

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 694  
Corrected Copy 4/6/89  
Third Edition Engrossed 5/4/89  
Committee Substitute Favorable 6/1/89  
Fifth Edition Engrossed 6/6/89  
Transportation Senate Committee Substitute Adopted 6/22/89  
Finance Senate Committee Substitute #2 Adopted 7/6/89

Short Title: Public Transit Authority.

(Public)

Sponsors:

Referred to:

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.

- 1           (3) 'Population' means the number of persons residing in respective areas  
2 as defined and enumerated in the most recent decennial federal census.
- 3           (4) 'Public transportation' means transportation of passengers whether or  
4 not for hire by any means of conveyance, including but not limited to a  
5 street or elevated railway or guideway, subway, motor vehicle or  
6 motor bus, carpool or vanpool, either publicly or privately owned and  
7 operated, holding itself out to the general public for the transportation  
8 of persons within or working within the territorial jurisdiction of the  
9 Authority, including charter service.
- 10          (5) 'Public transportation system' means, without limitation, a  
11 combination of real and personal property, structures, improvements,  
12 buildings, equipment, vehicle parking or other facilities, railroads and  
13 railroad rights-of-way whether held in fee simple by quitclaim or  
14 easement, and rights-of-way, or any combination thereof, used or  
15 useful for the purposes of public transportation. 'Public transportation  
16 system' however, does not include streets, roads, or highways except  
17 those for ingress and egress to vehicle parking.
- 18          (6) 'Regional Public Transportation Authority,' means a body corporate  
19 and politic organized in accordance with the provisions of this Article  
20 for the purposes, with the powers and subject to the restrictions  
21 hereinafter set forth.
- 22          (7) 'Unit of local government' means any county, city, town or  
23 municipality of this State, and any other political subdivision, public  
24 corporation, Authority, or district in this State, which is or may be  
25 authorized by law to acquire, establish, construct, enlarge, improve,  
26 maintain, own, and operate public transportation systems.
- 27          (8) 'Unit of local government's chief administrative official' means the  
28 county manager, city manager, town manager, or other person, by  
29 whatever title he shall be known, in whom the responsibility for the  
30 unit of local government's administrative duties is vested.

31 **"§ 160A-602. Definition of territorial jurisdiction of Authority.**

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

- 34           (1) The area consists of three counties:
- 35           (2) At least one of those counties contains at least part of a County  
36 Research and Production Service District established pursuant to Part 2  
37 of Article 16 of Chapter 153A of the General Statutes; and
- 38           (3) The other two counties each:
- 39           a. Contain at least one unit of local government that is designated  
40 by the Governor of the State of North Carolina as a recipient  
41 pursuant to Section 9 of the Urban Mass Transportation Act of  
42 1964, as amended; and
- 43           b. Are adjacent to at least one county that contains at least part of  
44 a County Research and Production Service District established

1                   pursuant to Part 2 of Article 16 of Chapter 153A of the General  
2                   Statutes.

3 **"§ 160A-603. Creation of Authority.**

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

14           (b) Each such resolution shall include articles of incorporation which shall set  
15 forth:

16                   (1) The name of the authority;

17                   (2) A statement that such authority is organized under this  
18 Article; and

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

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

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

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

38 **"§ 160A-604. Territorial jurisdiction of the Authority.**

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

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

1           (c) The Authority shall not have jurisdiction over public transportation  
2 subject to the jurisdiction of and regulated by the Interstate Commerce Commission, nor  
3 shall it have jurisdiction over intrastate public transportation classified as common  
4 carriers of passengers by the North Carolina Utilities Commission.

5 **"§ 160A-605. Membership; officers; compensation.**

6           (a) The governing body of an authority is the Board of Trustees. The Board  
7 of Trustees shall consist of 11 members, appointed as follows:

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

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

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

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

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

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

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

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

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

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

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

27           (4) One member of the Board of Transportation appointed by the  
28 Secretary of Transportation, to serve as an ex officio nonvoting  
29 member.

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

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

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

41           (e) The Board of Trustees shall annually elect from its membership a  
42 Chairperson, and a Vice-Chairperson, and shall annually elect a Secretary, and a  
43 Treasurer.

1           (f) Members of the Board of Trustees shall receive the sum of fifty dollars  
2 (\$50.00) as compensation for attendance at each duly conducted meeting of the  
3 Authority.

4 **"§ 160A-606. Voting; removal.**

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

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

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

15 **"§ 160A-607. Advisory committees.**

16           The Board of Trustees may provide for the selection of such advisory committees as  
17 it may find appropriate, which may or may not include members of the Board of  
18 Trustees.

19 **"§ 160A-607.1. Special tax board.**

20           (a) The special tax board of an authority shall be composed of two  
21 representatives from each of the counties organizing the authority appointed annually by  
22 the board of commissioners of each of those counties' members at the first regular  
23 meeting thereof in January, except that the initial members shall serve a term beginning  
24 on the date that the initial terms of the board of trustees of that authority begin under  
25 G.S. 160A-605(b), and ending on the last day of December of that year. Each member  
26 of the special tax board must be a member of the board of commissioners of the county  
27 by which he was appointed. Membership on the special tax board may be held in  
28 addition to the offices authorized by G.S. 128-1 or G.S. 128-1.1. Said representatives  
29 shall hold office from their appointment until their successors are appointed and  
30 qualified, except that when any member of the special tax board ceases for any reason to  
31 be a member of the board of commissioners of the county by which he was appointed,  
32 he shall simultaneously cease to be a member of said special tax board. Upon the  
33 occurrence of any vacancy on said special tax board, the vacancy shall be filled within  
34 30 days after notice thereof by the board of commissioners of the county having a  
35 vacancy in its representation. Each member of the special tax board, before entering  
36 upon his duties, shall take and subscribe an oath or affirmation to support the  
37 Constitution and laws of the United States and of this State and to discharge faithfully  
38 the duties of his office; and a record of each such oath shall be filed in the minutes of  
39 the respective participating units of local government.

40           (b) The special tax board shall meet regularly at such places and on such dates as  
41 are determined by the special tax board. The initial meeting shall be called jointly by  
42 the chairmen of the boards of commissioners of the counties organizing the authority.  
43 Special meetings may be called by the chairman of the special tax board on his own  
44 initiative and shall be called by him upon request of two or more members of the board.

1 All members shall be notified in writing at least 24 hours in advance of such meeting.  
2 A majority of the members of the special tax board shall constitute a quorum. No  
3 vacancy in the membership of the special tax board shall impair the right of a quorum to  
4 exercise all the rights and perform all the duties of the special tax board. No action,  
5 other than an action to recess or adjourn, shall be taken except upon a majority vote of  
6 the entire authorized membership of said special tax board. Each member, including the  
7 chairman, shall be entitled to vote on any question.

8 (c) The special tax board shall elect annually in January from among its members  
9 a chairman, vice-chairman, secretary and treasurer, except that initial officers shall be  
10 elected at the first meeting of the special tax board.

11 **"§ 160A-608. Purpose of the Authority.**

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

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

23 **"§ 160A-609. Service area of the Authority.**

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

26 **"§ 160A-610. General powers of the Authority.**

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

- 28 (1) To sue and be sued;
- 29 (2) To have a seal;
- 30 (3) To make rules and regulations, not inconsistent with this Chapter, for  
31 its organization and internal management;
- 32 (4) To employ persons deemed necessary to carry out the functions and  
33 duties assigned to them by the Authority and to fix their compensation,  
34 within the limit of available funds;
- 35 (5) With the approval of the unit of local government's chief  
36 administrative official, to use officers, employees, agents and facilities  
37 of the unit of local government for such purposes and upon such terms  
38 as may be mutually agreeable;
- 39 (6) To retain and employ counsel, auditors, engineers and private  
40 consultants on an annual salary, contract basis, or otherwise for  
41 rendering professional or technical services and advice;
- 42 (7) To acquire, lease as lessee with or without option to purchase, hold,  
43 own, and use any franchise, property, real or personal, tangible or  
44 intangible, or any interest therein and to sell, lease as lessor with or

1 without option to purchase, transfer (or dispose thereof) whenever the  
2 same is no longer required for purposes of the Authority, or exchange  
3 same for other property or rights which are useful for the Authority's  
4 purposes, including but not necessarily limited to parking facilities;

5 (8) To acquire by gift, purchase, lease as lessee with or without option to  
6 purchase or otherwise to construct, improve, maintain, repair, operate  
7 or administer any component parts of a public transportation system or  
8 to contract for the maintenance, operation or administration thereof or  
9 to lease as lessor the same for maintenance, operation, or  
10 administration by private parties, including but not necessarily limited  
11 to parking facilities;

12 (9) To make or enter into contracts, agreements, deeds, leases with or  
13 without option to purchase, conveyances or other instruments,  
14 including contracts and agreements with the United States, the State of  
15 North Carolina, and units of local government;

16 (10) To surrender to the State of North Carolina any property no longer  
17 required by the Authority;

18 (11) To develop and make data, plans, information, surveys and studies of  
19 public transportation facilities within the territorial jurisdiction of the  
20 Authority, to prepare and make recommendations in regard thereto;

21 (12) To enter in a reasonable manner lands, waters or premises for the  
22 purpose of making surveys, soundings, drillings, and examinations  
23 whereby such entry shall not be deemed a trespass except that the  
24 Authority shall be liable for any actual and consequential damages  
25 resulting from such entries;

26 (13) To develop and carry out demonstration projects;

27 (14) To make, enter into, and perform contracts with private parties, and  
28 public transportation companies with respect to the management and  
29 operation of public passenger transportation;

30 (15) To make, enter into, and perform contracts with any public utility,  
31 railroad or transportation company for the joint use of property or  
32 rights, for the establishment of through routes, joint fares or transfer of  
33 passengers;

34 (16) To make, enter into, and perform agreements with governmental  
35 entities for payments to the Authority for the transportation of persons  
36 for whom the governmental entities desire transportation;

37 (17) With the consent of the unit of local government which would  
38 otherwise have jurisdiction to exercise the powers enumerated in this  
39 subdivision: to issue certificates of public convenience and necessity;  
40 and to grant franchises and enter into franchise agreements and in all  
41 respects to regulate the operation of buses, taxicabs and other methods  
42 of public passenger transportation which originate and terminate  
43 within the territorial jurisdiction of the Authority as fully as the unit of

- 1                    local government is now or hereafter empowered to do within the  
2                    territorial jurisdiction of the unit of local government;
- 3                    (18) To operate public transportation systems and to enter into and perform  
4                    contracts to operate public transportation services and facilities and to  
5                    own or lease property, facilities and equipment necessary or  
6                    convenient therefor, and to rent, lease or otherwise sell the right to do  
7                    so to any person, public or private; further, to obtain grants, loans and  
8                    assistance from the United States, the State of North Carolina, any  
9                    public body, or any private source whatsoever;
- 10                   (19) To enter into and perform contracts and agreements with other public  
11                   transportation authorities, regional public transportation authorities or  
12                   units of local government pursuant to the provisions of G.S. 160A-460  
13                   through 160A-464 (Part 1 of Article 20 of Chapter 160A of the  
14                   General Statutes); further to enter into contracts and agreements with  
15                   private transportation companies;
- 16                   (20) To operate public transportation systems extending service into any  
17                   political subdivision of the State of North Carolina unless a particular  
18                   unit of local government operating its own public transportation  
19                   system or franchising the operation of a public transportation system  
20                   by majority vote of its governing board, shall deny consent;
- 21                   (21) Except as restricted by covenants in bonds, notes, or equipment trust  
22                   certificates, to set in its sole discretion rates, fees and charges for use  
23                   of its public transportation system;
- 24                   (22) To do all things necessary or convenient to carry out its purpose and to  
25                   exercise the powers granted to the Authority;
- 26                   (23) To collect or contract for the collection of taxes which it is authorized  
27                   by law to levy;
- 28                   (24) To issue bonds or other obligations of the Authority as provided by  
29                   law and apply the proceeds thereof to the financing of any public  
30                   transportation system or any part thereof and to refund, whether or not  
31                   in advance of maturity or the earliest redemption date, any such bonds  
32                   or other obligations; and
- 33                   (25) To contract for, or to provide and maintain, with respect to the  
34                   facilities and property owned, leased with or without option to  
35                   purchase, operated or under the control of the Authority, and within  
36                   the territory thereof, a security force to protect persons and property,  
37                   dispense unlawful or dangerous assemblages and assemblages which  
38                   obstruct full and free passage, control pedestrian and vehicular traffic,  
39                   and otherwise preserve and protect the public peace, health, and safety;  
40                   for these purposes a member of such force shall be a peace officer and,  
41                   as such, shall have authority equivalent to the authority of a police  
42                   officer of the city or county in which said member of such force is  
43                   discharging such duties.

44 **"§ 160A-611. Authority of Utilities Commission not affected.**



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

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

8 **"§ 160A-612. Fiscal accountability.**

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

11 **"§ 160A-613. Funds.**

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

18 **"§ 160A-614. Effect on existing franchises and operations.**

19 Creation of the Authority shall not have an effect on any existing franchises granted  
20 by any unit of local government; such existing franchises shall continue in full force and  
21 effect until legally terminated; further, all ordinances and resolutions of the unit of local  
22 government regulating local public transportation systems, bus operations, and taxicabs  
23 shall continue in full force and effect now and in the future, unless superseded by  
24 regulations of the Authority; such superseding, if any, may occur only on the basis of  
25 prior mutual agreement between the Authority and the respective unit of local  
26 government.

27 **"§ 160A-615. Termination.**

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

33 **"§ 160A-616. Controlling provisions.**

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

36 **"§ 160A-617. Bonds and notes authorized.**

37 In addition of the powers granted by this Article, the Authority may issue bonds and  
38 notes pursuant to the provisions of the Local Government Bond Act and the Local  
39 Government Revenue Bond Act for the purpose of financing public transportation  
40 systems or any part thereof and to refund such bonds and notes, whether or not in  
41 advance of their maturity or earliest redemption date. Any bond order must be  
42 approved by resolution adopted by the special tax board of the Authority. To pay any  
43 bond or note issued under the Local Government Bond Act, the Authority may not  
44 pledge the levy of any ad valorem tax, but only a tax or taxes it is authorized to levy.

1 **"§ 160A-618. Equipment trust certificates.**

2 In addition to the powers here and before granted, the Authority shall have  
3 continuing power to purchase equipment, and in connection therewith execute  
4 agreements, leases with or without option to purchase, or equipment trust certificates.  
5 All money required to be paid by the Authority under the provisions of such  
6 agreements, leases with or without option to purchase, and equipment trust certificates  
7 shall be payable solely from the fares, fees, rentals, charges, revenues, and earnings of  
8 the Authority, monies derived from the sale of any surplus property of the Authority and  
9 gifts, grants, and contributions from any source whatever. Payment for such equipment  
10 or rentals therefore, may be made in installments; the deferred installments may be  
11 evidenced by equipment trust certificates payable solely from the aforesaid revenues or  
12 receipts and title to such equipment may or may not vest in the Authority until the  
13 equipment trust certificates are paid.

14 **"§ 160A-619. Power of eminent domain.**

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

19 (b) Exercise of the power of eminent domain by the Authority shall be in  
20 accordance with Chapter 40A of the General Statutes.

21 **"§ 160A-620. Tax exemption.**

22 The property of the Authority, both real and personal, its acts, activities and income  
23 shall be exempt from any tax or tax obligation; in the event of any lease of Authority  
24 property, or other arrangement which amounts to a leasehold interest, to a private party,  
25 this exemption shall not apply to the value of such leasehold interest nor shall it apply to  
26 the income of the lessee. Otherwise, however, for the purpose of taxation, when  
27 property of the Authority is leased to private parties solely for the purpose of the  
28 Authority, the acts and activities of the lessee shall be considered as the acts and  
29 activities of the Authority and the exemption. The interest on bonds or obligations  
30 issued by the Authority shall be exempt from State taxes.

31 **"§ 160A-621. Removal and relocation of utility structures.**

32 (a) The Authority shall have the power to require any public utility, railroad, or  
33 other public service corporation owning or operating any installations, structures,  
34 equipment, apparatus, appliances or facilities in, upon, under, over, across or along any  
35 ways on which the Authority has the right to own, construct, operate or maintain its  
36 public transportation system, to relocate such installation, structures, equipment,  
37 apparatus, appliances or facilities from their locations, or, in the sole discretion of the  
38 affected public utility, railroad, or other public service corporation, to remove such  
39 installations, structures, equipment, apparatus, appliances or facilities from their  
40 locations.

41 (b) If the owner or operator thereof fails or refuses to relocate them, the  
42 Authority may proceed to do so.

43 (b1) The Authority shall provide any necessary new locations and necessary real  
44 estate interests for such relocation, and for that purpose the power of eminent domain as

1 provided in G.S. 160A-619 may be exercised provided the new locations shall not be in,  
2 on or above, a public highway; the Authority may also acquire the necessary new  
3 locations by purchase or otherwise.

4 (b2) Any affected public utility, railroad or other public service corporation shall  
5 be compensated for any real estate interest taken in a manner consistent with G.S.  
6 160A-619, subject to the right of the Authority to reduce the compensation due by the  
7 value of any property exchanged under this section.

8 (b3) The method and procedures of a particular adjustment to the facilities of a  
9 public utility, railroad or other public service corporation shall be covered by an  
10 agreement between the Authority and the affected party or parties.

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

17 Sec. 1.1. G.S. 40A-3(c) is amended by adding a new subdivision to read:

18 "(13) A regional transportation authority established under Article 26 of  
19 Chapter 160A of the General Statutes for the purposes of that Article."

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

21 "(1) 'Municipality' means a county, city, town, incorporated  
22 village, sanitary district, metropolitan sewerage district, metropolitan  
23 water district, county water and sewer district, water and sewer  
24 authority, hospital authority, hospital district, parking authority,  
25 special airport district, regional public transportation authority, and  
26 airport authority, a joint agency created pursuant to Part 1 of Article  
27 20 of Chapter 160A of the General Statutes, but not any other forms  
28 of local government."

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

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

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

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

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

1 **"§ 159-51. Application to Commission for approval of bond issue; preliminary**  
2 **conference; acceptance of application.**

3 No bonds may be issued under this Article unless the issue is approved by the Local  
4 Government Commission. The governing board of the issuing unit shall file an  
5 application for Commission approval of the issue with the secretary of the Commission.  
6 If the issuing unit is a regional public transportation authority, the application must be  
7 accompanied by a resolution of the special tax board of that authority approving of the  
8 application. The application shall state such facts and have attached to it such  
9 documents concerning the proposed bonds and the financial condition of the issuing unit  
10 as the secretary may require. The Commission may prescribe the form of the  
11 application.

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

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

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

21 "(a) Neither the State nor a municipality may issue revenue bonds under this  
22 Article unless the issue is approved by the Commission. The State Treasurer or the  
23 governing board of the issuing municipality or its duly authorized agent, as the case  
24 may be, shall file an application for Commission approval of the issue with the secretary  
25 of the Commission. If the issuing municipality is a regional public transportation  
26 authority, the application must be accompanied by a resolution of the special tax board  
27 of that authority approving of the application. The application shall state such facts and  
28 have attached to it such documents concerning the proposed revenue bonds and the  
29 financial condition of the State or the issuing municipality, as the case may be, and its  
30 utilities and enterprises as the secretary may require. The Commission may prescribe  
31 the form of the application."

32 Sec. 7. The Legislative Research Commission shall make a comprehensive  
33 study of financing of public transportation in North Carolina, and report its  
34 recommendations to the 1989 Regular Session, (1990 Regular Session) of the General  
35 Assembly.

36 Sec. 8. This act is effective upon ratification.