

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE BILL 1734\*

Short Title: DOT Powers and Duties Changes. (Public)

Sponsors: Representatives Cole; Dockham, Hughes, and Rapp.

Referred to: Transportation, if favorable, Ways and Means/Broadband Connectivity.

May 17, 2010

A BILL TO BE ENTITLED

1 AN ACT TO ELIMINATE A DEPARTMENT OF TRANSPORTATION REPORT ON THE  
2 CONDITION OF ITS BUILDINGS; CORRECT A STATUTORY REFERENCE TO THE  
3 DEPARTMENT OF TRANSPORTATION'S CHIEF FINANCIAL OFFICER;  
4 ELIMINATE STATUTORY REFERENCES TO A SEVEN-YEAR TRANSPORTATION  
5 IMPROVEMENT PROGRAM; CLARIFY THAT THE DEPARTMENT OF  
6 TRANSPORTATION HAS AUTHORITY AND GENERAL SUPERVISION OVER ALL  
7 TRANSPORTATION PROJECTS; PROVIDE THAT THE DEPARTMENT OF  
8 TRANSPORTATION HAS AUTHORITY TO ENTER INTO AGREEMENTS WITH  
9 LOCAL GOVERNMENTS TO RECEIVE FUNDS FOR RIGHT-OF-WAY  
10 ACQUISITION; UPDATE STATUTORY REFERENCES TO THE NORTH CAROLINA  
11 TURNPIKE AUTHORITY; ELIMINATE A DEPARTMENT OF TRANSPORTATION  
12 REPORT ON ACCESS TO COASTAL WATERS; REVISE THE STATUTES  
13 GOVERNING THE DEPARTMENT OF TRANSPORTATION'S DISADVANTAGED  
14 MINORITY-OWNED AND WOMEN-OWNED BUSINESSES PROGRAM; MODIFY  
15 THE EFFECT OF MUNICIPAL PARTICIPATION ON DEPARTMENT OF  
16 TRANSPORTATION PROJECTS; AND TRANSFER TO THE SECRETARY THE  
17 POWER TO PROMULGATE DEPARTMENT OF TRANSPORTATION RULES, AS  
18 RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT  
19 COMMITTEE.  
20

21 The General Assembly of North Carolina enacts:

22 **SECTION 1.** G.S. 136-11 is repealed.

23 **SECTION 2.** G.S. 136-16.10 reads as rewritten:

24 "**§ 136-16.10. Allocations by Department ~~Controller~~ Chief Financial Officer to eliminate**  
25 **overdrafts.**

26 The ~~Controller~~ Chief Financial Officer of the Department of Transportation shall allocate at  
27 the beginning of each fiscal year from the various appropriations made to the Department of  
28 Transportation for State Construction, State Funds to Match Federal Highway Aid, State  
29 Maintenance, and Ferry Operations, sufficient funds to eliminate all overdrafts on State  
30 maintenance and construction projects, and these allocations shall not be diverted to other  
31 purposes."

32 **SECTION 3.** G. S. 136-17.2A(d) reads as rewritten:

33 "(d) In each fiscal year, the Department shall, as nearly as practicable, expend in a  
34 distribution region an amount equal to that region's tentative percentage share of the funds that  
35 are subject to this section and are available for that fiscal year. In any ~~consecutive seven-year~~  
36 Transportation Improvement Plan period, the amount expended in a distribution region must be  
37 between ninety percent (90%) and one hundred ten percent (110%) of the sum of the amounts



1 established under this subsection as the target amounts to be expended in the region for ~~those~~  
2 ~~seven years.~~that period."

3 **SECTION 4.** G.S. 136-18(1) reads as rewritten:

4 **"§ 136-18. Powers of Department of Transportation.**

5 The said Department of Transportation is vested with the following powers:

- 6 (1) The authority and general supervision over all matters relating to the  
7 ~~construction~~construction, maintenance, and design of the State ~~highways,~~  
8 transportation projects, letting of contracts therefore, and the selection of  
9 materials to be used in the construction of State ~~highways~~transportation  
10 projects under the authority of this Chapter."

11 **SECTION 5.** G.S. 136-18(12b) reads as rewritten:

12 **"§ 136-18. Powers of Department of Transportation.**

13 The said Department of Transportation is vested with the following powers:

- 14 (12b) To issue "GARVEE" bonds (Grant Anticipation Revenue Vehicles) or other  
15 eligible debt-financing instruments to finance federal-aid highway projects  
16 using federal funds to pay a portion of principal, interest, and related bond  
17 issuance costs, as authorized by 23 U.S.C. § 122, as amended (the National  
18 Highway System Designation Act of 1995, Pub. L. 104-59). These bonds  
19 shall be issued by the State Treasurer on behalf of the Department and shall  
20 be issued pursuant to an order adopted by the Council of State under  
21 G.S. 159-88. The State Treasurer shall develop and adopt appropriate debt  
22 instruments, consistent with the terms of the State and Local Government  
23 Revenue Bond Act, Article 5 of Chapter 159 of the General Statutes, for use  
24 under this subdivision. Prior to issuance of any "GARVEE" or other eligible  
25 debt instrument using federal funds to pay a portion of principal, interest,  
26 and related bond issuance costs, the State Treasurer shall determine (i) that  
27 the total outstanding principal of such debt does not exceed the total amount  
28 of federal transportation funds authorized to the State in the prior federal  
29 fiscal year; or (ii) that the maximum annual principal and interest of such  
30 debt does not exceed fifteen percent (15%) of the expected average annual  
31 federal revenue shown for the ~~seven-year~~ period in the most recently  
32 adopted Transportation Improvement Program. Notes issued under the  
33 provisions of this subdivision may not be deemed to constitute a debt or  
34 liability of the State or of any political subdivision thereof, or a pledge of the  
35 full faith and credit of the State or of any political subdivision thereof, but  
36 shall be payable solely from the funds and revenues pledged therefor. All the  
37 notes shall contain on their face a statement to the effect that the State of  
38 North Carolina shall not be obligated to pay the principal or the interest on  
39 the notes, except from the federal transportation fund revenues as shall be  
40 provided by the documents governing the revenue note issuance, and that  
41 neither the faith and credit nor the taxing power of the State of North  
42 Carolina or of any of its political subdivisions is pledged to the payment of  
43 the principal or interest on the notes. The issuance of notes under this Part  
44 shall not directly or indirectly or contingently obligate the State or any of its  
45 political subdivisions to levy or to pledge any form of taxation whatever or  
46 to make any appropriation for their payment."

47 **SECTION 6.** G.S. 136-18(38) reads as rewritten:

48 **"§ 136-18. Powers of Department of Transportation.**

49 The said Department of Transportation is vested with the following powers:

- 50 (38) To enter into agreements with municipalities, counties, governmental  
51 entities, or nonprofit corporations to receive funds for the ~~purpose~~purposes

1 of advancing right-of-way acquisition or the construction schedule of a  
2 project identified in the Transportation Improvement Program. If these funds  
3 are subject to repayment by the Department, prior to receipt of funds,  
4 reimbursement of all funds received by the Department shall be shown in the  
5 existing Transportation Improvement Program and shall be reimbursed  
6 within ~~seven years of receipt~~. the period of the existing Transportation  
7 Improvement Program."

8 **SECTION 7.** G.S. 136-18(39) reads as rewritten:

9 **"§ 136-18. Powers of Department of Transportation.**

10 The said Department of Transportation is vested with the following powers:

11 (39) To enter into partnership agreements with ~~the North Carolina Turnpike~~  
12 ~~Authority~~, private entities, and authorized political subdivisions to finance,  
13 by tolls, contracts, and other financing methods authorized by law, the cost  
14 of acquiring, constructing, equipping, maintaining, and operating  
15 transportation infrastructure in this State, and to plan, design, develop,  
16 acquire, construct, equip, maintain, and operate transportation infrastructure  
17 in this State. An agreement entered into under this subdivision requires the  
18 concurrence of the Board of Transportation. The Department shall report to  
19 the Chairs of the Joint Legislative Transportation Oversight Committee, the  
20 Chairs of the House of Representatives Appropriations Subcommittee on  
21 Transportation, and the Chairs of the Senate Appropriations Committee on  
22 the Department of Transportation, at the same time it notifies the Board of  
23 Transportation of any proposed agreement under this subdivision. Any  
24 contracts for construction of highways, roads, streets, and bridges which are  
25 awarded pursuant to an agreement entered into under this section shall  
26 comply with the competitive bidding requirements of Article 2 of this  
27 Chapter."

28 **SECTION 8.** G.S. 136-18(40) reads as rewritten:

29 **"§ 136-18. Powers of Department of Transportation.**

30 The said Department of Transportation is vested with the following powers:

31 (40) To expand public access to coastal waters in its road project planning and  
32 construction programs. The Department shall work with the Wildlife  
33 Resources Commission, other State agencies, and other government entities  
34 to address public access to coastal waters along the roadways, bridges, and  
35 other transportation infrastructure owned or maintained by the Department.  
36 The Department shall adhere to all applicable design standards and  
37 guidelines in implementation of this enhanced access. ~~The Department shall~~  
38 ~~report on its progress in expanding public access to coastal waters to the~~  
39 ~~Joint Legislative Commission on Seafood and Aquaculture and to the Joint~~  
40 ~~Legislative Transportation Oversight Commission no later than March 1 of~~  
41 ~~each year."~~

42 **SECTION 9.** G.S. 136-28.4 reads as rewritten:

43 **"§ 136-28.4. State policy concerning participation by disadvantaged minority-owned and**  
44 **women-owned businesses in highway transportation contracts.**

45 (a) It is the policy of this State, based on a compelling governmental interest, to  
46 encourage and promote participation by disadvantaged minority-owned and women-owned  
47 businesses in contracts let by the Department pursuant to this Chapter for the planning, design,  
48 preconstruction, construction, alteration, or maintenance of State ~~highways, roads, streets, or~~  
49 ~~bridges~~ transportation infrastructure and in the procurement of materials for these projects. All  
50 State agencies, institutions, and political subdivisions shall cooperate with the Department of  
51 Transportation and among themselves in all efforts to conduct outreach and to encourage and

1 promote the use of disadvantaged minority-owned and women-owned businesses in these  
2 contracts.

3 (b) At least every five years, the Department shall conduct a study on the availability  
4 and utilization of disadvantaged minority-owned and women-owned business enterprises and  
5 examine relevant evidence of the effects of race-based or gender-based discrimination upon the  
6 utilization of such business enterprises in contracts for planning, design, preconstruction,  
7 construction, alteration, or maintenance of State ~~highways, roads, streets, or bridges~~  
8 transportation infrastructure and in the procurement of materials for these projects. Should the  
9 study show a strong basis in evidence of ongoing effects of past or present discrimination that  
10 prevents or limits disadvantaged minority-owned and women-owned businesses from  
11 participating in the above contracts at a level which would have existed absent such  
12 discrimination, such evidence shall constitute a basis for the State's continued compelling  
13 governmental interest in remedying such race and gender discrimination in ~~highway~~  
14 transportation contracting. Under such circumstances, the Department shall, in conformity with  
15 State and federal law, adopt by rule and contract provisions a specific program to remedy such  
16 discrimination. This specific program shall, to the extent reasonably practicable, address each  
17 barrier identified in such study that adversely affects contract participation by disadvantaged  
18 minority-owned and women-owned businesses.

19 (b1) Based upon the findings of the Department's ~~Second Generation Disparity Study~~  
20 ~~completed in 2004~~, 2009 study entitled "Measuring Business Opportunity: A Disparity Study of  
21 NCDOT's State and Federal Programs" hereinafter referred to as "Study", the program design  
22 shall, to the extent reasonably practicable, incorporate narrowly tailored remedies identified in  
23 the Study, and the Department shall implement a comprehensive antidiscrimination  
24 enforcement policy. As appropriate, the program design shall be modified by rules adopted by  
25 the Department that are consistent with findings made in the Study and in subsequent studies  
26 conducted in accordance with subsection (b) of this section. As part of this program, the  
27 Department shall review its budget and establish ~~annual~~ aspirational goals every three years,  
28 not mandatory goals, in percentages, for the overall participation in contracts by disadvantaged  
29 minority-owned and women-owned businesses. These ~~annual~~ aspirational goals for  
30 disadvantaged minority-owned and women-owned businesses shall be established consistent  
31 with ~~federal methodology specified in the Study~~, methodology, and they shall not be applied  
32 rigidly on specific contracts or projects. Instead, the Department shall establish  
33 contract-specific goals or project-specific goals for the participation of such firms in a manner  
34 consistent with availability of disadvantaged minority-owned and women-owned businesses, as  
35 appropriately defined by its most recent Study, for each disadvantaged minority-owned and  
36 women-owned business category that has demonstrated significant disparity in contract  
37 utilization. Nothing in this section shall authorize the use of quotas. Any program implemented  
38 as a result of the Study conducted in accordance with this section shall be narrowly tailored to  
39 eliminate the effects of historical and continuing discrimination and its impacts on such  
40 disadvantaged minority-owned and women-owned businesses without any undue burden on  
41 other contractors. The Department shall give equal opportunity for contracts it lets without  
42 regard to race, religion, color, creed, national origin, sex, age, or handicapping condition, as  
43 defined in G.S. 168A-3, to all contractors and businesses otherwise qualified.

44 (c) The following definitions apply in this section:

- 45 (1) "Disadvantaged ~~business~~Business" has the same meaning as "disadvantaged  
46 business enterprise" in 49 C.F.R. § 26.5 Subpart A or any subsequently  
47 promulgated replacement regulation.
- 48 (2) "Minority" includes only those racial or ethnicity classifications identified by  
49 a study conducted in accordance with this section that have been subjected to  
50 discrimination in the relevant marketplace and that have been adversely  
51 affected in their ability to obtain contracts with the Department.

1           (3)    "Women" means a nonminority person born of the female gender.

2           (d)    The Department shall report ~~semiannually~~annually to the Joint Legislative  
3 Transportation Oversight Committee on the utilization of disadvantaged minority-owned  
4 businesses and women-owned businesses and any program adopted to promote contracting  
5 opportunities for those businesses. Following each study of availability and utilization, the  
6 Department shall report to the Joint Legislative Transportation Oversight Committee on the  
7 results of the study for the purpose of determining whether the provisions of this section should  
8 continue in force and effect.

9           (e)    This section expires August 31, ~~2010~~ 2014."

10           **SECTION 10.** G.S. 136-66.3 reads as rewritten:

11    **"§ 136-66.3. Local government participation in improvements to the State transportation**  
12    **system.**

13           (a)    Municipal Participation Authorized. – A municipality may, but is not required to,  
14 participate in the right-of-way and construction cost of a State transportation improvement  
15 approved by the Board of Transportation under G.S. 143B-350(f)(4) that is located in the  
16 municipality or its extraterritorial jurisdiction.

17           (b)    Process for Initiating Participation. – A municipality interested in participating in  
18 the funding of a State highway improvement project may submit a proposal to the Department  
19 of Transportation. The Department and the municipality shall include their respective  
20 responsibilities for a proposed municipal participation project in any agreement reached  
21 concerning participation.

22           (c)    Type of Participation Authorized. – A municipality is authorized and empowered to  
23 acquire land by dedication and acceptance, purchase, or eminent domain, and make  
24 improvements to portions of the State transportation system lying within or outside the  
25 municipal corporate limits utilizing local funds that have been authorized for that purpose. All  
26 improvements to State transportation systems shall be done in accordance with the  
27 specifications and requirements of the Department of Transportation.

28           ~~(c1)    No TIP Disadvantage for Participation. — If a county or municipality participates in~~  
29 ~~a State transportation system improvement project, as authorized by this section, or by~~  
30 ~~G.S. 136-51 and G.S. 136-98, the Department shall ensure that the local government's~~  
31 ~~participation does not cause any disadvantage to any other project in the Transportation~~  
32 ~~Improvement Program under G.S. 143B-350(f)(4).~~

33           (c2)    Distribution of State Funds Made Available by County or Municipal Participation. –  
34 Any State or federal funds allocated to a project that are made available by county or municipal  
35 participation in a project contained in the Transportation Improvement Program under  
36 G.S. 143B-350(f)(4) shall remain in the same funding region that the funding was allocated to  
37 under the distribution formula contained in G.S. 136-17.2A.

38           ~~(c3)    Limitation on Agreements. — The Department shall not enter into any agreement~~  
39 ~~with a county or municipality to provide additional total funding for highway construction in~~  
40 ~~the county or municipality in exchange for county or municipal participation in any project~~  
41 ~~contained in the Transportation Improvement Program under G.S. 143B-350(f)(4).~~

42           (d)    Authorization to Participate in Development-Related Improvements. – When in the  
43 review and approval by a local government of plans for the development of property abutting a  
44 State transportation system it is determined by the municipality that improvements to the State  
45 highway system are necessary to provide for the safe and orderly movement of traffic, the local  
46 government is authorized to construct, or have constructed, said improvements to the State  
47 transportation system in vicinity of the development. For purposes of this section,  
48 improvements include but are not limited to additional travel lanes, turn lanes, curb and gutter,  
49 drainage facilities, and other transportation system improvements. All improvements to a State  
50 transportation system shall be constructed in accordance with the specifications and

1 requirements of the Department of Transportation and be approved by the Department of  
2 Transportation.

3 (e) Authorization to Participate in Project Additions. – Pursuant to an agreement with  
4 the Department of Transportation, a county or municipality may reimburse the Department of  
5 Transportation for the cost of all improvements, including additional right-of-way, for a street,  
6 highway improvement projects, or other transportation system improvements approved by the  
7 Board of Transportation under G.S. 143B-350(f)(4), that are in addition to those improvements  
8 that the Department of Transportation would normally include in the project.

9 (e1) Reimbursement Procedure. – Upon request of the county or municipality, the  
10 Department of Transportation shall allow the local government a period of not less than three  
11 years from the date construction of the project is initiated to reimburse the Department their  
12 agreed upon share of the costs necessary for the project. The Department of Transportation  
13 shall not charge a local government any interest during the initial three years.

14 (f) Report to General Assembly. – The Department shall report in writing, on a  
15 monthly basis, to the Joint Legislative Commission on Governmental Operations on all  
16 agreements entered into between counties, municipalities and the Department of  
17 Transportation. The report shall state in summary form the contents of such agreements.

18 (g) Local Government Acquisition of Rights-of-Way. – In the acquisition of  
19 rights-of-way for any State street, highway, or other transportation project, the county or  
20 municipality shall be vested with the same authority to acquire such rights-of-way as is granted  
21 to the Department of Transportation in this Chapter. In the acquisition of such rights-of-way,  
22 counties and municipalities may use the procedures provided in Article 9 of this Chapter, and  
23 wherever the words "Department of Transportation" appear in Article 9 they shall be deemed to  
24 include "county," "municipality" or local governing body, and wherever the words  
25 "Administrator," "Administrator of Highways," "Administrator of the Department of  
26 Transportation," or "Chairman of the Department of Transportation" appear in Article 9 they  
27 shall be deemed to include "county or municipal clerk". It is the intention of this subsection that  
28 the powers herein granted to municipalities for the purpose of acquiring rights-of-way shall be  
29 in addition to and supplementary to those powers granted in any local act or in any other  
30 general statute, and in any case in which the provisions of this subsection or Article 9 of this  
31 Chapter are in conflict with the provisions of any local act or any other provision of any general  
32 statute, then the governing body of the county or municipality may in its discretion proceed in  
33 accordance with the provisions of such local act or other general statute, or, as an alternative  
34 method of procedure, in accordance with the provisions of this subsection and Article 9 of this  
35 Chapter.

36 (h) Department Authority Concerning Rights-of-Way. – In the absence of an  
37 agreement, the Department of Transportation shall retain authority to pay the full cost of  
38 acquiring rights-of-way where the proposed project is deemed important to a coordinated State  
39 transportation system.

40 (i) Changes to Local Government Participation Agreement. – Either the local  
41 government or the Department of Transportation may at any time propose changes in the  
42 agreement setting forth their respective responsibilities by giving notice to the other party, but  
43 no change shall be effective until it is adopted by both the municipal governing body and the  
44 Department of Transportation.

45 (j) Local Governments Party to Rights-of-Way Proceeding. – Any municipality that  
46 agrees to contribute any part of the cost of acquiring rights-of-way for any State transportation  
47 system shall be a proper party in any proceeding in court relating to the acquisition of such  
48 rights-of-way.

49 (k) Repealed by Session Laws 2008-180, s. 6, effective August 4, 2008."

50 **SECTION 11.** G.S. 136-89.189 reads as rewritten:

51 **"§ 136-89.189. Turnpike Authority revenue bonds.**

1 The Authority shall be a municipality for purposes of Article 5 of Chapter 159 of the  
2 General Statutes, the State and Local Government Revenue Bond Act, and may issue revenue  
3 bonds pursuant to that Act to pay all or a portion of the cost of a Turnpike Project or to refund  
4 any previously issued bonds. In connection with the issuance of revenue bonds, the Authority  
5 shall have all powers of a municipality under the State and Local Government Revenue Bond  
6 Act, and revenue bonds issued by the Authority shall be entitled to the protection of all  
7 provisions of the State and Local Government Revenue Bond Act.

8 Except as provided in this section, the provisions of Chapter 159 of the General Statutes,  
9 the Local Government Finance Act, apply to revenue bonds issued by the Turnpike Authority.

10 (1) The term of a lease between the Turnpike Authority and the Department  
11 executed prior to July 27, 2009, for all or any part of a Turnpike Project may  
12 exceed 40 years, as agreed by the Authority and the Department.

13 (2) The maturity date of a refunding bond may extend to the earlier of the  
14 following:

15 a. Forty years from the date of issuance of the refunding bond.

16 b. The date the Turnpike Authority determines is the maturity date  
17 required for the Turnpike Project funded with the refunding bonds to  
18 generate sufficient revenues to retire the refunding bonds and any  
19 other outstanding indebtedness issued for that Project. The  
20 Authority's determination of the appropriate maturity date is  
21 conclusive and binding. In making its determination, the Authority  
22 may take into account appropriate financing terms and conventions."

23 **SECTION 12.** G.S. 143B-348 reads as rewritten:

24 "**§ 143B-348. Department of Transportation – head; rules, regulations, etc., of Board of**  
25 **Transportation.**

26 The Secretary of Transportation shall be the head of the Department of Transportation. He  
27 shall carry out the day-to-day operations of the Department and shall be responsible for  
28 carrying out the policies, programs, priorities, and projects approved by the Board of  
29 Transportation. He shall be responsible for all other transportation matters assigned to the  
30 Department of Transportation, except those reserved to the Board of Transportation by statute.  
31 Except as otherwise provided for by statute, the Secretary shall have all the powers and duties  
32 as provided for in Article 1 of Chapter 143B including the responsibility for all management  
33 functions for the Department of Transportation. The Secretary shall be vested with authority to  
34 adopt design criteria, construction specifications, and standards as required for the Department  
35 of Transportation to construct and maintain highways, bridges, and ferries. The Secretary or the  
36 Secretary's designee shall be vested with authority to promulgate rules, regulations, and  
37 ordinances concerning all transportation functions assigned to the Department.

38 All rules, regulations, ordinances, specifications, standards, and criteria adopted by the  
39 Board of Transportation and in effect on July 1, 1977, shall continue in effect until changed by  
40 the Board of Transportation or the Secretary of Transportation. The Secretary shall have  
41 complete authority to modify any of these matters existing on July 1, 1977, except as  
42 specifically restricted by the Board. Whenever any such criteria, rule, regulation, ordinance,  
43 specification, or standards are continued in effect under this section and the words "Board of  
44 Transportation" are used, the words shall mean the "Department of Transportation" unless the  
45 context makes such meaning inapplicable. All actions pending in court by or against the Board  
46 of Transportation may continue to be prosecuted in that name without the necessity of formally  
47 amending the name to the Department of Transportation."

48 **SECTION 13.** G.S. 143B-350(f)(4) reads as rewritten:

49 "(f) Duties of the Board. – The Board of Transportation has the following duties and  
50 powers:

- 1 (4) To approve a schedule of all major transportation improvement projects and  
2 their anticipated ~~cost for a period of seven years into the future.~~ cost. This  
3 schedule is designated the Transportation Improvement Program; it must be  
4 published and copies must be available for distribution. The document that  
5 contains the Transportation Improvement Program, or a separate document  
6 that is published at the same time as the Transportation Improvement  
7 Program, must include the anticipated funding sources for the improvement  
8 projects included in the Program, a list of any changes made from the  
9 previous year's Program, and the reasons for the changes."

10 **SECTION 14.** G.S. 143B-350(f)(13) is repealed.

11 **SECTION 15.** G.S. 159-81(1) reads as rewritten:

12 **"§ 159-81. Definitions.**

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

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

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