

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 689

Short Title: Public Infrastructure Oversight Commission. (Public)

Sponsors: Senators Hartsell (Primary Sponsor); and B. Jackson.

Referred to: Rules and Operations of the Senate.

March 30, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE JOINT LEGISLATIVE PUBLIC INFRASTRUCTURE
3 OVERSIGHT COMMISSION.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Chapter 120 of the General Statutes is amended by adding the
6 following new Article:

7 "Article 12S.

8 "Joint Legislative Public Infrastructure Oversight Commission.

9 **§ 120-70.160. Creation and membership of Joint Legislative Public Infrastructure**
10 **Oversight Commission.**

11 (a) Creation and Membership. – The Joint Legislative Public Infrastructure Oversight
12 Commission is established. The Commission consists of 24 members. Public members must be
13 residents of this State. The cochairs of the Commission may call upon other knowledgeable
14 persons or experts to assist the Commission in its work. The membership is as follows:

15 (1) Five members appointed by the President Pro Tempore of the Senate as
16 follows:

17 a. Three Senate members, one of whom shall be designated as a
18 cochair.

19 b. Two public members, one of whom is an engineer and one of whom
20 is a planning professional.

21 (2) Five members appointed by the Speaker of the House of Representatives as
22 follows:

23 a. Three House members, one of whom shall be designated as a
24 cochair.

25 b. Two public members, one of whom is a general contractor and one of
26 whom has expertise in public finance.

27 (3) Three public members appointed by the Governor, one of whom has
28 expertise in environmental issues, one of whom represents business interests,
29 and one of whom has expertise in public infrastructure issues.

30 (4) The Secretary of Commerce or a Department of Commerce employee
31 designated by the Secretary who is familiar with State and local programs
32 that fund public infrastructure improvements.

33 (5) The Secretary of Transportation or a Department of Transportation
34 employee designated by the Secretary who is familiar with State and local
35 programs that fund transportation infrastructure improvements.



- 1 (6) The Secretary of Environment and Natural Resources or a Department of
2 Environment and Natural Resources employee designated by the Secretary
3 who is familiar with financing, regulatory, and technical assistance programs
4 of the Department related to water and sewer infrastructure.
- 5 (7) The Secretary of Administration or a Department of Administration
6 employee who is familiar with the State's public infrastructure needs.
- 7 (8) The Director of the Rural Economic Development Division or a Division
8 employee designated by the Director who is familiar with public
9 infrastructure financing programs.
- 10 (9) The Director of the Local Government Commission or an employee of the
11 State Treasurer's Office designated by the Director who is familiar with the
12 functions of the Commission.
- 13 (10) A School of Government faculty member who is familiar with public
14 infrastructure and the various methods of financing public infrastructure
15 projects.
- 16 (11) The Executive Director of the League of Municipalities or a League
17 employee designated by the Executive Director who is familiar with the
18 League's programs.
- 19 (12) The Executive Director of the North Carolina Association of County
20 Commissioners or an Association employee designated by the Executive
21 Director who is familiar with the Association's programs.
- 22 (13) The Director of the School Boards Association or an Association employee
23 who is familiar with the State's public school capital facilities needs and
24 funding mechanisms for public school construction.
- 25 (14) The Director of NC Broadband within the Department of Commerce or the
26 Director's designee.

27 (b) Terms. – The members appointed by the President Pro Tempore of the Senate and
28 the Speaker of the House of Representatives, including the cochairs, serve two-year terms and
29 begin on the convening of the General Assembly in each odd-numbered year, except the terms
30 of the initial members, which begin on appointment and end on the day of the convening of the
31 2017 General Assembly. Members may complete a term of service on the Commission even if
32 they do not seek reelection or are not reelected to the General Assembly, but resignation or
33 removal from service in the General Assembly constitutes resignation or removal from service
34 on the Commission. The members who are ex officio members, or designees of those members,
35 serve until they are no longer in office or are replaced with another designee. All other
36 members serve two-year terms. Members may be removed in accordance with G.S. 143B-13 as
37 if that section applies to this Article.

38 (c) Cochair. – The President Pro Tempore of the Senate and the Speaker of the House
39 of Representatives shall each designate a cochair who shall be a member of the General
40 Assembly.

41 (d) Meetings. – The Commission must meet at least quarterly, beginning October 1,
42 2015, and may meet as often as needed upon joint call of the cochairs. A majority of the
43 members of the Commission constitutes a quorum. The Commission may meet in the
44 Legislative Building or the Legislative Office Building. The Commission may contract for
45 professional, clerical, or consultant services as provided by G.S. 120-32.02. The Legislative
46 Services Commission, through the Legislative Services Officer, shall assign professional staff
47 to assist the Commission in its work. The House of Representatives' and Senate's Directors of
48 Legislative Assistants shall assign clerical staff to the Commission, and the expenses relating to
49 the clerical employees shall be borne by the Commission. Members of the Commission shall
50 receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as
51 appropriate.

1 (e) Vacancies. – A vacancy in the Commission is filled in the same manner in which
2 the original appointment was made. The term of an appointment to fill a vacancy is for the
3 balance of the unexpired term.

4 (f) Compensation. – The Commission members receive no salary or other
5 compensation for serving on the Commission.

6 **"§ 120-70.161. Purpose and powers of Commission; reports.**

7 (a) Findings. – The economic well-being and the physical security of the citizens and
8 businesses of this State depend on safe, reliable, and efficient public infrastructure. Roads,
9 airports, railways, ports, and other public investments are instrumental in boosting North
10 Carolina's productivity and global economic competitiveness. Facilities that manage water,
11 waste, and energy are fundamental in sustaining quality of life and health. Adequate public
12 infrastructure also serves as an equalizer between the rural and urban areas of the State by
13 facilitating access. The General Assembly recognizes that there are critical needs in this State
14 to develop, improve, maintain, and fund various types of public infrastructure at both the State
15 and local levels, including, but not limited to, transportation projects, water and sewer projects,
16 public school construction, and broadband services, in order to secure and enhance the
17 economic well-being of North Carolinians, to promote economic development in the State, and
18 to provide a healthy climate for the creation of jobs. The General Assembly finds that the State
19 lacks a comprehensive policy structure and sufficient funding sources to guide the State's
20 decisions about undertaking and investing in projects. The General Assembly further
21 recognizes that a variety of entities study, evaluate, and monitor the different public
22 infrastructure needs, but no single entity exists to serve as a repository for the studies and
23 assessments, to evaluate, prioritize, and monitor the meeting of those needs, and to develop a
24 comprehensive statewide policy and goals for the development and financing of public
25 infrastructure.

26 (b) Purpose and Powers. – The Joint Legislative Public Infrastructure Oversight
27 Commission shall examine, on a continuing basis, public infrastructure issues in North Carolina
28 in order to make ongoing recommendations to the General Assembly on ways to promote
29 comprehensive and coordinated local, regional, and State planning and investment in public
30 infrastructure. The purpose of this Commission is to inventory the assessments conducted by
31 State agencies, local governments, and other entities, to develop a comprehensive statewide
32 policy that includes both short-term and long-term solutions for meeting critical infrastructure
33 needs, and to identify dedicated sources of funding and methods to leverage private capital,
34 including the creation of an infrastructure bank, to finance those needs. While in the discharge
35 of its official duties, the Commission has the powers of a joint Commission under G.S. 120-19
36 through G.S. 120-19.4. In its examination, the Commission may do any of the following:

37 (1) Collect and analyze data, studies, or assessments of public infrastructure
38 deficits in this State, including deficits in the areas of transportation, water
39 and sewer, public school construction, and broadband services. The data
40 may include proposals by other entities, such as the Department of
41 Transportation, the Department of Public Instruction, the Department of
42 Commerce, the Rural Economic Development Division, and the Program
43 Evaluation Division of the General Assembly, for addressing these deficits.

44 (2) Inventory existing funding sources and study ways to leverage private sector
45 capital, including the creation of an infrastructure bank and the use of user
46 fees.

47 (3) Analyze legislation from other states regarding the financing of public
48 infrastructure projects.

49 (4) Identify areas in which local governments may require additional assistance
50 in undertaking public infrastructure projects, such as staffing, training,
51 financing expertise, project review, or service delivery.

- 1 (5) Develop a comprehensive statewide public infrastructure policy for the
2 development, enhancement, evaluation, prioritization, and financing of
3 public infrastructure projects. The policy shall include performance
4 measures that can be used to determine whether the outcomes are achieving
5 the policy goals. The policy shall address efficiencies and demand
6 management by taking into consideration whether more assistance should be
7 given to initiatives, programs, or projects that reduce the long-term cost of
8 public infrastructure, create more sustainable resources, or take advantage of
9 economies of scale.
- 10 (6) Periodically review each funding source for consistency with, and
11 adjustment to, the comprehensive statewide policy.
- 12 (7) Study any other matters that the Commission considers necessary to fulfill
13 its mandate.
- 14 (c) Reports. – The Commission shall report annually by April 1 to the Chairs of the
15 House of Representatives and Senate Appropriations Committees, House of Representatives
16 and Senate Finance Committees, and to the Governor. A report may contain any legislation
17 needed to implement a recommendation of the Commission."
- 18 **SECTION 2.** This act is effective when it becomes law.