

Fifty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2037

Introduced by

Legislative Council

(Government Organization Committee)

1 A BILL for an Act to create and enact a new section to chapter 32-03 of the North Dakota
2 Century Code, relating to the liability of the owner or operator of a railroad for injury of an
3 individual riding on a locomotive or railroad car without authority from the owner or operator; to
4 amend and reenact sections 49-05-06, 49-06-01, 49-09-04.2, 49-09-04.4, 49-10.1-14, and
5 49-11-21 of the North Dakota Century Code, relating to the regulation of railroads; and to repeal
6 sections 49-09-04.1, 49-09-05, 49-09-08, 49-09-09, 49-09-11.1, 49-09-11.2, 49-09-11.3,
7 49-09-11.4, 49-09-11.5, 49-09-11.6, 49-09-11.7, 49-10.1-04, 49-10.1-06, 49-10.1-09, 49-11-10,
8 49-11-11, 49-11-12, 49-16-02, 49-16-03, 49-16-04, 49-16-05, 49-16-08, 49-16-11, and
9 49-17.2-31 of the North Dakota Century Code, relating to the regulation of railroads.

10 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

11 **SECTION 1.** A new section to chapter 32-03 of the North Dakota Century Code is
12 created and enacted as follows:

13 **Limited liability of owner or operator of railroad.** An individual who is injured while
14 boarding or attempting to board a moving locomotive or railroad car, without authority from the
15 owner or operator of the railroad, or who having boarded a locomotive or railroad car without
16 authority from the owner or operator of the railroad, is injured while riding or getting off the
17 locomotive or railroad car, may not recover any damages from the owner or operator of the
18 railroad for that injury unless the injury is proximately caused by an intentional act of the railroad
19 owner or operator and the railroad owner or operator knew that serious injury was the probable
20 result of the act, or that the owner or operator of the railroad acted with wanton and reckless
21 disregard of the probable result of the act. This section does not exempt a railroad corporation
22 from any liability created under chapter 49-16 or the federal Employer's Liability Act [45 U.S.C.
23 51 et seq.] for injuries to its employees or agents.

SECTION 2. AMENDMENT. Section 49-05-06 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

49-05-06. Hearing by commission on proposed change of rates. Whenever a notice or any schedule stating an individual or joint rate, classification, contract, practice, or rule, ~~or regulation~~, increasing or decreasing, or resulting in an increase or decrease in any rate, ~~shall be~~ is filed with the commission, the commission may suspend by motion ~~such~~ the rate, classification, contract, practice, or rule, ~~or regulation~~, but the period of suspension ~~thereof shall~~ may not extend more than seven months ~~for common carriers by rail and motor vehicle and for other public utilities~~ beyond the time when it otherwise would go into effect. Upon complaint or upon its own initiative without complaint the commission may order a hearing, upon due notice, concerning the propriety of ~~such~~ the rate, classification, contract, practice, or rule, ~~or regulation~~. On such hearing, the commission shall establish the rates, classifications, contracts, practices, or rules, ~~or regulations~~ proposed, in whole or in part, or others in lieu thereof, which it ~~shall find~~ finds to be just and reasonable. At any such hearing, the burden to show that the increased rate or proposed change of rate, classification, ~~regulation~~, rule, or practice is just and reasonable ~~shall be~~ is upon the public utility ~~making application therefor~~ applying for the increase. All such rates, classifications, contracts, practices, or rules, ~~or regulations~~ not ~~so~~ suspended, on the expiration of thirty days from the time of filing ~~the same~~ with the commission, or of such lesser time as the commission may grant, ~~shall go into effect and be the established~~ and become effective rates, classifications, contracts, practices, or rules, ~~and regulations~~, subject to the power of the commission, after a hearing had on its own motion or upon complaint, to alter or modify the same.

SECTION 3. AMENDMENT. Section 49-06-01 of the North Dakota Century Code is amended and reenacted as follows:

49-06-01. Valuation of property as basis for determining reasonableness of rates ~~—Railroads and motor carriers may be excepted.~~ The commission, for the purpose of ascertaining just and reasonable rates and charges of public utilities, or for any other purpose authorized by law, shall investigate and determine the value of the property of every public utility, except railroads and motor carriers, used and useful for the service and convenience of the public, excluding therefrom the value of any franchise or right to own, operate, or enjoy the same in excess of the amount, exclusive of any tax or annual charge, actually paid to any

1 political subdivision of the state as a consideration for the grant of ~~such~~ the franchise or right,
2 and exclusive of any value of the right by reason of a monopoly or merger. ~~The value of the~~
3 ~~property of railroads and motor carriers may, in the discretion of the commission, be required in~~
4 ~~establishing just and reasonable rates and charges. However, unless the commission~~
5 ~~determines that the value of the property of railroads and motor carriers is pertinent and~~
6 ~~essential in the establishment of just and reasonable rates and charges, such valuation shall~~
7 ~~not be made.~~ The commission shall prescribe the details of the inventory of the property of
8 each public utility to be valued.

9 **SECTION 4. AMENDMENT.** Section 49-09-04.2 of the 1995 Supplement to the North
10 Dakota Century Code is amended and reenacted as follows:

11 **49-09-04.2. Abandoned railroad right of way - Sale.**

- 12 1. When service is discontinued on any railroad right of way in the state and the
13 property is offered for sale, lease, exchange, or other disposal by the railroad or an
14 affiliated entity, the property must first be offered for public purposes.
- 15 2. If right-of-way property along abandoned rail lines is first offered for public
16 purposes and refused, the lessee operators of grain and potato warehouses
17 located on the property must be given the next option to purchase, lease,
18 exchange, or otherwise acquire the property described in their lease. Adjoining
19 agricultural landowners must thereafter be given the next option to acquire the
20 property adjoining their land.
- 21 3. When abandoned railroad right of way is offered for wildlife programs or projects,
22 the proposed acquisitions must first be approved by the board of county
23 commissioners of the county or counties in which the right of way is located under
24 section 20.1-02-17.1 if offered to the state game and fish department or under
25 section 20.1-02-18.1 if offered to the United States department of the interior.
- 26 4. ~~This section is subservient to the right of the public service commission to receive~~
27 ~~rail property in trust under section 49-09-04.1.~~

28 **SECTION 5. AMENDMENT.** Section 49-09-04.4 of the 1995 Supplement to the North
29 Dakota Century Code is amended and reenacted as follows:

30 **49-09-04.4. Railroad abandonment - Records to be open to commission.** A railway
31 corporation or railroad holding company having identified a railroad line in North Dakota for

1 abandonment pursuant to 49 U.S.C. 10904(e)(2)(B) shall provide the commission or its
2 designated representatives with access to all records directly relating to the railroad line to be
3 abandoned ~~and to the railway corporation or railroad holding company~~ so an accurate
4 assessment can be made of the line's revenues, profits, and losses. After notice of intent to
5 abandon is given to the governor by the railway corporation or railroad holding company, the
6 commission or its representatives may examine the railway corporation's or railroad holding
7 company's records that are directly related to the railroad line to be abandoned to determine
8 the accuracy of the claims concerning the railway line and to determine whether an
9 abandonment protest should be filed with the ~~interstate commerce commission~~ surface
10 transportation board.

11 **SECTION 6. AMENDMENT.** Section 49-10.1-14 of the 1995 Supplement to the North
12 Dakota Century Code is amended and reenacted as follows:

13 **49-10.1-14. Commission may adopt and enforce safety rules.** The commission, for
14 the protection of persons and property, may adopt and enforce railroad safety rules ~~not~~
15 ~~inconsistent with~~ for rail lines that are not governed by any federal agency having jurisdiction
16 over railroads. The commission may adopt rules more stringent than federal rules when
17 necessary to eliminate an essentially state or local safety hazard if the rules are not
18 incompatible with any federal law or rule and do not create an undue burden on interstate
19 commerce.

20 **SECTION 7. AMENDMENT.** Section 49-11-21 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **49-11-21. ~~Bell, horn, or whistle~~ Warning device sounded at crossing by**
23 **locomotive.** A ~~bell~~ warning device of at least thirty pounds [13.61 kilograms] in weight or a
24 ~~steam whistle or an air horn~~ shall sufficient capacity to be clearly heard a reasonable distance
25 from all crossings must be placed on each locomotive engine and ~~shall must be rung or~~
26 ~~whistled or sounded at a distance of at least eighty rods [402.34 meters] from the place where~~
27 ~~the said railroad shall cross any other road or street and shall be kept ringing or whistling or~~
28 ~~sounded until it shall have crossed said road or street~~ each crossing.

29 **SECTION 8. REPEAL.** Sections 49-09-05, 49-09-08, 49-10.1-04, 49-10.1-06,
30 49-10.1-09, 49-11-10, 49-11-11, 49-11-12, 49-16-02, 49-16-03, 49-16-04, and 49-16-08 of the
31 North Dakota Century Code and sections 49-09-04.1, 49-09-09, 49-09-11.1, 49-09-11.2,

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- 1 49-09-11.3, 49-09-11.4, 49-09-11.5, 49-09-11.6, 49-09-11.7, 49-16-05, 49-16-11, and
- 2 49-17.2-31 of the 1995 Supplement to the North Dakota Century Code are repealed.