GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2009

Short Title:	Regional Transportation Authorities. (Public
Sponsors:	Senator Clodfelter.
Referred to:	
	A BILL TO BE ENTITLED
AN ACT	TO REORGANIZE THE STATUTES RELATING TO REGIONAL PUBLIC
	ORTATION AND TO AUTHORIZE UNITS OF LOCAL GOVERNMENT TO
	REGIONAL TRANSPORTATION FUNDING AGREEMENTS AND TO
	E FOR FINANCING.
	Assembly of North Carolina enacts:
\mathbf{S}	ECTION 1. The General Statutes are amended by adding a new Chapter to read:
	"Chapter 136A.
	"Regional Transportation Authorities.
	"Article 1.
#8 1264 101	"Regional Transportation Funding Agreements.
	Joint agency.
	accordance with Article 20 of Chapter 160A of the General Statutes, two or more
	of local government may constitute a joint agency for the financing, construction
	of regional transportation projects pursuant to a Regional Transportation Funding
	RTFA). Such joint agency is not a body politic and corporate, and the separated appropriate of the participating level appropriate are not offerted by the agreement
	d powers of the participating local governments are not affected by the agreement ay be delegated among the members pursuant to the interlocal agreement.
_	ocal governments are eligible to enter into an RTFA provided each of the
	nditions is satisfied as of the date of execution of the agreement:
10110wing col	——————————————————————————————————————
<u>(1</u>	boundaries of a single EPA boundary designation under the Clean Air Ac
	for the eight-hour ozone standard for North Carolina (an "ozone attainmen
	area").
<u>(2</u>	
(2	Metropolitan Planning Organization (MPO) under G.S. 136-200, et seq.
	operating within that ozone attainment area. Multiple MPOs within the
	ozone attainment area disqualify all local governments within that ozone

(3)



The minimum number of parties to an RTFA are as follows: (i) all counties

that are included within the boundaries of the ozone attainment area, plus (ii)

all municipalities that are included within the boundaries of the ozone

attainment area having a population of over 5,000 persons as of the most

attainment area from being parties to an RTFA.

recent decennial federal census.

- (4) No local government whose territory is included within the boundaries of an authority created under Article 25, Article 26, or Article 27 of Chapter 160A of the General Statutes may participate in an RTFA.
- (c) As used in this Article, "attainment area" has the same meaning as in 40 C.F.R. § 81.334 or other appropriate federal statute or regulation or State Implementation Plan under the Clean Air Act, 42 U.S.C § 7410.
 - (d) The qualification or disqualification tests provided in subdivisions (b)(1), (b)(2) and (b)(3) of this section apply only at the time the RTFA is entered into.
- (e) A copy of each agreement shall be filed with the Secretary of State and with the Secretary of Revenue, as well as any amendment to such agreement.

"§ 136A-102. Governance.

Decision making with respect to the joint agency and the RTFA is to be allocated among the participating members in the manner set out in the RTFA. The RTFA shall include provisions for the collection, administration, disbursement, and accounting for all funds that are handled pursuant to the RTFA, all consistent with the Local Government Finance Act.

"§ 136A-103. Annual list of eligible transportation projects.

Among other provisions, the RTFA must provide for the preparation and for annual updating of a list of transportation projects eligible for funding under the RTFA. Projects shall have the following characteristics: (i) must be consistent with MPO plans; (ii) if a roadway project, must show a demonstrated ability to improve regional air quality and increase likelihood of attainment of the eight-hour ozone standard; (iii) if a roadway project, must substantially increase connectivity among different parts of the region; and (iv) if a public transportation or mass transit project, must show a demonstrated ability to reduce roadway congestion and improve regional air quality. All projects on the list must be capable of construction, completion, and opening not later than seven years from date placed on the list. Based on total project cost, no less than thirty-five percent (35%) of projects shall be public transportation or mass transit projects. The list must include at least one project located wholly or partly in each county that is a member of the RTFA.

"§ 136A-104. Revenues.

- (a) In addition to any other funds that may be contributed by the participating units of local government under the RTFA, and in addition to all other federal, State, and local funds that may be available for such projects, counties that are participants in the RTFA may levy the following additional taxes, for the sole and exclusive purpose of financing the planning, design, right-of-way acquisition for, and construction of projects that are included on the RTFA project list:
 - (1) As provided in Article 47 of Chapter 105 of the General Statutes, a sales and use tax of one-half percent (1/2%).
 - (2) A tax of five cents (5ϕ) per gallon tax on retail sale of gasoline and diesel fuel.
- (b) The levy of any tax under this section is subject to the following additional conditions and restrictions:
 - (1) The tax must be levied by all counties who are members of the RTFA, or it may be levied by none.
 - (2) No part of tax proceeds may be used to fund costs of administration of the RTFA; all such costs are to be funded by members from other revenues available to them.
 - (3) Any tax shall expire upon the later of dissolution of the RTFA or completion of the last project placed on any annual project list of the RFTA."

SECTION 2. Chapter 105 of the General Statutes is amended by adding a new Article to read:

"Article 47.

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"Regional Transportation Funding Agreement Sales Tax.

"<u>§ 105-540.1</u>. Short title.

 This Article shall be known as the Regional Transportation Funding Agreement Sales Tax Act.

"§ 105-540.2. Applicability.

This Article applies only to a county that is a party to a Regional Transportation Funding Agreement (hereinafter "RTFA") under Article 1 of Chapter 136A of the General Statutes.

"§ 105-540.3. Purpose and intent.

It is the purpose of this Article to afford the counties that are parties to a Regional Transportation Funding Agreement with the opportunity to obtain an added source of revenue with which to meet their transportation needs by providing those counties authority to levy a one-half percent (1/2%) sales and use tax as hereinafter provided.

"§ 105-540.4. Levy of tax.

- (a) A county board of commissioners may after not less than 10 days' public notice and after a public hearing held pursuant thereto, by resolution, impose and levy the local sales and use tax, but the tax is not effective unless it is levied by all counties who are members of the RTFA, or it may be levied by none.
- (b) Collection of the tax, and liability therefor, must begin and continue only on and after the first day of the month of either January or July, as set by order of the joint agency administering an RTFA after receiving notices that all counties that are party to an RTFA have passed resolutions levying the tax. In no event may the tax be imposed earlier than the first day of the second succeeding calendar month after the date of the adoption of the resolution. The joint agency must give the Secretary at least 90 days' advance notice of a new tax levy. The applicability of a new tax to purchases from printed catalogs becomes effective on the first day of a calendar quarter after a minimum of 120 days from the date the Secretary notifies the seller that receives orders by means of a catalog or similar publication of the new tax.
- (d) Upon adoption of a resolution levying the tax, the board of county commissioners shall immediately deliver a certified copy of the resolution to the Secretary of Revenue. Upon approval of resolutions levying the tax by all counties that are party to the RTFA, the joint agency shall deliver to the Secretary a certified copy of its order setting the effective date of the tax. Upon receipt of these documents, the Secretary shall collect and administer the tax as provided in this Article.

"§ 105-540.5. Secretary to collect and administer local sales and use tax.

- (a) The Secretary shall collect and administer a tax levied by a county pursuant to this Article.
- (b) The Secretary shall require retailers who collect use tax on sales to North Carolina residents to ascertain the county of residence of each buyer and provide that information to the Secretary along with any other information necessary for the Secretary to allocate the use tax proceeds to the correct taxing county.

"§ 105-540.6. Disposition and distribution of taxes collected.

The Secretary shall, on a monthly basis, allocate to each taxing county for which the Secretary collects the tax the net proceeds of the tax collected in that county under this Article. The funds shall be expended only in accordance with the RTFA. The RTFA may require the funds to be paid over to the joint agency. For the purpose of this section, "net proceeds" means the gross proceeds of the tax collected in each county under this Article less taxes refunded, the cost to the State of collecting and administering the tax in the county as determined by the Secretary, and other deductions that may be charged to the county. If the Secretary collects local sales or use taxes in a month, and the taxes cannot be identified as being attributable to a particular taxing county, the Secretary shall allocate the taxes among the taxing counties in proportion to the amount of taxes collected in each county under this Article during that month and shall include them in the monthly distribution. Amounts collected by electronic funds

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transfer payments are included in the distribution for the month in which the return that applies to the payment is received.

"§ 105-540.7. Expiration or repeal of levy.

- (a) Any tax levied under such Article shall expire the next of the first day of January or July that occurs no earlier than the first day of the third month after dissolution of the RTFA or completion of the last project placed on any annual project list of the RTFA.
- (b) In addition, all the counties that are parties to an RTFA may repeal the levy by resolution, to be effective on the next of the first day of January or July that occurs no earlier than the first day of the third month after the adoption of the final resolution or repeal. The repeal is not effective unless all counties that are parties to an RTFA have adopted such resolutions.
- (c) The board of county commissioners, upon adoption of said resolution, shall cause a certified copy of the resolution to be delivered immediately to the Secretary of Revenue.
- (d) No liability for any tax levied under this Article, which shall have attached prior to the effective date on which a levy is terminated, shall be discharged as a result of such termination, and no right to a refund of tax or otherwise, which shall have accrued prior to the effective date on which a levy is terminated shall be denied as a result of such termination.

"§ 105-540.8. Administration of taxes; exemption of food.

- (a) Except as provided in this Article, the adoption, levy, collection, administration, and repeal of these additional taxes must be in accordance with Article 39 of this Chapter. G.S. 105-468.1 is an administrative provision that applies to this Article.
- (b) A tax levied under this Article does not apply to the sales price of food that is exempt from tax pursuant to G.S. 105-164.13B.

"§ 105-540.9. Limitation on administrative expenses.

No part of tax proceeds under this Article may be used to fund costs of administration of the RTFA; all such costs are to be funded by members from other revenues available to them."

SECTION 3.(a) Article 25 of Chapter 160A of the General Statutes, entitled "Public Transportation Authorities," is recodified as Article 2 of Chapter 136A of the General Statutes.

SECTION 3.(b) The following sections of Article 25 of Chapter 160A of the General Statutes recodified by subsection (a) of this section shall have the designations under Article 2 of Chapter 136A of the General Statutes as follows, and the Revisor of Statutes shall change any cross references to those sections, or to Article 25, accordingly:

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34	CURRENT	RECODIFIED
35	160A-575	136A-201
36	160A-576	136A-202
37	160A-577	136A-203
38	160A-578	136A-204
39	160A-579	136A-205
40	160A-580	136A-206
41	160A-581	136A-207
42	160A-582	136A-208
43	160A-583	136A-209
44	160A-584	136A-210
45	160A-585	136A-211
46	160A-586	136A-212
47	160A-587	136A-213
48	160A-588	136A-214

SECTION 4.(a) Article 26 of Chapter 160A of the General Statutes, entitled "Regional Public Transportation Authority," is recodified as Article 3 of Chapter 136A of the General Statutes.

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SECTION 4.(b) The following sections of Article 26 of Chapter 160A of the General Statutes recodified by subsection (a) of this section shall have the designations under Article 3 of Chapter 136A of the General Statutes as follows, and the Revisor of Statutes shall change any cross references to those sections, or to Article 26, accordingly:

7	change any cross references t	
5	CURRENT	RECODIFIED
6	160A-600	136A-301
7	160A-601	136A-302
8	160A-602	136A-303
9	160A-603	136A-304
10	160A-604	136A-305
11	160A-605	136A-306
12	160A-606	136A-307
13	160A-607	136A-308
14	160A-607.1	136A-309
15	160A-608	136A-310
16	160A-609	136A-311
17	160A-610	136A-312
18	160A-611	136A-313
19	160A-612	136A-314
20	160A-613	136A-315
21	160A-613.1	136A-316
22	160A-614	136A-317
23	160A-615	136A-318
24	160A-616	136A-319
25	160A-617	136A-320
26	160A-618	136A-321
27	160A-619	136A-322
28	160A-620	136A-323
29	160A-621	136A-324
30	160A-622	136A-325
31	160A-624	136A-326
32	160A-625	136A-327
33	160A-626	136A-328
34	160A-627	136A-329
35	SECTION 5.(a)	Article 27 o

SECTION 5.(a) Article 27 of Chapter 160A of the General Statutes, entitled "Regional Transportation Authority," is recodified as Article 4 of Chapter 136A of the General Statutes.

SECTION 5.(b) The following sections of Article 27 of Chapter 160A of the General Statutes recodified by subsection (a) of this section shall have the designations under Article 4 of Chapter 136A of the General Statutes as follows, and the Revisor of Statutes shall change any cross references to those sections, or to Article 27, accordingly:

42	160A-630	136A-401
43	160A-631	136A-402
44	160A-632	136A-403
45	160A-633	136A-404
46	160A-634	136A-405
47	160A-635	136A-406
48	160A-636	136A-407
49	160A-637	136A-408
50	160A-638	136A-409
51	160A-639	136A-410

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1	160A-640 136A-411	
2	160A-641 136A-412	
3	160A-642 136A-413	
4	160A-643 136A-414	
5	160A-644 136A-415	
6	160A-645 136A-416	
7	160A-646 136A-417	
8	160A-647 136A-418	
9	160A-648 136A-419	
10	160A-649 136A-420	
11	160A-650 136A-421	
12	160A-651 136A-422	
13	SECTION 6. This act is effective when it becomes law	

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