

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2013**

**H**

**2**

**HOUSE BILL 86**  
**Committee Substitute Favorable 4/10/13**

Short Title: Restore Wallace to Wilmington Railroad.

(Public)

---

Sponsors:

---

Referred to:

---

February 11, 2013

A BILL TO BE ENTITLED

1 AN ACT TO RESTORE THE RAILROAD FROM WALLACE TO CASTLE HAYNE, TO  
2 MAKE CAPITAL IMPROVEMENTS TO THE RAILROAD FROM CASTLE HAYNE  
3 TO WILMINGTON, AND TO STUDY ADDITIONAL IMPROVEMENTS TO  
4 MILITARY TRANSPORTATION.  
5

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The Department of Transportation shall expend up to two million  
8 dollars (\$2,000,000) for assessing and applying for needed environmental permits to restore the  
9 abandoned State owned rail line from Wallace to Castle Hayne.

10 **SECTION 2.** The Department of Transportation shall seek and expend funding in  
11 the amount of sixty-three million two hundred thousand dollars (\$63,200,000) for an economic  
12 development project to improve rail access to the North Carolina State Port at Wilmington. All  
13 of the funds are to be used to revitalize and restore the rail connection between Wallace, Castle  
14 Hayne, and the Port of Wilmington.

15 The Department shall investigate any and all options for sources of this funding,  
16 including, but not limited to, investment in the project or dividends from the North Carolina  
17 Railroad Company, DOT Mobility Fund, any available economic development funds, the  
18 United States Department of Transportation, and the U.S. Department of Defense. The  
19 Department shall report options to accelerate in the TIP the rail project described in this section  
20 to the Joint Legislative Transportation Oversight Committee no later than November 1, 2013.

21 **SECTION 3.** The Joint Legislative Transportation Oversight Committee shall  
22 study additional improvements that may be made to the State's transportation infrastructure to  
23 improve military transportation throughout the State, including moving military personnel and  
24 equipment from bases or depots to North Carolina facilities such as the North Carolina State  
25 Ports or Military Ocean Terminal Sunny Point.

26 **SECTION 4.** All dividends and one-time cash payments, as defined in Report  
27 Number 1012-10 by the General Assembly's Program Evaluation Division, shall be  
28 appropriated for the use of the Rail Division of the North Carolina Department of  
29 Transportation for the project authorized by this act and for other rail freight enhancement  
30 activities in the State. The Department shall address the ongoing rail needs of all commercial  
31 traffic, including those which serve the military and agriculture.

32 **SECTION 5.** The Department of Administration shall maximize the non-rail assets  
33 of the North Carolina Railroad and shall lease, sell, or develop the State's holdings to the  
34 maximum extent possible to benefit the DOT Rail Division for the upgrade of freight rail lines  
35 in the State. No action by the Department of Administration to liquidate surplus value shall  
36 impact the existing trackage agreements that the North Carolina Railroad is currently under.



1

**SECTION 6.** This act is effective when it becomes law.