

§ 124-15. Board of directors; appointment and approval of encumbrances.

(a) Notwithstanding subsection (a) of G.S. 124-6, for any State-owned railroad company that has trackage in more than two counties, six of the members of the Board of Directors shall be appointed by the Governor, one member of the Board of Directors shall be the Commissioner of Agriculture of the Department of Agriculture and Consumer Services, or the Commissioner's designee, three of the members of the Board of Directors shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, and three of the members of the Board of Directors shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. The Board of Directors shall consist of 13 members. Of the Governor's six appointments, one shall be from the appointees to the Board of Transportation and one shall be the Secretary of Commerce or the Secretary's designee. All Board members shall serve four-year terms. The Board shall elect the chairman from among its membership.

(b) No State-owned railroad company shall sell, lease, mortgage, or otherwise encumber its franchise, right-of-way, or other property, except by and with the approval and consent of the Board of Directors of that corporation. The president or other chief officer of the State-owned railroad company shall report any acquisitions and dispositions in accordance with G.S. 124-3(10).

(c) Each member of the Board of Directors for any State-owned railroad company shall have the fiduciary duties, including the duties of loyalty and care, to the State-owned railroad company. (1997-443, s. 32.30(k); 1999-431, s. 3.3(a); 2000-146, s. 5; 2013-360, s. 34.14(b); 2023-136, s. 7.1(a); 2024-45, s. 19.3(a), (c).)