

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 2318*
Committee Substitute Favorable 6/5/08
Third Edition Engrossed 6/12/08
Senate Commerce, Small Business and Entrepreneurship Committee Substitute
Adopted 7/9/08

Short Title: DOT/Partnership Agreements/Construction.-AB

(Public)

Sponsors:

Referred to:

May 21, 2008

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE DEPARTMENT OF TRANSPORTATION TO ENTER INTO PRIVATE PARTNERSHIP AGREEMENTS FOR CONSTRUCTION OF TRANSPORTATION INFRASTRUCTURE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-18(39) reads as rewritten:

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

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

...

(39) To enter into partnership agreements with the North Carolina Turnpike Authority, private entities, and authorized political subdivisions to finance, by tolls, contracts, and other financing methods authorized by law, the cost of acquiring, constructing, equipping, maintaining, and operating transportation infrastructure in this State, with priority given to highways, roads, streets, and ~~bridges~~bridges, and to plan, design, develop, acquire, construct, equip, maintain, and operate highways, roads, streets, bridges, and existing rail, as well as properties adjoining existing rail lines in this State. An agreement entered into under this subdivision requires the concurrence of the Board of Transportation. The Department shall report to the Chairs of the Joint Legislative Transportation Oversight Committee, the Chairs of the House of Representatives Appropriations Subcommittee on Transportation, and the Chairs of the Senate Appropriations Committee on the Department of Transportation, at the same time it notifies the Board of

1 Transportation of any proposed agreement under this subdivision. Any
2 contracts for construction of highways, roads, streets, and bridges
3 which are awarded pursuant to an agreement entered into under this
4 section shall comply with the competitive bidding requirements of
5 Article 2 of this Chapter."

6 **SECTION 2.** G.S. 136-28.6 reads as rewritten:

7 "**§ 136-28.6. ~~Private contract participation~~ Participation by the Department of**
8 **Transportation. Transportation with private developers.**

9 (a) The Department of Transportation may participate in private engineering and
10 construction contracts for State highways.

11 (b) In order to qualify for State participation, the project must be:

12 (1) The construction of a street or highway on the Transportation
13 Improvement Plan adopted by the Department of Transportation; or

14 (2) The construction of a street or highway on a mutually adopted
15 transportation plan that is designated a Department of Transportation
16 responsibility.

17 (c) Only those projects in which ~~the developer furnishes~~ the right-of-way is
18 furnished without cost to the Department of Transportation are eligible.

19 (d) The Department's participation shall be limited to fifty percent (50%) of the
20 amount of any engineering contract and/or any construction contract ~~let by the~~
21 ~~developer~~ for the project.

22 (e) ~~Participation~~ Department of Transportation participation in the contracts shall
23 be limited to cost associated with normal practices of the Department of Transportation.

24 (f) Plans for the project must meet Department of Transportation standards and
25 shall be approved by the Department of Transportation.

26 (g) Projects shall be constructed in accordance with the plans and specifications
27 approved by the Department of Transportation.

28 (h) The Secretary shall report in writing, on a quarterly basis, to the Joint
29 Legislative Commission on Governmental Operations on all agreements entered into
30 between a private developer and the Department of Transportation for participation in
31 private engineering and construction contracts under this section.

32 (i) ~~Municipalities~~ Counties and municipalities may participate financially in
33 private ~~engineering~~ engineering, land acquisition, and construction contracts for projects
34 pertaining to streets or highways which ~~are on a mutually adopted transportation plan~~
35 ~~for said municipality~~ meet the requirements of subsection (b) of this section within their
36 jurisdiction."

37 **SECTION 3.** This act is effective when it becomes law.