

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 401**

Introduced by Quick, 35; Bolz, 29; Cavanaugh, 6; Hansen, M., 26; Howard,  
9; Hunt, 8; McDonnell, 5; Morfeld, 46; Pansing Brooks, 28;  
Walz, 15; Wishart, 27.

Read first time January 17, 2019

Committee: Transportation and Telecommunications

- 1 A BILL FOR AN ACT relating to railroads; to adopt the Midwest Interstate
- 2 Passenger Rail Compact; to provide an operative date; and to declare
- 3 an emergency.
- 4 Be it enacted by the people of the State of Nebraska,

1           Section 1. MIDWEST INTERSTATE PASSENGER RAIL COMPACT

2           The contracting states solemnly agree:

3           ARTICLE I

4           STATEMENT OF PURPOSE

5           The purposes of this compact are, through joint or cooperative  
6 action:

7           (1) To promote development and implementation of improvements to  
8 intercity passenger rail service in the Midwest;

9           (2) To coordinate interaction among Midwestern state elected  
10 officials and their designees on passenger rail issues;

11           (3) To promote development and implementation of long-range plans  
12 for high-speed rail passenger service in the Midwest and among other  
13 regions of the United States;

14           (4) To work with the public and private sectors at the federal,  
15 state, and local levels to ensure coordination among the various entities  
16 having an interest in passenger rail service and to promote Midwestern  
17 interests regarding passenger rail; and

18           (5) To support efforts of transportation agencies involved in  
19 developing and implementing passenger rail service in the Midwest.

20           ARTICLE II

21           ESTABLISHMENT OF COMMISSION

22           To further the purposes of the compact, a commission is created to  
23 carry out the duties specified in this compact.

24           ARTICLE III

25           COMMISSION MEMBERSHIP

26           The manner of appointment of commission members, terms of office  
27 consistent with the terms of this compact, provisions for removal and  
28 suspension, and manner of appointment to fill vacancies shall be  
29 determined by each party state pursuant to its laws, but each  
30 commissioner shall be a resident of the state of appointment. Commission  
31 members shall serve without compensation from the commission. The

1 commission shall consist of four resident members of each state as  
2 follows: The Governor or the Governor's designee who shall serve during  
3 the tenure of office of the Governor, or until a successor is named; one  
4 member of the private sector who shall be appointed by the Governor and  
5 shall serve during the tenure of office of the Governor, or until a  
6 successor is named; and two legislators, one from each legislative  
7 chamber (or two legislators from any unicameral legislature), who shall  
8 serve two-year terms, or until successors are appointed, and who shall be  
9 appointed by the appropriate appointing authority in each legislative  
10 chamber (or unicameral legislature). All vacancies shall be filled in  
11 accordance with the laws of the appointing states. Any commissioner  
12 appointed to fill a vacancy shall serve until the end of the incomplete  
13 term. Each member state shall have equal voting privileges, as determined  
14 by the commission bylaws.

15 ARTICLE IV

16 POWERS AND DUTIES OF THE COMMISSION

17 The duties of the commission are to:

- 18 (1) Advocate for the funding and authorization necessary to make  
19 passenger rail improvements a reality for the region;  
20 (2) Identify and seek to develop ways that states can form  
21 partnerships, including with rail industry and labor, to implement  
22 improved passenger rail in the region;  
23 (3) Seek development of a long-term, interstate plan for high-speed  
24 rail passenger service implementation;  
25 (4) Cooperate with other agencies, regions, and entities to ensure  
26 that the Midwest is adequately represented and integrated into national  
27 plans for passenger rail development;  
28 (5) Adopt bylaws governing the activities and procedures of the  
29 commission and addressing, among other subjects: Powers and duties of  
30 officers, voting rights of commission members, voting procedures,  
31 commission business, and any other purposes necessary to fulfill the

1 duties of the commission;

2 (6) Expend such funds as required to carry out the powers and duties  
3 of the commission; and

4 (7) Report on the activities of the commission to the legislatures  
5 and Governor of the member states on an annual basis.

6 In addition to its exercise of these duties, the commission is  
7 empowered to:

8 (1) Provide multistate advocacy necessary to implement passenger  
9 rail systems or plans, as approved by the commission;

10 (2) Work with local elected officials, economic development planning  
11 organizations, and similar entities to raise the visibility of passenger  
12 rail service benefits and needs;

13 (3) Educate other state officials, federal agencies, other elected  
14 officials and the public on the advantages of passenger rail as an  
15 integral part of an intermodal transportation system in the region;

16 (4) Work with federal agency officials and members of Congress to  
17 ensure the funding and authorization necessary to develop a long-term,  
18 interstate plan for high-speed rail passenger service implementation;

19 (5) Make recommendations to member states;

20 (6) If requested by each state participating in a particular project  
21 and under the terms of a formal agreement approved by the participating  
22 states and the commission, implement or provide oversight for specific  
23 rail projects;

24 (7) Establish an office and hire staff as necessary;

25 (8) Contract for or provide services;

26 (9) Assess dues, in accordance with the terms of this compact;

27 (10) Conduct research; and

28 (11) Establish committees.

29 ARTICLE V

30 OFFICERS

31 The commission shall annually elect from among its members a

1 chairperson, a vice-chairperson who shall not be a resident of the state  
2 represented by the chairperson, and others as approved in the commission  
3 bylaws. The officers shall perform such functions and exercise such  
4 powers as are specified in the commission bylaws.

5 ARTICLE VI

6 MEETINGS AND COMMISSION ADMINISTRATION

7 The commission shall meet at least once in each calendar year, and  
8 at such other times as may be determined by the commission. Commission  
9 business shall be conducted in accordance with the procedures and voting  
10 rights specified in the bylaws.

11 ARTICLE VII

12 FINANCE

13 Except as otherwise provided for, the monies necessary to finance  
14 the general operations of the commission in carrying forth its duties,  
15 responsibilities, and powers as stated herein shall be appropriated to  
16 the commission by the compacting states, when authorized by the  
17 respective legislatures, by equal apportionment among the compacting  
18 states. Nothing in this compact shall be construed to commit a member  
19 state to participate in financing a rail project except as provided by  
20 law of a member state.

21 The commission may accept, for any of its purposes and functions,  
22 donations, gifts, grants, and appropriations of money, equipment,  
23 supplies, materials, and services from the federal government, from any  
24 party state or from any department, agency, or municipality thereof, or  
25 from any institution, person, firm, or corporation. All expenses incurred  
26 by the commission in executing the duties imposed upon it by this compact  
27 shall be paid by the commission out of the funds available to it. The  
28 commission shall not issue any debt instrument. The commission shall  
29 submit to the officer designated by the laws of each party state,  
30 periodically as required by the laws of each party state, a budget of its  
31 actual past, and estimated future expenditures.

1           ARTICLE VIII

2           ENACTMENT, EFFECTIVE DATE, AND AMENDMENTS

3           The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota,  
4 Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are  
5 eligible to join this compact. Upon approval of the commission, according  
6 to its bylaws, other states may also be declared eligible to join the  
7 compact. As to any eligible party state, this compact shall become  
8 effective when its legislature shall have enacted the same into law;  
9 provided that it shall not become initially effective until enacted into  
10 law by any three party states incorporating the provisions of this  
11 compact into the laws of such states. Amendments to the compact shall  
12 become effective upon their enactment by the legislatures of all  
13 compacting states.

14           ARTICLE IX

15           WITHDRAWAL, DEFAULT, AND TERMINATION

16           Withdrawal from this compact shall be by enactment of a statute  
17 repealing the same and shall take effect one year after the effective  
18 date of such statute. A withdrawing state shall be liable for any  
19 obligations which it may have incurred prior to the effective date of  
20 withdrawal.

21           If any compacting state shall at any time default in the performance  
22 of any of its obligations, assumed or imposed, in accordance with the  
23 provisions of this compact, all rights, privileges, and benefits  
24 conferred by this compact or agreements hereunder shall be suspended from  
25 the effective date of such default as fixed by the commission, and the  
26 commission shall stipulate the conditions and maximum time for compliance  
27 under which the defaulting state may resume its regular status. Unless  
28 such default shall be remedied under the stipulations and within the time  
29 period set forth by the commission, this compact may be terminated with  
30 respect to such defaulting state by affirmative vote of a majority of the  
31 other commission members. Any such defaulting state may be reinstated,

1 upon vote of the commission, by performing all acts and obligations as  
2 stipulated by the commission.

3 ARTICLE X

4 CONSTRUCTION AND SEVERABILITY

5 The provisions of this compact entered into hereunder shall be  
6 severable and if any phrase, clause, sentence, or provision of this  
7 compact is declared to be contrary to the constitution of any compacting  
8 state or of the United States or the applicability thereof to any  
9 government, agency, person, or circumstance is held invalid, the validity  
10 of the remainder of this compact and the applicability thereof to any  
11 government, agency, person, or circumstance shall not be affected hereby.  
12 If this compact entered into hereunder shall be held contrary to the  
13 constitution of any compacting state, the compact shall remain in full  
14 force and effect as to the remaining states and in full force and effect  
15 as to the state affected as to all severable matters. The provisions of  
16 this compact entered into pursuant hereto shall be liberally construed to  
17 effectuate the purposes thereof.

18 Sec. 2. The State of Nebraska shall not participate in any rail  
19 project or appropriate funds for any rail project proposed by the Midwest  
20 Interstate Passenger Rail Compact unless the specific project is  
21 authorized by the enactment of a legislative bill. For purposes of this  
22 section, rail project includes the planning phase of such a project.

23 Sec. 3. The Midwest Interstate Passenger Rail Compact Cash Fund is  
24 created and shall consist of money appropriated by the Legislature and  
25 gifts, grants, or bequests from any source, including federal, state,  
26 public, and private sources. The money shall be used to carry out  
27 passenger rail initiatives under the Midwest Interstate Passenger Rail  
28 Compact. Any money in the fund available for investment shall be invested  
29 by the state investment officer pursuant to the Nebraska Capital  
30 Expansion Act and the Nebraska State Funds Investment Act.

31 Sec. 4. This act becomes operative on July 1, 2019.

1           Sec. 5.   Since an emergency exists, this act takes effect when  
2 passed and approved according to law.