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# WEST VIRGINIA LEGISLATURE ST VIRGINIA SEVENTY-NINTH LEGISLATURE **REGULAR SESSION, 2010**

ENROLLED

Senate Bill No. 527

(By Senator Unger)

[Passed March 10, 2010; in effect ninety days from passage.]

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OFFICE AND SECRETARY OF STATE

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## Senate Bill No. 527

(By SENATOR UNGER)

[Passed March 10, 2010; in effect ninety days from passage.]

AN ACT to amend and reenact §29-18-6 of the Code of West Virginia, 1931, as amended; and to amend said code by adding thereto a new section, designated §29-18-25, all relating to powers, duties and responsibilities of the West Virginia State Rail Authority; requiring the authority to establish a state plan for transportation and local rail services; and providing what the state plan may include.

Be it enacted by the Legislature of West Virginia:

That §29-18-6 of the Code of West Virginia, 1931, as amended, be amended and reenacted; and that said code be amended by adding thereto a new section, designated §29-18-25, all to read as follows:

#### ARTICLE 18. WEST VIRGINIA STATE RAIL AUTHORITY.

# §29-18-6. Powers, duties and responsibilities of authority generally.

- 1 The West Virginia State Rail Authority is hereby
- 2 granted, has and may exercise all powers necessary or

- 3 appropriate to carry out and effectuate its corporate 4 purpose.
- 5 (a) The authority may:
- 6 (1) Adopt and, from time to time, amend and repeal
- 7 bylaws necessary and proper for the regulation of its
- 8 affairs and the conduct of its business and propose rules
- 9 for legislative approval in accordance with the provisions
- 10 of article three, chapter twenty-nine-a of this code to
- 11 implement and make effective its powers and duties.
- 12 (2) Adopt an official seal.
- 13 (3) Maintain a principal office and, if necessary, regional
- 14 suboffices at locations properly designated or provided.
- 15 (4) Sue and be sued in its own name and plead and be
- 16 impleaded in its own name and particularly to enforce the
- 17 obligations and covenants made under sections ten, eleven
- 18 and sixteen of this article. Any actions against the author-
- 19 ity shall be brought in the circuit court of Kanawha
- 20 County. The location of the principal office of the author-
- 21 ity shall be determined by the Governor.
- 22 (5) Make loans and grants to governmental agencies and
- 23 persons for carrying out railroad projects by any govern-
- 24 mental agency or person and, in accordance with chapter
- 25 twenty-nine-a of this code, propose rules for legislative
- 26 approval and procedures for making such loans and
- 27 grants.
- 28 (6) Acquire, construct, reconstruct, enlarge, improve,
- 29 furnish, equip, maintain, repair, operate, lease or rent to or
- 30 contract for operation by a governmental agency or
- 31 person, railroad projects and, in accordance with chapter
- 32 twenty-nine-a of this code, propose legislative rules for the
- 33 use of these projects.

- 34 (7) Make available the use or services of any railroad 35 project to one or more persons, one or more governmental 36 agencies or any combination thereof.
- 37 (8) Issue Railroad Maintenance Authority bonds and 38 notes and refunding bonds of the state, payable solely 39 from revenues as provided in section ten of this article 40 unless the bonds are refunded by refunding bonds for the 41 purpose of paying any part of the cost of one or more 42 railroad projects or parts thereof.
- 43 (9) Acquire, by gift or purchase, hold and dispose of real
  44 and personal property in the exercise of its powers and the
  45 performance of its duties as set forth in this article.
- 46 (10) Acquire in the name of the state, by purchase or 47 otherwise, on terms and in the manner it considers proper, 48 or by the exercise of the right of eminent domain in the 49 manner provided in chapter fifty-four of this code, rail 50 properties and appurtenant rights and interests necessary 51 for carrying out railroad projects.
- 52 (11) (A) Make and enter into all contracts and agree-53 ments and execute all instruments necessary or incidental 54 to the performance of its duties and the execution of its 55 powers including, but not limited to, the power to make 56 contracts and agreements in accordance with the provi-57 sions set forth in paragraph (B) of this subdivision.
- 58 (B) Make and enter into contracts and agreements to 59 acquire rolling stock or equipment with a value of 60 \$500,000 or less exempt from the provisions of article 61 three, chapter five-a of this code.
- The authority shall propose rules for legislative approval in accordance with the provisions of article three, chapter twenty-nine-a of this code which set forth the methods for determining value of rolling stock or equipment to be purchased in accordance with the provisions of paragraph 67 (B) of this subdivision.

- (C) Where rolling stock, equipment or trackage of the authority is in need of immediate maintenance, repair or reconstruction in order to avoid a cessation of its operations, economic loss, the inability to provide essential service to customers or danger to authority personnel or the public, the following requirements and procedures for entering into the contract or agreement to remedy the condition shall be in lieu of those provided in article three, chapter five-a of this code or any legislative rule promulated pursuant thereto:
- (i) If the cost under the contract or agreement involves an expenditure of more than \$1,000, but \$10,000 or less, the authority shall award the contract to or enter into the agreement with the lowest responsible bidder based upon at least three oral bids made pursuant to the requirements of the contract or agreement.
- (ii) If the cost under the contract or agreement, other than one for compensation for personal services, involves an expenditure of more than \$10,000, but \$100,000 or less, the authority shall award the contract to or enter into the agreement with the lowest responsible bidder based upon at least three bids, submitted to the authority in writing on letterhead stationery, made pursuant to the requirements of the contract or agreement.
- 92 (D) Notwithstanding any other provision of this code to
  93 the contrary, a contract or lease for the operation of a
  94 railroad project constructed and owned by the authority
  95 or an agreement for cooperation in the acquisition or
  96 construction of a railroad project pursuant to section
  97 sixteen of this article is not subject to the provisions of
  98 article three, chapter five-a of this code or any legislative
  99 rule promulgated pursuant thereto and the authority may
  100 enter into the contract or lease or the agreement pursuant
  101 to negotiation and upon such terms and conditions and for
  102 a period of time as it finds to be reasonable and proper

- 103 under the circumstances and in the best interests of proper
- 104 operation or of efficient acquisition or construction of the
- 105 railroad project.
- 106 (E) The authority may reject any and all bids. A bond
- 107 with good and sufficient surety, approved by the author-
- 108 ity, is required of all contractors in an amount equal to at
- 109 least fifty percent of the contract price, conditioned upon
- 110 the faithful performance of the contract.
- 111 (12) Appoint a director and employ managers, superin-
- 112 tendents and other employees and retain or contract with
- 113 consulting engineers, financial consultants, accountants,
- 114 attorneys and other consultants and independent contrac-
- 115 tors as are necessary in its judgment to carry out the
- 116 provisions of this article and fix the compensation or fees
- 117 thereof. All expenses thereof are payable from the pro-
- 118 ceeds of Railroad Maintenance Authority revenue bonds or
- 119 notes issued by the authority, from revenues and funds
- 120 appropriated for this purpose by the Legislature or from
- 121 grants from the federal government which may be used for
- 122 such purpose.
- 123 (13) Receive and accept from any state or federal agency
- 124 grants for or in aid of the construction of any railroad
- 125 project or for research and development with respect to
- 126 railroads and receive and accept aid or contributions from
- 127 any source of money, property, labor or other things of
- 128 value, to be held, used and applied only for the purposes
- 129 for which the grants and contributions are made.
- 130 (14) Engage in research and development with respect to
- 131 railroads.
- 132 (15) Purchase fire and extended coverage and liability
- 133 insurance for any railroad project and for the principal
- 134 office and suboffices of the authority, insurance protecting
- 135 the authority and its officers and employees against
- 136 liability, if any, for damage to property or injury to or

- 137 death of persons arising from its operations and be a
- 138 member of, and to participate in, the state workers'
- 139 compensation program.
- 140 (16) Charge, alter and collect rates, rentals and other
- 141 charges for the use or services of any railroad project as
- 142 provided in this article.
- 143 (17) Do all acts necessary and proper to carry out the
- 144 powers expressly granted to the authority in this article.
- (b) In addition, the authority has the power to:
- 146 (1) Acquire rail properties both within and not within
- 147 the jurisdiction of the Interstate Commerce Commission
- 148 and rail properties within the purview of the federal
- 149 Regional Rail Reorganization Act of 1973, any amend-
- 150 ments to it and any other relevant federal legislation.
- 151 (2) Enter into agreements with owners of rail properties
- 152 for the acquisition of rail properties or use, or both, of rail
- 153 properties upon the terms, conditions, rates or rentals that
- 154 can best effectuate the purposes of this article.
- 155 (3) Acquire rail properties and other property of a
- 156 railroad in concert with another state or states as is
- 157 necessary to ensure continued rail service in this state.
- 158 (4) Administer and coordinate the state plan.
- 159 (5) Provide in the state plan for the equitable distribu-
- 160 tion of federal rail service continuation subsidies among
- 161 state, local and regional transportation authorities.
- 162 (6) Promote, supervise and support safe, adequate and
- 163 efficient rail services.
- 164 (7) Employ sufficiently trained and qualified personnel
- 165 for these purposes.
- 166 (8) Maintain adequate programs of investigation,
- 167 research, promotion and development in connection with

- 168 the purposes and to provide for public participation 169 therein.
- 170 (9) Provide satisfactory assurances on behalf of the state
- 171 that fiscal control and fund accounting procedures will be
- 172 adopted by the state necessary to assure proper disburse-
- 173 ment of and accounting for federal funds paid to the state
- 174 as rail service continuation subsidies.
- 175 (10) Comply with the regulations of the Secretary of
- 176 Transportation of the United States Department of
- 177 Transportation affecting federal rail service continuation
- 178 programs.
- 179 (11) Do all things otherwise necessary to maximize
- 180 federal assistance to the state under Title IV of the federal
- 181 Regional Rail Reorganization Act of 1973 and to qualify
- 182 for rail service continuation subsidies pursuant to the
- 183 federal Regional Rail Reorganization Act of 1973.
- 184 (c) Additional authority in regard to the Maryland Area
- 185 Regional Commuter.
- 186 (1) The Rail Authority is hereby granted, has and may
- 187 exercise all aforementioned powers necessary or appropri-
- 188 ate to coordinate all activities with the Maryland Transit
- 189 Administration to assure the continued operation of the
- 190 Maryland Area Regional Commuter into the eastern
- 191 panhandle of the state.

### §29-18-25. State rail plan required.

- 1 (a) The authority shall establish a state plan for rail
- 2 transportation and local rail services. In establishing and
- 3 updating the plan, the authority may request input from
- 4 freight and rail passenger associations.
- 5 (b) The plan shall, at a minimum, comply with the
- 6 provisions of the laws of the United States and any
- 7 regulations made thereunder relating to capturing and

- 8 administering federal moneys for rail transportation, local
- 9 rail services, and intermodal facilities as deemed necessary
- 10 by the authority.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.
Charman Senate Committee
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Chairman House Committee
Originated in the Senate.
In effect ninety days from passage.  **Clerk of the Senate**
Clerk of the House of Delegates
President of the Senate
Speaker House of Belegates

The within Aupplical this the 22 rd pay of March 2010.

Day of March Governor



PRESENTED TO THE GOVERNOR

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