

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE BILL 1146

Short Title: Transportation/Conform Statutes to Exec. Ord. (Public)

Sponsors: Representatives Killian, Dollar, Wiley (Primary Sponsors); Avila, Barnhart, Blackwood, Blust, Burris-Floyd, Cleveland, Daughtry, Gulley, Hilton, Johnson, Lewis, Moore, Neumann, Rhyne, Samuelson, and Tillis.

Referred to: Ethics, if favorable, Transportation, if favorable, Appropriations.

April 8, 2009

A BILL TO BE ENTITLED

AN ACT TO REQUIRE BOARD OF TRANSPORTATION MEMBERS TO SIGN SWORN STATEMENTS OF INTEREST AT EVERY BOARD MEETING, TO TRANSFER CERTAIN POWERS OF THE BOARD OF TRANSPORTATION TO THE DEPARTMENT OF TRANSPORTATION, AND TO REQUIRE THE SECRETARY OF TRANSPORTATION TO DEVELOP AND IMPLEMENT A PROFESSIONAL APPROVAL PROCESS TO BE USED TO APPROVE ALL TRANSPORTATION PROJECTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143B-350(e) reads as rewritten:

"(e) Organization and Meetings of the Board. – Within 60 days after January 15, 2001, and thereafter within 60 days following the beginning of the regular term of the Governor, the Governor or his designee shall call the Board into session. The Board shall select a chair and vice-chair from among its membership for two-year terms. The Board may select a chair or vice-chair for one additional two-year term. The Board of Transportation shall meet once in each 60 days at such regular meeting times as the Board may by rule provide and at any place in the State as the Board may provide. The Board may hold special meetings at any time at the call of the chairman or any three members. The Board shall have the power to adopt and enforce rules and regulations for the government of its business and proceedings. The Board shall keep minutes of its meetings, which shall at all times be open to public inspection. The majority of the Board shall constitute a quorum for the transaction of business. In addition to the disclosure statements and ethical requirements of this section, every Board member present at every meeting of the Board, having been duly convened, shall sign a sworn statement detailing the extent to which the member has any financial, professional, or other interest in any project being considered by the Board and upon which the member intends to comment, debate, or cast a vote, as required by subsection (k) of this section. Disclosure of a professional, financial, or other interest in a project does not prohibit the participation by a member in any debate or vote so long as the provisions of subsection (k) of this section are complied with. Board members shall receive per diem and necessary travel and subsistence expenses in accordance with G.S. 138-5 and G.S. 138-6, as appropriate.

**SECTION 2.** G.S. 143B-350(f) reads as rewritten:

"(f) Duties of the Board. – The Board of Transportation has the following duties and powers:

- (1) To formulate policies and priorities for all modes of transportation under the Department of Transportation.



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- 1 (2) To advise the Secretary on matters to achieve the maximum public benefit in  
2 the performance of the functions assigned to the Department.
- 3 (3) To ascertain the transportation needs and the alternative means to provide  
4 for these needs through an integrated system of transportation taking into  
5 consideration the social, economic and environmental impacts of the various  
6 alternatives.
- 7 ~~(4) To approve a schedule of all major transportation improvement projects and  
8 their anticipated cost for a period of seven years into the future. This  
9 schedule is designated the Transportation Improvement Program; it must be  
10 published and copies must be available for distribution. The document that  
11 contains the Transportation Improvement Program, or a separate document  
12 that is published at the same time as the Transportation Improvement  
13 Program, must include the anticipated funding sources for the improvement  
14 projects included in the Program, a list of any changes made from the  
15 previous year's Program, and the reasons for the changes.~~
- 16 (5) To consider and advise the Secretary of Transportation upon any other  
17 transportation matter that the Secretary may refer to it.
- 18 (6) To assist the Secretary of Transportation in the performance of his duties in  
19 the development of programs and approve priorities for programs within the  
20 Department.
- 21 (7) To allocate all highway construction and maintenance funds appropriated by  
22 the General Assembly as well as federal-aid funds which may be available.
- 23 ~~(8) To approve all highway construction programs.~~
- 24 ~~(9) To approve all highway construction projects and construction plans for the  
25 construction of projects.~~
- 26 (10) To review all statewide maintenance functions.
- 27 ~~(11) To award all highway construction contracts.~~
- 28 ~~(12) To authorize the acquisition of rights of way for highway improvement  
29 projects, including the authorization for acquisition of property by eminent  
30 domain.~~
- 31 (12a) To approve partnership agreements with the North Carolina Turnpike  
32 Authority, private entities, and authorized political subdivisions to finance,  
33 by tolls, contracts, and other financing methods authorized by law, the cost  
34 of acquiring, constructing, equipping, maintaining, and operating  
35 transportation infrastructure in this State, with priority given to highways,  
36 roads, streets, and bridges.
- 37 ~~(13) To promulgate rules, regulations, and ordinances concerning all  
38 transportation functions assigned to the Department."~~

39 **SECTION 3.** G.S. 143B-350(g) is repealed.

40 **SECTION 4.** G.S. 143B-350(k) reads as rewritten:

41 "(k) Ethics Policy. – The Board shall adopt by December 1, 1998, a code of ethics  
42 applicable to members of the Board, including the Secretary. Any code of ethics adopted by the  
43 Board shall be supplemental to the provisions of Chapter 138A of the General Statutes. A code  
44 of ethics adopted pursuant to this subsection shall include a prohibition against a member  
45 taking action as a Board member when a conflict of interest, or the appearance of a conflict of  
46 interest, exists. To avoid a conflict or the appearance of a conflict of interest, every Board  
47 member present at every meeting of the Board, having been duly convened, shall sign a sworn  
48 statement detailing the extent to which the member has any financial, professional, or other  
49 interest in any project being considered by the Board and upon which the member intends to  
50 comment, debate, or cast a vote during the meeting. Disclosure of a professional, financial, or  
51 other interest in a project does not prohibit the participation by a member in any debate or vote

1 so long as the provisions of this subsection regarding disclosure and recusal are complied with.  
2 The ethics policy adopted pursuant to this subsection shall specify that a conflict of interest  
3 exists when the use of the Board member's position, or any official action taken by the Board  
4 member, would result in financial benefit, direct or indirect, to the Board member, a member of  
5 the Board member's immediate family, or an individual with whom, or business with which, the  
6 Board member is associated. The ethics policy adopted pursuant to this subsection shall specify  
7 that an appearance of a conflict of interest exists when a reasonable person would conclude  
8 from the circumstances that the Board member's ability to protect the public interest, or  
9 perform public duties, would be compromised by personal interest, even in the absence of an  
10 actual conflict of interest. The performance of usual and customary duties associated with the  
11 public position or the advancement of public policy goals or constituent services, without  
12 compensation, shall not constitute the use of the Board member's position for financial benefit.  
13 The conflict of interest provision of the ethics policy adopted pursuant to this subsection shall  
14 not apply to financial or other benefits derived by a Board member that the Board member  
15 would enjoy to an extent no greater than that which other citizens of the State would or could  
16 enjoy."

17 **SECTION 5.** G.S. 136-18(1) reads as rewritten:

18 "(1) The approval and general supervision over all matters relating to the  
19 construction of the State ~~highways,~~highways. This includes, but is not  
20 limited to, the approval of all highway construction programs, highway  
21 construction projects, construction plans for construction projects, the award  
22 and letting of contracts therefor, and the selection of materials to be used in  
23 the construction of State highways under the authority of this Chapter."

24 **SECTION 6.** G.S. 136-18 is amended by adding a new subdivision to read:

25 "(1a) To approve a schedule of all major transportation improvement projects and  
26 their anticipated cost for a period of seven years into the future. This  
27 schedule is designated the Transportation Improvement Program; it must be  
28 published and copies must be available for distribution. The document that  
29 contains the Transportation Improvement Program, or a separate document  
30 that is published at the same time as the Transportation Improvement  
31 Program, must include the anticipated funding sources for the improvement  
32 projects included in the Program, a list of any changes made from the  
33 previous year's Program, and the reasons for the changes."

34 **SECTION 7.** G.S. 136-18 is amended by adding a new subdivision to read:

35 "(4a) To promulgate rules, regulations, and ordinances concerning all  
36 transportation functions assigned to the Department."

37 **SECTION 8.** G.S. 136-18(16) reads as rewritten:

38 "(16) The Department of ~~Transportation,~~ Transportation, pursuant to a resolution of the Board of  
39 ~~Transportation,~~ shall have authority, under the power of eminent domain and under the same procedure as provided for the  
40 acquirement of rights-of-way, to acquire title in fee simple to parcels of land  
41 for the purpose of exchanging the same for other real property to be used for  
42 the establishment of rights-of-way or for the widening of existing  
43 rights-of-way or the clearing of obstructions that, in the opinion of the  
44 Department of Transportation, constitute dangerous hazards at intersections.  
45 Real property may be acquired for such purposes only when the owner of the  
46 property needed by the Department of Transportation has agreed in writing  
47 to accept the property so acquired in exchange for that to be used by the  
48 Department of Transportation, and when, in the opinion of the Department  
49 of Transportation, an economy in the expenditure of public funds and the  
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1 improvement and convenience and safety of the highway can be effected  
2 thereby."

3 **SECTION 9.** The Secretary of Transportation shall develop and implement an  
4 approval process for all matters related to highway construction and maintenance. The overall  
5 approval process shall include a process for assessing highway construction and maintenance  
6 needs based on established and measurable criteria and shall include criteria for prioritization  
7 of projects within programs based on short- and long-term cost savings. The approval process  
8 shall be fair and impartial and based solely on the selected criteria without regard for location  
9 or value of the project. The Secretary of Transportation shall report on the plan and its  
10 implementation to the Joint Legislative Transportation Oversight Committee, the House and  
11 Senate Appropriations Subcommittees on Transportation, and the Fiscal Research Division of  
12 the General Assembly, no later than January 1, 2010. The Secretary shall include in his report  
13 any recommended changes in legislation that will effectuate the approval process.

14 **SECTION 10.** This act is effective when it becomes law.