

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015**

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**HOUSE BILL 672
Committee Substitute Favorable 4/28/15**

Short Title: STI and Ferry Tolling Revisions.

(Public)

Sponsors:

Referred to:

April 14, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THE PRIORITIZATION WORKGROUP TO INCLUDE CERTAIN
3 CRITERIA WHEN DEVELOPING FORMULAS TO USE IN RANKING HIGHWAY
4 AND NONHIGHWAY PROJECTS, TO ADJUST THE DEFINITION OF THE LOCAL
5 INPUT FOR PURPOSES OF THE TRANSPORTATION INVESTMENT STRATEGY
6 FORMULA, TO MOVE THE REPLACEMENT OF STATE-MAINTAINED FERRY
7 VESSELS TO THE BRIDGE PROGRAM, TO ADJUST THE DISTRIBUTION OF THE
8 PROCEEDS FROM TOLLS COLLECTED ON NORTH CAROLINA FERRY SYSTEM
9 ROUTES, AND TO MAKE OTHER CONFORMING CHANGES.

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.** The Prioritization 4.0 Workgroup, established in accordance with
12 G.S. 136-189.11(h), shall (i) include peak average daily traffic data in the Congestion formula,
13 (ii) expand consideration in Multimodal formula given to projects abutting a multimodal
14 terminal to include projects within a certain proximity of a multimodal terminal, and (iii)
15 include the improvement of hurricane evacuation routes and procedures in the Safety formula.

16 **SECTION 2.** G.S. 136-189.11(d) reads as rewritten:

17 "(d) Transportation Investment Strategy Formula. – Funds subject to the Formula shall
18 be distributed as follows:

19 ...

20 (2) Regional Impact Projects. – Thirty percent (30%) of the funds subject to this
21 section shall be used for Regional Impact Projects and allocated by
22 population of Distribution Regions based on the most recent estimates
23 certified by the Office of State Budget and Management:

24 a. Criteria. – A combination of transportation-related quantitative
25 criteria, qualitative criteria, and local input shall be used to rank
26 Regional Impact Projects involving highways that address
27 cost-effective needs from a region-wide perspective and promote
28 economic growth. Local input is defined as the rankings identified by
29 the ~~Department's Transportation Division Engineers, Metropolitan~~
30 ~~Planning Organizations, Organizations~~ and Rural Transportation
31 ~~Planning Organizations. The Metropolitan Planning Organizations~~
32 ~~and Rural Transportation Planning Organizations shall consult with~~
33 ~~the Department's Transportation Division Engineer local Engineers,~~
34 ~~whose input scoring shall take into account public comments. The~~
35 Department shall ensure that the public has a full opportunity to
36 submit public comments, by widely available notice to the public, an



1 adequate time period for input, and public hearings. Board of
2 Transportation input shall be in accordance with
3 G.S. 136-189.11(g)(1) and G.S. 143B-350(g). The criteria utilized for
4 selection of Regional Impact Projects shall be based thirty percent
5 (30%) on local input and seventy percent (70%) on consideration of a
6 numeric scale of 100 points based on the following quantitative
7 criteria:

- 8 1. Benefit cost.
- 9 2. Congestion.
- 10 3. Safety.
- 11 4. Freight.
- 12 5. Multimodal.
- 13 6. Pavement condition.
- 14 7. Lane width.
- 15 8. Shoulder width.
- 16 9. Accessibility and connectivity to employment centers, tourist
17 destinations, or military installations.

18 (3) Division Need Projects. – Thirty percent (30%) of the funds subject to this
19 section shall be allocated in equal share to each of the Department divisions,
20 as defined in G.S. 136-14.1, and used for Division Need Projects.

21 a. Criteria. – A combination of transportation-related quantitative
22 criteria, qualitative criteria, and local input shall be used to rank
23 Division Need Projects involving highways that address
24 cost-effective needs from a Division-wide perspective, provide
25 access, and address safety-related needs of local communities. Local
26 input is defined as the rankings identified by the ~~Department's~~
27 ~~Transportation Division Engineers, Metropolitan Planning~~
28 ~~Organizations, Organizations~~ and Rural Transportation Planning
29 Organizations. The Metropolitan Planning Organizations and Rural
30 Transportation Planning Organizations shall consult with the
31 Department's Transportation Division Engineer local Engineers,
32 whose input scoring shall take into account public comments. The
33 Department shall ensure that the public has a full opportunity to
34 submit public comments, by widely available notice to the public, an
35 adequate time period for input, and public hearings. Board of
36 Transportation input shall be in accordance with
37 G.S. 136-189.11(g)(1) and G.S. 143B-350(g). The criteria utilized for
38 selection of Division Need Projects shall be based fifty percent
39 (50%) on local input and fifty percent (50%) on consideration of a
40 numeric scale of 100 points based on the following quantitative
41 criteria, except as provided in sub-subdivision b. of this subdivision:

- 42 1. Benefit cost.
- 43 2. Congestion.
- 44 3. Safety.
- 45 4. Freight.
- 46 5. Multimodal.
- 47 6. Pavement condition.
- 48 7. Lane width.
- 49 8. Shoulder width.
- 50 9. Accessibility and connectivity to employment centers, tourist
51 destinations, or military installations.

- 1 b. Alternate criteria. – Funding from the following programs shall be
2 included in the computation of each of the Department division equal
3 shares but shall be subject to alternate quantitative criteria:
4 1. Federal Surface Transportation Program-Direct Attributable
5 funds expended on eligible projects in the Division Need
6 Projects category.
7 2. Federal Transportation Alternatives funds appropriated to the
8 State.
9 3. Federal Railway-Highway Crossings Program funds
10 appropriated to the State.
11 4. Projects requested from the Department in support of a
12 time-critical job creation opportunity, when the opportunity
13 would be classified as transformational under the Job
14 Development Investment Grant program established pursuant
15 to G.S. 143B-437.52, provided that the total State investment
16 in each fiscal year for all projects funded under this
17 sub-subdivision shall not exceed ten million dollars
18 (\$10,000,000) in the aggregate and five million dollars
19 (\$5,000,000) per project.
20 5. Federal funds for municipal road projects.
- 21 c. Bicycle and pedestrian limitation. – The Department shall not
22 provide financial support for independent bicycle and pedestrian
23 improvement projects, except for federal funds administered by the
24 Department for that purpose. This sub-subdivision shall not apply to
25 funds allocated to a municipality pursuant to G.S. 136-41.1 that are
26 committed by the municipality as matching funds for federal funds
27 administered by the Department and used for bicycle and pedestrian
28 improvement projects. This limitation shall not apply to funds
29 authorized for projects in the State Transportation Improvement
30 Program that are scheduled for construction as of October 1, 2013, in
31 State fiscal year 2012-2013, 2013-2014, or 2014-2015.
- 32 (4) Criteria for nonhighway projects. – Nonhighway projects subject to this
33 subsection shall be evaluated through a separate prioritization process
34 established by the Department that complies with all of the following:
35 a. The criteria used for selection of projects for a particular
36 transportation mode shall be based on a minimum of four
37 quantitative criteria.
38 b. Local input shall include rankings of projects identified by the
39 ~~Department's Transportation Division Engineers, Metropolitan~~
40 ~~Planning Organizations, Organizations and Rural Transportation~~
41 ~~Planning Organizations. The Metropolitan Planning Organizations~~
42 ~~and Rural Transportation Planning Organizations shall consult with~~
43 ~~the Department's Transportation Division Engineer local Engineers~~
44 ~~input scoring~~ shall take into account public comments. The
45 Department shall ensure that the public has a full opportunity to
46 submit public comments, by widely available notice to the public, an
47 adequate time period for input, and public hearings. Board of
48 Transportation input shall be in accordance with
49 G.S. 136-189.11(g)(1) and G.S. 143B-350(g).

- 1 c. The criteria shall be based on a scale not to exceed 100 points that
2 includes no bonus points or other alterations favoring any particular
3 mode of transportation."

4 **SECTION 3.** G.S. 136-189.10 reads as rewritten:

5 **"§ 136-189.10. Definitions.**

6 The following definitions apply in this Article:

- 7 ...
- 8 (2) Division needs projects. – Includes only the following:
- 9 a. Projects listed in subdivision (3) or (4) of this section, subject to the
10 limitations noted in those subsections.
- 11 b. State highway routes not included in subdivision (3) or (4) of this
12 section.
- 13 c. Airports included in the NPIAS that are not included in subdivision
14 (3) or (4) of this section, provided that the State's total annual
15 financial participation under this sub-subdivision shall not exceed
16 eighteen million five hundred thousand dollars (\$18,500,000).
- 17 d. Rail lines not included in subdivision (3) or (4) of this section. This
18 sub-subdivision does not include short-line railroads.
- 19 e. Public transportation service not included in subdivision (3) or (4) of
20 this section. This sub-subdivision includes commuter rail, intercity
21 rail, and light rail.
- 22 f. Multimodal terminals and stations serving passenger transit systems.
- 23 g. Federally funded independent bicycle and pedestrian improvements.
- 24 ~~h. Replacement of State-maintained ferry vessels.~~
- 25 i. Federally funded municipal road projects.
- 26 (3) Regional impact projects. – Includes only the following:
- 27 a. Projects listed in subdivision (4) of this section, subject to the
28 limitations noted in that subdivision.
- 29 b. U.S. highway routes not included in subdivision (4) of this section.
- 30 c. N.C. highway routes not included in subdivision (4) of this section.
- 31 d. Commercial service airports included in the NPIAS that are not
32 included in subdivision (4) of this section, provided that the State's
33 annual financial participation in any single airport project included in
34 this subdivision may not exceed three hundred thousand dollars
35 (\$300,000).
- 36 e. The State-maintained ferry system, excluding passenger vessel
37 rehabilitation and replacement.
- 38 f. Rail lines that span two or more counties not included in subdivision
39 (4) of this section. This sub-subdivision does not include short-line
40 railroads.
- 41 g. Public transportation service that spans two or more counties and that
42 serves more than one municipality. Programmed funds pursuant to
43 this sub-subdivision shall not exceed ten percent (10%) of any
44 distribution region allocation. This sub-subdivision includes
45 commuter rail, intercity rail, and light rail.

46"

47 **SECTION 4.** Section 34.18(a) of S.L. 2014-100 reads as rewritten:

48 **"SECTION 34.18.(a)** The Department of Transportation shall rename the "system
49 preservation program" (fund center 1500/157839) the "bridge program." Funds allocated to this
50 program shall be used for (i) improvements to structurally deficient and functionally obsolete
51 ~~bridges.~~ bridges, (ii) ferry passenger vessel replacement projects, and (iii) ferry passenger

1 vessel rehabilitation projects. All projects funded under this program, with the exception of
2 inspection, pre-engineering, contract preparation, contract administration and oversight, ~~and~~
3 planning activities, ferry passenger vessel replacement, and ferry passenger vessel
4 rehabilitation, shall be outsourced to private contractors."

5 **SECTION 5.** G.S. 136-82(d) reads as rewritten:

6 "(d) Use of Toll Proceeds. – The Department of Transportation shall credit the proceeds
7 from tolls collected on North Carolina Ferry System routes and receipts generated under
8 subsection (f) of this section to ~~reserve accounts within the Highway Fund for each of the~~
9 ~~Highway Divisions in which system terminals are located and fares are earned. For the~~
10 ~~purposes of this subsection, fares are earned based on the terminals from which a passenger trip~~
11 ~~originates and terminates. Commuter pass receipts shall be credited proportionately to each~~
12 ~~reserve account based on the distribution of trips originating and terminating in each Highway~~
13 ~~Division. The proceeds credited to each reserve account~~ the bridge program under the
14 Department of Transportation in the highway maintenance program, and the proceeds shall be
15 ~~used exclusively~~ for prioritized North Carolina Ferry System ferry passenger vessel
16 rehabilitation or replacement projects in the Division in which the proceeds are earned.
17 projects. Proceeds may be used to fund ferry passenger vessel rehabilitation or replacement
18 projects or supplement funds allocated for ferry passenger vessel rehabilitation or replacement
19 projects approved in the Transportation Improvement Program."

20 **SECTION 6.** The reserve accounts within the Highway Fund in which the
21 proceeds from tolls collected on North Carolina Ferry System routes are credited under
22 G.S. 136-82 shall be closed and the remaining unencumbered fund balance shall be transferred
23 to the bridge program (Fund Code 84210-7839).

24 **SECTION 7.** This act becomes effective July 1, 2015.