

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 983

Short Title: North Carolina Railroad Acquisition.

(Public)

Sponsors: Representatives Bowie, McMahan, Dockham; Mosley and Smith.

Referred to: Appropriations.

April 17, 1997

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE USE OF FUNDS FROM THE SAVINGS RESERVE ACCOUNT TO ACQUIRE THE PRIVATE SHARES OF THE NORTH CAROLINA RAILROAD COMPANY AND FOR OTHER PURPOSES.

The General Assembly of North Carolina enacts:

Section 1. (a) There is hereby authorized the use of funds from the Savings Reserve Account established by G.S. 143-15.3 for the purpose of acquiring the privately owned shares of the North Carolina Railroad Company as provided in subsection (b) of this section.

(b) Funds from the Savings Reserve Account in an amount not to exceed sixty-one million dollars (\$61,000,000) shall be transferred to the Department of Transportation for the restricted purpose of consummating an acquisition agreement between the North Carolina Railroad Company and the Beaufort and Morehead Railroad Company, a private corporation wholly owned by the Department of Transportation.

Section 2. Funds from the Savings Reserve Account shall be transferred to the Department of Transportation only to the extent necessary to supplement funds already available to the Department pursuant to G.S. 136-16.6 from the annual dividends received from the State's ownership of stock in the North Carolina Railroad Company.

Section 3. Funds transferred to the Department of Transportation under this act shall not be subject to repayment of principal or interest prior to action of the 1999

1 Session of the General Assembly. It shall be the duty of the Director of the Budget to
2 recommend to the 1999 Session of the General Assembly a plan for the repayment of
3 such funds to the Savings Reserve Account. The Director of the Budget shall further
4 provide to the 1999 Session of the General Assembly a report on the plan established for
5 administration of the State's shares and control of the North Carolina Railroad Company.

6 Section 4. G.S. 58-32-15 is amended by adding a new subsection to read:

7 "(e) The Commission shall, upon request, include the officers and directors of the
8 North Carolina Railroad Company among the entities for which professional liability
9 insurance is acquired under this section. Premiums for such insurance shall be paid by
10 the North Carolina Railroad Company at rates established by the Commission. Inclusion
11 of the officers and directors of the North Carolina Railroad Company within the contract
12 of insurance acquired by the Commission shall not be construed as defining the North
13 Carolina Railroad Company as a public body, or its officers and directors as public
14 officials or employees, for any other purpose."

15 Section 5. This act is effective when it becomes law.