

1 HB931
2 110812-4
3 By Representatives Scott, Black, Newton (D), Lindsey, Spicer,
4 Vance, Martin, Gipson, Buskey, Boyd, Gordon, England,
5 McCampbell, Harper, Beasley, Robinson (O), Dunn, McDaniel,
6 Fields, Hilliard, Todd, Morrow, Rogers, Moore (M), Hinshaw,
7 Taylor, Robinson (J), Curtis, Guin, Hall, Kennedy, McLaughlin,
8 Jackson, Thomas (J), Shiver, Salaam, Warren, Johnson and
9 Knight
10 RFD: Government Appropriations
11 First Read: 21-APR-09

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ENROLLED, An Act,

To establish the Alabama Capital Assistance Stimulus for Rail Projects Act of 2009; to require the Alabama Department of Economic and Community Affairs (ADECA) with the assistance of the Mississippi-Louisiana-Alabama Rapid Rail Transit Commission to establish and operate a program to promote passenger rail travel and service; to develop the state rail plan, describe the plan, and require that the plan contain both freight and passenger rail service components; and to provide funding.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall be known and may be cited as the "Alabama Capital Assistance Stimulus for Rail Projects Act of 2009."

Section 2. The Legislature finds and determines that:

(1) There exists in the State of Alabama a continuing need to construct, improve, and invest in rail and rail infrastructure within the state. A strong rail infrastructure promotes economic development and employment opportunities and promotes the public good and general welfare of the state.

(2) The public purpose of this act is to develop a coordinated program related to the rail infrastructure within

1 the State of Alabama, including, but not limited to, the
2 construction of such additional rail lines or tracks as may be
3 necessary or advisable, the maintenance and improvement of the
4 existing rail infrastructure, and the prudent use of state
5 funds to take advantage of any opportunities for federal
6 funding assistance that may be available.

7 Section 3. For the purposes of this act, the
8 following words and phrases shall have the following meanings:

9 (1) ADECA. The Alabama Department of Economic and
10 Community Affairs.

11 (2) COMMISSION. The Mississippi-Louisiana-Alabama
12 Rapid Rail Transit Commission created by the
13 Mississippi-Louisiana-Alabama Rapid Rail Transit Compact,
14 Chapter 11 (commencing with Section 37-11-1) of Title 37 of
15 the Code of Alabama 1975, or its successor.

16 (3) FREIGHT COMPONENT OF THE STATE RAIL PLAN. The
17 plan developed by ADECA with the assistance of the commission,
18 in conjunction with the railroads operating in the state and
19 in concert with the Passenger Component of the State Rail
20 Plan, that promotes freight rail service within the state,
21 including, but not limited to, service to and from water ports
22 in the state and the articulation of the ongoing comprehensive
23 vision and objectives associated with promoting freight rail
24 service within the state.

1 (4) PASSENGER COMPONENT OF THE STATE RAIL PLAN. The
2 plan developed by ADECA with the assistance of the commission
3 with the railroads operating in the state and in concert with
4 the Freight Component of the State Rail Plan that promotes
5 passenger rail travel within the state in a manner that is
6 compatible with opportunities for the state to obtain federal
7 funding assistance that may be available for intercity
8 passenger rail service or high-speed rail corridor service, or
9 both, and that contains provisions that include, but are not
10 limited to, all of the following:

11 a. Articulating the ongoing comprehensive vision and
12 objectives associated with promoting passenger rail travel
13 within the state.

14 b. Identifying all viable routes for passenger rail
15 service.

16 c. Enhancing the existing passenger rail segments
17 within the state and constructing additional segments.

18 d. Providing specific guidelines and recommendations
19 to the providers of passenger rail service within the state
20 for complying with federal requirements necessary for the
21 state to qualify for any available federal funding.

22 e. Implementing any recommendations proposed under
23 Section 4.

24 (5) PROJECT. The construction, rehabilitation,
25 improvement, or repair of rail line or track within the state,

1 the acquisition and development of real property and
2 improvements to the property associated with the project, the
3 acquisition of easements and rights-of-way to real property as
4 may be necessary to the project, and any other component
5 associated with the project as approved by ADECA, especially
6 those components that may enhance state opportunities for
7 available federal funding assistance.

8 (6) STATE RAIL PLAN. The plan developed by ADECA
9 with the assistance of the commission that coordinates all
10 aspects of the rail infrastructure within the State of Alabama
11 and that includes both freight and passenger components as
12 those components are defined in this section.

13 Section 4. ADECA with the assistance of the
14 commission shall establish and operate a program to promote
15 passenger rail travel and service in the state and make
16 recommendations for the development and funding of specific
17 projects related to the construction, rehabilitation,
18 maintenance, and improvement of the state's passenger rail
19 infrastructure, which shall include, but are not limited to,
20 all of the following:

21 (1) Insuring compatibility for a project or projects
22 with opportunities for the state to obtain federal funding
23 assistance that may be available for high-speed rail service,
24 which includes, but is not limited to, intercity passenger

1 rail service that is reasonably expected to reach speeds of
2 110 miles per hour.

3 (2) Considering projects that create a series of
4 corridor route rail segments with passenger service areas that
5 are smaller than long-distance passenger trains and typically
6 connect major city pairs, in order to provide improved service
7 at peak travel times and a higher frequency of trains.

8 (3) Requiring that passenger rail projects
9 demonstrate improvements in estimated ridership, increased
10 on-time performance, reduced trip time, and additional service
11 frequency to meet anticipated demand.

12 (4) Establishing criteria for the development of
13 such projects that shall include, but are not limited to,
14 public safety and interest, economic benefit to the state,
15 financial viability after the dedication of state or federal
16 funding resources, and continuity of rail infrastructure with
17 regard to passenger rail service in the state.

18 (5) Conducting feasibility studies with regard to
19 passenger rail service, in addition to the creation or update
20 of the Passenger Component of the State Rail Plan.

21 Section 5. (a) Based on information gathered in the
22 State Rail Plan or any studies conducted pursuant to
23 subdivision (5) of Section 4, ADECA with the assistance of the
24 commission for purposes of promoting passenger or freight rail
25 service, or both, may do all of the following:

1 (1) Select or recommend routes and locations,
2 perform preliminary engineering and surveying, acquire
3 necessary rights-of-way and property, perform site
4 improvements, and otherwise plan, develop, construct, and own
5 a rail line, or portion thereof, that connects to the rail
6 line of a railroad corporation.

7 (2) Take any action described in subdivision (1) for
8 the purpose of assisting a railroad corporation or other
9 entity in developing, constructing, improving, and owning a
10 rail line, or portion thereof, for any other purpose as
11 approved by ADECA that promotes economic development
12 associated with rail infrastructure or passenger or freight
13 rail service.

14 The actions undertaken pursuant to this subsection
15 shall be accomplished using all the authority and powers
16 granted to ADECA with the assistance of the commission and as
17 applicable, by agreement with the railroad corporation to
18 which the state-owned rail line connects or as described in
19 any memorandum of understanding between ADECA or with the
20 commission, or both, and the railroad corporation. ADECA and
21 the commission, acting jointly, may enter into an agreement
22 with a connecting railroad corporation for the lease or sale
23 of the rail line for commercial operations on terms and
24 conditions and with safeguards that will promote and protect
25 the public interest. ADECA and the commission, acting jointly,

1 may transfer possession or title to state-owned rail line and
 2 rights-of-way by deed, lease, contract, or other legal
 3 instrument. Funds for any state-owned rail line projects may
 4 be provided as appropriated by the Legislature.

5 While owned by ADECA or any other department, agency
 6 or instrumentality of the State or by the Commission the
 7 easements and property acquired for use by a rail line may be
 8 crossed by governmental entities and public utilities with
 9 roads and utility facilities subject to compliance with
 10 appropriate safety standards.

11 (b) At the end of the lease term, ADECA and the
 12 commission, acting jointly, shall sell the state-owned rail
 13 line to the connecting railroad for a purchase price that,
 14 when combined with the total amount of lease payments, made
 15 before the sale, shall be an amount which is not less than the
 16 proceeds of the appropriation issued to fund the project. All
 17 lease payments shall be deposited into the Railroad
 18 Revitalization Fund established in Section 6.

19 (c) If ADECA and the commission, acting jointly,
 20 take any of the actions authorized in subsection (a) and enter
 21 into an agreement for the sale of a state-owned rail line, the
 22 terms of the sale agreement shall include a purchase price
 23 that shall be in an amount not less than the amount
 24 appropriated by the Legislature to accomplish the project. The

1 purchase price payment shall be deposited into the Railroad
2 Revitalization Fund established in Section 6.

3 (d) Contracts for the lease or sale of the rail line
4 may be negotiated and executed without the necessity of
5 advertising and obtaining competitive bids.

6 Section 6. (a) There is established in the State
7 Treasury a revolving fund to be designated as the "Railroad
8 Revitalization Fund." Monies, including interest earnings, in
9 this fund shall be expended either separately or in
10 combination with any available federal funds for railroad
11 research, railroad planning, and railroad administration costs
12 incurred by ADECA directly attributable to railroad
13 revitalization projects; assistance to railroads for the
14 rehabilitation or improvement of rail lines; and construction,
15 improvement, or rehabilitation of railroad facilities.

16 (b) ADECA with the assistance of the commission, in
17 conjunction with the railroads operating in the State of
18 Alabama, shall develop the State Rail Plan, which shall be a
19 comprehensive plan that coordinates all aspects of the
20 improvements to rail infrastructure within the state and
21 includes distinct freight and passenger components, as
22 described in subdivisions (3) and (4) of Section 3. During
23 fiscal years 2010 and 2011, a total cumulative sum not to
24 exceed two hundred fifty thousand dollars (\$250,000) of the
25 Railroad Revitalization Fund shall be used specifically for

1 the purpose of initially developing the State Rail Plan. After
2 the initial development of the State Rail Plan, the plan shall
3 be updated periodically, not less than every three years.

4 (c) Except as may be otherwise provided in Sections
5 1 to 5, inclusive, funds appropriated or otherwise provided by
6 the Legislature for rail line assistance as described in
7 subsections (a) and (b) shall be deposited in the Railroad
8 Revitalization Fund. Any monies received by ADECA by
9 agreements, grants, gifts, or other means from individuals,
10 companies, or other business entities, municipalities,
11 counties, local railroad authorities, or regional railroad
12 authorities or other governmental agencies for the purposes
13 set forth in this act, except federal grants made under
14 Section 5 of the Department of Transportation Act, as amended,
15 49 U.S.C. §1654, shall be credited to the Railroad
16 Revitalization Fund. Any interest received from investment of
17 monies in the fund shall be credited to the fund and shall not
18 be deposited into the State General Fund. Use of this fund for
19 the required periodic updates to the State Rail Plan and for
20 railroad research, planning, and administration costs incurred
21 by ADECA that are directly attributable to railroad
22 revitalization projects shall be paid from any available funds
23 of ADECA.

24 Section 7. This act shall take effect on July 1,
25 2009.

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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives
I hereby certify that the within Act originated in
and was passed by the House 06-MAY-09.

Greg Pappas
Clerk

Senate	15-MAY-09	Amended and Passed
House	15-MAY-09	Concurred in Senate Amendment