

GENERAL ASSEMBLY OF NORTH CAROLINA
1991 SESSION

CHAPTER 749
SENATE BILL 649

AN ACT TO CREATE THE NORTH CAROLINA AIR CARGO AIRPORT AUTHORITY, TO AUTHORIZE THE ISSUANCE OF REVENUE BONDS TO FINANCE AIRPORT AND INDUSTRIAL FACILITIES, TO AUTHORIZE UNITS OF LOCAL GOVERNMENT TO TAKE CERTAIN ACTIONS RELATED TO CARGO AIRPORT COMPLEXES, AND TO MAKE CONFORMING CHANGES TO OTHER STATUTES.

The General Assembly of North Carolina enacts:

Section 1. A new Chapter is added to the General Statutes to read:

"Chapter 63A.

"North Carolina Air Cargo Airport Authority.

"§ 63A-1. Short title and intent.

This Chapter is the 'North Carolina Air Cargo Airport Authority Act.' It is enacted in part pursuant to Article V, Section 13, of the North Carolina Constitution with the intent that the body politic and corporate created by this Chapter shall have all power and authority as may be provided to it under that section of the Constitution.

"§ 63A-2. Definitions.

The following definitions apply in this Chapter:

- (1) Aircraft. – A contrivance that is used or designed for flight.
- (2) Airport project. – Any of the following that is part of or is used in connection with a cargo airport or a facility at a cargo airport complex site and is not a special user project:
 - a. Land, equipment, or buildings or other structures, whether located on one or more sites.
 - b. The addition to or the rehabilitation, improvement, renovation, or enlargement of any property described in subpart a.

The term includes infrastructure improvements, such as improvements to railroad facilities, roads, bridges, and water, sewer, or electric utilities even if not located on a cargo airport complex site. An airport project may include a facility leased to one or more entities under a true lease.
- (3) Authority. – The North Carolina Air Cargo Airport Authority.
- (4) Board. – The Board of Directors of the Authority.
- (5) Bonds. – The revenue bonds or other interest bearing obligations authorized to be issued by the Authority under this Chapter.

- (6) Cargo airport. – Any area of land or water that is designed for the landing and takeoff of aircraft, any appurtenant area used or suitable for airport buildings or other airport facilities, and any appurtenant right-of-way. In addition to facilities for the transportation of cargo by aircraft, a cargo airport may contain facilities to shelter, service, or repair aircraft and facilities to discharge and receive passengers.
- (7) Cargo airport complex. – A cargo airport and all other facilities, including private facilities, related to the cargo airport that are located within the cargo airport complex site.
- (8) Cargo airport complex site. – The area designated by the Authority as the location of a cargo airport complex. An area may not be so designated by the Authority unless all or a substantial portion of the land on which the cargo airport is located or is to be located is or shall be owned by the Authority.
- (9) Costs. – The capital cost of a project, including:
 - a. The costs of doing any or all of the following:
 - 1. Acquiring, constructing, erecting, providing, developing, installing, furnishing, and equipping.
 - 2. Reconstructing, remodeling, altering, renovating, replacing, refurbishing, and reequipping.
 - 3. Enlarging, expanding, and extending.
 - 4. Demolishing, relocating, improving, grading, draining, landscaping, paving, widening, and resurfacing.
 - b. The costs of all property, both real and personal and both improved and unimproved, and of plants, works, appurtenances, structures, facilities, furnishings, machinery, equipment, vehicles, easements, water rights, air rights, franchises, and licenses used or useful in connection with the project.
 - c. The costs of demolishing or moving structures from land acquired and acquiring land to which the structures are to be moved.
 - d. Financing charges, including estimated interest during the acquisition or construction of a project and for one year thereafter.
 - e. The costs of services to provide plans, specifications, studies, reports, surveys, and estimates of costs and revenues.
 - f. The costs of paying any interim financing, including principal, interest and premium, related to the acquisition or construction of the project.
 - g. Administrative and legal expenses and administrative charges.
 - h. The costs of obtaining bond and reserve fund insurance and investment contracts, of credit-enhancement facilities, liquidity facilities, and interest-rate agreements, and of establishing and maintaining debt service and other reserves.

- i. Any other services, costs, and expenses necessary or incidental to the project.
- (10) Credit facility. – An agreement with a banking institution, an insurance institution, an investment institution, or other financial institution located inside or outside the United States of America that provides for prompt payment, whether at maturity, presentment, or tender for purchase, redemption, or acceleration, of part or all of the principal or purchase price, redemption premium, if any, and interest on a bond or note issued by the Authority and for repayment of the institution.
- (11) Financing agreement. – A written instrument establishing the rights and responsibilities of the Authority and the operator concerning a special user project financed by the issuance of bonds. A financing agreement may be a lease, a lease and lease-back, a sale and lease-back, a lease purchase, an installment sale and purchase agreement, a conditional sales agreement, a secured or unsecured loan agreement, or other similar contract, and may involve property in addition to the property financed with the bonds.
- (12) Local Government Commission. – The Local Government Commission of the Department of State Treasurer, established by Article 2 of Chapter 159 of the General Statutes.
- (13) Notes. – Revenue notes or revenue bond anticipation notes issued by the Authority under this Chapter.
- (14) Obligor. – A person, including an operator, who has entered into a financing or other agreement obligating the person to make payments to the Authority or to holders of bonds issued to finance a special user project.
- (15) Operator. – The person entitled to the use or occupancy of a special user project.
- (16) Par formula. – A provision or formula to make periodic adjustments in the interest rate of a bond or note, including:
 - a. A provision for an adjustment to keep the purchase price of the bond or note in the open market as close to par as possible.
 - b. A provision for an adjustment based on one or more percentages of a prime rate or base rate that may vary or apply for specified periods of time.
 - c. Any other provision that does not materially and adversely affect the financial position of the Authority and the marketing of the bonds or notes at a reasonable interest cost to the Authority.
- (17) Person. – Any person, corporation, partnership, association, trust, or other legal entity.
- (18) Project. – An airport project or a special user project.
- (19) Revenues. – For a special user project, the term means rents, fees, charges, payments, proceeds, or other income or profit derived from

the special user project or from the financing agreement or security document for the special user project. For an airport project, the term means rents, fees, charges, payments, proceeds, or other income or profit derived from the airport project or from any pledge of nontax revenues, appropriation, or payment made by the State or a county in which the cargo airport is located.

(20) Security document. – One or more written instruments establishing the rights and responsibilities of the Authority and the holders of bonds issued to finance a special user project. A security document may provide for, or be in the form of an agreement with, a trustee for the benefit of the bondholders. A security document may contain an assignment, pledge, mortgage, or other encumbrance of part or all of the Authority's interest in, or right to receive revenues from, a special user project or any other property provided by the operator or other obligor under a financing agreement. A financing agreement and a security document may be combined as one instrument.

(21) Special user project. – Any land, equipment, or buildings or other structures located on one or more sites within a cargo airport complex site and the addition to or the rehabilitation, improvement, renovation, or enlargement of a structure located within a cargo airport complex site when the property is to be used as or in connection with any of the following:

a. An undertaking for industry, including an industrial or a manufacturing factory, mill, assembly plant, or fabricating plant, a freight terminal, an industrial research, development, or laboratory facility, or an industrial processing or distribution facility for industrial or manufactured products.

b. A commercial, processing, mining, transportation, distribution, storage, marine, aviation, or environmental facility or improvement.

c. Any combination of items mentioned in subparts a. and b.

A special user project, during its economic life, is to be principally used by one or more for-profit entities other than as lessee under a true lease. A special user project may include all appurtenances and incidental facilities such as land, a headquarters or office facility, warehouses, distribution centers, access roads, sidewalks, utilities, railway sidings, trucking and similar facilities, parking facilities, waterways, docks, wharves, and other improvements necessary or convenient for the construction, maintenance, and operation of any structure.

(22) True lease. – A lease that has a fair market value rental and is not treated as a financing lease or installment sale for federal tax law purposes.

"§ 63A-3. Creation of Authority and Board.

(a) Creation. The North Carolina Air Cargo Airport Authority is created as a body corporate and politic having the powers and jurisdiction as provided under this Chapter or any other law. The Authority is a State agency created to perform essential governmental and public functions. The Authority shall be located within the Department of Transportation, but shall exercise all of its powers, including the power to employ, direct, and supervise all personnel, independently of the Secretary of Transportation and, notwithstanding any other provision of law, shall be subject to the direction and supervision of the Secretary only with respect to the management functions of coordinating and reporting.

(b) Board of Directors. The Authority shall be governed by a Board of Directors. The Board shall consist of at least the following 14 members:

- (1) Seven members appointed by the Governor.
- (2) Three members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.
- (3) Three members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.
- (4) The State Treasurer, who shall serve as an ex officio non-voting member.

The Board may consist of more than 14 members if more members are appointed by boards of county commissioners in accordance with this subsection. Within 90 days after the Authority acquires land, either by purchase or condemnation, for development as part of a cargo airport complex site, the board of county commissioners in any county in which a portion of the land is located may, by resolution, appoint a person to serve as a member of the Board. If the board of commissioners appoints one of its own members to the Board, the county commissioner who is appointed is considered to be serving on the Board as an ex officio voting member as part of the duties of the office of county commissioner, in accordance with G.S. 128-1.2, and is not considered to be serving in a separate office.

As the holder of an office, each member of the Board shall take the oath required by Article VI, § 7 of the North Carolina Constitution before assuming the duties of a Board member.

(c) Selection Criteria. Of the members appointed by the Governor, at least two shall be residents of the western region of the State, at least two shall be residents of the piedmont region of the State, and at least two shall be residents of the eastern region of the State. In addition, at least one member appointed by the Governor shall be representative of business, at least one shall be representative of agribusiness, at least one shall be representative of environmental interests, and at least one shall be representative of industrial interests.

Of the members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, one shall be a resident of the western region of the State, one shall be a resident of the piedmont region of the State, and one shall be a resident of the eastern region of the State. Of the members appointed by the General

Assembly upon the recommendation of the Speaker of the House of Representatives, one shall be a resident of the western region of the State, one shall be a resident of the piedmont region of the State, and one shall be a resident of the eastern region of the State.

(d) Terms. Except for the terms of the initial Board members, Board members shall serve two-year terms that begin on July 1. The terms of the initial members appointed by the Governor or the General Assembly end June 30, 1993. The initial term of a member appointed by a board of county commissioners ends on the second June 30 after the appointment.

(e) Chair and Vice-chair of the Board. The Governor shall designate one of the members appointed by the Governor as the Chair of the Board. The Governor shall convene the first meeting of the Board, at which time the members of the Board shall elect from their membership a Vice-chair of the Board.

(f) Vacancies. All members of the Board shall remain in office until their successors are appointed and qualify. A vacancy in an appointment made by the Governor or a board of county commissioners shall be filled by the Governor or the board of county commissioners for the remainder of the unexpired term. A vacancy in an appointment made by the General Assembly shall be filled in accordance with G.S. 120-122. A person appointed to fill a vacancy shall qualify in the same manner as a person appointed for a full term.

(g) Removal of Board Members. The Governor may remove any member of the Board for misfeasance, malfeasance, or nonfeasance in accordance with G.S. 143B-13(d). The person who appointed a member of the Board may remove the member for using improper influence in accordance with G.S. 143B-13(c).

(h) Organization of the Board. The Board shall adopt bylaws with respect to the calling of meetings, quorums, voting procedures, the keeping of records, and other organizational and administrative matters as the Board may determine. A quorum shall consist of at least eight members of the Board. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all rights and to perform all the duties of the Board and the Authority.

(i) Compensation of the Board. No part of the revenues or assets of the Authority shall inure to the benefit of or be distributable to the members of the Board or officers or other private persons. The members of the Board shall receive no salary for their services but shall be entitled to receive per diem and allowances in accordance with the provisions of G.S. 138-5.

(j) Treasurer. The Board shall select the Authority's treasurer. The Board shall require a surety bond of the appointee in the amount as the Board may fix, and the premium shall be paid by the Authority as a necessary expense of the Authority.

(k) Executive Director and other Employees. The Board shall appoint an executive director, whose salary shall be fixed by the Board, to serve at its pleasure. The executive director or a person designated by the executive director shall appoint, employ, dismiss, and, within the limits of available funding, fix the compensation of other employees as considered necessary.

(l) Office. The Board shall establish an office for the transaction of the Authority's business at the place the Board finds advisable or necessary to implement the provisions of this Chapter.

"§ 63A-4. Powers of the Authority.

(a) The Authority shall have all of the powers necessary to execute the provisions of this Chapter, which shall include at least the following powers:

- (1) The powers of a corporate body, including the power to sue and be sued, to make contracts, to adopt and use a common seal, and to alter the adopted seal as needed.
- (2) To establish, finance, purchase, construct, operate, and regulate cargo airport complexes and to own, finance, lease, sell, or manage real or personal property.
- (3) To charge and collect fees and rents for the use of the cargo airport complexes or for services rendered in the operation of the complexes.
- (4) To contract and enter into agreements with the State, local governments, other authorities of North Carolina, and other states for the interchange of business and to facilitate the business of cargo airport complexes.
- (5) To rent, lease, purchase, acquire, own, encumber, dispose of, or mortgage real or personal property, including the power to acquire property by eminent domain pursuant to G.S. 63A-6.
- (6) To establish, construct, purchase, maintain, equip, and operate any structure or facilities to aid commerce associated with a cargo airport complex, including the construction of highways, bridges, shipping facilities, electronic cargo transfer systems, mass transit systems, and other transportation facilities. Before constructing a highway or a bridge, the Authority shall consult with the Department of Transportation.
- (7) To create and operate agencies and departments needed to implement this Chapter.
- (8) To pay all necessary costs and expenses in the formation, organization, administration, and operation of the Authority.
- (9) To apply for, accept, and administer loans and grants of money from any federal agency, from the State or its political subdivisions, or from any other public or private sources available, to expend the money in accordance with the requirements imposed by the lender or donor, and to give any evidences of indebtedness that are required. No indebtedness of any kind incurred or created by the Authority shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the Authority shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.
- (10) To adopt, alter, or repeal its own bylaws or rules implementing the provisions of this Chapter.

- (11) To execute financing agreements, security documents, and other instruments necessary in exercising its power under this Chapter.
- (12) To fix, charge, collect, pledge, or assign revenues of the Authority.
- (13) To employ consulting engineers, architects, attorneys, real estate counselors, appraisers, and other consultants and employees as may be required in the judgment of the Board and to fix and pay their compensation from funds available to the Authority, and, when approved by the Local Government Commission under G.S. 159-123(e) and (f) as if the Authority were an issuing unit, to select and retain financial consultants, underwriters, and bond attorneys in connection with the issuance of any bonds and to pay for their services out of the proceeds of any bond issue for which their services were performed.
- (14) To issue bonds or notes of the Authority as provided under this Chapter to pay the costs of a project.
- (15) To issue revenue refunding bonds of the Authority as provided under this Chapter.
- (16) To procure and maintain adequate insurance or otherwise provide for adequate protection to indemnify the Authority and its officers, directors, agents, employees, adjoining property owners, or the general public against loss or liability resulting from any act or omission by or on behalf of the Authority.
- (17) To purchase or finance real or personal property in the manner provided for cities and counties under G.S. 160A-20.
- (18) To enter into agreements with counties pursuant to G.S. 63A-15.
- (19) To exercise the powers granted political subdivisions under Article 4, Chapter 63 of the General Statutes, and to exercise the powers granted to municipalities and counties under Article 6, Chapter 63 of the General Statutes, governing public airports and related facilities.
- (20) To act as agent for the United States of America or any agency of the United States in any matter within the purpose of this Chapter. When acting as agent for the United States or one of its agencies, the Authority shall keep the interest of the State paramount.
- (21) With the approval of any unit of local government, to use officers, employees, agents, and facilities of the unit of local government for the purposes and upon the terms as may be mutually agreeable.
- (22) To issue obligations, without Local Government Commission approval, to finance the purchase or acquisition of land or options on land. An obligation may be secured by the land purchased or acquired, may be unsecured, or may be made payable from revenues, the proceeds of notes, bonds, or the sale of any lands, the proceeds of any bonds of the State or moneys appropriated by the State, or any other available moneys of the Authority. An obligation to finance the purchase or acquisition of land or options on land may be sold only to

the Escheat Fund as an investment of the Fund pursuant to G.S. 147-69.2(b)(11).

(23) To receive and use appropriations from the State, including an appropriation from the proceeds of State general obligation bonds or notes.

(b) To execute the powers provided in subsection (a) of this section, the Board shall determine the policies of the Authority by majority vote of the members of the Board present and voting, a quorum having been established. Once a policy is determined, the Board shall communicate it to the executive director, who shall have the sole and exclusive authority to execute the policy of the Authority. No member of the Board shall have the responsibility or authority to give operational directives to any employee of the Authority other than the executive director.

"§ 63A-5. Taxation of property of Authority.

Property owned by the Authority is exempt from taxation in accordance with Article V, § 2 of the North Carolina Constitution. Property that is part of or is located on a cargo airport complex site and is not owned by the Authority, including property that is part of a special user project, is not exempt from tax due to its location.

"§ 63A-6. Acquisition, disposition, or exchange of real property.

(a) General. The Authority may acquire real property by purchase, negotiation, gift, devise, or eminent domain. Any acquisition or disposition by the Authority of real property or an estate or interest in real property must be reviewed and approved by the Council of State before it can become effective. When the Authority acquires real property owned by the State, the Secretary of the Department of Administration shall execute and deliver to the Authority a deed transferring fee simple title to the property to the Authority.

(b) Eminent Domain. To exercise the power of eminent domain, the Authority shall commence a proceeding in its name and may follow any procedure set by law by which a State agency or a political subdivision of the State may exercise the power of eminent domain. As with other acquisitions, however, the Authority's exercise of the power of eminent domain is subject to review and approval by the Council of State.

The Authority's power of eminent domain applies to all property, including property that is owned by a State agency or a political subdivision of the State and is already devoted to a specific use other than as an airport established under Chapter 63 of the General Statutes. The Authority may acquire by eminent domain property that is owned by a political subdivision and is used as an airport established under Chapter 63 of the General Statutes only after obtaining the approval of the governing body of each political subdivision that established the airport. The Authority may not begin an eminent domain proceeding before it obtains the Council of State's approval for the acquisition of the property to be condemned.

(c) Exchange. The Authority may exchange any property it acquires for other property usable in carrying out the powers conferred on the Authority and also, upon the payment of just compensation, may remove a building, a terminal, or another structure from land needed for its purposes and reconstruct the structure on another location. The Authority may not use the power of eminent domain to acquire property for exchange.

(d) Site selection. In selecting a site for a cargo airport complex, the Authority shall consider comprehensive plans and land-use regulations adopted by local governments and the capability of local governments to provide services as specified in subdivisions (1) through (3) of this subsection. This subsection shall not be construed to require the Authority to comply with any local ordinance, regulation, or plan except as may be otherwise specifically provided by federal or State law, regulation, or rule. Plans, regulations, and capabilities to be considered are:

- (1) Local comprehensive plans, including education, emergency response, law enforcement, water supply, stormwater management, solid waste management, and wastewater treatment.
- (2) Local land use regulations, including appearance, floodplain zoning, subdivision zoning, and watershed protection elements.
- (3) The capability of local governments to provide services and manage growth and development related to establishment of a cargo airport complex.

"§ 63A-7. Police power.

(a) The Authority has jurisdiction within a cargo airport complex site. The Board may adopt ordinances regulating traffic and parking within the cargo airport complex site and for the safety and welfare of those using the cargo airport complex. An ordinance adopted under this subsection shall be recorded in the minutes of the Board. A copy of the ordinance shall be filed in the office of the Attorney General of North Carolina and shall be posted at appropriate places in the cargo airport complex site. Any person who violates an ordinance of the Authority is guilty of a misdemeanor and is punishable by a fine of up to fifty dollars (\$50.00) or imprisonment for up to 30 days.

(b) The executive director of the Authority may designate employees of the Authority as special police officers. A person designated as a special police officer has jurisdiction within the cargo airport complex site to arrest a person who violates any federal or State law or any ordinance of the Authority and has other powers to the same extent as police officers of incorporated municipalities. An employee designated as a special police officer shall take the oath of a law enforcement officer set out in G.S. 11-11.

"§ 63A-8. Authority funds.

All Authority funds shall be deposited in one or more banks to be designated by the Board. Funds of the Authority shall be paid out only upon warrants signed by the treasurer or assistant treasurer of the Authority and countersigned by the chair, the acting chair, or the executive director. No warrants shall be drawn or issued disbursing any of the funds of the Authority except for a purpose authorized by this Chapter and only when the account or expenditure has been audited and approved by the Authority or its executive director.

"§ 63A-9. Bonds and notes.

(a) The Authority may provide for the issuance, at one time or from time to time, of bonds and notes, including bond anticipation notes and renewal notes, of the Authority to carry out its corporate purposes including financing the costs of projects. The principal of and interest on the bonds or notes shall be payable from funds provided

under this Chapter for their payment. A bond anticipation note may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, from any available Authority revenues or other funds provided for this purpose. Bonds and notes may also be paid from the proceeds of any credit facility.

All bonds, notes, or refunding bonds or notes of the Authority are subject to this section and G.S. 63A-10. All bonds, notes, or refunding bonds or notes to finance or refinance a special user project are also subject to G.S. 63A-11.

The bonds and notes of each issue shall be dated and may be made redeemable prior to maturity at the option of the Authority or otherwise, at one or more prices, on one or more dates, and upon the terms and conditions set by the Authority. The bonds or notes may also be made payable from time to time on demand or tender for purchase by the owner upon terms and conditions set by the Authority.

A bond or note shall bear interest at a rate or rates, including variable rates, as determined by the Local Government Commission with the approval of the Authority. A bond or note may be secured by a reserve fund created for that purpose and funded from proceeds of the bond or note, revenues, or any other source of funds available to the Authority.

(b) In fixing the details of bonds or notes, the Authority may provide that the bonds or notes may:

- (1) Be payable from time to time on demand or tender for purchase by the owner of the bond or note if a credit facility supports the bond or note, unless the Local Government Commission specifically determines that a credit facility is not required because the absence of a credit facility will not materially and adversely affect the financial position of the Authority and the marketing of the bonds or notes at a reasonable interest cost to the Authority.
- (2) Be additionally supported by a credit facility.
- (3) Be made subject to redemption or a mandatory tender for purchase prior to maturity.
- (4) Be capital appreciation bonds.
- (5) Bear interest at a rate or rates that may vary, including variations permitted pursuant to a par formula.
- (6) Be made the subject of a remarketing agreement whereby an attempt is made to remarket the bonds or notes to new purchasers prior to their presentment for payment to the provider of the credit facility or to the Authority.

(c) Notes and bonds shall mature at the times determined by the Authority, not to exceed 40 years from the date of issue. The Authority shall determine the form and manner of execution of a bond or note, including any interest coupons to be attached to the bond or note. The Authority shall fix the denominations and places of payment of principal and interest of the bond or note. The principal of and interest on a bond or note may be paid at any bank or trust company, whether located inside or outside the United States of America.

(d) The validity of a bond, note, or coupon that has the signature or facsimile signature of a person who was an officer when the bond, note, or coupon was signed or the facsimile signature attached but who is not that officer when the bond, note, or coupon is delivered is not affected by the change in officers. A bond, note, or coupon may bear the signature or facsimile signature of a person who will be the proper officer to sign the bond, note, or coupon when it is executed but who is not the officer on the date of the bond, note, or coupon.

(e) The Authority may provide for any of the following:

- (1) Authentication of a bond or note by a trustee or other authenticating agent.
- (2) Issuance of a bond or note as a certificated obligation, an uncertificated obligation, or both.
- (3) Issuance of a bond or note in coupon form, in registered form, or both.
- (4) Registration of a coupon bond or note as to principal alone or as to both principal and interest.
- (5) The reconversion of a bond or note registered as to both principal and interest into a coupon bond or note.
- (6) The interchange of registered and coupon bonds or notes.
- (7) A system for registration in accordance with Chapter 159E of the General Statutes.
- (8) Replacement of a bond or note that has been mutilated, lost, or destroyed.

(f) The Authority may not issue a bond or note under this Chapter, other than an obligation permitted under G.S. 63A-4(a)(22), unless its issuance is approved by the Local Government Commission, and it is sold by the Local Government Commission. To obtain approval of a bond or note, the Authority shall file an application for approval with the Local Government Commission. The application shall contain the information required by the Local Government Commission.

In determining whether to approve a proposed bond or note issue of the Authority, the Local Government Commission shall consider the following:

- (1) For bonds or notes to finance airport projects, the criteria for its approval of revenue bonds under G.S. 159-86.
- (2) For bonds or notes to finance special user projects, the criteria used for its approval of industrial bonds under G.S. 159C-8.
- (3) The effect of the proposed financing upon any proposed or scheduled sale of obligations by the State, another State agency, or a unit of local government.

The Local Government Commission shall approve the proposed bond or note issue if it determines that the proposed financing for the issue meets the criteria and will effect the purposes of this Chapter.

When the Local Government Commission approves a bond or note issue of the Authority, the Authority may submit a written request to the Local Government Commission to sell the approved bonds or notes. Upon receiving a written request, the Local Government Commission shall consult with the Authority on the manner in which

the bonds or notes will be sold and the price or prices at which the bonds or notes will be sold. With the approval of the Authority, the Local Government Commission shall sell the bonds or notes either at public or private sale in the manner and at the prices determined to be in the best interest of the Authority and to effect the purposes of this Chapter.

Bonds or notes may be issued under this Chapter without obtaining, except as otherwise expressly provided in this Chapter, the consent of any department, division, commission, board, body, bureau, or other agency of the State or without any other proceedings or conditions except as specifically authorized by this Chapter or by the provisions of the resolution authorizing the issuance of, or any trust agreement securing, the bonds or notes.

(g) Each bond or note that is represented by an instrument shall contain a statement signed by the Secretary of the Local Government Commission, or an assistant designated by the Secretary, certifying that the issuance of the bond or note has been approved under this Chapter. The signature may be a manual signature or a facsimile signature, as determined by the Local Government Commission. Each bond or note that is not represented by an instrument shall be evidenced by a writing relating to the obligation that identifies the obligation or the issue of which it is a part, contains the signed statement certifying approval of the Local Government Commission that is required on an instrument, and is filed with the Local Government Commission. A certification of approval by the Local Government Commission is conclusive evidence that a bond or note complies with this Chapter.

(h) The proceeds of a bond or note shall be used solely for the purposes for which the bond or note was issued and shall be disbursed in accordance with the resolution authorizing the issuance of the bond or note and with any trust agreement securing the bond or note.

(i) Prior to the preparation of definitive bonds, the Authority may issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when the bonds have been executed and are available for delivery.

(j) The Authority may secure a bond or note issued under this Chapter by a trust agreement between the Authority and a corporate trustee. The corporate trustee may be any trust company or bank having the powers of a trust company inside or outside the State. The Authority may secure a bond or note issued under this Chapter by a deed of trust. The trustee of the deed of trust may be an individual who is a resident of the State. A bank or trust company that is incorporated in this State and is a depository of the proceeds of obligations, revenues, or other money of an Authority may furnish indemnifying bonds or pledge securities required by the Authority.

The pledge of any assets, income, or revenues of the Authority to the payment of the principal of or the interest on any obligations of the Authority is binding from the time the pledge is made, and any assets, income, or revenues of the Authority are immediately subject to the lien of the pledge without any physical delivery or other act. The lien created by a pledge is binding against all persons who have claims of any kind against the Authority, regardless of whether they have notice of the lien.

(k) A resolution authorizing the issuance of a bond or note and a trust agreement securing a bond or note may provide that any moneys held under the resolution or trust agreement may be temporarily invested pending disbursement. Any officer with whom, or any bank or trust company with which, the moneys are deposited is considered a trustee of the moneys and must hold and apply the moneys for their stated purpose in accordance with this Chapter and the resolution or trust agreement. The Authority may invest any moneys, other than the proceeds of bonds issued to finance special user projects, as allowed in G.S. 147-69.1 for investments of the State Treasurer or in this subsection. The proceeds of bonds issued to finance special user projects may be invested as provided in the security document for the bonds.

In connection with or incidental to the acquisition or carrying of any investment relating to bonds, program of investment relating to bonds, or carrying of bonds, the Authority may, with the approval of the Local Government Commission, enter into a contract to place the investment or obligation of the Authority, as represented by the bonds, investment, or program of investment and the contract or contracts, in whole or in part, on an interest rate, currency, cash-flow, or other basis, including the following:

- (1) Interest rate swap agreements, currency swap agreements, insurance agreements, forward payment conversion agreements, and futures.
- (2) Contracts providing for payments based on levels of, or changes in, interest rates, currency exchange rates, or stock or other indices.
- (3) Contracts to exchange cash flows or a series of payments.
- (4) Contracts to hedge payment, currency, rate, spread, or similar exposure, including interest rate floors or caps, options, puts, and calls.

The Authority may enter a contract of this type in connection with, or incidental to, entering into or maintaining any agreement that secures bonds. A contract shall contain the payment, security, term, default, remedy, and other terms and conditions the Board considers appropriate. The Authority may enter a contract of this type with any person after giving due consideration, where applicable, of the person's credit-worthiness as determined by a rating by a nationally recognized rating agency or any other criteria the Board considers appropriate. In connection with, or incidental to, the issuance or carrying of bonds, or the entering of any contract described in this subsection, the Authority may enter into credit enhancement or liquidity agreements, with payment, interest rate, termination date, currency, security, default, remedy, and other terms and conditions as the Authority determines. Proceeds of bonds and any moneys set aside and pledged to secure payment of bonds or any of the contracts entered into under this subsection may be pledged to and used to service any of the contracts entered into under this section.

(l) Bonds and notes and their transfer, including any profit made on the their sale, are exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding inheritance and gift taxes. The interest on bonds and notes is not subject to taxation as income, and the bonds and notes are not subject to taxation when constituting a part of the surplus of any bank, trust company, or other corporation.

(m) Bonds or notes issued under this Chapter shall not constitute a debt secured by a pledge of the faith and credit of the State or a political subdivision of the State and shall be payable solely from the revenues, income, or assets of the Authority that are pledged for their payment. The face of each bond or note issued shall contain a statement that the Authority is obligated to pay the bond or note or the interest on the bond or note only from the revenues, income, or assets pledged in payment of the bond or note and that neither the faith and credit nor the taxing power of the State or any political subdivision of the State is pledged in payment of the principal of or the interest on the bond or note.

(n) The State pledges to the holder of a bond or note issued under this Chapter that, as long as the bond or note is outstanding and unpaid, the State will not limit or alter the power the Authority had when the bond or note was issued in a way that impairs the ability of the Authority to produce revenues sufficient with other available funds to do all of the following:

- (1) Maintain and operate the project for which the bond or note was issued.
- (2) Pay the principal of, interest on, and redemption premium, if any, of the bond or note.
- (3) Fulfill the terms of an agreement with the holder.

The State further pledges to the holder of a bond or note issued under this Chapter that the State will not impair the rights and remedies of the holder concerning the bond or note.

(o) Obligations issued under this Chapter are made securities in which all public officers and public bodies of the State and its political subdivisions, and all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. The obligations are made securities that may properly and legally be deposited with and received by any State or municipal officer or any agency or political subdivision of the State for any purpose for which the deposit of bonds, notes, or obligations of the State is now or may be authorized by law.

"§ 63A-10. Refunding bonds or notes.

(a) Issuance. – The Authority may issue refunding bonds or notes for the purpose of refunding any outstanding bonds or notes issued under this Chapter, including any redemption premium on the bonds or notes and any interest accrued or to accrue to the date of redemption. Refunding bonds or notes shall be issued in accordance with the same procedures and requirements as bonds or notes. Refunding bonds or notes may be sold or exchanged for outstanding bonds and notes issued under this Chapter.

Refunding bonds or notes may have different interest rates and maturities than the bonds or notes being refunded. The proceeds of refunding bonds or notes may be applied to any of the following:

- (1) The payment, purchase, and retirement of the bonds or notes being refunded by direct application to the payment, purchase, and retirement.

- (2) The payment, purchase, and retirement of the bonds or notes being refunded by the deposit in trust of the proceeds.
 - (3) The payment of any expenses incurred in connection with the refunding.
 - (4) For any other uses not inconsistent with the refunding.
- (b) Proceeds. – The proceedings providing for the issuance of refunding bonds or notes may limit the investments in which the proceeds of a particular refunding issue may be invested. Unless prohibited by the proceedings, the proceeds of refunding bonds or notes that are deposited in trust for the payment, purchase, and retirement of outstanding bonds or notes may be invested in any of the following:
- (1) Direct obligations of the United States of America.
 - (2) Obligations whose principal and interest are guaranteed by the United States of America.
 - (3) Evidences of ownership of a proportionate interest in an obligation that is described in subdivisions (1) or (2) of this subsection and is held in a custodial capacity by a bank or trust company organized under the laws of the United States of America or a state.
 - (4) Obligations of the State or a unit of local government of the State when payment of the principal of and interest on the obligations has been provided for by depositing with a trustee or other escrow agent obligations that meet all of the following:
 - a. Are described in subdivisions (1), (2), or (3) of this subsection.
 - b. When due and payable, will provide enough money when added to any other money held in trust for this purpose to pay the principal of, premium, if any, and interest on the State or local obligations.
 - c. Are rated in the highest category by Standard & Poor's Corporation and Moody's Investors Service, Inc.
 - (5) Obligations of the State or a unit of local government when payment of the principal and interest on the obligations is insured by a bond insurance company rated in the highest category by Standard & Poor's Corporation and Moody's Investors Service, Inc.
 - (6) Full faith and credit obligations of the State or a unit of local government of the State that are rated in the highest category by Standard & Poor's Corporation and Moody's Investors Service, Inc.
 - (7) Any obligations or investments in which the State Treasurer is then authorized to invest funds of the State.
- (c) Scope. – This section does not limit any of the following:
- (1) The period for which the proceeds of refunding bonds or notes may be held in trust to retire the bonds or notes that are being refunded and have not matured, are not redeemable or, if redeemable, have not been called for redemption.

- (2) The power to issue bonds or notes for the combined purpose of refunding outstanding bonds or notes and of providing funds for any other corporate purpose.

"§ 63A-11. Special user project bonds or notes.

(a) The Authority may, subject to the provisions of this section, G.S. 63A-9, and, if applicable, G.S. 63A-10, issue, at one time or from time to time, bonds and notes to finance or refinance special user projects. Bonds and notes to finance or refinance special user projects may be sold irrespective of the interest limitations in G.S. 24-1.1.

(b) Bonds or notes issued by the Authority under this section are special, limited obligations of the Authority payable solely from the following:

- (1) The Authority's revenues, income, or assets that it specifically assigns or pledges for payment.
- (2) The funds, collateral, and undertakings of a private party that are assigned or pledged by that party.

(c) Bonds and notes issued under this section may be secured by one or more agreements, including foreclosure deeds of trust and other trust instruments. An agreement may pledge and assign to the trustee or the holders of its obligations the assets, revenues, and income provided for the security of the bonds or notes, including proceeds from the sale of any special user project or part thereof, insurance proceeds, condemnation awards, and third-party agreements, and may convey or mortgage the project and other property and collateral to secure a bond issue.

The Authority may subordinate the bonds or notes or its rights, assets, revenues, and income derived from any special user project to any prior, contemporaneous, or future securities or obligations or lien, mortgage, or other security interest.

(d) Notwithstanding any other provision of law, the Authority may agree that all contracts relating to the acquisition, construction, installation, and equipping of the special user project shall be solicited, negotiated, awarded, and executed by the private parties for which the Authority is financing the special user project or any agents of the private parties subject only to approval by the Authority as the Authority may require. The Authority may, out of the proceeds of bonds or notes, make advances to or reimburse the private parties or their agents for all or a portion of the costs incurred in connection with the contracts.

(e) The provisions of G.S. 25-9-104(e) and G.S. 25-9-302(6) to the contrary notwithstanding, the provisions of Article 9 of the North Carolina Uniform Commercial Code, G.S. 25-9-101 to G.S. 25-9-607 inclusive, shall apply to transactions under this section, but not to transactions involving the issuance of bonds for airport projects, to the same extent the provisions of Article 9 would apply were G.S. 25-9-104(e) and G.S. 25-9-302(6) repealed.

"§ 63A-12. Public hearing requirements.

To the extent federal tax law requires public hearings to be held with respect to the issuance of bonds to finance projects, the hearings may be called for by the executive director and held before one or more members of the Board of the Authority. The hearings may be held at any place within the State pursuant to public notice given in accordance with current federal tax regulations. To the extent federal tax law requires

approval following the hearing of the issuance of bonds to finance a project, the approval shall be sought from the Governor following a report to the Governor of the results of the public hearing accompanied by information relating to the purposes for the proposed bond issue.

"§ 63A-13. Financing agreements.

Every financing agreement shall contain provisions ensuring all of the following:

- (1) That the amounts payable under the financing agreement are sufficient to pay, when due, the principal of, redemption premium, if any, and interest on the bonds issued to pay the costs of the special user project.
- (2) That the operator pays all costs incurred by the Authority in connection with the financing and administration of the special user project, except costs paid out of the proceeds of bonds or otherwise, including, but without limitation, insurance costs, the cost of administering the financing agreement and the security document, and the fees and expenses of the fiscal agent or trustee, paying agents, attorneys, consultants, and others.
- (3) That the operator pays all the costs and expenses of operation, maintenance, and upkeep of the special user project.
- (4) That the operator's obligation to provide for the payment of the bonds in full is not subject to cancellation, termination, or abatement until the payment of the bonds or provision for their payment is made.

The financing agreement, if in the nature of a lease agreement, shall either provide that the obligor shall have an option to purchase, or require that the obligor purchase, the special user project upon the expiration or termination of the financing agreement subject to the condition that payment in full of the principal of, and the interest and any redemption premium on, the bonds, or provision therefor, shall have been made.

The financing agreement may provide the Authority with rights and remedies in the event of a default by the obligor including, without limitation, any one or more of the following:

- (1) Acceleration of all amounts payable under the financing agreement.
- (2) Reentry and repossession of the special user project.
- (3) Termination of the financing agreement.
- (4) Leasing or sale of foreclosure of the special user project to others.
- (5) Taking whatever actions at law or in equity may appear necessary or desirable to collect the amounts payable under, and to enforce covenants made in, the financing agreement.

The Authority's interest in a special user project under a financing agreement may be that of owner, lessor, lessee, conditional or installment vendor, mortgagor, mortgagee, secured party, or otherwise, but the Authority need not have any ownership or possessory interest in the special user project.

The Authority may assign all or any of its rights and remedies under the financing agreement to the trustee or the bondholders under a security document.

The financing agreement may contain additional provisions as in the determination of the Board are necessary or convenient to effectuate the purposes of this Chapter.

When, as provided in G.S. 63A-9 and G.S. 63A-11, the Local Government Commission approves the issuance of bonds by the Authority, the Commission shall also approve all financing agreements and security documents.

"§ 63A-14. Security documents.

Bonds issued under the provisions of this Chapter may be secured by a security document which may be a trust instrument between the Authority and a bank or trust company or individual within the State, or a bank or a trust company outside the State, as trustee. The security document may pledge and assign the revenues provided for the security of the bonds, including proceeds from the sale of any project, or part thereof, insurance proceeds and condemnation awards, and may convey or mortgage the project and other property to secure a bond issue.

The revenues and other funds derived from the project, except for any part as may be necessary to provide reserves therefor, if any, may be set aside at regular intervals as may be provided in the security document in a sinking fund which may be pledged to, and charged with, the payment of the principal of and the interest on the bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as provided. The pledge shall be valid and binding from the time when the pledge is made. The revenues pledged and received by the Authority shall immediately be subject to the lien of the pledge without any physical delivery or further act, and the lien of any pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether the parties have notice. The use and disposition of money to the credit of the sinking fund shall be subject to the provisions of the security document. The security document may contain provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including, without limitation, any one or more of the following:

- (1) Acceleration of all amounts payable under the security document.
- (2) Appointment of a receiver to manage the project and any other property mortgaged or assigned as security for the bonds.
- (3) Foreclosure and sale of the project and any other property mortgaged or assigned as security for the bonds.
- (4) Rights to bring and maintain such other actions at law or in equity as may appear necessary or desirable to collect the amounts payable under, or to enforce the covenants made in, the security document.

It shall be lawful for any bank or trust company incorporated under the laws of this State which may act as depository of the proceeds of bonds, revenues, or other funds provided under this Chapter to furnish indemnifying bonds or to pledge securities as may be required by the Authority. All expenses incurred in carrying out the provisions of the security document may be treated as a part of the cost of the project in connection with which bonds are issued or as an expense of administration of the project.

The Authority may subordinate the bonds or its rights under the security document or otherwise to any prior, contemporaneous, or future securities or obligations or lien, mortgage, or other security interest.

"§ 63A-15. County agreements.

(a) Any county in which all or part of a cargo airport complex site is located may enter into an agreement with the Authority providing for payments to be made by the county to the Authority. A county may not enter into an agreement to make payments to the Authority until after the Authority designates the cargo airport complex site. The county's obligations under the agreement shall not constitute a pledge of its faith and credit.

"§ 63A-16. Remedies.

Any owner of bonds or notes issued under the provisions of this Chapter or any coupons appertaining thereto, and the trustee under any trust agreement securing or resolution authorizing the issuance of such bonds or notes, except to the extent the rights given may be restricted by the trust agreement or resolution, may either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws of the State or granted hereunder or under the trust agreement or resolution, or under any other contract executed by the Authority pursuant to this Chapter; and may enforce and compel the performance of all duties required by this Chapter or by the trust agreement or resolution by the Authority or by any officer of the Authority.

"§ 63A-17. Status of bonds and notes under Uniform Commercial Code.

All bonds and notes and interest coupons, if any, issued under this Chapter are made investment securities within the meaning of and for all the purposes of Article 8 of the Uniform Commercial Code, as enacted in Chapter 25 of the General Statutes.

"§ 63A-18. Zoning power of Authority.

(a) The Authority has exclusive zoning jurisdiction within a cargo airport complex site. The Authority has zoning jurisdiction within four miles of the boundaries of a cargo airport complex site. The Authority has zoning jurisdiction sufficient to restrict the height of any structure to be erected, and the height to which any tree may grow, within six miles of the boundaries of a cargo airport complex site.

(b) No State agency and, in accordance with G.S. 63-31, no political subdivision may adopt, without obtaining the approval of the Authority, either of the following if it conflicts with a zoning provision or land use restriction adopted by the Authority:

- (1) An airport zoning provision or other land use regulation that affects real property within four miles of any cargo airport complex site.
- (2) An airport zoning provision or other land use regulation that affects the height of any structure or tree within six miles of a cargo airport complex site.

A zoning provision or land use restriction adopted in violation of this subsection is not effective.

"§ 63A-19. Goals for participation by minorities, women, and the disabled.

(a) The Authority shall verify its efforts to achieve the goals established in this section for participation by minority business enterprises, women's business enterprises, and disabled business enterprises in the total value of contracts awarded by the Authority in each of the following categories:

- (1) Contracts for capital construction or repair projects.
- (2) Contracts for goods.

- (3) Contracts for professional and other services.
- (b) The goals for the Authority are as follows:
 - (1) Ten percent (10%) participation by minority business enterprises.
 - (2) Five percent (5%) participation by women's business enterprises.
 - (3) Two percent (2%) participation by disabled business enterprises.

In determining participation in contract awards, a contract shall be counted as participation by a minority business enterprise without regard to the gender of the owner, but only if the business does not qualify as a disabled business enterprise. A contract shall be counted as participation by a women's business enterprise only if the business does not also qualify as a disabled business enterprise. A contract shall be counted as participation by a disabled business enterprise without regard to the race or gender of the owner. The goals in this section, instead of any goals in Article 8 of Chapter 143 of the General Statutes, apply to the Authority. With respect to projects for which the Authority would not receive federal funds if it adhered to the goals in this section because the goals are contrary to or are inconsistent with 14 C.F.R. Part 152, Subpart E, Nondiscrimination in Airport Aid Program, the federal law and regulations supersede this section to the extent it is contrary to or inconsistent with the federal law and regulations.

- (c) The following definitions apply in this section:
 - (1) Disabled business enterprise. – A legal entity, other than a joint venture, that is organized to engage in commercial transactions and is at least fifty-one percent (51%) owned and controlled by one or more disabled persons.
 - (2) Disabled person. – A handicapped person as defined in G.S. 168A-3.
 - (3) Minority business enterprise. – A legal entity, other than a joint venture, that is organized to engage in commercial transactions and is at least fifty-one percent (51%) owned and controlled by one or more minority persons.
 - (4) Minority person. – A member of one of the following groups: African-Americans, Hispanic-Americans, American Indians, or Asian-Americans.
 - (5) Women's business enterprise means a legal entity, other than a joint venture, that is organized to engage in commercial transactions and is at least fifty-one percent owned and controlled by one or more women.

"§ 63A-20. Officers not liable.

No member or officer of the Authority shall be subject to any personal liability or accountability by reason of his execution of any bonds or notes or the issuance of any bonds or notes.

"§ 63A-21. Conflicts of interest.

If any member, officer, or employee of the Authority shall be interested either directly or indirectly, or shall be an officer or employee of or have an ownership interest in any firm or corporation, not including units of local government, interested directly or indirectly, in any contract with the Authority, the interest shall be disclosed to the Board and shall be set forth in the minutes of the Board. The member, officer, or

employee having an interest shall not participate on behalf of the Authority in the authorization of any contract. Other provisions of law notwithstanding, failure to take any or all actions necessary to carry out the purposes of this section may not affect the validity of any bonds or notes issued under this Chapter.

"§ 63A-22. Cooperation by other State agencies.

All State officers and agencies shall render the services to the Authority within their respective functions as may be requested by the Authority.

"§ 63A-23. Annual and quarterly reports.

The Authority shall, promptly following the close of each fiscal year, submit an annual report of its activities for the preceding year to the Governor, the General Assembly, and the Local Government Commission. Each report shall be accompanied by an audit of its books and accounts. The costs of all audits, whether conducted by the State Auditor's staff or contracted with a private auditing firm, shall be paid from funds of the Authority.

The Authority shall submit quarterly reports to the Joint Legislative Commission on Governmental Operations. The reports shall summarize the Authority's activities during the quarter and contain any information about the Authority's activities that is requested by the Commission.

"§ 63A-24. General laws apply to Authority; exceptions.

Except as provided in this section, the general laws that apply to State agencies apply to the Authority. The following general laws, to the extent provided below, do not apply to the Authority:

- (1) Article 3 of Chapter 143 of the General Statutes does not apply to contracts for services listed in 49 U.S.C. § 2210(a)(16) or contracts for special user projects. That Article also does not apply to other contracts for projects, but, with respect to these other contracts, the powers and duties established in that Article shall be exercised by the Authority and the Secretary of Administration, and other State officers, employees, or agencies shall have no duties or responsibilities concerning the contracts.
- (2) Article 8 of Chapter 143 of the General Statutes does not apply to public building contracts of the Authority, but, with respect to these contracts, the powers and duties established in that Article shall be exercised by the Authority and the Secretary of Administration, and other State officers, employees, or agencies shall have no duties or responsibilities concerning the contracts.
- (3) Except for G.S. 146-29.1, 146-79, and 146-80, Chapter 146 of the General Statutes does not apply to the Authority.

"§ 63A-25. Dissolution.

Whenever the Board shall by resolution determine that the purposes for which the Authority was formed have been substantially fulfilled and that all bonds issued and all other obligations incurred by the Authority have been fully paid or satisfied, the Board may declare the Authority to be dissolved. On the effective date of the resolution, the title to all funds and other property owned by the Authority at the time of the dissolution

shall vest in the State and possession of the funds and other property shall be delivered to the State."

Sec. 1.1. If the General Assembly does not appoint members to the Board of Directors of the North Carolina Air Cargo Airport Authority by July 19, 1991, as authorized by G.S. 63A-3 of this act, the positions are considered vacant and shall be filled in accordance with G.S. 120-122. The Board of Directors of the Authority may not take any action until the six positions designated for appointment by the General Assembly under G.S. 63A-3, as enacted by this act, are filled.

Sec. 1.2. It is the intent of the General Assembly to authorize counties to create an airport district that includes part or all of a cargo airport complex site and to give the airport district the power to support the cargo airport with property tax revenue.

Sec. 2. Interpretation of act. (a) This act shall not be deemed to exclude additional or alternative methods for executing the provisions of this act, shall be regarded as supplemental to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing.

(b) This act, being necessary for the health and welfare of the people of this State, shall be liberally construed to effect its purposes.

(c) Insofar as the provisions of this act are inconsistent with the provisions of any general laws, the provisions of this act shall be controlling.

(d) Insofar as the provisions of this act are inconsistent with the provisions of any local, special, or private laws, the provisions of those laws are repealed to the extent of the conflict.

(e) If any provisions of this act or its application are held invalid, the invalidity does not affect other provisions or applications of this act that can be given effect without the invalid provisions or application, and to this end the provisions of this act are severable.

(f) References in this act to specific acts, sections, or Chapters of the General Statutes are intended to be references to such acts, sections, or Chapters as they may be amended from time to time by the General Assembly.

Sec. 2.1. The North Carolina Air Cargo Airport Authority shall reimburse the Highway Fund for amounts appropriated from that Fund to the Authority. The Authority shall make this reimbursement from revenue from fees and other charges imposed by the Authority in connection with a cargo airport complex established by the Authority. The reimbursements shall be made when revenue is available to do so.

Sec. 2.2. The Legislative Research Commission may study the laws concerning the North Carolina Air Cargo Airport Authority, as enacted by this act. The Commission may determine whether the powers and duties given the Authority are appropriate and if any modifications in the Authority's powers are needed. The Commission may also determine if any changes in the law are needed with respect to local governmental units that may seek the location of an air cargo airport complex within or near the unit. The Commission may make an interim report to the 1992 Session of the 1991 General Assembly and a final report to the 1993 General Assembly.

Sec. 3. G.S. 63-31 is amended by adding a new subsection to read:

"(f) A political subdivision may not adopt an airport zoning regulation in violation of G.S. 63A-18."

Sec. 4. G.S. 126-5(c1) is amended by adding a new subdivision to read:

"(15) Employees of the North Carolina Air Cargo Airport Authority."

Sec. 5. G.S. 143-336 reads as rewritten:

"§ 143-336. Definitions.

As used in this Article:

'Agency' includes every agency, institution, board, commission, bureau, council, department, division, officer, and employee of the State, but does not include counties, municipal corporations, political subdivisions, county and city boards of education, and other local public bodies.

'Community college buildings' means all buildings, utilities, and other property developments located at a community college, which is defined in G.S. 115D-2(2).

'Department' means the Department of Administration, unless the context otherwise requires.

'Public buildings' means all buildings owned or maintained by the State in the City of Raleigh, but does not mean any building which a State agency other than the Department of Administration is required by law to care for and maintain.

'Public buildings and grounds' means all buildings and grounds owned or maintained by the State in the City of Raleigh, but does not mean any building or grounds which a State agency other than the Department of Administration is required by law to care for and maintain.

'Public grounds' means all grounds owned or maintained by the State in the City of Raleigh, but does not mean any grounds which a State agency other than the Department of Administration is required by law to care for and maintain.

'Secretary' means the Secretary of Administration, unless the context otherwise requires.

'State buildings' mean all State buildings, utilities, and other property developments except the State Legislative Building, railroads, highway structures, ~~and bridge structures.~~ bridge structures, and any buildings, utilities, or property owned or leased by the North Carolina Air Cargo Airport Authority.

But under no circumstances shall this Article or any part thereof apply to the judicial or to the legislative branches of the State."

Sec. 6. G.S. 120-123 is amended by adding a new subdivision to read:

"(25a) The North Carolina Air Cargo Airport Authority as established under G.S. 63A-3."

Sec. 7. G.S. 66-58(b) is amended by adding a new subdivision to read:

"(17) The North Carolina Air Cargo Airport Authority or a lessee of the Authority."

Sec. 8. G.S. 147-69.2(b) is amended by adding the following subdivision to read:

"(11) With respect to assets of the Escheat Fund, obligations of the North Carolina Air Cargo Airport Authority authorized by G.S. 63A-4(a)(22), not to exceed twenty-five million dollars (\$25,000,000), that

have a final maturity not later than September 1, 1999. The obligations shall bear interest at the rate set by the State Treasurer. No commitment to purchase obligations may be made pursuant to this subdivision after September 1, 1993, and no obligations may be purchased after September 1, 1994. In the event of a loss to the Escheat Fund by reason of an investment made pursuant to this subdivision, it is the intention of the General Assembly to hold the Escheat Fund harmless from any such loss by appropriating to such Escheat Fund funds equivalent to such loss."

Sec. 9. G.S. 150B-1(d), as amended by Chapters 418 and 477 of the 1991 Session Laws, is further amended by adding a new subdivision to read:

"(5) The North Carolina Air Cargo Airport Authority with respect to the acquisition, construction, operation, or use, including fees or charges, of any portion of a cargo airport complex."

Sec. 10. G.S. 150B-1(e), as amended by Chapter 418 of the 1991 Session Laws, is further amended by adding a new subdivision to read:

"(10) The North Carolina Air Cargo Airport Authority with respect to to the acquisition, construction, operation, or use, including fees or charges, of any portion of a cargo airport complex."

Sec. 11. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1991.

James C. Gardner
President of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives