## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

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S SENATE BILL 1885\*

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

Sponsors: Senators Boseman; and East.

Referred to: Appropriations/Base Budget.

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## May 25, 2006

A BILL TO BE ENTITLED
AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF AGRICULTURE

AND CONSUMER SERVICES AND THE DEPARTMENT OF COMMERCE FOR SHORT LINE RAILROAD MATCHING GRANTS.

Whereas, North Carolina's short line railroads play a key role in the State's economic development and transportation service; and

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

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

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

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

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

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

The General Assembly of North Carolina enacts:

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

**SECTION 2.** There is appropriated to the Department of Commerce the sum of one million five hundred thousand dollars (\$1,500,000) for the 2006-2007 fiscal year

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1	to use as matching grants for short line railroads, in addition to the grants allocated to
2	the Department of Transportation.

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

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