

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 422*
PROPOSED COMMITTEE SUBSTITUTE H422-PCS11190-ME-11

Short Title: Federal Rail Money/ Report, Consult, Approve.

(Public)

Sponsors:

Referred to:

March 22, 2011

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO REPORT THE
ACCEPTANCE OF ALL FEDERAL RAIL FUNDS AND TO CONSULT WITH THE
GENERAL ASSEMBLY PRIOR TO ACCEPTING FUNDS FOR CERTAIN PROJECTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-44.36 reads as rewritten:

**"§ 136-44.36. Department of Transportation designated as agency to administer federal
and State railroad revitalization programs.**

(a) The General Assembly hereby designates the Department of Transportation as the
agency of the State of North Carolina responsible for administering all State and federal
railroad revitalization programs. The Department of Transportation is authorized to develop,
and the Board of Transportation is authorized to adopt, a State railroad plan, and the
Department of Transportation is authorized to do all things necessary under applicable State
and federal legislation to properly administer State and federal railroad revitalization programs
within the State. Such authority shall include, but shall not be limited to, the power to receive
federal funds and distribute and expend federal and State funds for rail programs designed to
cover the costs of acquiring, by purchase, lease or other manner as the department considers
appropriate, a railroad line or other rail property to maintain existing or to provide future rail
service; the costs of rehabilitating and improving rail property on railroad lines to the extent
necessary to permit safe, adequate and efficient rail service on such lines; and the costs of
constructing rail or rail related facilities for the purpose of improving the quality, efficiency and
safety of rail service. The Department shall also have the authority to preserve railroad
corridors for future railroad use and interim compatible uses and may lease such corridors for
interim compatible uses. Such authority shall also include the power to receive and administer
federal financial assistance without State financial participation to railroad companies to cover
the costs of local rail service continuation payments, of rail line rehabilitation, and of rail line
construction as listed above. This Article shall not be construed to grant to the department the
power or authority to operate directly any rail line or rail facilities.

(b) Notwithstanding subsection (a) of this section, the acceptance of federal funds by
the Department of Transportation for rail programs shall be subject to the following:

(1) Report. – For any project under subsection (a) of this section, the
Department of Transportation shall report the project details, including the
amounts of federal funds and any State matching funds as well as the
expected annual maintenance and operational costs to the State of the project



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1 for the next 25 years, to the Joint Legislative Commission on Governmental
2 Operations if the General Assembly is not in session, or to the House
3 Appropriations Subcommittee on Transportation and the Senate Committee
4 on Appropriations on Department of Transportation if the General Assembly
5 is in session.

6 (2) Consultation. – If either the amount of State matching funds required by the
7 federal grant or the amount of future annual maintenance and operational
8 costs of the project are reasonably expected to exceed three million dollars
9 (\$3,000,000), then the Department shall not accept the federal funds prior to
10 consultation with the Joint Legislative Commission on Governmental
11 Operations if the General Assembly is not in session, or with the House
12 Appropriations Subcommittee on Transportation and the Senate Committee
13 on Appropriations on Department of Transportation if the General Assembly
14 is in session. Failure of the Joint Legislative Commission on Governmental
15 Operations, the House Appropriations Subcommittee on Transportation, or
16 the Senate Committee on Appropriations on Department of Transportation to
17 hold a meeting with the Department of Transportation within 90 days of a
18 written request for a meeting from the Department of Transportation shall be
19 deemed a waiver of consultation by the committee.

20 For purposes of this subsection, the terms "State matching funds" and "annual maintenance and
21 operational costs to the State" shall not include funds that may pass through the Department of
22 Transportation but that originally came from a non-State source."

23 **SECTION 2.** This act becomes effective April 1, 2011.