created pursuant to Article 25 of Chapter 160A
30 of the General Statutes, a regional public transportation authority created pursuant
31 to Article 26 of Chapter 160A of the General Statutes, ~~or~~ a regional transportation
32 authority created pursuant to Article 27 of Chapter 160A of the General
33 ~~Statutes-Statutes~~, or a metropolitan public transportation authority created
34 pursuant to Article 33 of Chapter 160A of the General Statutes.

35 ...”

36 **SECTION 8.7.** G.S. 153A-148.1(a) reads as rewritten:

37 “(a) Disclosure Prohibited. – Notwithstanding Chapter 132 of the General Statutes or
38 any other law regarding access to public records, local tax records that contain information about
39 a taxpayer's income or receipts are not public records. A current or former officer, employee, or
40 agent of a county who in the course of service to or employment by the county has access to
41 information about the amount of a taxpayer's income or receipts may not disclose the
42 information to any other person unless the disclosure is made for one of the following purposes:

- 43 ...
44 (4) To exchange information with a regional public transportation ~~authority or~~
45 authority, a regional transportation authority, or a metropolitan public
46 transportation authority, created pursuant to Article ~~26 or~~ 26, Article 27, or 33 of

Chapter 160A of the General Statutes, when the information is needed to fulfill a duty imposed on the authority or on the county.

...

SECTION 8.8. G.S. 159-48(e) reads as rewritten:

“(e) Each sanitary district, mosquito control district, hospital district, merged school administrative unit described in G.S. 115C-513, metropolitan sewerage district, metropolitan water district, metropolitan water and sewerage district, county water and sewer district, regional public transportation authority, metropolitan public transportation authority, and special airport district may borrow money and issue its bonds under this Article in evidence thereof for the purpose of paying any capital costs of any one or more of the purposes for which it is authorized, by general laws uniformly applicable throughout the State, to raise or appropriate money, except for current expenses.”

SECTION 8.9. G.S. 159-81 reads as rewritten:

“§ 159-81. Definitions.

The words and phrases defined in this section shall have the meanings indicated when used in this Article:

- (1) "Municipality" means a county, city, town, incorporated village, sanitary district, metropolitan sewerage district, metropolitan water district, metropolitan water and sewerage district, county water and sewer district, water and sewer authority, hospital authority, hospital district, parking authority, special airport district, special district created under Article 43 of Chapter 105 of the General Statutes, regional public transportation authority, regional transportation authority, metropolitan public transportation authority, regional natural gas district, regional sports authority, airport authority, joint agency created pursuant to Part 1 of Article 20 of Chapter 160A of the General Statutes, a joint agency authorized by agreement between two cities to operate an airport pursuant to G.S. 63-56, the North Carolina Turnpike Authority described in Article 6H of Chapter 136 of the General Statutes and transferred to the Department of Transportation pursuant to G.S. 136-89.182(b), and a Ferry Transportation Authority created pursuant to Article 29 of Chapter 160A of the General Statutes, but not any other forms of State or local government.

...

SECTION 8.10. G.S. 160A-20(h) reads as rewritten:

“(h) Local Government Defined. – As used in this section, the term "unit of local government" means any of the following:

...

- (11) A regional public transportation ~~authority or authority~~, a regional transportation authority, or a metropolitan public transportation authority created pursuant to Article ~~26 or 26~~, Article 27, or Article 33 of this Chapter.

...

PART IX. MISCELLANEOUS PROVISIONS

SECTION 9.1. It is the intent of the General Assembly not to reduce transportation funding allocations for any municipality in Mecklenburg County as a result of the enactment of this act or the levy of a tax under the provisions of this act. In addition, it is the intent of the General Assembly not to reduce State transportation funding for State projects located in

1 Mecklenburg County as a result of the enactment of this act or the levy of a tax under the
2 provisions of this act. Without specific authorization from the General Assembly, the
3 Department of Transportation may not reduce funding for any transportation projects as a result
4 of this act or the levy of a tax pursuant to Parts II, III, or IV of this act.

5 **SECTION 9.2.** Except as otherwise provided, this act is effective when it becomes law.
6

ⁱ https://www.bts.gov/archive/publications/transportation_statistics_annual_report/2016/chapter_5 (Last viewed 5/21/24).

ⁱⁱ <https://www.apta.com/research-technical-resources/economic-impact-of-public-transit/> (Last viewed 5/21/24).

ⁱⁱⁱ <https://www.nlc.org/article/2023/06/29/how-transportation-can-drive-economic-mobility/> (Last viewed 5/21/24).

^{iv} <https://www.accessmagazine.org/spring-2011/transportation-jobs-economic-growth/#:~:text=Sound%20transportation%20investments%20lower%20the.a%20higher%20standard%20of%20living.> (Last viewed 5/21/24).

^v https://finance.yahoo.com/news/traffic-congestion-costs-commuters-valuable-122500799.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xllmNvbS8&guce_referrer_sig=AQAAANYNhNFd61P_p2v-I3GMJ_-e-xAme693klJLr_dWKxa7P-DIBezlOlyQ0UgfyU87Dg3yzSEzEz-ENS7K1mnLn7uKB525R_TBAmUuwCJ_nOYHIHPG2fByyCYrVQXlaussIMlnJU96aJLMtUn4qQzOcMyyk_kmPQhaxxBWwwCamuX (Last viewed 5/21/24).

^{vi} <https://www.transportation.gov/sites/dot.gov/files/docs/Costs%20of%20Surface%20Transportation%20Congestion.pdf> (Last viewed 5/21/24).

^{vii} <https://www.theswaddle.com/traffic-mental-health-problems> (Last viewed 5/21/24).

^{viii} <https://www.forbes.com/home-improvement/moving-services/hardest-commutes-in-us/#:~:text=The%20top%20five%20hardest%20commutes,the%20top%2010%2C%20along%20with.> (Last viewed 5/21/24).

^{ix} <https://mobility.tamu.edu/umr/congestion-data/> (Last viewed 5/21/24).

^x *Id.*

^{xi} CLT Alliance, Population and Demographic Changes in the Charlotte Region, September 2021

^{xii} CLT Alliance Economic Impacts of Mobility Investments in Mecklenburg County and the Benefits to the Charlotte Region (Executive Summary)