

23102961D

SENATE BILL NO. 1018

Offered January 11, 2023

Prefiled January 7, 2023

A *BILL to amend and reenact § 56-345.1 of the Code of Virginia and to amend the Code of Virginia by adding in Article 1 of Chapter 13 of Title 56 a section numbered 56-345.2, relating to railroad companies; notice of certain action; sale or transfer of railroad rights-of-way or related facilities.*

Patron—Edwards

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That § 56-345.1 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 1 of Chapter 13 of Title 56 a section numbered 56-345.2 as follows:

§ 56-345.1. Notice; consolidation, merger, abandonments, or discontinuances.

Any railroad company operating in the Commonwealth that submits an application to the federal government for consolidation, merger, abandonment, or discontinuance shall, contemporaneously with such application, notify the Commission ~~and~~, the Governor, *the Secretary of Transportation, the Secretary of Natural Resources, the Director of the Department of Rail and Public Transportation, and the Executive Director of the Virginia Passenger Rail Authority* of such action.

§ 56-345.2. Sale or transfer of railroad rights-of-way or related facilities.

A. *To the extent allowed under federal law, no railroad company operating or previously operating in the Commonwealth shall sell, transfer, or otherwise dispose of railroad rights-of-way or related facilities within the Commonwealth without first offering such rights-of-way or facilities for sale, transfer, or disposition to either the Department of Transportation (the Department) acting on behalf of the Commonwealth, or its designee, which may include the Virginia Department of Rail and Public Transportation or the Virginia Passenger Rail Authority. Following such offer, the railroad company may sell, transfer, or dispose of the rights-of-way or facilities to a party other than the Department or its designee (i) if the Department or its designee has notified the railroad company in writing of its rejection of such offer or (ii) unless such offer is extended by mutual agreement, after 120 calendar days have elapsed from the date the offer is made to the Department or its designee.*

B. *A railroad company shall make any offer required by subsection A in writing and sent by certified mail to the Department or to its designee. In the event that such offer is made to a designee of the Department, a notarized copy of such offer shall be sent by certified mail to the Department. Any such offer shall include the price at which the railroad company proposes to offer such rights-of-way or facilities to the Commonwealth and any other proposed terms or conditions. The Department or its designee shall notify, in writing and by certified mail, the railroad company of its acceptance of, counteroffer to, or rejection of such offer within 120 calendar days unless extended by mutual agreement. In the event that the Department's designee sends such notice, the designee shall also send a notarized copy of such notice to the Department.*

C. *If the Department has rejected an offer or the 120-calendar-day time period has elapsed, the Department, upon request, shall notify any interested person that the Commonwealth no longer has the option to acquire the rights-of-way or facilities. Any such notice shall be binding on the Commonwealth.*

D. *No railroad company shall sell, transfer, or otherwise dispose of railroad rights-of-way or facilities to any person on terms or conditions more favorable than those offered to the Department or its designee.*

INTRODUCED

SB1018