

NORTH CAROLINA GENERAL ASSEMBLY  
1979 SESSION

CHAPTER 658  
HOUSE BILL 997

AN ACT RELATING TO RAILROAD REVITALIZATION.

Whereas, the continuation of safe and efficient rail service is vital to the balanced development of North Carolina and the improvement of the economic well-being of the State and its citizens; and

Whereas, the State has a responsibility to insure that safe and efficient transportation is available when and where needed; and

Whereas, the use of public funds may be necessary to guarantee and improve rail service; and

Whereas, such expenditures of public funds are for a recognized public purpose; Now, therefore,

The General Assembly of North Carolina enacts:

**Section 1.** Article 2D of Chapter 136 of the General Statutes is amended by renumbering G.S. 136-44.35 as G.S. 136-44.36, and by adding a new section to read:

"§ 136-44.35. **Railroad revitalization a public purpose.** — The General Assembly hereby finds that programs for railroad revitalization which assure the maintenance of safe, adequate, and efficient rail transportation services are vital to the continued growth and prosperity of the State and serve the public purpose."

**Sec. 2.** Article 2D of Chapter 136 of the General Statutes is further amended by rewriting G.S. 136-44.36 as renumbered by this act to read:

"§ 136-44.36. **Department of Transportation designated as agency to administer federal and State railroad revitalization programs.** — 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 federal and State financial assistance for rail freight assistance 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 line; and the costs of constructing rail or rail related facilities for the purpose of improving the quality, efficiency and safety of freight rail service. 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 purchase or operate any rail line or rail facilities."

**Sec. 3.** Chapter 136 of the General Statutes is further amended by adding the following new sections to read:

"§ 136-44.37. **Department to provide nonfederal matching share.** — The Department of Transportation upon approval by the Board of Transportation and the advisory Budget Commission is authorized to provide for the matching share of federal rail revitalization assistance programs through private resources, county funds or State appropriations as may be provided by the General Assembly.

"§ 136-44.38. **Department to provide State and federal financial assistance to counties for rail revitalization.** — (a) The Department of Transportation is authorized to distribute to counties State financial assistance for local rail revitalization programs provided that every rail revitalization project for which State financial assistance would be utilized must be approved by the Board of Transportation and by the Advisory Budget Commission.

(b) State financial assistance to counties as authorized by this Article may not exceed ten percent (10%) of total project costs."

**Sec. 4.** Chapter 153A of the General Statutes is amended by adding a new section to read:

"§ 153A-244. **Railroad revitalization programs.** — Any county is authorized to participate in State and federal railroad revitalization programs necessary to insure continued or improved rail service to the county, as are authorized in Article 2D of Chapter 136 of the General Statutes. County participation includes the authority to enter into contracts with the North Carolina Department of Transportation to provide for the nonfederal matching funds for railroad revitalization programs. Such funds may be comprised of State funds distributed to the counties under the provisions of G.S. 136-44.38 and of county funds. County governments are also authorized to levy local property tax for railroad revitalization programs subject to G.S. 153A-149(d). County funds for any project may not exceed ten percent (10%) of total project costs."

**Sec. 5.** This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 28th day of May, 1979.