

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

FILED SENATE
Mar 24, 2025
S.B. 391
PRINCIPAL CLERK

S

D

SENATE BILL DRS15166-MW-58

Short Title: DOT Omnibus.

(Public)

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

Referred to:

A BILL TO BE ENTITLED
AN ACT TO REVISE LAWS CONCERNING THE DEPARTMENT OF
TRANSPORTATION.

The General Assembly of North Carolina enacts:

**REGULATION OF DRIVERS EDUCATION OFFERED BY COMMERCIAL DRIVER
TRAINING SCHOOLS**

SECTION 1. G.S. 20-322 reads as rewritten:

"§ 20-322. Licenses for schools necessary; regulations as to requirements.

(a) No commercial driver training school shall be established nor any such existing school be continued on or after July 1, 1965, unless such school applies for and obtains from the Commissioner a license in the manner and form prescribed by the Commissioner.

(b) Regulations adopted by the Commissioner shall state the requirements for a school license, including requirements concerning location, equipment, courses of instruction, instructors, financial statements, schedule of fees and charges, character and reputation of the operators, insurance, bond or other security in such sum and with such provisions as the Commissioner deems necessary to protect adequately the interests of the public, and such other matters as the Commissioner may prescribe. ~~A driver education course offered to prepare an individual for a limited learner's permit or another provisional license must meet the requirements set in G.S. 115C-215 for the program of driver education offered in the public schools.~~

(c) Regulations adopted by the Commissioner for the course of instruction to be offered by commercial driver training schools to prepare an individual for a limited learner's permit or another provisional license must include, but are not limited to, the curriculum requirements in G.S. 115C-215(b).

(d) In addition to regulations adopted by the Commissioner under subsection (c) of this section, commercial driver training schools providing courses to prepare an individual for a limited learner's permit or another provisional license through the public schools must meet all requirements set in G.S. 115C-215 for the program of driver education offered in the public schools."

DEALER LICENSE RENEWAL FIX

SECTION 2. G.S. 20-288(b2), as enacted by Section 27(a) of S.L. 2024-30, reads as rewritten:

"(b2) For a licensed dealer, ~~manufacturer, factory branch, distributor, distributor branch, or wholesaler applying for renewal, the death of a co-owner in the licensed business entity shall not be considered a change of ownership for purposes of licensure, as long as the business entity has~~



* D R S 1 5 1 6 6 - M W - 5 8 *

~~no new co-owners or changes in structure of the business entity. The applicant a change in ownership is not grounds for denial, suspension, or revocation of a license, as long as any new owner is otherwise qualified for licensure and approved by the Division. The licensee shall be considered by the Division to be a continuing business for purposes of renewal and shall not be required to apply for a license as a new business."~~

CHANGE CASH BALANCE REQUIREMENT TO CASH ON HAND

SECTION 3. G.S. 143C-6-11(f) and (k) read as rewritten:

"(f) ~~Seven and One Half Percent (7.5%)~~ Cash Balance Required. – The Department of Transportation shall maintain an available cash balance at the end of each month to an amount equal to at least seven and one half percent (7.5%) a minimum of 45 days of the total appropriations for the current fiscal year from the Highway Fund and the Highway Trust Fund. In projecting cash balances in future years, the Department shall use the estimated cash flow as specified in the Current Operations Appropriation Act. No further transportation project contract commitment may be entered into that would cause the cash position to fall below this requirement. In the event this cash position is not maintained, no further transportation project contract commitments may be entered into until the cash balance has been regained. Provided the Department may modify or supplement transportation contract commitments for existing transportation projects that (i) result in a savings from the total estimated project cost of the existing commitment, based on a cost-savings analysis, or (ii) relate to the needs of an existing transportation project to continue. Any federal funds on hand shall not be considered as cash for the purposes of this subsection.

...
(k) The Department of Transportation shall do all of the following:

- (1) Utilize cash flow financing to the extent possible to fund transportation projects with the goal of reducing the combined average daily cash balance of the Highway Fund and the Highway Trust Fund to an amount equal to between ~~fifteen and twenty percent (15-20%)~~ 75 and 120 days of the total appropriations for the current fiscal year from those funds. In projecting cash balances in future years, the Department shall use the estimated cash flow as specified in the Current Operations Appropriation Act. Any federal funds on hand shall not be considered as cash for the purposes of this subsection. The target amount shall include an amount necessary to make all municipal-aid funding requirements of the Department.

...."

REGISTRATION OF RIGHT-OF-WAY PLANS

SECTION 4. G.S. 136-19.4 reads as rewritten:

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

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

(b) The copy of the plans certified to the register of deeds shall consist of a Xerox, photographic, or other permanent copy, except for plans electronically transmitted pursuant to subsection (b1) of this section, and shall measure approximately 17 inches by 11 inches including no less than one and one-half inches binding space on the left-hand side.

(b1) With the approval of the county in which the right-of-way plans are to be filed, the Department may transmit the plans electronically.

(c) Notwithstanding any other provision in the law, upon receipt of said original certified copy of the right-of-way plans, the register of deeds shall record said right-of-way plans and place the same in a book maintained for that purpose, and the register of deeds shall maintain a cross-index to said right-of-way plans by number of road affected, if any, and by identification number. No probate before the clerk of the superior court shall be required.

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

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

ELIMINATE TURNPIKE AUTHORITY REPORTING REQUIREMENTS

SECTION 5. G.S. 136-89.193 reads as rewritten:

"§ 136-89.193. Annual plan of work; ~~annual and quarterly reports report.~~

(a) ~~Annual Plan of Work.~~—The Authority shall annually develop a plan of work for the fiscal year, describing the activities and projects to be undertaken, accompanied by a budget. ~~This annual plan of work shall be subject to the concurrence of the Board of Transportation.~~

(b) ~~Annual Reports Report.~~—The Authority shall, promptly following the close of each fiscal year, submit an annual report of its activities for the preceding fiscal year and an annual audit of its books and accounts for the preceding fiscal year to the Governor, the General Assembly, and the Department of Transportation. The report and audit shall be submitted no later than October 31 of the fiscal year in which the report and audit are completed.

~~The North Carolina Turnpike Authority shall report to the Joint Legislative Transportation Oversight Committee on January 31, 2017, and in its annual report thereafter, the number of one-time toll facility users who are charged more than fifty dollars (\$50.00) in processing fees imposed under G.S. 136-89.215 and civil penalties assessed under G.S. 136-89.216.~~

(c) Repealed by Session Laws 2016-90, s. 4, effective July 11, 2016.

(d) Report Prior to Let of Contracts. — The Authority shall consult with and report to the Joint Legislative Transportation Oversight Committee and the Joint Legislative Commission on Governmental Operations prior to the letting of any contract for Turnpike Project construction authorized under G.S. 136-183(a)(2).

(e) Repealed by Session Laws 2011-145, s. 28.35(a), effective July 1, 2011."

TURNPIKE UNPAID TOLL NOTICE BY ELECTRONIC MAIL

SECTION 6. G.S. 136-89.214(a) reads as rewritten:

"(a) Bill. — If a motor vehicle travels on a Turnpike project that uses an open road tolling system and a toll for traveling on the project is not paid prior to travel or at the time of travel, the Authority must send a bill by first-class mail to the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as established under G.S. 136-89.212(b) for the amount of the unpaid toll; provided, however, that with the written consent of the registered owner of the motor vehicle or the person who had care, custody, and control of the vehicle as set forth above, the Authority may send the bill via electronic mail to a designated electronic mail account or electronic mail account on file with a state Department of Motor Vehicles rather than by first-class mail. The Authority must send the bill within 90 days after the

travel occurs, or within 90 days of receipt of a sworn affidavit submitted under G.S. 136-89.212(b) identifying the person who had care, custody, and control of the motor vehicle. If a bill is not sent within the required time, the Authority waives collection of the toll. The Authority must establish a billing period for unpaid open road tolls that is no shorter than 15 days. A bill for a billing period must include all unpaid tolls incurred by the same person during the billing period."

REMOVE LIMIT ON TURNPIKE PROJECTS

SECTION 7. G.S. 136-89.183(a)(2) reads as rewritten:

"(2) To study, plan, develop, and undertake preliminary design work on Turnpike Projects. At the conclusion of these activities, the Turnpike Authority is authorized to design, establish, purchase, construct, operate, and maintain ~~no more than eleven~~ projects, which shall ~~include~~ include, but not be limited to, the following:

- a. Triangle Expressway, including segments also known as N.C. 540, Triangle Parkway, Phases 1 and 2 of Complete 540, and the Western Wake Freeway in Wake and Durham Counties. The described segments constitute one project.
- b. Repealed by Session Laws 2013-183, s. 5.1, effective July 1, 2013.
- c. Monroe Connector/Bypass.
- d., e. Repealed by Session Laws 2013-183, s. 5.1, effective July 1, 2013.
- f. Repealed by Session Laws 2008-225, s. 4, effective August 17, 2008.

Any other project proposed by the Authority in addition to the projects listed in this subdivision requires prior consultation with the Joint Legislative Commission on Governmental Operations pursuant to G.S. 120-76.1 no less than 180 days prior to initiating the process required by Article 7 of Chapter 159 of the General Statutes.

With the exception of the two projects set forth in sub subdivisions a. and c. of this subdivision, the Turnpike projects selected for construction by the Turnpike Authority, prior to the letting of a contract for the project, shall meet the following conditions: (i) two of the projects must be ranked in the top 35 based on total score on the Department produced list entitled "Mobility Fund Project Scores" dated June 6, 2012, and, in addition, may be subject to G.S. 136-18(39a); (ii) of the projects not ranked as provided in (i), one may be subject to G.S. 136-18(39a); (iii) the projects shall be included in any applicable locally adopted comprehensive transportation plans; (iv) the projects shall be shown in the current State Transportation Improvement Program; and (v) toll projects must be approved by all affected Metropolitan Planning Organizations and Rural Transportation Planning Organizations for tolling."

CLARIFY USE OF REVENUE FROM TURNPIKE PROJECTS

SECTION 8. G.S. 136-89.188(a) reads as rewritten:

"(a) Revenues derived from a Turnpike Project authorized under this Article shall be used only for the following costs associated with the Project from which the revenue was derived or a planned contiguous toll facility; facility identified in a transportation plan adopted by an affected Metropolitan Planning Organization:

- (1) Authority administration costs.
- (2) Development, right-of-way acquisition, design, construction, expansion, operation, maintenance, reconstruction, rehabilitation, and replacement costs.

- (3) Debt service on the Authority's revenue bonds or related purposes such as the establishment of debt service reserve funds.
- (4) Debt service, debt service reserve funds, and other financing costs related to any of the following:
 - a. A financing undertaken by a private entity under a partnership agreement with the entity for the Project.
 - b. Private activity bonds issued under law related to the Project.
 - c. Any federal or State loan, line of credit, or loan guarantee relating to the Project.
- (5) A return on investment of any private entity under a partnership agreement with the entity for the Project.
- (6) Any other uses granted to a private entity under a partnership agreement with the entity for the Project."

REVISIONS TO BRIDGE PROGRAM OUTSOURCING

SECTION 9. 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 and structures described in subsection (b) of this section, ~~but only in cases of emergency~~ section on low volume or non-outlet roads."

EXEMPT FERRY DIVISION FROM TEMPORARY SOLUTIONS PROGRAM

SECTION 10. G.S. 126-6.3(a) reads as rewritten:

"(a) Use of Temporary Solutions Required for Cabinet Agencies. – Notwithstanding G.S. 126-5 or any other provision of law, all Cabinet agencies that utilize temporary employees to perform work that is not information technology-related shall employ them through the Temporary Solutions Program administered by the Office of State Human Resources (OSHR). Council of State agencies may use the Temporary Solutions Program in the discretion of the agency. The Department of Transportation, Ferry Division, is exempt from the required use of the Temporary Solutions Program when there is an established need for peak season hires or when the work requires a specific skill set beyond the scope of temporary employees."

MODIFY STIP REPORTING AND LOCAL CONSULTATION REQUIREMENTS

SECTION 11. G.S. 136-12 reads as rewritten:

"§ 136-12. **Reports to General Assembly; Transportation Improvement Program posted and submitted to members and staff of General Assembly.**

(a) The Department of Transportation ~~shall~~ shall, on or before the tenth day after the convening of each regular session of the General Assembly, make a full printed and detailed report to the Joint Legislative Transportation Oversight Committee by March 1 of each year on how the previous fiscal year's funds for the General Assembly that includes the cost of maintenance and construction were allocated and expended. The work undertaken by the Department, receipts of license fees, disbursements of the Department, and other financial information relevant to illustrate the Department's financial condition during the previous fiscal year. For maintenance and construction work undertaken by the Department, the report shall also

include expenditures of both State and federal funds and shall be in sufficient detail that the county can be identified. A full account of each road project shall be kept by and under the direction of the Department of Transportation or its representatives, to ascertain at any time the expenditures and the liabilities against all projects; also records of contracts and force account work. The account records, together with all supporting documents, shall be open at all times to the inspection of the Governor or road authorities of any county, or their authorized representatives, and copies thereof shall be furnished such officials upon request.

...."

AUTHORIZE ELECTRONIC PAYMENT TRANSACTION FEE FOR FERRIES

SECTION 12. G.S. 136-82 is amended by adding a new subsection to read:

"(b3) Transaction Fee Authorized for Electronic Payment. – When the Department of Transportation accepts electronic payment, as that term is defined in G.S. 147-86.20, for any toll or fee authorized under this Article, the Department may add a transaction fee to each electronic payment transaction to offset the service charge the Department pays for electronic payment service. The transaction fee authorized under this subsection shall not exceed two percent (2%) of the electronic payment."

MODIFICATIONS TO PROPERTY RIGHTS IN THE ACQUISITION AND CONDEMNATION OF PROPERTY BY THE DEPARTMENT OF TRANSPORTATION

SECTION 13.(a) G.S. 136-108 reads as rewritten:

"§ 136-108. Determination of issues other than damages.

(a) After the filing of the plat, the judge, upon motion and 10 days' notice by either the Department of Transportation or the owner, shall, either in or out of term, hear and determine any and all issues raised by the pleadings other than the issue of damages, including, but not limited to, if controverted, questions of necessary and proper parties, title to the land, interest taken, and area taken.

(b) The effect of the imposition of easements, including, but not limited to, permanent utility easements, aerial utility easements, permanent drainage easements, permanent drainage utility easements, temporary construction easements, temporary drainage easements, temporary utility easements, and slope easements, is an issue of damages and shall not be subject to consideration pursuant to this section."

SECTION 13.(b) G.S. 136-112 reads as rewritten:

"§ 136-112. Measure of damages.

The following shall be the measure of damages to be followed by the commissioners, jury or judge who determines the issue of damages:

- (1) Where only a part of a tract is taken, the measure of damages for said taking shall be the difference between the fair market value of the entire tract immediately prior to said taking and the fair market value of the remainder immediately after said taking, with consideration being given to any special or general benefits resulting from the utilization of the part taken for highway purposes.
- (2) Where the entire tract is taken the measure of damages for said taking shall be the fair market value of the property at the time of taking.
- (3) Evidence of the damages resulting from the imposition of easements, including, but not limited to, permanent utility easements, aerial utility easements, permanent drainage easements, permanent drainage utility easements, temporary construction easements, temporary drainage easements, temporary utility easements, and slope easements, shall not be presumed to be based on the Department of Transportation exercising its rights to the fullest

1 extent of the law but shall be based on consideration of the project plans and
2 other admissible market evidence."

3 **SECTION 13.(c)** G.S. 136-89.52 reads as rewritten:

4 **"§ 136-89.52. Acquisition of property and property rights.**

5 (a) For the purposes of this Article, the Department of Transportation may acquire private
6 or public property and property rights for controlled-access facilities and service or frontage
7 roads, including rights of access, air, view and light, by gift, devise, purchase, or condemnation
8 in the same manner as now or hereafter authorized by law to acquire such property or property
9 rights in connection with highways. The property rights acquired under the provisions of this
10 Article may be in fee simple or an appropriate easement for right-of-way in perpetuity. In
11 connection with the acquisition of property or property rights for any controlled-access facility
12 or portion thereof, or frontage road in connection therewith, the Department of Transportation
13 may, in its discretion, with the consent of the landowner, acquire an entire lot, parcel, or tract of
14 land, if by so doing, the interests of the public will be best served, even though said entire lot,
15 parcel, or tract is not immediately needed for the right-of-way proper.

16 (b) Along new controlled-access highway locations, abutting property owners shall not
17 be entitled to access to such new locations, and no abutter's easement of access to such new
18 locations shall attach to said property. Where part of a tract of land is taken or acquired for the
19 construction of a controlled-access facility on a new location, the nature of the facility
20 constructed on the part taken, including the fact that there shall be no direct access thereto, shall
21 be considered in determining the fair market value of the remaining property immediately after
22 the taking.

23 (c) In no event shall the imposition of easements, including permanent utility easements,
24 aerial utility easements, permanent drainage easements, permanent drainage utility easements,
25 temporary construction easements, temporary drainage easements, temporary utility easements,
26 and slope easements, be construed to constitute the imposition of new control-of-access or the
27 taking of the property owner's abutters easement of access."

28 **SECTION 13.(d)** This section becomes effective July 31, 2025, and applies to causes
29 of action arising on or after that date.

30
31 **EFFECTIVE DATE**

32 **SECTION 14.** Except as otherwise provided, this act is effective when it becomes
33 law.