

Conference Committee Report
Session Law 2017-57 (S. B. 257), 2017 Appropriations Act
Selected Highlights for Transportation

The FY 2017-19 budget for the Department of Transportation includes net Highway Fund appropriations of \$2.2 billion in 2017-18 and \$2.3 billion in 2018-19 and net Highway Trust Fund appropriations of \$1.5 billion in 2017-18 and \$1.6 billion in 2018-19, which, when combined, is \$358 million (10.6%) and \$451 million (13.5%) above each year's base budget respectively.

The following selected Transportation highlights may be found in **Section K** of the 2017 Conference Committee Report (page and item numbers noted); selected special provisions may be found in **Part XXXIV** of S.B. 257 (section references are noted):

Department of Transportation
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- Increases the maintenance budget by \$63.9 million in FY 2017-18 and \$103.8 million in FY 2018-19, including:
 - \$5.4 million in FY 2017-18 and \$35.2 million in FY 2018-19 for general maintenance activities. **(K-29, #42)**
 - \$30 million recurring for high-cost deficient bridges and \$8 million recurring for the Bridge Program. **(K-28, #38)**
 - \$15 million recurring for pavement preservation activities. **(Page K-29, #43)**
 - \$5 million in FY 2017-18 and \$15 million recurring in FY 2018-19 for contract resurfacing. **(K-29, #40)**
- Provides \$40 million in FY 2017-18 and \$75 million in FY 2018-19 to fund capital improvement projects at the State's 10 commercial airports in order to increase their economic competitiveness. **(K-25, #27)**
- Establishes a \$50 million recurring construction fund for immediate need highway construction projects. **(K-23, #17)**
- Provides \$11.9 million in FY 2017-18 and \$5.4 million in FY 2018-19 for general aviation airports. **(K-25 and K-26, #26, #28, #29, #30, #31)**
- Transfers \$10 million in recurring funds from short-term lease proceeds from the General Fund to the Highway Fund for capital improvements at commercial airports. **(K-21, #6)**
- Provides recurring funding of \$40 million in FY 2017-18 and \$75 million in FY 2018-19 for capital improvements at commercial airports. **(K-25, #27)**
- Increases recurring funding by \$139.7 million in FY 2017-18 and \$180.5 million in FY 2018-19 for the Strategic Transportation Investments fund. **(K-35, #55)**

- Provides an additional \$10 million recurring to the North Carolina State Ports Authority for the modernization of the Wilmington and Morehead City seaports. (**K-35, #57**)

Provisions from S.B. 257

- Authorizes the creation of an advance right-of-way acquisition fund to purchase right-of-way for hardship situations or for protective purchases. The property must be located in a multi-stage project in which sections are included and excluded in the current State Transportation Improvement Program. Up to \$25 million may be transferred to the account from the Highway Trust Fund credit reserve. (**Sec. 34.6**)
- Requires school districts to be reimbursed by DOT for State-maintained road improvements and by cities to pay for city-maintained road improvements. This provision authorizes schools to hire an independent traffic engineer to evaluate and recommend changes on off-campus road improvement needs for new, relocated, or expanded schools. This provision also limits the ability of cities to require street improvements that are more stringent than required by DOT. DOT and the Department of Public Instruction will report on school road needs in the last two years and needs for new schools for the next three years. (**Sec. 34.6A**)
- Establishes a new Corridor Development Unit to assist Metropolitan Planning Organizations and Rural Transportation Planning Organizations with developing transportation projects in rural areas. Matching grant funds are provided to assist planning organizations in developing performance-based planning documents. (**Sec. 34.8**)
- Directs DOT to conform the State disadvantaged minority-owned and women-owned businesses program to the federal program by collapsing the two programs into one disadvantaged business program, and extending the State program for 5 years. (**Sec. 34.15**)
- Authorizes the North Carolina State Ports Authority to spend \$15 million nonrecurring in FY 2017-18 from existing funds for the dredging of approaches to State port facilities. (**Sec. 34.27**)
- Amends Section 34.9 of S.L. 2014-100 to require the Division of Motor Vehicles to implement a hearing fee schedule by January 1, 2018 to recover the costs incurred by the Hearings Unit. (**Sec. 34.32**)
- Restores the transfer of 20¢ of certificate of title fees to the Mercury Switch Removal Account in the Department of Environmental Quality. (**Sec. 34.37**)