



Legislative Update

Build NC

The House bill for Build NC (H1010) has been working its way through the different committees this week. It was approved by Transportation on Tuesday, Appropriations on Wednesday, and Finance on Thursday. The bill now moves to the House floor and will be on their Monday calendar.

The companion bill in the Senate (S758) moved through the committees earlier this week and was unanimously approved by the full Senate on Wednesday.

If you're not familiar with the Build NC bill, below are a few bullet points.

- Build NC would create a state GARVEE program for the Division and Regional STIP tier projects – most of these projects will be in the rural areas that are not eligible for the federal GARVEE program.
- Build NC is a finance tool that NCDOT will use to continue the current project delivery process. It's like a home equity line of credit, that can be used when needed.
- Secretary Trogdon has accelerated the project delivery process and reduced the cash balance as requested by the General Assembly and he has delivered.
- Without Build NC, the annual highway lettings will be reduced by \$1 billion starting in 2019.
- Build NC will only be used when the NCDOT cash balance is at the targeted threshold – approximately \$750M to \$1B.
- Proposed annual cap of \$300M. Total aggregate amount will be \$3B.
- Must get State Treasurer's approval to sell the Bonds.
- Paid with HTF revenues – NOT general fund revenues.

Link to H1010 - <https://www.ncleg.net/Sessions/2017/Bills/House/PDF/H1010v1.pdf>

Link to S758 - <https://www.ncleg.net/Sessions/2017/Bills/Senate/PDF/S758v3.pdf>

Some legislators in the House want this financing tool to be approved by the voters as a bond referendum as stated by the State Treasurer. Build NC is not a traditional bond, it's more like a home equity line of credit to be used when needed to continue delivering projects at the current pace. Each time the NCDOT will use this financing tool, they will have to get the Treasurer's approval.

Without this tool NCDOT will be letting less work in 2019, so instead of creating jobs, many companies may have to lay off employees and delay capital improvements.

Please contact your legislator in the House and tell them to support Build NC Bond Act as written.

NC House of Representatives contact information -

<https://www.ncleg.net/gascripts/members/memberList.pl?sChamber=House>