

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 645
Committee Substitute Favorable 4/20/11
Committee Substitute #2 Favorable 11/28/11

Short Title: Motor Fuel Excise Tax Adjustment & Studies.

(Public)

Sponsors:

Referred to:

April 6, 2011

A BILL TO BE ENTITLED

AN ACT TO PROVIDE A TEMPORARY CAP FOR THE MOTOR FUEL EXCISE TAX RATE, TO ADJUST THE 2011-2012 BUDGET FOR THE DEPARTMENT OF TRANSPORTATION, TO STUDY TRANSPORTATION REVENUES, AND TO STUDY THE IMPACT TO THE STATE OF A REDUCTION IN FEDERAL TRANSPORTATION FUNDING.

The General Assembly of North Carolina enacts:

SECTION 1. Temporary Fuel Tax Cap. – Notwithstanding G.S. 105-449.80(a), for the period January 1, 2012, through June 30, 2012, the variable wholesale component of the motor fuel excise tax rate may not exceed seventeen and one-half cents (17 1/2¢) per gallon.

SECTION 2. Highway Fund Adjustments. – (a) Notwithstanding S.L. 2011-145, S.L. 2011-391, or any other provision of law, the Department of Transportation shall have management flexibility in fiscal year 2011-2012 to achieve ninety-five million eight hundred thirty-five thousand five hundred eighty-seven dollars (\$95,835,587) in savings in expenditures from the Highway Fund. In making the management flexibility reductions required under this section, the Department of Transportation may reduce program allocations, but shall continue to use the statutory program distribution formulas that ensure the equitable distribution of highway funding throughout the State within a given program. In making the management flexibility reductions required under this section, the Department of Transportation may eliminate positions and shall make pro rata reductions in programs, including administration and transfers to other State agencies.

SECTION 2.(b) Notwithstanding G.S. 136-44.2 or any other provision of law, the Department of Transportation shall use the sum of thirty-one million seven hundred forty-four thousand four hundred sixty-four dollars (\$31,744,464) from the unreserved credit balance in the Highway Fund to reduce the amount of the management flexibility cut required under subsection (a) of this section.

SECTION 2.(c) Part III of S.L. 2011-145, as amended by Section 3 of S.L. 2011-391, reads as rewritten:

"PART III. CURRENT OPERATIONS/HIGHWAY FUND

"CURRENT OPERATIONS/HIGHWAY FUND

"SECTION 3.1. Appropriations from the State Highway Fund for the maintenance and operation of the Department of Transportation and for other purposes as enumerated are made for the fiscal biennium ending June 30, 2013, according to the following schedule:



	2011-2012	2012-2013
Current Operations – Highway Fund		
...		
Total	\$ 2,049,200,000	\$ 2,134,160,000
	<u>\$ 1,985,108,877</u>	

"HIGHWAY FUND AVAILABILITY STATEMENT

"SECTION 3.2. The Highway Fund availability used in developing the 2011-2013 fiscal biennial budget is shown below:

Highway Fund Availability Statement	2011-2012	2012-2013
Unappropriated Balance from Previous Year		
<u>Estimated Unreserved Fund Balance</u>	\$ 24,000,000	\$ 0
Beginning Credit Balance	0	0
<u>Adjustment to Estimated Unreserved Fund Balance</u>	53,110,208	0
Estimated Revenue	2,025,200,000	2,134,160,000
	<u>1,929,364,413</u>	
Total Highway Fund Availability	\$ 2,049,200,000	\$ 2,134,160,000
	<u>\$ 2,006,474,621</u>	
Unappropriated Balance	\$ 0	\$ 0
	<u>\$ 21,365,744"</u>	

SECTION 3. Highway Trust Fund Adjustments. – (a) Part IV of S.L. 2011-145 reads as rewritten:

"PART IV. HIGHWAY TRUST FUND APPROPRIATIONS**"HIGHWAY TRUST FUND APPROPRIATIONS**

"SECTION 4.1. Appropriations from the State Highway Trust Fund for the maintenance and operation of the Department of Transportation and for other purposes as enumerated are made for the fiscal biennium ending June 30, 2013, according to the following schedule:

Current Operations – Highway Trust Fund	2011-2012	2012-2013
Intrastate	\$ 460,823,529	\$ 487,503,034
	<u>\$ 440,424,274</u>	
Aid to Municipalities	51,216,036	54,043,432
	<u>49,075,678</u>	
Secondary Roads	43,655,667	49,320,944
	<u>41,515,309</u>	
Urban Loops	263,587,722	212,957,986
	<u>255,339,113</u>	
Program Administration	44,774,400	47,107,200
Turnpike Authority	64,000,000	81,500,000
Transfer to General Fund	76,720,918	27,595,861
Transfer to Highway Fund	400,000	400,000
Debt Service	79,231,728	81,481,543
Mobility Fund	31,000,000	0
Reserves	0	45,000,000

