

NORTH CAROLINA GENERAL ASSEMBLY
1971 SESSION

CHAPTER 182
SENATE BILL 299

AN ACT TO AMEND CHAPTER 136 OF THE GENERAL STATUTES TO RAISE THE APPROPRIATION TO THE MUNICIPAL STREET AID FUND, TO CHANGE THE ALLOCATION FORMULA, TO DELETE SURPLUSAGE FROM G.S. 136-41.1 AND TO PERMIT DEDUCTIONS FOR PAST DUE DEBTS.

The General Assembly of North Carolina do enact:

Section 1. G.S. 136-41.1 is hereby amended by rewriting the first paragraph thereof to read as follows:

"There is hereby annually appropriated out of the State Highway Fund a sum equal to the net amount after refunds that was produced during the fiscal year by a one cent tax on each gallon of motor fuel as taxed by G.S. 105-434 and G.S. 105-435, to be allocated in cash on or before October 1st of each year to the cities and towns of the State in accordance with the following formula."

Sec. 2. The second paragraph of G.S. 136-41.1 is hereby amended by striking the words "one-half from line one thereof and inserting in lieu thereof the words "seventy-five percent" and by striking the words "one-half in line four immediately following the word "and" and inserting in lieu thereof the words "twenty-five percent" so that the second paragraph of G.S. 136-41.1 as amended and rewritten will read as follows:

"Seventy-five percent of said funds shall be distributed among the several eligible municipalities of the State in the percentage proportion that the population of each eligible municipality bears to the total population of all eligible municipalities as indicated by the latest certified federal decennial census, and twenty-five percent of said funds shall be distributed among the several eligible municipalities of the State in the percentage proportion that the mileage of public streets in each eligible municipality which does not form a part of the highway system bears to the total mileage of the public streets in all eligible municipalities which do not constitute a part of the State Highway System."

Sec. 3. G.S. 136-41.1 is hereby amended by striking from lines two and three of paragraph five the following: "by Chapter 1250 of the Session Laws of 1949 and,"; by further striking from lines five and six of paragraph five thereof the following: "said Chapter 1250 of the Session Laws of 1949 and,"; and by striking from line eight of paragraph five the following: "said Chapter 1250 of the Session Laws of 1949 and,".

Sec. 4. G.S. 136-41.3 is hereby amended by adding a new paragraph at the end thereof to read as follows:

"The State Highway Commission is authorized to apply a municipality's share of funds allocated to a municipality under the provisions of G.S. 136-41.1 to any of the following accounts of the municipality with the said Highway Commission, which the municipality fails to pay: (1) cost sharing agreements for right of way entered into pursuant to G.S. 136-66.3, but not to exceed ten percent (10%) of any one year's allocation until the debt is repaid, (2) the cost of relocating municipally owned water lines and other municipally owned utilities on a State highway project which is the responsibility of the municipality, (3) for any other work performed for the municipality by the Commission or its contractor by agreement between the Commission and the municipality, and (4) for any other work performed that was made

necessary by the construction, reconstruction or paving of a highway on the State Highway System for which the municipality is legally responsible."

Sec. 5. Sections 3 and 4 of this act shall be effective upon ratification. Sections 1 and 2 of this act shall become effective July 1, 1971, provided that neither the appropriations made from the State Highway Fund for the fiscal year 1970-1971 nor the allocation of such funds appropriated shall be affected by this act.

In the General Assembly read three times and ratified, this the 9th day of April, 1971.