

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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SENATE BILL 580

Short Title: DOT Legislative Changes.-AB (Public)

Sponsors: Senators McInnis, Sawyer, and Lazzara (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 5, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE CHANGES TO TRANSPORTATION LAWS, AS RECOMMENDED BY  
3 THE DEPARTMENT OF TRANSPORTATION.  
4 The General Assembly of North Carolina enacts:

5  
6 **EXPAND AUTHORIZED USE OF TRANSPORTATION EMERGENCY RESERVE**

7 **SECTION 1.(a)** G.S. 136-44.2E reads as rewritten:

8 **"§ 136-44.2E. Transportation Emergency Reserve.**

9 (a) Creation. – The Transportation Emergency Reserve (Emergency Reserve) is  
10 established as a special fund in the Department of Transportation.

11 (b) Funding; Use of Funds. – Subject to subsection (d) of this section, no later than July  
12 30 of each fiscal year, the Department of Transportation shall transfer from the Highway Fund  
13 to the Emergency Reserve the sum of one hundred twenty-five million dollars (\$125,000,000),  
14 and these funds are hereby appropriated for expenses related to ~~an emergency~~an unreimbursed  
15 expenditure arising from an emergency. For purposes of this section, the term "emergency" has  
16 the same meaning as in G.S. 166A-19.3.

17 (c) Access to Funds. – The Department may only use funds in the Emergency Reserve  
18 after the President of the United States issues a declaration under the Stafford Act (42 U.S.C. §§  
19 5121 – 5207) that a major disaster exists in the State. The Secretary of Transportation shall ensure  
20 all funds in the Emergency Reserve are accessed and used pursuant to this section, ~~and in a~~  
21 ~~manner that ensures to the extent practicable that the funds are eligible for federal reimbursement~~  
22 ~~or cost sharing with the federal funds.~~section for unreimbursed expenditures arising from an  
23 emergency. Funds in the Emergency Reserve may be used for a past or present emergency.

24 (d) Limitation on Funds. – The total funds in the Emergency Reserve shall not exceed the  
25 sum of one hundred twenty-five million dollars (\$125,000,000). If a transfer under subsection  
26 (b) of this section would cause the Emergency Reserve to exceed this limitation, the amount  
27 transferred shall equal the difference between one hundred twenty-five million dollars  
28 (\$125,000,000) and the amount of funds in the Emergency Reserve on the transfer date set forth  
29 in subsection (b) of this section.

30 (e) Evaluation of Emergency Reserve. – No later than February 1 of the ~~first year of the~~  
31 ~~2021-2023 fiscal biennium, and biennially thereafter,~~ following a year in which funds in the  
32 Emergency Reserve were used, the Department of Transportation shall submit a report on the  
33 Emergency Reserve to the House of Representatives Appropriations Committee on  
34 Transportation, the Senate Appropriations Committee on the Department of Transportation, and  
35 the Fiscal Research Division. The report shall contain the results of an evaluation of the  
36 Emergency Reserve, based on a methodology developed jointly by the Office of State Budget



1 and Management and the Department of Transportation, to determine the minimum amount of  
2 funds needed in the Emergency Reserve.

3 (f) Notification of Governor; Reimbursement. – The Secretary shall notify the Governor  
4 within 24 hours of determining that anticipated emergency expenses by the Department under  
5 this section will exceed the funds in the Emergency Reserve. Upon notification, the Governor  
6 shall immediately proceed under G.S. 166A-19.20(e). Federal reimbursements for funds  
7 expended in relation to a major disaster, declared in accord with subsection (c) of this section,  
8 shall be used to reimburse expenditures from the following accounts in order of priority:

- 9 (1) Emergency Reserve, subject to the limitation in subsection (d) of this section.
- 10 (2) Reserve for General Maintenance in the Highway Fund.
- 11 (3) Savings Reserve."

12 **SECTION 1.(b)** This section becomes effective July 1, 2023.

### 13 14 **PROGRESSIVE DESIGN-BUILD DELIVERY METHOD PILOT PROGRAM**

15 **SECTION 2.(a)** Definition. – For purposes of this section, the term "Progressive  
16 Design-Build" means a project delivery method that uses a stepped, or progressive  
17 qualifications-based selection process, followed by a progression to a contract price. The  
18 Progressive Design-Build Team is selected exclusively on qualifications, without consideration  
19 of schedule or costs, and delivers the project in two distinct phases with two separate contracts.  
20 The Progressive Design-Build Team is initially under contract for preconstruction activities,  
21 including developing preliminary designs, performing constructability reviews, and developing  
22 construction schedules and pricing. If the Department of Transportation and the Progressive  
23 Design-Build Team reach agreement on a guaranteed maximum construction cost, the  
24 Department of Transportation and the Progressive Design-Build Team will execute a second  
25 contract for completion of the preliminary designs and construction of the project.

26 **SECTION 2.(b)** Pilot Project. – Notwithstanding any provision of Chapter 136 of  
27 the General Statutes to the contrary, the Department of Transportation may establish and  
28 implement a pilot project to award contracts for up to five transportation projects using the  
29 Progressive Design-Build procurement process. The Department of Transportation may only  
30 award a contract under this section if (i) the Department determines that the project cost is less  
31 than five hundred million dollars (\$500,000,000), (ii) the Department determines that it is in the  
32 public's interest to use the Progressive Design-Build procurement process, (iii) the Department  
33 prequalifies the prime contractor and lead design firm that will be awarded the contract, (iv) the  
34 Department complies with the pre-award reporting requirement set forth in subsection (c) of this  
35 section, and (v) the Department establishes and implements Progressive Design-Build  
36 Guidelines, as required under subsection (d) of this section.

37 **SECTION 2.(c)** Report. – Prior to the award of a contract under the authority set  
38 forth in subsection (b) of this section, the Department of Transportation shall submit a pre-award  
39 report to the Joint Legislative Transportation Oversight Committee on the nature and scope of  
40 the project and the reasons the Progressive Design-Build procurement process will best serve the  
41 public interest. Upon completion of a project awarded under subsection (b) of this section, the  
42 Department of Transportation shall submit a post-completion report to the Joint Legislative  
43 Transportation Oversight Committee and the Fiscal Research Division detailing the project  
44 results, including any cost and time efficiencies achieved using the Progressive Design-Build  
45 procurement process.

46 **SECTION 2.(d)** Guidelines. – The Department of Transportation shall develop and  
47 implement Progressive Design-Build Guidelines for awarding contracts under subsection (b) of  
48 this section.

49 **SECTION 2.(e)** Expiration. – This section expires upon submission of the  
50 post-completion report required under subsection (c) of this section for the final project  
51 completed under the authority set forth in subsection (b) of this section.

1  
2 **INCREASE PROJECT CAP FOR PROJECT DELIVERY METHOD PILOT PROGRAM**  
3 **SECTION 3.** Section 34.13(b) of S.L. 2018-5, as amended by Section 21 of S.L.  
4 2022-68, reads as rewritten:

5 "SECTION 34.13.(b) Pilot Project. – Notwithstanding any provision of Chapter 136 of the  
6 General Statutes to the contrary, the Department of Transportation may establish and implement  
7 a pilot project to award contracts for up to ~~five projects~~ eight projects for the construction of  
8 transportation projects on a construction manager-general contractor basis. The Department may  
9 only award a contract under this section if (i) the cost of the project is determined by the  
10 Department to be less than five hundred million dollars (\$500,000,000), (ii) the Department  
11 determines that it is in the public interest to use the construction manager-general contractor basis  
12 for the project, (iii) the Department prequalifies the contractor that will be awarded the contract,  
13 (iv) the Department complies with the pre-award reporting requirement set forth in subsection  
14 (c) of this section, and (v) the Department has established and implemented guidelines as required  
15 under subsection (d) of this section."  
16

17 **REPEAL TRAFFIC IMPACT ANALYSIS REPORT TO JLTOC**

18 **SECTION 4.** G.S. 136-93.1A(g) is repealed.  
19

20 **REPEAL CASH BALANCE TARGET AMOUNT REPORT**

21 **SECTION 5.** G.S. 143C-6-11(m) is repealed.  
22

23 **DEPARTMENT MAY SPECIFY MATERIAL SUBSTITUTION REQUIREMENTS**

24 **SECTION 6.** G.S. 136-28.1 is amended by adding a new subsection to read:

25 "(n) The Department of Transportation may specify a brand name or specific manufacturer  
26 of construction materials in order to promote system compatibility or synchronization; long-term  
27 maintenance savings or efficiencies; research, testing, or experimental projects; product  
28 evaluation; or when it is impossible or impractical to specify the required performance and design  
29 characteristics for such materials when required for replacement or repair of an existing asset."  
30

31 **ADJUST REQUIREMENTS FOR ROW REGISTRATIONS**

32 **SECTION 7.** G.S. 136-19.4 reads as rewritten:

33 "**§ 136-19.4. Registration of right-of-way plans.**

34 (a) A copy of the cover sheet and ~~plan and profile sheets~~ of the final right-of-way plans  
35 for all Department of Transportation projects, on those projects for which plans are prepared,  
36 under which right-of-way or other interest in real property is acquired or access is controlled shall  
37 be certified by the Department of Transportation to the register of deeds of the county or counties  
38 within which the project is located. ~~The Department shall certify said plan sheets to the register~~  
39 ~~of deeds within two weeks from their formal approval by the Board of Transportation.~~

40 ...

41 (d) ~~If after the approval of said final right-of-way plans the Board of Transportation shall~~  
42 ~~by resolution alter or amend said right of way or control of access, the Department of~~  
43 ~~Transportation, within two weeks from the adoption by the Board of Transportation of said~~  
44 ~~alteration or amendment, shall certify to the register of deeds in the county or counties within~~  
45 ~~which the project is located a copy of the amended plan and profile sheets approved by the Board~~  
46 ~~of Transportation and the register of deeds shall remove the original plan sheets and record the~~  
47 ~~amended plan sheets in lieu thereof.~~

48 (e) The register of deeds in each county shall collect a fee from the Department of  
49 Transportation for recording right-of-way plans ~~and profile sheets~~ in the amount set out in  
50 G.S. 161-10."  
51

**REVISION TO BRIDGE PROGRAM OUTSOURCING**

**SECTION 8.** G.S. 136-76.2(c) reads as rewritten:

"(c) Outsourcing. – Except for the following activities, all projects funded under the bridge program established under subsection (a) of this section shall be outsourced to private contractors:

- (1) Inspection.
- (2) Pre-engineering.
- (3) Contract preparation.
- (4) Contract administration and oversight.
- (5) Planning activities.
- (6) Installation of culverts described in subsection (b) of this section, ~~but only in cases of emergency, section on non-outlet roads.~~"

**REVISION TO ADVANCE RIGHT-OF-WAY ACQUISITION ACCOUNT**

**SECTION 9.** Section 41.7 of S.L. 2022-74 reads as rewritten:

**"SECTION 41.7.(a)** The State Controller shall transfer the sum of one hundred nine million eight hundred thirty-four thousand nine hundred seventy-two dollars (\$109,834,972) from the Highway Fund to the Highway Trust Fund Advance Right-of-Way Acquisition Account. These funds shall be used by the Department of Transportation for the purchase of property under the ~~Undue Hardship Advance Acquisition Program (Undue Hardship Program).~~ Advance Acquisition Program.

**"SECTION 41.7.(b)** The Department shall streamline the Undue Hardship Program to ensure that property in a planned transportation project area is purchased expeditiously from a property owner experiencing an undue hardship, as that term is defined in G.S. 136-186(a)(3), resulting from a rescheduled or reprioritized Strategic Transportation Investment (STI) project. ~~Beginning October 1, 2022, the Department shall submit a quarterly report to the Joint Legislative Transportation Oversight Committee (JLTOC) and the Fiscal Research Division containing the Department's streamlined efforts, the amount of property purchased, and the number of hardship claims by the Highway Division.~~"

**EXTEND EXPIRATION DATE OF BUILD NC BOND ACT**

**SECTION 10.** Section 7 of S.L. 2018-16 reads as rewritten:

**"SECTION 7.** This act becomes effective January 1, 2019, and expires ~~December 31, 2028.~~ December 31, 2030."

**TURNPIKE BILL COLLECTION**

**SECTION 11.** G.S. 136-89.213 reads as rewritten:

**"§ 136-89.213. Administration of tolls and requirements for open road tolls.**

(a) Administration. – The Authority is responsible for collecting tolls on Turnpike projects. In exercising its authority under G.S. 136-89.183 to perform or procure services required by the Authority, the Authority may contract with one or more providers to perform part or all of the collection functions and may enter into agreements to exchange information, including confidential information under subsection (a1) of this section, that identifies motor vehicles and their owners with one or more of the following entities: the Division of Motor Vehicles of the Department of Transportation, another state, another toll operator, a toll collection-related organization, insurance companies, or a private entity that has entered into a partnership agreement with the Authority pursuant to G.S. 136-89.183(a)(17). Further, the Authority may assign its authority to fix, revise, charge, retain, enforce, and collect tolls and fees under this Article to a private entity that has entered into a partnership agreement with the Authority pursuant to G.S. 136-89.183(a)(17).

...."

1  
2 **ADD VIN NUMBER TO UNPAID TOLL BILL AND AUTHORIZE ELECTRONIC**  
3 **INFORMATION COLLECTION FOR OWNER VERIFICATION**

4 **SECTION 12.(a)** G.S. 136-89.214 reads as rewritten:

5 "**§ 136-89.214. Bill for unpaid open road toll.**

6 ...  
7 (b) Information on Bill. – A bill sent under this section must include all of the following  
8 information:

9 ...

10 (1a) The vehicle identification number (VIN) or other vehicle identifying  
11 information of the motor vehicle that traveled on the Turnpike project.

12 ...

13 (c) Electronic Information Verification. – The Authority may utilize digital  
14 communications and methods to obtain information for a registered owner of a motor vehicle  
15 through verification of phone numbers, connected or enabled vehicle applications, and other  
16 digital means to pursue a bill by first-class mail."

17 **SECTION 12.(b)** This section becomes effective July 1, 2023, and applies to toll  
18 collection for vehicle use on a Turnpike project occurring on or after that date.

19  
20 **INCREASE TURNPIKE PROCESSING FEE FOR BILLING**

21 **SECTION 13.(a)** G.S. 136-89.215(b) reads as rewritten:

22 "(b) Fee. – If a person does not take one of the actions required under subsection (a) of  
23 this section within the required time, the Authority may add a processing fee to the amount the  
24 person owes. The processing fee may not exceed ~~six dollars (\$6.00).~~ nine dollars (\$9.00). A  
25 person may not be charged more than ~~forty-eight dollars (\$48.00)~~ seventy-two dollars (\$72.00)  
26 in processing fees in a 12-month period.

27 The Authority must set the processing fee at an amount that does not exceed the costs of  
28 collecting the unpaid toll."

29 **SECTION 13.(b)** This section becomes effective July 1, 2023, and applies to toll  
30 collection for vehicle use on a Turnpike project occurring on or after that date.

31  
32 **HOV LANE RESTRICTIONS**

33 **SECTION 14.** G.S. 20-146.2(a) reads as rewritten:

34 "(a) HOV Lanes. – The Department of Transportation may designate one or more travel  
35 lanes as high occupancy vehicle (HOV) lanes on streets and highways on the State Highway  
36 System and cities may designate one or more travel lanes as high occupancy vehicle (HOV) lanes  
37 on streets on the Municipal Street System. HOV lanes shall be reserved for vehicles with a  
38 specified number of passengers as determined by the Department of Transportation or the city  
39 having jurisdiction over the street or highway. When HOV lanes have been designated, and have  
40 been appropriately marked with signs or other markers, they shall be reserved for privately or  
41 publicly operated buses, and automobiles or other vehicles containing the specified number of  
42 persons. Where access restrictions are applied on HOV lanes through designated signing and  
43 pavement markings, vehicles shall only cross into or out of an HOV lane at designated openings.  
44 A motor vehicle shall not travel in a designated HOV lane if the motor vehicle has more than  
45 three axles, regardless of the number of occupants. HOV lane restrictions shall not apply to any  
46 of the following:

47 (1) ~~Motorcycles.~~

48 (2) ~~Vehicles designed to transport 15 or more passengers, regardless of the actual~~  
49 ~~number of occupants.~~

50 (3) Emergency vehicles. As used in this subdivision, the term "emergency  
51 vehicle" means any law enforcement, fire, police, or other government

- 1 vehicle, and any public and privately owned ambulance or emergency service  
 2 vehicle, when responding to an emergency.  
 3 (4) ~~Plug-in electric vehicles as defined in G.S. 20-4.01(28b), regardless of the~~  
 4 ~~number of passengers in the vehicle. These vehicles must be able to travel at~~  
 5 ~~the posted speed limit while operating in the HOV lane.~~  
 6 (5) ~~Dedicated natural gas vehicles as defined in G.S. 20-4.01(5a), regardless of~~  
 7 ~~the number of passengers in the vehicle. These vehicles must be able to travel~~  
 8 ~~at the posted speed limit while operating in the HOV lane.~~  
 9 (6) ~~Fuel-cell electric vehicles as defined in G.S. 20-4.01(12a), regardless of the~~  
 10 ~~number of passengers in the vehicle. These vehicles must be able to travel at~~  
 11 ~~the posted speed limit while operating in the HOV lane.~~  
 12 (7) Publicly operated buses and transit vehicles, regardless of actual number of  
 13 occupants."  
 14

## 15 AUTHORIZE FERRY TO USE STAFFING COMPANY FOR TEMPORARY HIRES

16 **SECTION 15.** G.S. 126-6.3(b) reads as rewritten:

17 "(b) Compliance Monitoring. – The Office of State Human Resources shall monitor the  
 18 employment of temporary employees by Cabinet and Council of State agencies and shall report  
 19 biannually to the Joint Legislative Oversight Committee on General Government and to the  
 20 Fiscal Research Division on agency compliance with this section and policies and rules adopted  
 21 pursuant to it. Each State agency granted an exception under this section from using the  
 22 Temporary Solutions Program and any Council of State agency that elected to not use the  
 23 Temporary Solutions Program shall record the time worked by each temporary employee in the  
 24 agency, including the number of hours worked per week, number of months worked, and the  
 25 amount of time the employee was not employed after 11 consecutive months of service with the  
 26 agency. To the extent possible for temporary employees, agencies shall use BEACON, or the  
 27 State payroll system that supersedes BEACON, for payroll purposes. If it is not feasible for an  
 28 agency to use BEACON, or the superseding system for payroll purposes, the agency shall report  
 29 the information required by this section to the Office of State Human Resources in accordance  
 30 with guidelines and requirements established by the Director of Temporary Solutions. The  
 31 Department of Transportation, Ferry Division, shall be exempt from the required use of  
 32 Temporary Solutions when there is an established need for peak season hires or when the  
 33 expertise requires a specific skillset beyond the scope of temporary employees."  
 34

## 35 FERRY PRIORITY BOARDING

36 **SECTION 16.(a)** G.S. 136-82(f3) reads as rewritten:

37 "(f3) Priority Boarding Fee for Certain Vehicles. – For ~~vehicles~~ a vehicle providing  
 38 commercial goods and services, the Department of Transportation shall charge an annual fee of  
 39 ~~one five hundred fifty dollars (\$150.00)~~ (\$500.00) for an annual pass that entitles the vehicle ~~or~~  
 40 ~~vehicles owned by the person~~ issued the annual pass to priority when boarding a ferry vessel.  
 41 Only one annual pass per vehicle shall be issued per year. Except as authorized under this  
 42 subsection, the Department of Transportation shall not provide priority boarding to a ferry vessel  
 43 to any vehicle providing commercial goods and services. The following limits shall apply to  
 44 priority boarding under this subsection:

- 45 (1) For ferry vessels departing Hatteras, priority boarding shall not be authorized  
 46 except between 10:00 A.M. and 4:00 P.M., and for ferry vessels departing  
 47 Ocracoke, priority boarding shall not be authorized except between 4:00 P.M.  
 48 and 9:00 P.M.  
 49 (2) No more than 10 vehicles may priority board a ferry per one-way trip as  
 50 authorized under subdivision (1) of this subsection."

1           **SECTION 16.(b)** This section becomes effective July 1, 2023, and applies to  
2 applications for priority passes submitted on or after that date.

3  
4 **RESIDENT PRIORITY PASSES ON HATTERAS-OCRACOKE**

5           **SECTION 17.(a)** G.S. 136-82 is amended by adding a new subsection to read:

6           "(f4) Priority Boarding for Ocracoke Residents. – The Board of Transportation shall  
7 establish resident vehicle priority passes for the Hatteras-Ocracoke ferry route at an amount set  
8 by the Board per vehicle. To evidence residency for the purpose of priority pass applications  
9 under this subsection, a person must provide a valid drivers license and a current vehicle  
10 registration with an Ocracoke address."

11           **SECTION 17.(b)** This section becomes effective July 1, 2023.

12  
13 **REPEAL DRONE ACTIVITY REPORTING REQUIREMENT**

14           **SECTION 18.** G.S. 63-74.5(2) is repealed.

15  
16 **AUTHORIZE COOPERATION WITH ADJOINING STATES ON RAILROAD**  
17 **REVITALIZATION**

18           **SECTION 19.** G.S. 136-44.36(a) reads as rewritten:

19           "(a) The General Assembly hereby designates the Department of Transportation as the  
20 agency of the State of North Carolina responsible for administering all State and federal railroad  
21 revitalization programs. The Department of Transportation is authorized to develop, and the  
22 Board of Transportation is authorized to adopt, a State railroad plan, and the Department of  
23 Transportation is authorized to do all things necessary under applicable State and federal  
24 legislation to properly administer State and federal railroad revitalization programs ~~within the~~  
25 ~~State~~ both within the State and adjoining states, as agreed to with the adjoining state entity. Such  
26 authority shall include, but shall not be limited to, the power to receive federal funds and  
27 distribute and expend federal and State funds for rail programs designed to cover the costs of  
28 acquiring, by purchase, lease or other manner as the department considers appropriate, a railroad  
29 line or other rail property to maintain existing or to provide future rail service; the costs of  
30 rehabilitating and improving rail property on railroad lines to the extent necessary to permit safe,  
31 adequate and efficient rail service on such lines; and the costs of constructing rail or rail related  
32 facilities for the purpose of improving the quality, efficiency and safety of rail service. The  
33 Department shall also have the authority to preserve railroad corridors for future railroad use and  
34 interim compatible uses and may lease such corridors for interim compatible uses. Such authority  
35 shall also include the power to receive and administer federal financial assistance without State  
36 financial participation to railroad companies to cover the costs of local rail service continuation  
37 payments, of rail line rehabilitation, and of rail line construction as listed above. This Article  
38 shall not be construed to grant to the department the power or authority to operate directly any  
39 rail line or rail facilities."

40  
41 **REVISE USE OF CERTAIN MATCHING FUNDS OF RAIL DIVISION**

42           **SECTION 20.** Part XLI of S.L. 2022-74 is amended by adding a new section to read:

43           "SECTION 41.11. Notwithstanding any other provision of law or a provision of the  
44 Committee Report described in Section 43.2 of this act to the contrary, the seven million five  
45 hundred twenty-seven thousand dollars (\$7,527,000) in nonrecurring funds appropriated to the  
46 Department of Transportation, Rail Division, for the 2022-2023 fiscal year for the S-Line rail  
47 corridor may also be used for a future grant to develop the S-Line beyond the CRISI grant  
48 announced from Fiscal Year 2021 funds."

49  
50 **REVISE OUTDOOR ADVERTISING LAW**

51           **SECTION 21.(a)** G.S. 136-133.1 reads as rewritten:

1 **"§ 136-133.1. Outdoor advertising vegetation cutting or removal.**

2 (a) ~~The owner of an outdoor advertising sign permitted under G.S. 136-129(a)(4) [G.S.~~  
3 ~~136-129(4)] or G.S. 136-129(a)(5) [G.S. 136-129(5)] who obtains a selective vegetation removal~~  
4 ~~permit, and the owner's designees, may cut, thin, prune, or remove vegetation in accordance with~~  
5 ~~this section, G.S. 136-93(b), 136-133.2, and 136-133.4. The maximum cut or removal zone for~~  
6 ~~vegetation for each sign face shall be determined as follows:~~

- 7 (1) ~~The point located on the edge of the right-of-way that is the closest point to~~  
8 ~~the centerline of the sign face shall be point A.~~  
9 (2) ~~The point located 200 feet down the right-of-way line in the direction of the~~  
10 ~~sign viewing zone shall be point B.~~  
11 (3) ~~The point on the edge of the pavement of the travel way, including~~  
12 ~~acceleration and deceleration ramps, that is the closest to the centerline of the~~  
13 ~~sign shall be point C.~~  
14 (4) ~~The point 50 feet down the edge of the pavement in the direction of the sign~~  
15 ~~viewing zone from point C shall be point D.~~  
16 (5) ~~The point 380 feet down the edge of the pavement in the direction of the sign~~  
17 ~~viewing zone from point C shall be point E; provided, however, the following~~  
18 ~~shall apply within the corporal limits and territorial jurisdiction of any city, as~~  
19 ~~defined in Chapter 160A of the General Statutes:~~  
20 a. ~~On interstates or other routes with fully controlled access, the point~~  
21 ~~340 feet down the edge of the pavement in the direction of the sign~~  
22 ~~viewing zone from point C shall be point E.~~  
23 b. ~~On highways other than interstates and other routes with fully~~  
24 ~~controlled access, the point 250 feet down the edge of the pavement in~~  
25 ~~the direction of the sign viewing zone from point C shall be point E.~~  
26 (6) ~~Lines drawn from point A to point D and from point B to point E shall define~~  
27 ~~the limits of the vegetation cut or removal area.~~

28 (a) The owner of an outdoor advertising sign permitted under G.S. 136-129(4) or  
29 G.S. 136-129(5) who obtains a selective vegetation removal permit, and the owner's designees,  
30 may cut, thin, prune, or remove vegetation in accordance with this section, G.S. 136-93(b),  
31 136-133.2, and 136-133.4. The maximum cut or removal zone for vegetation for each sign face  
32 shall be determined as follows:

- 33 (1) The point located on the edge of the right-of-way that is the closest point to  
34 the centerline of the sign face shall be point A. The point on the edge of the  
35 pavement of the travel way, including acceleration and deceleration ramps,  
36 that is the closest to the centerline of the sign face shall be point B. The point  
37 corresponding to the closest point to the centerline of the sign face along the  
38 edge of the pavement of the main traveled way and moving in the direction of  
39 the sign viewing zone, according to the distances in sub-subdivisions a. and b.  
40 of this subdivision, is point C. The point perpendicular to point C on the edge  
41 of the right-of-way separating the public property from private property shall  
42 be point D. Lines drawn from point A, to point B, to point C, and to point D  
43 shall define the limits of the vegetation cut or removal area.  
44 a. For a distance of 500 feet for a view zone that has a posted speed limit  
45 of over 35 miles per hour.  
46 b. For a distance of 350 feet for a view zone that has a posted speed limit  
47 of 35 miles per hour or less.  
48 (2) Notwithstanding subdivision (1) of this subsection, the sign owner or designee  
49 may also cut vegetation within any area on the State right-of-way located  
50 between viewing zones of two sign faces, or otherwise within any area  
51 measured perpendicular from any point on the sign structure to the edge of the



1 pavement of the main traveled way, by paying a fee of one hundred dollars  
2 (\$100.00) per caliper inch to the Department of Transportation.

3 ...

4 (b) Vegetation permitted to be cut, thinned, pruned, or removed shall be defined as any  
5 tree, shrub, or underbrush within the zone created by ~~points A, B, D, and E.~~ subsection (a) of this  
6 section. Any existing tree that was in existence at the time that an outdoor advertising structure  
7 was erected shall only be eligible for removal in accordance with subsections (c), (d), and (e) of  
8 this section. Native dogwoods and native redbuds shall be preserved. For the purposes of this  
9 section, an existing tree is defined as a tree that had a diameter of four inches or greater as  
10 measured six inches from the ground at the time that the outdoor advertising structure was  
11 erected. An outdoor advertising sign is considered erected when the sign is completely  
12 constructed with a sign face.

13 ...

14 (g) Notwithstanding any law to the contrary, the owner of an outdoor advertising sign  
15 defined by subsection (a) of this section or the owner's designees may, working only from the  
16 private property side of the fence, without charge and without obtaining a selective vegetation  
17 removal permit, cut, trim, prune, or remove any tree or other vegetation except for native  
18 dogwoods or native redbuds that is (i) less than four inches in diameter at the height of the  
19 controlled access fence, (ii) ~~located within 200 feet on either side of the existing sign location as~~  
20 ~~defined by point A and point B in G.S. 136-133.1(a)(1) and (2),~~ located within 300 feet on either  
21 side of the existing sign location, and (iii) a distance of three feet from a controlled access fence  
22 within the limits of the highway right-of-way. The activities permitted by this subsection must  
23 be performed from the private property owner side of the controlled access fence and with the  
24 consent of the owner of the land that is used to access said fence.

25 ...."

26 **SECTION 21.(b)** G.S. 136-133.2 reads as rewritten:

27 "**§ 136-133.2. Issuance or denial of a selective vegetation removal permit.**

28 ~~Except as provided in G.S. 136-133.1(g), permits to remove vegetation may be granted for~~  
29 ~~outdoor advertising locations that have been permitted for at least two years prior to the date of~~  
30 ~~application. The Department shall approve or deny an application submitted pursuant to this~~  
31 ~~section, including the fee required by G.S. 136-18.7 and all required documentation, within 30~~  
32 ~~days of the receipt of an application for a selective vegetation removal permit. If written notice~~  
33 ~~of approval or denial is not given to the applicant within the 30-day period, then the application~~  
34 ~~shall be deemed approved. If the application is denied, the Department shall advise the applicant,~~  
35 ~~in writing, by registered or certified mail, return receipt requested, addressed to the party to be~~  
36 ~~noticed, and delivering to the addressee, the reasons for the denial.~~

37 (a) Except as provided in subsection (b) of this section and G.S. 136-133.1(g), permits to  
38 remove vegetation may be granted for outdoor advertising locations that have been permitted for  
39 at least two years prior to the date of application. The Department shall approve or deny an  
40 application submitted pursuant to this section, including the fee required by G.S. 136-18.7 and  
41 all required documentation, within 30 days of the receipt of an application for a selective  
42 vegetation removal permit. If written notice of approval or denial is not given to the applicant  
43 within the 30-day period, then the application shall be deemed approved. If the application is  
44 denied, the Department shall advise the applicant, in writing, by registered or certified mail,  
45 return receipt requested, addressed to the party to be noticed, and delivering to the addressee, the  
46 reasons for the denial.

47 (b) Notwithstanding the two-year period required in subsection (a) of this section, permits  
48 to remove vegetation may be granted for outdoor advertising locations where outdoor advertising  
49 has been relocated pursuant to G.S. 136-131.5 and that otherwise comply with the requirements  
50 of this section and rules adopted by the Department in accordance with this section.

1       (c) A new site for relocation shall not be denied by the Department of Transportation due  
2 to the presence of vegetation obstructing the visibility of the outdoor advertising from the viewing  
3 zone. Notwithstanding any law to the contrary, the owner or operator of the outdoor advertising  
4 sign shall be permitted to improve the visibility of the sign by removing any vegetation on private  
5 property upon receiving written consent of the landowner."

6       **SECTION 21.(c)** This section becomes effective July 1, 2023, and applies to  
7 applications for selective vegetation removal permits submitted on or after that date.

8  
9 **PILOT PROGRAM TO AUTHORIZE AUTOMATIC LICENSE PLATE READERS IN**  
10 **STATE RIGHTS-OF-WAY**

11       **SECTION 22.(a)** The Department of Transportation may enter into agreements with  
12 the North Carolina State Bureau of Investigation for the placement and use of automatic license  
13 plate reader systems, as defined in G.S. 20-183.30(1), within land or right-of-way owned by the  
14 Department of Transportation as part of a pilot program established by this section; provided that  
15 (i) the use of the land or right-of-way is temporary in nature, (ii) the automatic license plate reader  
16 system is above ground, removeable, and contains no combustible fuel, (iii) the placement and  
17 use does not unreasonably interfere with the operation and maintenance of public utility facilities  
18 or cause the facilities to fail to comply with all applicable laws, codes, and regulatory  
19 requirements, (iv) the authorization to locate the automatic license plate reader system within the  
20 right-of-way is revocable by the Department for cause with at least 30 days' notice, (v) the use  
21 of the automatic license plate reader system complies with provisions of Article 8A of Chapter  
22 87 of the General Statutes, and (vi) the automatic license plate reader system is operated in  
23 accordance with Article 3D of Chapter 20 of the General Statutes. Placement and use of an  
24 automatic license plate reader system and related equipment under this subsection must be  
25 terminated and removed by the Department upon request by any affected public utility. The  
26 Department or a public utility may relocate an automatic license plate reader system and related  
27 equipment in the event that the Department or public utility needs immediate access to its utilities  
28 or facilities and shall only be liable for damages to the automatic license plate reader system and  
29 related equipment caused solely by its gross negligence or willful misconduct. If an automatic  
30 license plate reader system or related equipment is moved for immediate access, the Department  
31 or applicable public utility must provide notice to the State Bureau of Investigation. For purposes  
32 of this subsection, the term "public utility" means any of the following: a public utility, as defined  
33 in G.S. 62-3(23), an electric membership corporation, telephone membership corporation, a joint  
34 municipal power agency, or a municipality, as defined in G.S. 159B-3(5). The State Bureau of  
35 Investigation may enter into an agreement under this section on its own behalf or as an  
36 administrative agent of a local law enforcement agency in this State.

37       **SECTION 22.(b)** No later than March 1, 2024, the North Carolina State Bureau of  
38 Investigation shall submit a report to the Joint Legislative Oversight Committee on Justice and  
39 Public Safety and the Joint Legislative Transportation Oversight Committee on automatic license  
40 plate reader systems placed on rights-of-way owned or maintained by the Department of  
41 Transportation. The report shall contain the written policy governing use of each automatic  
42 license plate reader system, the number of requests for captured data by requesting agency, and  
43 the amount of data preserved for more than 90 days compared to the amount of data captured on  
44 an annual basis.

45       **SECTION 22.(c)** Section 41.57(a) and Section 41.57(c) of S.L. 2021-180 are  
46 repealed.

47       **SECTION 22.(d)** G.S. 20-183.30 reads as rewritten:

48 **"§ 20-183.30. Definitions.**

49       The following definitions apply in this Article:

- 50       (1) Automatic license plate reader system. – A system of one or more mobile or  
51       fixed automated high speed cameras used in combination with computer

1 algorithms to convert images of license plates into computer readable data.  
2 This term shall not include a traffic control photographic system, as that term  
3 is defined in G.S. 160A-300.1(a), or an open road tolling system, as that term  
4 is defined in G.S. 136-89.210(3).

5 (1a) Reserved for future codification purposes.

6 (1b) Reserved for future codification purposes.

7 (1c) Reserved for future codification purposes.

8 (1d) Criminal justice officer. – Defined in G.S. 17C-2.

9 (2) Law enforcement agency. – Any agency or officer of the State of North  
10 Carolina or any political subdivision thereof who is empowered by the laws  
11 of this State to conduct investigations or to make arrests and any attorney,  
12 including the Attorney General of North Carolina, authorized by the laws of  
13 this State to prosecute or participate in the prosecution of those persons  
14 arrested or persons who may be subject to civil actions related to or concerning  
15 an arrest.

16 (3) Reserved for future codification purposes.

17 (4) Reserved for future codification purposes.

18 (5) Law enforcement purpose. – Any of the following:

19 a. Actions related to criminal investigations, arrests, prosecutions,  
20 post-conviction confinement, or supervision.

21 b. Apprehending an individual with an outstanding felony warrant.

22 c. Locating a missing or endangered person.

23 d. Locating a lost or stolen vehicle.

24 (6) Reserved for future codification purposes.

25 (7) Reserved for future codification purposes.

26 (8) Missing or endangered person. – A person who has been identified as a  
27 missing or endangered person by at least one of the following:

28 a. The National Criminal Information Center.

29 b. The National Center for Missing and Exploited Children.

30 c. A "be on the lookout" bulletin issued by a law enforcement agency."

31 **SECTION 22.(e)** G.S. 20-183.31(b) reads as rewritten:

32 "(b) Data obtained by a law enforcement agency in accordance with this Article shall be  
33 obtained, accessed, preserved, or disclosed only for law enforcement ~~or criminal justice~~ purposes.  
34 Notwithstanding, data obtained under the authority of this Article shall not be used for the  
35 enforcement of traffic violations."

36 **SECTION 22.(f)** G.S. 20-183.32(e) reads as rewritten:

37 "(e) Captured plate data obtained in accordance with this Article is confidential and not a  
38 public record as that term is defined in G.S. 132-1. Data shall not be disclosed except to a ~~federal,~~  
39 ~~State, criminal justice officer at a State~~ or local law enforcement agency ~~or a similar official at a~~  
40 federal law enforcement agency for a legitimate law enforcement ~~or public safety~~ purpose  
41 pursuant to a written request from the requesting agency. Written requests may be in electronic  
42 format. Nothing in this subsection shall be construed as requiring the disclosure of captured plate  
43 data if a law enforcement agency determines that disclosure will compromise an ongoing  
44 investigation. Captured plate data shall not be sold for any purpose."

45 **SECTION 22.(g)** This section becomes effective July 1, 2023. Subsection (a) of this  
46 section expires June 1, 2024, and any agreement entered into under the pilot program established  
47 in that section shall terminate no later than that date.

## 49 ENVIRONMENTAL RULES LIMITED TO FEDERAL LAW REQUIREMENTS

50 **SECTION 23.** G.S. 150B-19.3(b) reads as rewritten:

"(b) For purposes of this section, "an agency authorized to implement and enforce State and federal environmental laws" means any of the following:

- ...
- (10) The Department of Transportation created pursuant to G.S. 143B-345."

**INCREASE FREQUENCY OF TAX REVENUE TRANSFER TO HIGHWAY FUND**

**SECTION 24.(a)** G.S. 105-164.44M(b) reads as rewritten:

"(b) Transportation Needs. – At the end of each ~~quarter, month,~~ the Secretary must transfer to the Funds listed below a percentage of the net proceeds of the tax collected under this Article at the State's general rate of tax set in G.S. 105-164.4(a). The percentages that must be transferred are as follows:

Fiscal Year	Percentage to Highway Fund	Percentage to Highway Trust Fund
2022-23	2%	0%
2023-24	1%	3%
2024-25 and thereafter	1.5%	4.5%."

**SECTION 24.(b)** This section becomes effective July 1, 2023.

**REVISE MONTHLY FINANCIAL STATEMENT REPORT**

**SECTION 25.** G.S. 143C-6-11(q) reads as rewritten:

"(q) Monthly Financial Statement Report. – Each month the Department of Transportation shall post on the Department's Web site and submit to the Board of Transportation, the Joint Legislative Transportation Oversight Committee, and the Fiscal Research Division a financial statement report that includes the following information:

- ...
- (6) Projected revenues and Spend Plan of the Department for the next ~~18 months,~~ 12-month period, noting any changes.
- ...."

**EFFECTIVE DATE**

**SECTION 26.** Except as otherwise provided, this act is effective when it becomes law.