



HOUSE BILL 1002: Ferry System Stabilization Act.

**This Bill Analysis
reflects the
contents of the bill
as it was presented
in committee.**

2016-2017 General Assembly

Committee:	House Transportation. If favorable, re-refer to Appropriations	Date:	May 10, 2016
Introduced by:	Reps. Tine, L. Johnson, Torbett, Shepard	Prepared by:	Wendy Ray Committee Counsel
Analysis of:	PCS to First Edition H1002-CSSU-39		

SUMMARY: *The Proposed Committee Substitute for House Bill 1002 would eliminate ferry tolling and provide State funds for improvements to the State Ferry System.*

CURRENT LAW: G.S. 136-82 authorizes the Board of Transportation to establish tolls on ferry routes in the State Ferry system. Currently, tolls are charged on the Swan Quarter/Ocracoke, Cedar Island/Ocracoke, and Southport/Fort Fisher routes. Toll proceeds, along with proceeds from other receipt-generating activities, must be used exclusively for prioritized passenger vessel replacement projects in the Division in which the proceeds are earned.

BILL ANALYSIS: The PCS for House Bill 1002 would:

- Repeal the Department of Transportation's authorization to establish and collect tolls on State ferry routes.
- Provide that funds from other receipt-generating activities related to ferries are to be credited to a reserve account to be used exclusively for improvements to the Ferry System, except that proceeds from activities performed by the North Carolina State Shipyard are to be used exclusively for improvements to the Shipyard.
- Provide that proceeds from disposition of marine vessels are to be credited to the reserve account to be used for improvements to the Ferry System.
- Require the Department to report to the General Assembly prior to acquiring or constructing a marine vessel; and require the Ferry Division to report quarterly to the General Assembly on its capital improvement plan, status of authorized projects, and obligations for the reserve accounts dedicated to improvements to the Ferry System and Shipyard.
- Make conforming changes to other statutory sections.
- Direct the Board of Transportation to stop collecting ferry tolls on the effective date of the act and to repeal its regulations implementing ferry tolls; and direct the Department to refund prepaid tolls and proportionately refund prepaid commuter passes.
- Authorize the Department to adopt temporary rules to administer the act.
- Appropriate \$13,376,250 in recurring funds for the 2016-2017 fiscal year from the Highway Fund to be allocated to the reserve account to be used for improvements to the Ferry System.

EFFECTIVE DATE: The act would become effective July 1, 2016, and would apply to dispositions of marine vessels on or after that date.

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