

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 2409

Short Title: Short Line RR Matching Grant Funds. (Public)

Sponsors: Representatives Hill, Dickson, Ed Jones, Walker (Primary Sponsors); Blackwood, Carney, Church, Culp, England, Glazier, Goodwin, Harrell, Holliman, Johnson, McComas, McLawhorn, Pate, Rapp, Sauls, Spear, Underhill, Warren, Williams, and Wray.

Referred to: Appropriations.

May 24, 2006

A BILL TO BE ENTITLED

1 AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF AGRICULTURE
2 AND CONSUMER SERVICES AND THE DEPARTMENT OF COMMERCE
3 FOR SHORT LINE RAILROAD MATCHING GRANTS.
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5 Whereas, North Carolina's short line railroads play a key role in the State's
6 economic development and transportation service; and

7 Whereas, North Carolina's short line railroads are needed to provide essential
8 services to other modes of transportation and the North Carolina port system; and

9 Whereas, each \$1 million in grant money is known to reduce the cost per
10 train car load by \$40.61; and

11 Whereas, North Carolina agriculture is dependent upon essential service by
12 short line railroads; and

13 Whereas, North Carolina economic development and commerce is dependent
14 upon essential service by short line railroads; and

15 Whereas, matching grant requests to improve tracks and maintain lines have
16 exceeded \$5.5 million, even as the actual needs are in excess of many times that
17 amount, while short line railroads are unable to match grants at a greater rate; and

18 Whereas, State funds are needed to maintain short line railroads as a viable
19 contributor to economic development, agriculture, and transportation in this State in
20 order to prevent the loss of regional rail service; Now, therefore,

21 The General Assembly of North Carolina enacts:

22 **SECTION 1.** There is appropriated from the General Fund to the
23 Department of Agriculture and Consumer Services the sum of one million five hundred
24 thousand dollars (\$1,500,000) for the 2006-2007 fiscal year to use as matching grants
25 for short line railroads, in addition to the grants allocated to the Department of
26 Transportation.

1 **SECTION 2.** There is appropriated to the Department of Commerce the sum
2 of one million five hundred thousand dollars (\$1,500,000) for the 2006-2007 fiscal year
3 to use as matching grants for short line railroads, in addition to the grants allocated to
4 the Department of Transportation.

5 **SECTION 3.** All matching grants recommended by the Department of
6 Agriculture and Consumer Services and the Department of Commerce pursuant to this
7 act shall be subject to final approval by the Rail Division of the Department of
8 Transportation, in consultation with the Railway Association of North Carolina.

9 **SECTION 4.** This act becomes effective July 1, 2006.