

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013**

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**HOUSE BILL 1086**

**Senate Rules and Operations of the Senate Committee Substitute Adopted 7/31/14**

Short Title: NC and SC Rail Compact.

(Public)

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Sponsors:

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Referred to:

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May 19, 2014

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE NORTH CAROLINA AND SOUTH CAROLINA RAIL  
COMPACT.

The General Assembly of North Carolina enacts:

**SECTION 1.** This Act shall be known and may be cited as the North Carolina and South Carolina Rail Compact Act.

**SECTION 2.** The Compact is as follows:

NORTH CAROLINA AND SOUTH CAROLINA RAIL COMPACT COMMISSION

(a) Creation. – There is hereby established the South Carolina and North Carolina Interstate Freight Rail Compact Commission (hereinafter "Commission"). The Commission is established as a regional instrumentality and a common agency of each signatory party, empowered in a manner hereinafter to carry out the purposes of the Compact.

(b) Purposes. – The State of South Carolina and the State of North Carolina agree, upon adoption of this compact:

1. To study, develop, and promote a plan for the design, construction, financing, and operation of freight rail service between Mullins, South Carolina, and Fair Bluff, North Carolina, between Fair Bluff, North Carolina, and Tabor City, North Carolina, including the branch to Whiteville, North Carolina, and Tabor City, North Carolina, and Conway, South Carolina, or other points east of Conway, South Carolina, to a connection with the Waccamaw Coastline Railroad in Horry County, South Carolina.
2. To coordinate their best efforts to prevent the abandonment of rail service in Columbus County, North Carolina, and in Marion and Horry Counties, South Carolina, in order to promote economic development.
3. To promote the overall health, well-being, and economic growth of Columbus County, North Carolina, Horry and Marion Counties, South Carolina, through improved rail service, improved rail infrastructure, and improved connections to the interstate freight rail network of the United States.

(c) Members, terms. – The North Carolina members of the Commission shall be composed of four members as follows: one person appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, one person appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, one member of the North Carolina Railroad Company Board of Directors designated by its Board of the Directors, and one member appointed by the Secretary of the North Carolina



1 Department of Commerce. The terms of the North Carolina members are two years, with the  
2 initial terms expiring June 30, 2017. The South Carolina members of the Commission shall be  
3 as provided by South Carolina law. Their terms of office shall be established by South Carolina  
4 law.

5 (d) Chair. – The chair of the Commission shall be chosen by the members of the  
6 Commission from among its membership for a term of one year and shall alternate between the  
7 member states.

8 (e) Meetings and reports. – The Commission shall meet at least twice each year, at least  
9 once in South Carolina and once in North Carolina or at such other locations agreed to by a  
10 majority of Commission members, and shall issue a report of its activities each year not later  
11 than September 30 of each year.

12 (f) Funds. – The Commission may utilize, for its operation and expenses, funds  
13 appropriated or allocated to it by the states of South Carolina and North Carolina, funds  
14 received from state or federal sources, or donation of funds or in-kind contributions received  
15 from established regional or local economic development organizations in either state.

16 (g) Expenses of Members. – South Carolina members of the Commission shall receive  
17 compensation and reimbursement for expenses in accordance with the applicable laws of that  
18 state. North Carolina members of the Commission shall receive per diem, subsistence, and  
19 travel allowances which do not exceed those set forth in G.S. 120-31, 138-5, or 138-6.

20 (h) Staff. – Primary staff or advisors to the Commission shall be provided as determined  
21 by the Commission, with the advice and consultation from the South Carolina Department of  
22 Commerce and the North Carolina Department of Commerce.

23 (i) Powers. – The Compact or other affiliated entity appropriate for the purposes set  
24 forth herein created by the Commission shall have any of the powers of a nonprofit I.R.S. §  
25 501(c)(3) or 501(c)(6) organization, as determined by the Commission, including, but not  
26 limited to, the right to acquire, hold, lease, license, or transfer ownership of the Carolina  
27 Southern Railroad lines, or any other railroad lines and related assets determined by the  
28 Commission to be in the economic development interests of the counties in southeastern North  
29 Carolina and northeastern South Carolina.

30 (j) Effectiveness. – This compact is effective when approved by both the North  
31 Carolina General Assembly and South Carolina General Assembly, except that if approval is  
32 required by the Congress of the United States then this compact is also contingent on such  
33 approval by Congress.

34 **SECTION 3.** This act is effective when it becomes law.