

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 694  
Corrected Copy 4/6/89

Short Title: Public Transit Authority.  
(Public)

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Sponsors: Representatives Blue, Miller, Hackney, Barnes, Stamey, Fussell, Michaux, S. Thompson, Wiser; and H. Hunter.

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Referred to: Infrastructure.

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March 20, 1989

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE CREATION OF A REGIONAL TRANSPORTATION  
3 AUTHORITY.

4 The General Assembly of North Carolina enacts:

5 Section 1. Chapter 160A of the General Statutes is amended by adding a new  
6 Article to read:

7 **“ARTICLE 26.**  
8 **“REGIONAL PUBLIC TRANSPORTATION AUTHORITY.**

9 **“§ 160A-600. Title.**

10 This Article shall be known and may be cited as the ‘Regional Public Transportation  
11 Authority Act.’

12 **“§ 160A-601. Definitions.**

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

- 14 (1) ‘Authority’ means a Regional Public Transportation Authority as  
15 defined by subdivision (6) of this section.  
16 (2) ‘Board of Trustees’ means the governing board of the Authority, in  
17 which the general legislative powers of the Authority are vested.  
18 (3) ‘Population’ means the number of persons residing in respective areas  
19 as defined and enumerated in the most recent decennial federal census.  
20 (4) ‘Public transportation’ means transportation of passengers whether or  
21 not for hire by any means of conveyance, including but not limited to a

1 street or elevated railway or guideway, subway, motor vehicle or  
2 motor bus, carpool or vanpool, either publicly or privately owned and  
3 operated, holding itself out to the general public for the transportation  
4 of persons within or working within the territorial jurisdiction of the  
5 Authority, including charter service.

6 (5) 'Public transportation system' means, without limitation, a  
7 combination of real and personal property, structures, improvements,  
8 buildings, equipment, vehicle parking or other facilities, railroads and  
9 railroad rights-of-way whether held in fee simple by quitclaim or  
10 easement, and rights-of-way, or any combination thereof, used or  
11 useful for the purposes of public transportation. 'Public transportation  
12 system' however, does not include streets, roads, or highways except  
13 those for ingress and egress to vehicle parking.

14 (6) 'Regional Public Transportation Authority,' means a body corporate  
15 and politic organized in accordance with the provisions of this Article  
16 for the purposes, with the powers and subject to the restrictions  
17 hereinafter set forth.

18 (7) 'Unit of local government' means any county, city, town or  
19 municipality of this State, and any other political subdivision, public  
20 corporation, Authority, or district in this State, which is or may be  
21 authorized by law to acquire, establish, construct, enlarge, improve,  
22 maintain, own, and operate public transportation systems.

23 (8) 'Unit of local government's chief administrative official' means the  
24 county manager, city manager, town manager, or other person, by  
25 whatever title he shall be known, in whom the responsibility for the  
26 unit of local government's administrative duties is vested.

27 **"§ 160A-602. Definition of territorial jurisdiction of Authority.**

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

30 (1) The area consists of three counties:

31 (2) At least one of those counties contains at least part of a County  
32 Research and Production Service District established pursuant to Part 2  
33 of Article 16 of Chapter 153A of the General Statutes; and

34 (3) The other two counties each:

35 a. Contain at least one unit of local government that is designated  
36 by the Governor of the State of North Carolina as a recipient  
37 pursuant to Section 9 of the Urban Mass Transportation Act of  
38 1964, as amended; and

39 b. Are adjacent to at least one county that contains at least part of  
40 a County Research and Production Service District established  
41 pursuant to Part 2 of Article 16 of Chapter 153A of the General  
42 Statutes.

43 **"§ 160A-603. Creation of Authority.**

1       (a) The Boards of Commissioners of all three counties within an area for which  
2 an authority may be created as defined in G.S. 160A-602 may by resolution signify their  
3 determination to organize an authority under the provisions of this Article. Each of such  
4 resolutions shall be adopted after a public hearing thereon, notice of which hearing shall  
5 be given by publication at least once, not less than 10 days prior to the date fixed for  
6 such hearing, in a newspaper having a general circulation in the county. Such notice  
7 shall contain a brief statement of the substance of the proposed resolution, shall set forth  
8 the proposed articles of incorporation of the Authority and shall state the time and place  
9 of the public hearing to be held thereof. No county shall be required to make any other  
10 publication of such resolution under the provisions of any other law.

11       (b) Each such resolution shall include articles of incorporation which shall set  
12 forth:

13               (1)     The name of the authority;

14               (2)     A statement that such authority is organized under this  
15 Article; and

16               (3)     The names of the three organizing counties.

17       (c) A certified copy of each of such resolutions signifying the determination to  
18 organize an authority under the provisions of this Article shall be filed with the  
19 Secretary of State, together with proof of publication of the notice of hearing on each of  
20 such resolutions. If the Secretary of State finds that the resolutions, including the  
21 articles of incorporation, conform to the provisions of this Article and that the notices of  
22 hearing were properly published, he shall file such resolutions and proofs of publication  
23 in his office and shall issue a certificate of incorporation under the seal of the State and  
24 shall record the same in an appropriate book of record in his office. The issuance of  
25 such certificate of incorporation by the Secretary of State shall constitute the Authority  
26 a public body and body politic and corporate of the State of North Carolina. Said  
27 certificate of incorporation shall be conclusive evidence of the fact that such authority  
28 has been duly created and established under the provisions of this Article.

29       (d) When the Authority has been duly organized and its officers elected as herein  
30 provided the secretary of the Authority shall certify to the Secretary of State the names  
31 and addresses of such officers as well as the address of the principal office of the  
32 Authority.

33       (e) The Authority may become a Designated Recipient pursuant to the Urban  
34 Mass Transportation Act of 1964, as amended.

35 **"§ 160A-604. Territorial jurisdiction of the Authority.**

36       (a) The territorial jurisdiction of any authority created pursuant to this Article  
37 shall be coterminous with the boundaries of the three counties that organized it.

38       (b) Except as provided by this Article, the jurisdiction of the Authority may  
39 include all local public passenger transportation operating within the territorial  
40 jurisdiction of the Authority, but the Authority may not take over the operation of any  
41 existing public transportation without the consent of the owner.

42       (c) The Authority shall not have jurisdiction over public transportation  
43 subject to the jurisdiction of and regulated by the Interstate Commerce Commission, nor

1 shall it have jurisdiction over intrastate public transportation classified as common  
2 carriers of passengers by the North Carolina Utilities Commission.

3 **"§ 160A-605. Membership; officers; compensation.**

4 (a) The Board of Trustees shall consist of 11 members, appointed as follows:

5 (1) The county with the greatest population shall be allocated five  
6 members to be appointed as follows:

7 a. Two by the board of commissioners of that county;

8 b. Two by the city council of the city containing the largest  
9 population within that county; and

10 c. One by the city council of the city containing the second largest  
11 population within that county;

12 (2) The county with the next greatest population shall be allocated three  
13 members to be appointed as follows:

14 a. One by the board of commissioners of that county;

15 b. One by the city council of the city containing the largest  
16 population within that county; and

17 c. One jointly by that board of commissioners and city council, by  
18 procedures agreed on between them;

19 (3) The county with the least population shall be allocated two members to  
20 be appointed as follows:

21 a. One by the board of commissioners of that county; and

22 b. One by the city council of the city containing the largest  
23 population within that county; and

24 (4) One member of the Board of Transportation appointed by the  
25 Secretary of Transportation, to serve as an ex officio nonvoting  
26 member.

27 (b) Voting members of the Board of Trustees shall serve for terms of four  
28 years, provided that one-half of the initial appointments shall be for two-year terms, to  
29 be determined by lot at the first meeting of the Board of Trustees. Initial terms of office  
30 shall commence upon approval by the Secretary of State of the articles of incorporation.  
31 The member appointed by the Secretary of Transportation shall serve at his pleasure.

32 (c) An appointing authority may appoint one of its members to the Board of  
33 Trustees. Service on the Board of Trustees may be in addition to any other office which  
34 a person is entitled to hold. Each voting member of the Board of Trustees must hold  
35 elective public office as defined by G.S. 128-1.1(d).

36 (d) Members of the Board of Trustees shall reside within the territorial  
37 jurisdiction of the Authority as defined by G.S. 160A-604.

38 (e) The Board of Trustees shall annually elect from its membership a  
39 Chairperson, and a Vice-Chairperson, and shall annually elect a Secretary, and a  
40 Treasurer.

41 (f) Members of the Board of Trustees shall receive the sum of fifty dollars  
42 (\$50.00) as compensation for attendance at each duly conducted meeting of the  
43 Authority.

44 **"§ 160A-606. Voting; removal.**

1 (a) Six members of the Board of Trustees shall constitute a quorum for the  
2 transaction of business. Except as provided by G.S. 160A-605(a)(4), each member shall  
3 have one vote.

4 (b) Each member of the Board of Trustees may be removed with or without  
5 cause by the appointer(s). If the appointment was made jointly by two boards, the  
6 removal must be concurred in by both.

7 (c) Appointments to fill vacancies shall be made for the remainder of the  
8 unexpired term by the respective appointer(s) charged with the responsibility for  
9 making such appointments pursuant to G.S. 160A-605. All members shall serve until  
10 their successors are appointed and qualified, unless removed from office.

11 **"§ 160A-607. Advisory committees.**

12 The Board of Trustees may provide for the selection of such advisory committees as  
13 it may find appropriate, which may or may not include members of the Board of  
14 Trustees.

15 **"§ 160A-608. Purpose of the Authority.**

16 The purpose of the Authority shall be to finance, provide, operate, and maintain for a  
17 safe, clean, reliable, adequate, convenient, energy efficient and environmentally sound  
18 public transportation system for the service area of the Authority through the granting of  
19 franchises, ownership and leasing of terminals, buses and other transportation facilities  
20 and equipment, and otherwise through the exercise of the powers and duties conferred  
21 upon it, in order to enhance mobility in the region and encourage sound growth patterns.

22 Such a service, facility, or function shall be financed, provided, operated, or  
23 maintained in the service area of the Authority either in addition to or to a greater or  
24 lesser extent than services, facilities, or functions are financed, provided, operated, or  
25 maintained for the entirety of the respective units of local government.

26 **"§ 160A-609. Service area of the Authority.**

27 The service area of the Authority shall be as determined by the Board of Trustees  
28 consistent with its purpose.

29 **"§ 160A-610. General powers of the Authority.**

30 The general powers of the Authority shall include any or all of the following:

31 (1) To sue and be sued;

32 (2) To have a seal;

33 (3) To make rules and regulations, not inconsistent with this Chapter, for  
34 its organization and internal management;

35 (4) To employ persons deemed necessary to carry out the management  
36 functions and duties assigned to them by the Authority and to fix their  
37 compensation, within the limit of available funds;

38 (5) With the approval of the unit of local government's chief  
39 administrative official, to use officers, employees, agents and facilities  
40 of the unit of local government for such purposes and upon such terms  
41 as may be mutually agreeable;

42 (6) To retain and employ counsel, auditors, engineers and private  
43 consultants on an annual salary, contract basis, or otherwise for  
44 rendering professional or technical services and advice;

- 1           (7)    To acquire, lease as lessee with or without option to purchase, hold,  
2           own, and use any franchise, property, real or personal, tangible or  
3           intangible, or any interest therein and to sell, lease as lessor with or  
4           without option to purchase, transfer (or dispose thereof) whenever the  
5           same is no longer required for purposes of the Authority, or exchange  
6           same for other property or rights which are useful for the Authority's  
7           purposes, including but not necessarily limited to parking facilities;  
8           (8)    To acquire by gift, purchase, lease as lessee with or without option to  
9           purchase or otherwise to construct, improve, maintain, repair, operate  
10           or administer any component parts of a public transportation system or  
11           to contract for the maintenance, operation or administration thereof or  
12           to lease as lessor the same for maintenance, operation, or  
13           administration by private parties, including but not necessarily limited  
14           to parking facilities;  
15           (9)    To make or enter into contracts, agreements, deeds, leases with or  
16           without option to purchase, conveyances or other instruments,  
17           including contracts and agreements with the United States, the State of  
18           North Carolina, and units of local government;  
19           (10)   To surrender to the State of North Carolina any property no longer  
20           required by the Authority;  
21           (11)   To develop and make data, plans, information, surveys and studies of  
22           public transportation facilities within the territorial jurisdiction of the  
23           Authority, to prepare and make recommendations in regard thereto;  
24           (12)   To enter in a reasonable manner lands, waters or premises for the  
25           purpose of making surveys, soundings, drillings, and examinations  
26           whereby such entry shall not be deemed a trespass except that the  
27           Authority shall be liable for any actual and consequential damages  
28           resulting from such entries;  
29           (13)   To develop and carry out demonstration projects;  
30           (14)   To make, enter into, and perform contracts with private parties, and  
31           public transportation companies with respect to the management and  
32           operation of public passenger transportation;  
33           (15)   To make, enter into, and perform contracts with any public utility,  
34           railroad or transportation company for the joint use of property or  
35           rights, for the establishment of through routes, joint fares or transfer of  
36           passengers;  
37           (16)   To make, enter into, and perform agreements with governmental  
38           entities for payments to the Authority for the transportation of persons  
39           for whom the governmental entities desire transportation;  
40           (17)   With the consent of the unit of local government which would  
41           otherwise have jurisdiction to exercise the powers enumerated in this  
42           subdivision: to issue certificates of public convenience and necessity;  
43           and to grant franchises and enter into franchise agreements and in all  
44           respects to regulate the operation of buses, taxicabs and other methods

1 of public passenger transportation which originate and terminate  
2 within the territorial jurisdiction of the Authority as fully as the unit of  
3 local government is now or hereafter empowered to do within the  
4 territorial jurisdiction of the unit of local government;

5 (18) To operate public transportation systems and to enter into and perform  
6 contracts to operate public transportation services and facilities and to  
7 own or lease property, facilities and equipment necessary or  
8 convenient therefor, and to rent, lease or otherwise sell the right to do  
9 so to any person, public or private; further, to obtain grants, loans and  
10 assistance from the United States, the State of North Carolina, any  
11 public body, or any private source whatsoever;

12 (19) To enter into and perform contracts and agreements with other public  
13 transportation authorities, regional public transportation authorities or  
14 units of local government pursuant to the provisions of G.S. 160A-460  
15 through 160A-464 (Part 1 of Article 20 of Chapter 160A of the  
16 General Statutes); further to enter into contracts and agreements with  
17 private transportation companies;

18 (20) To operate public transportation systems extending service into any  
19 political subdivision of the State of North Carolina unless a particular  
20 unit of local government operating its own public transportation  
21 system or franchising the operation of a public transportation system  
22 by majority vote of its governing board, shall deny consent;

23 (21) Except as restricted by covenants in bonds, notes, or equipment trust  
24 certificates, to set in its sole discretion rates, fees and charges for use  
25 of its public transportation system;

26 (22) To do all things necessary or convenient to carry out its purpose and to  
27 exercise the powers granted to the Authority;

28 (23) To collect or contract for the collection of taxes which it is authorized  
29 by law to levy;

30 (24) To issue bonds or other obligations of the Authority as provided by  
31 law and apply the proceeds thereof to the financing of any public  
32 transportation system or any part thereof and to refund, whether or not  
33 in advance of maturity or the earliest redemption date, any such bonds  
34 or other obligations; and

35 (25) To contract for, or to provide and maintain, with respect to the  
36 facilities and property owned, leased with or without option to  
37 purchase, operated or under the control of the Authority, and within  
38 the territory thereof, a security force to protect persons and property,  
39 dispense unlawful or dangerous assemblages and assemblages which  
40 obstruct full and free passage, control pedestrian and vehicular traffic,  
41 and otherwise preserve and protect the public peace, health, and safety;  
42 for these purposes a member of such force shall be a peace officer and,  
43 as such, shall have authority equivalent to the authority of a police

1           officer of the city or county in which said member of such force is  
2           discharging such duties.

3 **"§ 160A-611. Authority of Utilities Commission not affected.**

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

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

11 **"§ 160A-612. Fiscal accountability.**

12       An Authority is a public authority subject to the provisions of Chapter 159 of the  
13 General Statutes.

14 **"§ 160A-613. Funds.**

15       (a) The establishment and operation of an Authority are governmental functions  
16 and constitute a public purpose, and the State of North Carolina and any unit of local  
17 government may appropriate funds to support the establishment and operation of the  
18 Authority. The State of North Carolina and any unit of local government may also  
19 dedicate, sell, convey, donate or lease any of their interests in any property to the  
20 Authority.

21           (b) The Authority may levy:

22           (1) A motor fuel, special fuel, and road use tax of not to exceed one cent  
23           (1¢) per gallon in accordance with Article 36C of Chapter 105 of the  
24           General Statutes; and

25           (2) An annual vehicle registration tax not to exceed five dollars (\$5.00)  
26           per vehicle in accordance with G.S. 20-97.1.

27 **"§ 160A-614. Effect on existing franchises and operations.**

28       Creation of the Authority shall not have an effect on any existing franchises granted  
29 by any unit of local government; such existing franchises shall continue in full force and  
30 effect until legally terminated; further, all ordinances and resolutions of the unit of local  
31 government regulating local public transportation systems, bus operations, and taxicabs  
32 shall continue in full force and effect now and in the future, unless superseded by  
33 regulations of the Authority; such superseding, if any, may occur only on the basis of  
34 prior mutual agreement between the Authority and the respective unit of local  
35 government.

36 **"§ 160A-615. Termination.**

37       The Board of Trustees may terminate the existence of the Authority at any time  
38 when it has no outstanding indebtedness. In the event of such termination, all property  
39 and assets of the Authority not otherwise encumbered shall automatically become the  
40 property of the State of North Carolina, and the State of North Carolina shall succeed to  
41 all rights, obligations, and liabilities of the Authority.

42 **"§ 160A-616. Controlling provisions.**

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



1 **"§ 160A-617. Bonds and notes authorized.**

2 In addition of the powers granted by this Article, the Authority may issue bonds and  
3 notes pursuant to the provisions of the Local Government Bond Act and the Local  
4 Government Revenue Bond Act for the purpose of financing public transportation  
5 systems or any part thereof and to refund such bonds and notes, whether or not in  
6 advance of their maturity or earliest redemption date. Any bond order must be  
7 approved by ordinance adopted by each board of county commissioners within the  
8 territorial jurisdiction of the Authority. To pay any bond or note issued under the Local  
9 Government Bond Act, the Authority may not pledge the levy of any ad valorem tax,  
10 but only a tax or taxes it is authorized to levy.

11 **"§ 160A-618. Equipment trust certificates.**

12 In addition to the powers here and before granted, the Authority shall have  
13 continuing power to purchase equipment, and in connection therewith execute  
14 agreements, leases with or without option to purchase, or equipment trust certificates.  
15 All money required to be paid by the Authority under the provisions of such  
16 agreements, leases with or without option to purchase, and equipment trust certificates  
17 shall be payable solely from the fares, fees, rentals, charges, revenues, and earnings of  
18 the Authority, monies derived from the sale of any surplus property of the Authority and  
19 gifts, grants, and contributions from any source whatever. Payment for such equipment  
20 or rentals therefore, may be made in installments; the deferred installments may be  
21 evidenced by equipment trust certificates payable solely from the aforesaid revenues or  
22 receipts and title to such equipment may or may not vest in the Authority until the  
23 equipment trust certificates are paid.

24 **"§ 160A-619. Power of eminent domain.**

25 (a) The Authority shall have continuing power to acquire, by gift, grant, devise,  
26 bequest, exchange, purchase, lease with or without option to purchase, or any other  
27 lawful method, including but not limited to the power of eminent domain, the fee or any  
28 lesser interest in real or personal property for use by the Authority.

29 (b) In exercising the power of eminent domain the Authority shall use the  
30 procedures of Chapter 40A of the General Statutes.

31 **"§ 160A-620. Tax exemption.**

32 The property of the Authority, both real and personal, its acts, activities and income  
33 shall be exempt from any tax or tax obligation; in the event of any lease of Authority  
34 property, or other arrangement which amounts to a leasehold interest, to a private party,  
35 this exemption shall not apply to the value of such leasehold interest nor shall it apply to  
36 the income of the lessee. Otherwise, however, for the purpose of taxation, when  
37 property of the Authority is leased to private parties solely for the purpose of the  
38 Authority, the acts and activities of the lessee shall be considered as the acts and  
39 activities of the Authority and the exemption. The interest on bonds or obligations  
40 issued by the Authority shall be exempt from State taxes.

41 **"§ 160A-621. Removal and relocation of utility structures.**

42 (a) The Authority shall have the power to require any public utility, railroad, or  
43 other public service corporation owning or operating any installations, structures,  
44 equipment, apparatus, appliances or facilities in, upon, under, over, across or along any

1 ways on which the Authority has the right to own, construct, operate or maintain its  
2 public transportation system, to remove or relocate such installation, structures,  
3 equipment, apparatus, appliances or facilities from their locations.

4 (b) If the owner or operator thereof fails or refuses to remove or relocate them,  
5 the Authority may proceed to do so. The Authority may provide the necessary new  
6 locations, and for that purpose the power of eminent domain as provided in G.S. 160A-  
7 619 may be exercised provided the new locations shall not be in, on or above, a public  
8 way; the Authority may also acquire the necessary new locations by purchase or  
9 otherwise.

10 (c) The Authority shall reimburse the public utility, railroad or other public  
11 service corporation, for the cost of relocations which shall be the entire amount paid or  
12 incurred by the utility properly attributable thereto after deducting the cost of any  
13 increase in the service capacity of the new installations, structures, equipment,  
14 apparatus, appliances or facilities and any salvage value derived from the old  
15 installations, structures, equipment, apparatus or appliances."

16 Sec. 2. G.S. 159-81(1) reads as rewritten:

17 "(1) 'Municipality' means a county, city, town, incorporated  
18 village, sanitary district, metropolitan sewerage district, metropolitan  
19 water district, county water and sewer district, water and sewer  
20 authority, hospital authority, hospital district, parking authority,  
21 special airport district, regional public transportation authority, and  
22 airport authority, a joint agency created pursuant to Part 1 of Article  
23 20 of Chapter 160A of the General Statutes, but not any other forms  
24 of local government."

25 Sec. 3. G.S. 159-44(4) reads as rewritten:

26 "(4) 'Unit,' 'unit of local government,' or 'local government'  
27 means counties; cities, towns, and incorporated villages; sanitary  
28 districts; mosquito control districts; hospital districts; metropolitan  
29 sewerage districts; metropolitan water districts; county water and  
30 sewer districts; regional public transportation authorities; and  
31 special airport districts."

32 Sec. 4. G.S. 159-48(e) reads as rewritten:

33 "(e) Each sanitary district, mosquito control district, hospital district, metropolitan  
34 sewerage district, metropolitan water district, county water and sewer district, regional  
35 public transportation authority and special airport district is authorized to borrow money  
36 and issue its bonds under this Article in evidence thereof for the purpose of paying any  
37 capital costs of any one or more of the purposes for which it is authorized, by general  
38 laws uniformly applicable throughout the State, to raise or appropriate money, except  
39 for current expenses."

40 Sec. 5. G.S. 159-51 reads as rewritten:

41 "**§ 159-51. Application to Commission for approval of bond issue; preliminary**  
42 **conference; acceptance of application.**

43 No bonds may be issued under this Article unless the issue is approved by the Local  
44 Government Commission. The governing board of the issuing unit shall file an

1 application for Commission approval of the issue with the secretary of the Commission.  
2 If the issuing unit is a regional public transportation authority, the application must be  
3 accompanied by resolutions of the three boards of county commissioners within its  
4 territorial jurisdiction approving of the application. The application shall state such facts  
5 and have attached to it such documents concerning the proposed bonds and the financial  
6 condition of the issuing unit as the secretary may require. The Commission may  
7 prescribe the form of the application.

8 Before he accepts the application, the secretary may require the governing board or  
9 its representatives to attend a preliminary conference to consider the proposed bond  
10 issue.

11 After an application in proper form has been filed, and after a preliminary  
12 conference if one is required, the secretary shall notify the unit in writing that the  
13 application has been filed and accepted for submission to the Commission. The  
14 secretary's statement shall be conclusive evidence that the unit has complied with this  
15 section."

16 Sec. 6. G.S. 159-85(a) reads as rewritten:

17 "(a) Neither the State nor a municipality may issue revenue bonds under this  
18 Article unless the issue is approved by the Commission. The State Treasurer or the  
19 governing board of the issuing municipality or its duly authorized agent, as the case  
20 may be, shall file an application for Commission approval of the issue with the secretary  
21 of the Commission. If the issuing municipality is a regional public transportation  
22 authority, the application must be accompanied by resolutions of the three boards of  
23 county commissioners within its territorial jurisdiction approving of the application. The  
24 application shall state such facts and have attached to it such documents concerning the  
25 proposed revenue bonds and the financial condition of the State or the issuing  
26 municipality, as the case may be, and its utilities and enterprises as the secretary may  
27 require. The Commission may prescribe the form of the application."

28 Sec. 7. Chapter 20 of the General Statutes is amended by adding a new  
29 section to read:

30 "**§ 20-97.1. Regional Transportation Authority Registration Tax.**

31 (a) In accordance with this section, a Regional Transportation Authority  
32 organized under Article 26 of Chapter 160A of the General Statutes may levy an annual  
33 license tax upon any motor vehicle with a tax situs within its territorial jurisdiction as  
34 defined by G.S. 160A-602.

35 (b) The purpose of the tax levied under this section is to raise revenue for capital  
36 and operating expenses of a Regional Transportation Authority in providing a public  
37 transportation system.

38 (c) The annual levy under this section must be a full dollar amount, but may not  
39 exceed five dollars (\$5.00) per year.

40 (d) The Board of Trustees of a Regional Transportation Authority may levy the  
41 tax provided by this section by passage of a resolution, after not less than 10 days'  
42 public notice and after a public hearing. Collection of the tax, and liability therefor,  
43 shall begin and continue only on and after the first day of a calendar month set by the

1 Board of Trustees in the resolution levying the tax, which shall in no case be earlier than  
2 the first day of the second calendar month after the adoption of the resolution.

3 (e) The Board of Trustees, upon adoption of the resolution, shall cause a certified  
4 copy of the resolution to be delivered immediately to the Division of Motor Vehicles.  
5 Upon receipt of the certified copy, the Division of Motor Vehicles shall proceed as  
6 authorized in this section to administer the tax.

7 (f) The Commissioner of Motor Vehicles may adopt such rules as are necessary  
8 and proper to implement this section.

9 (g) The Board of Trustees may, by resolution, proceed to terminate the levy and  
10 the imposition of the tax under this section under the same procedures as subsections (c)  
11 and (d) of this section, and may likewise increase or decrease the amount of the tax  
12 under such procedures, subject to the limitations of subsections (c) or (g) of this section.

13 (h) No liability for any tax levied under this section which shall have attached  
14 prior to the effective date on which a levy is terminated or reduced shall be discharged  
15 as a result of such termination or reduction, and no right to a refund of tax or otherwise,  
16 which shall have accrued prior to the effective date on which a levy is terminated or  
17 reduced shall be denied as a result of such termination. Collection of the increased or  
18 decreased tax, and liability therefor, shall begin and continue only on and after the first  
19 day of a calendar month set by the Board of Trustees in the resolution increasing or  
20 reducing the tax, which shall in no case be earlier than the first day of the second  
21 calendar month after the adoption of the resolution. The effective date of the  
22 termination of the tax shall be only on and after the first day of a calendar month set by  
23 the Board of Trustees in the resolution terminating the tax, which shall in no case be  
24 earlier than the first day of the second calendar month after the adoption of the  
25 resolution.

26 (i) Only vehicles required to pay a tax under G.S. 20-87(1), (2), (4), (5), (6), and  
27 (7) and G.S. 20-88 shall be subject to the tax provided by this section. The  
28 Commissioner of Motor Vehicles shall cause the tax levied under this section to be  
29 separately stated, but included in the total tax to be paid. Taxes shall be prorated in  
30 accordance with G.S. 20-66 or G.S. 20-95, as applicable.

31 (j) The fact that the county listed by the owner under G.S. 105-314 as the county  
32 where the vehicle is subject to ad valorem taxation is within the territorial jurisdiction of  
33 the Authority shall be **prima facie** evidence that the vehicle has a tax situs within the  
34 territorial jurisdiction of the Authority.

35 (k) Taxes paid under this section shall be credited to a special fund, and the net  
36 proceeds disbursed monthly to the appropriate Regional Transportation Authority.  
37 Interest credited to the fund shall be disbursed monthly to the Highway Fund to  
38 reimburse the Division of Motor Vehicles for the cost of collecting and administering  
39 the tax.

40 (l) No regional transportation authority may adopt any resolution to levy any tax  
41 under this section, or increase the amount of the levy, unless the three boards of county  
42 commissioners within the territorial jurisdiction have each passed a resolution or  
43 ordinance approving of the levy or increase in amount, unless such levy or increase in

1 tax is necessary for debt service on bonds or notes that those boards of county  
2 commissioners had previously approved under G.S. 159-51 or G.S. 159-85."

3 Sec. 8. G.S. 105-314(a) reads as rewritten:

4 "(a) Every motor vehicle owner applying to the State Division of Motor Vehicles  
5 for motor vehicle license tags, or for renewal of such, shall specify in the application the  
6 county in which each such motor vehicle is subject to ad valorem taxation. If any such  
7 vehicle is not subject to ad valorem taxation in this State, that fact, with the reason  
8 therefor, shall be stated in the application. No State license tags shall be issued to any  
9 applicant, or renewed for such applicant until the requirements of this subsection have  
10 been met. It shall be a misdemeanor to knowingly make a false statement in the  
11 application as to the information required to be supplied by this section."

12 Sec. 9. Chapter 105 of the General Statutes is amended by adding a new  
13 Article to read:

14 **"ARTICLE 36C.**

15 **"REGIONAL TRANSPORTATION AUTHORITY.**

16 **"EXCISE TAXES ON MOTOR FUEL. SPECIAL FUELS AND ROAD USE.**

17 **"§ 105-449.61. Purpose of Article.**

18 This Article provides Regional Transportation Authorities with a means to raise  
19 revenue for capital and operating expenses in providing a public transportation system.

20 **"§ 105-449.62. Definitions.**

21 The definitions in Articles 36, 36A, and 36B of this Chapter apply to this Article. In  
22 addition, the following definitions apply to this Article:

23 (1) Authority. A Regional Transportation Authority created under Article  
24 26 of Chapter 160A of the General Statutes.

25 (2) Street. Defined in G.S. 20-4.01(46).

26 **"§ 105-449.63. Levy and collection of gasoline tax.**

27 The board of trustees of an authority may levy an excise tax on motor fuel sold,  
28 distributed, or used by a distributor within the territorial jurisdiction of the Authority at  
29 a rate not to exceed one cent (1¢) per gallon of motor fuel. The tax is in addition to the  
30 excise tax on motor fuel levied by Article 36 of Chapter 105 of the General Statutes. A  
31 tax levied under this section shall be collected by the Secretary.

32 Except as provided in this Article, the collection and administration of a tax  
33 authorized by this section shall be in accordance with the provisions of Article 36 of  
34 Chapter 105 of the General Statutes for excise taxes on motor fuel. In applying the  
35 provisions of Articles 36 and 39 of Chapter 105 of the General Statutes to this Article,  
36 references to 'this Article' mean this Article. The records that a distributor is required to  
37 keep pursuant to G.S. 105-438 shall include the county in which the motor fuels where  
38 purchased, received, sold, delivered, or used, and such other information as the  
39 Secretary may require. The tax refunds provided in G.S. 105-446, 105-446.1, 105-  
40 446.3, 105-446.5, and 105-446.6 shall include refunds of a tax levied under this section.

41 **"§ 105-449.64. Levy and collection of special fuels tax.**

42 The governing body of an authority may levy an excise tax at a rate not to exceed  
43 one cent (1¢) per gallon on special fuels sold or delivered within the territorial  
44 jurisdiction of the Authority by any supplier to any licensed user-seller, or used in the

1 territorial jurisdiction of the Authority by any supplier in a motor vehicle owned, leased,  
2 or operated by the supplier, or delivered in the territorial jurisdiction of the Authority by  
3 the supplier directly into the fuel supply tank of a motor vehicle, or imported by a user-  
4 seller into the territorial jurisdiction of the Authority, or acquired tax-free by a user-  
5 seller or user in the territorial jurisdiction of the Authority for resale or use in the  
6 territorial jurisdiction of the Authority for the propulsion of a motor vehicle. The tax is  
7 in addition to the tax on special fuels levied by Article 36A of Chapter 105 of the  
8 General Statutes. A tax levied under this section shall be collected by the Secretary.

9 Except as provided in this Article, the collection and administration of a tax  
10 authorized by this section shall be in accordance with the provisions in Article 36A of  
11 Chapter 105 of the General Statutes for excise taxes on special fuels. In applying the  
12 provisions of Articles 36A and 39 of Chapter 105 of the General Statutes to this Article,  
13 references to 'this Article' mean this Article. The purpose of a tax levied under this  
14 section shall be to provide a more efficient and effective method of collecting the tax  
15 levied under G.S. 105-449.63 by providing for the collection of the tax from the  
16 supplier instead of the user. A tax collected under this section shall not be in addition to  
17 the tax collected under G.S. 105-449.63; payment of a tax levied under this section shall  
18 constitute compliance with the provisions of G.S. 105-449.63. The exemptions and  
19 refunds provided in G.S. 105-449.17 and G.S. 105-449.24 shall apply to a tax levied  
20 under this section.

21 **"§ 105-449.65. Levy and collection of tax on carriers using fuel purchased outside**  
22 **the territorial jurisdiction of the Authority.**

23 The governing body of an authority may levy a road tax for the privilege of using the  
24 streets and highways in the territorial jurisdiction of the Authority at the rate of one cent  
25 (1¢) per gallon of gasoline or other fuel used by a motor carrier in its operations in the  
26 territorial jurisdiction of the Authority. The tax is in addition to the road tax levied by  
27 Article 36B of Chapter 105 of the General Statutes. A tax levied under this section shall  
28 be collected by the Secretary.

29 Except as provided in this Article, the collection and administration of this tax shall  
30 be in accordance with the provisions of Article 36B of Chapter 105 of the General  
31 Statutes for the road tax on motor carriers using fuel purchased outside the State. In  
32 applying the provisions of Article 36B of Chapter 105 of the General Statutes to this  
33 Article, references to 'this Article' mean this Article. Every motor carrier subject to a  
34 tax levied by this section is entitled to a credit at the rate per gallon for tax paid on fuel  
35 under G.S. 105-449.63 and G.S. 105-449.64 which is the same as the rate paid under  
36 those sections. This credit and any refund shall be administered by the Secretary of  
37 Revenue in accordance with the provisions of G.S. 105-449.39 and G.S. 105-449.40.  
38 The amount of fuel used in the operations of a motor carrier within the territorial  
39 jurisdiction of the Authority shall be such proportion of the total amount of fuel used in  
40 its entire operations as the total number of miles traveled within the territorial  
41 jurisdiction of the Authority bears to the total number of miles traveled in its entire  
42 operations.

43 **"§ 105-449.66. Distribution and use of additional taxes.**

1 Taxes paid under this Article shall be credited to a special fund. Interest credited to  
2 the fund shall be disbursed quarterly to the Department of Revenue to reimburse the  
3 Secretary for the cost of collecting and administering the tax.

4 The Secretary shall, on a quarterly basis, distribute to each authority the net proceeds  
5 of the taxes collected in the territorial jurisdiction of the Authority under this Article  
6 during the preceding quarter, but may retain in the fund such sums as in the Secretary's  
7 judgement will be necessary to satisfy expected claims for refunds. Amounts  
8 distributed to the Authority under this Article may be used only for capital and  
9 operating expenses of a public transportation system as defined by G.S. 160A-601.

10 **"§ 105-449.67. Rules.**

11 The Secretary of Revenue may promulgate rules and prescribe forms as necessary to  
12 collect and administer the taxes levied under this Article.

13 **"§ 105-449.68. Procedure for levy and repeal of taxes under this Article.**

14 (a) The Board of Trustees of a Regional Transportation Authority may levy the  
15 tax provided by this Article by passage of a resolution, after not less than 10 days'  
16 public notice and after a public hearing. Collection of the tax, and liability therefor,  
17 shall begin and continue only on and after the first day of a calendar month set by the  
18 Board of Trustees in the resolution levying the tax, which shall in no case be earlier than  
19 the first day of the second calendar month after the adoption of the resolution.

20 (b) The Board of Trustees, upon adoption of the resolution, shall cause a certified  
21 copy of the resolution to be delivered immediately to the Secretary. Upon receipt of the  
22 certified copy, the Secretary shall proceed as authorized in this section to administer the  
23 tax.

24 (c) The annual levy under this section must be a multiple of one-tenth of a cent  
25 (.1¢) per gallon, but may not exceed one cent per gallon. If a tax is levied under this  
26 Article, it must be levied under G.S. 105-449.63, 105-449.64, and 105-449.65, and must  
27 be at the same rate for all three taxes.

28 (f) The Board of Trustees may, by resolution, proceed to terminate the levy and  
29 the imposition of the tax under this section under the same procedures as subsections (a)  
30 and (b) of this section, and may likewise increase or decrease the amount of the tax  
31 under such procedures, subject to the limitations of subsections (c) or (g) of this section.

32 (g) No liability for any tax levied under this section which shall have attached  
33 prior to the effective date on which a levy is terminated or reduced shall be discharged  
34 as a result of such termination or reduction, and no right to a refund of tax or otherwise,  
35 which shall have accrued prior to the effective date on which a levy is terminated or  
36 reduced shall be denied as a result of such termination. Collection of the increased or  
37 decreased tax, and liability therefor, shall begin and continue only on and after the first  
38 day of a calendar month set by the Board of Trustees in the resolution increasing or  
39 reducing the tax, which shall in no case be earlier than the first day of the second  
40 calendar month after the adoption of the resolution. The effective date of the  
41 termination of the tax shall be only on and after the first day of a calendar month set by  
42 the Board of Trustees in the resolution terminating the tax, which shall in no case be  
43 earlier than the first day of the second calendar month after the adoption of the  
44 resolution.

1       (k) No regional transportation authority may adopt any resolution to levy any tax  
2 under this Article, or increase the amount of the levy, unless the three boards of county  
3 commissioners within the territorial jurisdiction have each passed a resolution or  
4 ordinance approving of the levy or increase in amount, unless such levy or increase in  
5 tax is necessary for debt service on bonds or notes that those boards of county  
6 commissioners had previously approved under G.S. 159-51 or G.S. 159-85."

7               Sec. 10. This act is effective upon ratification.