

**REPORT OF THE  
DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION**

# **Excursion Trains as Tourist Attractions in Virginia**

**TO THE GOVERNOR AND  
THE GENERAL ASSEMBLY OF VIRGINIA**



## **SENATE DOCUMENT NO. 8**

**COMMONWEALTH OF VIRGINIA  
RICHMOND  
2001**





# COMMONWEALTH of VIRGINIA

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November 13, 2000

The Honorable James S. Gilmore, III  
Members, Virginia General Assembly

Dear Governor Gilmore and General Assembly Members:

Pursuant to Senate Joint Resolution No. 458 of the 1999 Session of the General Assembly "Requesting the Department of Rail and Public Transportation, in cooperation with the Department of Transportation and the Secretary of Commerce and Trade, to study the operation of excursion trains as tourist attractions in Virginia", I am enclosing the study report.

This report, "Excursion Trains as Tourist attractions in Virginia", provides information on the issues and a nationwide survey concerning tourist trains. Any specific project would stand on its own merit.

Thank you for the opportunity to conduct this study.

As always, let me know if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Leo J. Bevon".

Leo J. Bevon

Enclosure



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## PREFACE

The 1999 Session of the General Assembly, through Senate Joint Resolution No. 458 stated the following:

“Requesting the Department of Rail and Public Transportation, in cooperation with the Department of Transportation and the Secretary of Commerce and Trade, to study the operation of excursion trains as tourist attractions in Virginia.”

The Department of Rail and Public Transportation contacted the Transportation Research Council, the Department of Transportation, and the Virginia Tourism Authority, d/b/a Virginia Tourism Corporation and made arrangements to conduct the study. In order to accomplish this, Stephen Brich from the Transportation Research Council prepared the survey forms, and this effort was coordinated with the Department of Transportation, Transportation Planning Division, and the Virginia Tourism Corporation. The Department of Rail and Public Transportation staff included Thomas F. Stewart, George R. Conner and Kevin B. Page. Ralph Earnhardt, with the Virginia Tourism Corporation provided insight regarding his organization's activities and interest.





## EXECUTIVE SUMMARY

The 1999 Session of the Virginia General Assembly, through Senate Joint Resolution No. 458 states:

*“Requesting the Department of Rail and Public Transportation, in cooperation with the Department of Transportation and the Secretary of Commerce and Trade, to study the operation of excursion trains as tourist attractions in Virginia.”*

The purpose of this study was to identify any issues that might arise due to the operation of excursion trains as tourist attractions. In order to achieve this, surveys were sent to all states, except Alaska and Hawaii, and to a sampling of excursion train operators. Based on the results of the survey, several issues were identified:

- **Property** – Access to the property over which to operate must be obtained either by lease, purchase or trackage rights with an existing railroad. If the property is purchased, one set of issues is involved. If it is obtained by lease or trackage rights, then a new set of issues is introduced.
- **Equipment** – Locomotives and passenger cars must be either purchased or leased to accommodate the anticipated ridership. There are different conditions which must be taken into consideration depending on the type of equipment obtained. For example, a steam locomotive may attract more people but its weight on the tracks increases the maintenance costs and since it was not designed to travel in reverse for long distances, a turning area must be provided, both of which increases the initial cost.
- **Liability** – Insurance must be purchased to cover the equipment and physical plant. Liability insurance must be obtained to cover employees, passengers and any host railroad. This insurance is expensive and the amount to cover the host railroad is usually dictated by that railroad. According to a major railroad operating in Virginia, for an excursion train to operate on their operating right of way, they would require \$200,000,000 in liability insurance. This same railroad also indicated that on some low density lines, they would consider selling the line, but retain the right to carry freight on the line. There are several companies that specialize in writing railroad insurance.
- **Personnel** – Based on the surveys received from the excursion train operators, personnel costs the largest single expense involved in the operation. A number of the railroads relied heavily on volunteer help to reduce their costs.
- **Maintenance** – Maintenance must be performed on a scheduled basis for good equipment reliability. The track, track structure and any buildings must be maintained on a regular basis to keep the operation functioning properly. One high maintenance item is a steam locomotive that requires special tools and training to maintain it in top operating condition.
- **Capital** – A large capital investment is usually required to get the operation started. This is needed for equipment, track structure and property. Although some of these

can be leased, up-front funds will still be required. There are very few funding sources that are available for capital costs.

- **Attractions** – The excursion trains that have high ridership are usually associated in some way with a nationally known attraction or landmark. For example, Manitou & Pikes Peak Ry Co in Colorado carries over 200,000 riders a year to the top of Pikes Peak. The Durango & Silverton Narrow Gauge in Colorado also carries over 200,000 riders a year to the San Juan National Forest, the Rocky Mountains, a museum and the Silverton Mine.
- **Public Participation** – State and federal agencies have many different roles with excursion trains. These agencies are mostly involved with the regulation of fares and rates as well as assisting the operation in obtaining grant funds and helping out with the marketing. Half of the railroads that responded said there was no state agency involvement, while others had more than one agency involved. Those agencies that were the most involved were the Departments of Tourism and Transportation.
- **Advertising** – In order to attract riders, the excursion trains must have a good marketing system and advertise effectively. The most common method of advertising used by the excursion trains is the brochure, followed by the newspaper, Internet, magazines and AAA. Even the most popular rides must advertise to maintain their ridership.
- **Funding** – State and Federal funds are available for studies relating to excursion train operation. “Enhancement “ funds have been used to rehabilitate train stations that could be used by excursion trains. The Small Business Administration may have funding available for excursion trains. No specific funding programs have been identified which could be used for the capital costs or operating costs of the excursion train.

Currently the only trains of this type that are still operating are the “special trains” that are operated at seasonal times by the Buckingham Branch Railroad, the Eastern Shore Railroad, the Saltville Railroad, the Virginia Railway Express and Amtrak.

The study shows that there are a number of things to be considered and each of these items has many variables. The burden of running a tourist train operation rests solely on the operating entity. The funding that makes this a reality comes primarily from patrons and not the state or federal government. Close ties to a museum or an attraction are required for any tourist train to survive. Liability issues are of paramount importance and must be resolved in the beginning.

## INTRODUCTION

The General Assembly has requested the Department of Rail and Public Transportation, in cooperation with the Department of Transportation and the Secretary of Commerce and Trade, to study the operation of excursion trains as tourist attractions in Virginia.

### Background

Tourism and travel is one of the largest industries in the Commonwealth. Historic site visitation comprises over 70% of first time visitors to Virginia and nearly 40% of the repeat visitors. These heritage visitors spend, on the average, over two and one-half times as much as other visitors. As another means of promoting tourism, the Legislators decided to request a study of an attraction that has the possibility to attract more tourists to the State. The contiguous states of Kentucky, Maryland, North Carolina, Tennessee and West Virginia have from three to five tourist trains each in operation. Kentucky has five (5) excursion train operations of which three (3) are public, not for-profit operations, on which ISTEAF funds have been expended on track rehabilitation and renovation of a station and historic rail cars. The other two (2) are private, for-profit trains. Maryland has three (3) trains, all of which are private, for-profit lines and operate over State owned track. North Carolina has three (3) operations, all of which are private, for-profit operations. Tennessee has four (4) excursion train operators and all of them are private, for-profit lines. West Virginia has five (5) trains in operation, all of which the trackage is owned by the State. The West Virginia Division of Natural Resources operates one of them. One is operated by a private, for-profit operator who leases the track from the State. Three (3) lines are operated by a private, for profit operator under lease agreements with the State.

### Existing and Previous Operations in Virginia

Virginia is the only Mid-Atlantic State that does not currently have a tourist train operation. This has not always been the case as the Alleghany Central RR, and the Bristol and Northwestern Ry operated in the 1970's and 1980's. Low ridership and under-capitalization caused them to cease operation. In 1993, the Virginia Central RR ran for one month between Charlottesville and Staunton, but had to stop operations when they could not reach agreement with CSX Corporation on trackage rights.

In the early 1970's, CSX and NS operated steam excursion trains in conjunction with various chapters of the National Railway Historical Society throughout the Commonwealth. In addition to operating in Virginia, they ran in several states throughout the southeast and midwest. Although both railroads were very successful in their endeavors of excursion trains, by the early 1990's, they had stopped their operation. The reasons given for stopping were their concerns about liability and interference with freight operations.

The tourist trains and excursion trains in Virginia have operated over active Class I freight lines. This has caused a problem with the freight railroads because the freight traffic is increasing and scheduling the trains is a problem. In some states, the trains operate on state owned or regional freight lines which reduces the cost of trackage rights and has less freight traffic conflicts.

Now, there are special trains operated by railroads such as the Buckingham Branch Railroad, the Eastern Shore Railroad, the Saltville Shifter, the Virginia Railway Express and Amtrak. These special trains are usually operated for special events or holidays, such as ball games, spring and fall festivals, and the Santa Claus Train at Christmas. Various groups are currently attempting to develop tourist trains on selected corridors throughout the state.

Recent study activity includes:

- The rail section along the Shenandoah Valley Railroad from Staunton to Harrisonburg was initially studied and found to have inadequate rail infrastructure to handle steam locomotive or passenger operations.
- The rail section from Harrisonburg to Winchester was initially studied by the Shenandoah Rail Initiative (SRI). SRI was granted Transportation Enhancement funds to perform a study of the corridor encompassing Staunton to Winchester. Parts of the rail section from Staunton north to Winchester were initially studied by the Shenandoah Rail Initiative (SRI). This study has not been completed. The scope has changed.
- SRI has proposed to study the Winchester and Western Railroad's Winchester to Martinsburg, WVA rail section, which makes up the northernmost section of the identified Shenandoah Valley tourist train corridor. This line section between Strasburg Junction to Winchester is owned and operated by CSX and is not being considered for study at this time.
- The most active tourist train study is that of the Valley Trains and Tours group. Congressman Frank Wolf has brought the Federal Railroad Administration, the Department of Rail and Public Transportation, Norfolk Southern, and the Lord Fairfax Planning District Commission to the table to discuss the potential for tourist train operations on the Strasburg Junction to the Shenandoah Caverns.
- A feasibility study was completed in January 1999 for a Tourist Train between Pocahontas in Tazewell County, Virginia and Bramwell in Mercer County, West Virginia. The study length was five miles and encompassed an abandoned N&W line, which has the tracks still in place. Implementation would require an agreement between the States of Virginia and West Virginia and a mechanism for funding. At this time, there is no funding available for the project.

### Procedure

A list of State DOT's was developed along with a contact person for each state. Likewise, a list was developed for tourist train operators. The Transportation Research Council prepared survey questionnaires to be sent to the states and to the tourist train operators. These surveys were sent to 47 states and 77 tourist train operators. Upon receipt of the completed questionnaires, the Transportation Research Council tabulated the results. The Department of Transportation and the Virginia Tourism Corporation were contacted to obtain any input they may have for the study.

Thirty-six completed surveys were received from the states and twenty-seven were received from the tourist train operators. This report is based on the results of the data received from these surveys.

# SURVEYS

## States

In order to gain insight into how other states were involved with tourist/excursion trains, a survey (Appendix B) was developed by the Virginia Transportation Research Council and sent out to 47 states. Of the states that were sent survey questionnaires, we received responses from 36, a response of 77%. No survey was sent to the States of Alaska and Hawaii.

Of those states responding, including Virginia, nine states have no tourist trains currently in operation, and 28 states have tourist trains operating within their state. There are 218 tourist trains operating in these 28 states. The five states contiguous to Virginia have a total of 20 tourist trains: Kentucky (5), Maryland (3), North Carolina (3), Tennessee (4) and West Virginia (5). Due to the large number of freight rail abandonments and, therefore, available track miles, Pennsylvania has 19 operating tourist trains. Two areas responding have multi-state tourist operations; they are Idaho/Montana and Colorado/New Mexico.

State involvement in the operation of tourist trains varies from state to state, as does the state agency that is involved. State agencies reported to be involved include: Department of Transportation, Railroad Commissions, Department of Tourism, Department of Parks and Wildlife, Division of Natural Resources, and Department of Commerce. Based on the results of the surveys received from the states, only eight stated that they provided some form of assistance to the tourist trains. Four of these states provide financial grants, while others provide technical assistance. Thirteen of the states responding said that their state owned right of way and leased it to excursion train railroads.

## Tourist Train Railroads

A survey form (Appendix C) was sent to 77 tourist train railroads to gather data that may not have been readily available from the state agencies to whom surveys were sent. Of the surveys sent, 27 were returned yielding a 35% return. Although 27 surveys were returned, not all questions were answered by all railroads. Therefore, the individual results may be based on less than 27 responses.

The surveys revealed that most of the railroads operate for the purpose of taking the rider to an attraction; others are associated with a railroad museum, and others operate a dinner train. Nineteen of the trains are operated by either a "For-Profit" or a "Not-For-Profit" group. Of the twenty-seven railroads responding, the oversight of the operation was as follows:

None	1
Non-profit group	8
For profit group	11
Public Utilities Commission	2
Historical Society	2
None Given	3

### Right of Way

Twenty railroads operate on their own right of way, four operate on right of way owned by local government, one by state government, and one on federal government land. The right of way owned by the Federal Government is located in a National Park and is operated by a non-profit group who also own the trains. One railroad reported that it leased the right of way from a Class III railroad.

### Length of Operation

The distances of operation vary from one railroad to another. Twenty-three of the trains operate on less than 50 miles of track, while four operate on track from 50 to 100 miles in length. The longest track length reported was 100 miles, of which the state owns 99 miles, one mile is privately owned and the tourist train operates on 15 miles of the state-owned property.

### Gage of Track

There are three types of track being used by the tourist trains...Standard gage (4'8-1/2"), narrow gage (any gage less than standard gage) and cog (rail with cogs engaging a cogwheel on the locomotive for traction on steep grades). Twenty-four of the railroads are standard gage, two are narrow gage, and one is a cog railroad.

### Time in Operation

Tourist trains have been in operation for over a hundred years. The Durango and Silverton Narrow – Gauge Railroad in Durango, Colorado has been in operation for 113 years. It is privately owned and operated on narrow gage using steam locomotives. This is a 90 mile trip and takes nine hours, including a 2 ½ hour layover in Silverton for lunch and sightseeing. Another train that has been operating for a long time is the Manitou & Pike's Peak Railway Company, which has been in operation for 108 years. The round trip takes three hours and ten minutes, including a stop at the top of Pike's Peak. Two other long running railroads have been in business for 60 and 90 years. Not counting these top four railroads, the average length of time in operation is 27 years.

### Joint Operations

When the question was asked if both freight and passenger services operated on the same line, seventeen had both freight and passenger, and ten had only passenger. Of those indicating freight operations, two had a Class I freight railroad operating on the line, nine had Class III operations, two had switching operations, and four were unknown.

### Locomotive Power

There are three basic power sources that are used by the tourist trains to operate their services. Of those responding to this survey, no electric locomotives were being used and only one used steam power exclusively. Thirteen railroads used a combination of both diesel and steam locomotives, and ten used only diesel locomotives. If the railroad used both steam and diesel power, the customers were asked which they preferred. Seven preferred steam, three preferred diesel and three did not indicate a response.

Schedules and Fares

The excursion trains operate on a wide variety of schedules depending on the attraction. Some operate on an as-needed basis, while others operate five days a week, twelve months a year. In addition to a regular operating schedule, there are specialty trains such as the Santa Train, Easter Train, Fall Foliage Train, Dinner Train and private parties. The fares likewise reflect the type of train, the length of the trip, the attraction and the amenities provided. These fares range from \$3.00 to \$53.00 for adults and \$2.00 to \$27.00 for children. They were dependent upon the length and type of trip taken.

Ridership

Annual ridership varies from 5,000 to 200,000 on the different lines. Eight railroads reported from 5,000 to 19,000 per year, eight reported from 20,000 to 36,000 riders, seven reported from 50,000 to 200,000 riders, and four did not respond. Of the fourteen railroads that responded to the question, 64% of the riders were adults and 27% were children. The remaining 9% were made up of senior citizens. Some of the railroads are carrying as much as 40% to 50% of their ridership as groups. A number of the trains had food, beverage and souvenirs available to the riders on board the train as well as having them at the site. Museums, attractions, sightseeing, parks and shopping were available within close proximity to the rail line. The attractions for the higher riderships are a national forest, the rocky mountains, a silver mine, the grand canyon and pikes peak.

Proximity to Highways

The interstate and primary highways are beneficial in bringing the tourists to the railroad sites. Twenty-four railroads were located less than 30 miles from the nearest interstate or primary route. Only three railroads were further than 30 miles from an interstate or primary route. Fifteen of the 24 railroads were within 5 miles of an interstate or primary route. Eleven of the railroads reported that most of their riders came from greater than 70 miles, and sixteen reported that the distance most of their riders traveled was between 26 and 70 miles.

Marketing

The tourist railroads use many different marketing tools to advertise their attraction. Some of the railroads may use only one while others use several methods.

The following shows the different types of advertising methods the railroads use to reach the public:

Brochures	26	Television	9
Newspapers	21	Radio	11
Internet	19	Trade Shows	2
Magazines	17	Place Mats	1
AAA	16	Tourist Bureau	1
		Motel Racks	1



### State Involvement

A number of the states are involved with the tourist train railroads through their regulatory powers (fares and rates), grants and marketing. Their involvement may include one or more of these items. Even though the railroads may be private and operate on private right of way, a state agency may review the fares and rates, award grants, assist them in obtaining grants and assist with their marketing efforts. The most dominant in the state agency involvement are the Departments of Tourism and the Departments of Transportation.

### Staffing Make-up

The questionnaire sent to the tourist train operators asked about the employee make-up, as far as salaried, hourly and volunteer. The response varied widely from all volunteer to all salaried personnel. According to the survey responses, the least number of employees operating a railroad was three while the most was 226. The number of employees depends upon the number of riders, which determines the amount of equipment needed and the size of the physical plant. Most of the railroads have a mix of salaried, hourly and volunteer personnel. This mix of employee types helps some of the railroads keep operating.

### Revenue Sources

Based on responses from sixteen railroads relative to the source of revenues, fares by far are the largest contributor, with an average of 80% of the revenue coming from ticket sales. Two railroads had no other source of revenue, and the fares amounted to 100% of their income. Other sources of income for the railroads are the concessions, proceeds from a gift shop, freight trains using the line, and subsidies. The average income from subsidies reported by the railroads were a 4% local subsidy, a 3% federal subsidy and a 1% state subsidy.

### Expenditures

Only ten of the railroads responding answered the question to provide a breakdown of annual expenditures by percentage. Based on an average of those reporting, personnel costs amounted to the largest percentage of expenditures at 21%. Track rehabilitation was the second highest cost at 16%, equipment maintenance and insurance were third and fourth, with 11% and 12% respectively. The remaining cost items of fuel, supplies, building maintenance, leases, concessions and miscellaneous costs were less than 10% each.

### Liability Insurance

All but one of the railroads responding carried liability insurance. The one railroad that did not carry liability insurance was owned by a state and was self-insured. The liability coverage carried by the railroads ranged from \$1 million to \$50 million dollars. Over half of the responding railroads indicated that the level of insurance carried was dictated by the railroad itself.

### Multi-state Operations

Two of the railroads indicated that they operated between two states. One runs between Texas and Oklahoma, and the other operates between California and Mexico.

### Comments

Four of the questionnaires received contained additional comments, which are included and quoted below:

“Our steam locomotive was taken out of service in 1996. The steam locomotive attracts a lot of attention when in service. Since the steam has been out of service we have doubled our ridership. Our survey of passengers indicated that most were more familiar with diesel as a great majority of our passengers are between the ages of 20 and 50.”

“We operate on a pay as you go basis, keeping the passenger train self supporting. Without our volunteer help, we couldn’t do this. All our volunteers have to know all our rules and most have engineer certification.”

“Ours is a rather small operation using all volunteer members – no paid employees – I question us staying afloat should we use paid employees. We receive no help other than what we generate on our own. We find there is considerable interest in train rides. While we operate over 3 1/2 miles, 7 mile round trips, we plan to open an additional 1 1/2 miles in late fall which will give us a 5 mile line with a 10 mile round trip. While the long trips are nice, we find that a lot of visitors do not want to spend all day on the train so the shorter 1 – 2 hour trip has definite appeal.”

“Excursion trains can be a valuable adjunct to a RR with freight to provide basic infrastructure, maintenance and core competency. I question the financial feasibility of a ‘stand alone’ excursion RR of any size.”



# ISSUES

## Ownership

### Property

Railroad right of way in Virginia with few exceptions is owned by the freight railroads operating in the state. In order to operate an excursion train, the right of way must be obtained either by purchase or lease. It would be very difficult and expensive to purchase land for right of way that had not previously been used at one time for a rail line because of continuity of the property.

With the recent mergers of freight railroads in the country, some parallel rail lines have been abandoned because of the duplication of lines in the same area. This is an opportunity for an excursion train operation to either lease or purchase an existing rail line, provided it is in a desirable location. In order to obtain this right of way, negotiations must take place with the owning railroad.

If an abandoned line is unavailable or undesirable, then the possibility of trackage rights on an operating railroad still exists. There are many issues to be taken into consideration if one anticipates running on an active freight line. Some of these issues include insurance, maintenance, liability, physical plant and capacity of the line.

### Service

Once the location of the line is determined, the type of service must be decided. Some of the tourist trains use steam locomotives and others use diesel locomotives, while others use a combination of steam and diesel. The type of locomotive would have to be determined prior to beginning the operation because of the different requirements to operate and maintain the steam and diesel locomotives.

The steam locomotive must have a more durable track structure because of the weight of the locomotive. It also requires specialized maintenance facilities and personnel. One of the comments received about the steam engine was that it produced a lot of "dirt" and when riding in an open car, the patrons became filled with soot. Some of the people liked the diesel locomotive because it was cleaner. The diesel locomotive also requires special equipment but it is more readily available. There are more people trained in the maintenance of a diesel engine than are trained to service a steam engine. The availability of the particular locomotive will play a part in the determination of what locomotive is used. Cost will be a large factor in both the purchase and maintenance of the locomotive used. Ridership must be estimated to determine schedules and the number and, therefore, the amount of equipment necessary. If any of this is operated over an active freight line, then all of the scheduling and type of equipment used must be agreed to by the freight railroad.

## Operating

### Tourist Train

The operation of the tourist train varies widely from location to location. Of the twenty-seven (27) respondents to the survey, eight (8) of them were available for operation twelve months a year. Even though they were available, some only ran on an as-needed basis, some on weekends, some two or three days a week, and two operated all but a few days of the year.

The other trains' schedules varied by season and by the month of the year. Some trains only operated on the weekends. The number of trains that were operated per day varied greatly. For some, the length and duration of the run determined the number of trips and, for others, the demand appeared to influence their schedule.

### Freight

When the tourist train is to be operated over an existing freight line, agreements must be in place with the owner of the freight line. An agreement for trackage rights must be made to allow the tourist train to operate on the freight line. The freight operator will be primarily concerned with the movement of freight, and the schedule for the tourist train will have to fit in his operations.

### Liability

The tourist train operating on a freight railroad must assume the liability for not only the tourist train and related activities, but the liability for the freight trains as well. The freight railroad will set the minimum amount of insurance they will accept from the tourist train operator to allow them to operate over their line. The tourist train operator must "hold harmless" the freight railroad for any incident involving the two railroads. The feeling of the freight railroads about any incident involving a tourist train is "if they were not there, the incident would not have occurred".

The insurance required is extremely expensive due to some of the high awards by the courts. The Virginia Railway Express is currently required to carry \$200,000,000 in liability insurance. The cost of the insurance is sometimes a deterrent to a small operator desiring to operate over an active freight railroad.

In addition to the insurance requirements, the freight railroad limits its liability by restricting the times that the tourist train may operate on the active freight line.

The insurance may be obtained from various companies who offer railroad insurance and is usually based on ticket revenues with a minimum premium.

## Regulations & Laws

The Federal Railroad Administration (FRA) has the authority to regulate railroads in "every area of railroad safety" (Title 49 of the United States Code § 20103). There are specific standards for inspection and maintenance for steam locomotives issued by FRA (49 CFR Part 230). There are also regulations regarding the standards for passenger coaches

that must be followed. FRA uses limited enforcement in the regulation on tourist railroads. Based on a memorandum from the Office of Chief Counsel for FRA, they “will exercise jurisdiction over all tourist operations, whether or not they operate over the general railroad system, except those that are (1) less than 24 inches in gage and/or (2) insular. Operations with less than 24 inch gage have never been considered railroads under the Federal railroad safety laws”.

FRA will “consider a tourist train insular if its operations are limited to a separate enclave in such a way that there is no reasonable expectation that the safety of any member of the public – except a business guest, a licensee of the tourist operation or an affiliated entity, or a trespasser – would be affected by the operation. An operation will not be considered insular if one or more of the following exists on its line:

- a public highway-rail crossing that is in use;
- an at grade rail crossing that is in use;
- a bridge over a public road or waters used for commercial navigation; or
- a common carrier with a railroad, i.e., its operations are within 30 feet of those of any railroad.”

“Thus the mere fact that a tourist operation is not connected to the general railroad system would not make it insular under these criteria.” Each situation will be reviewed on a case-by-case basis. There are regulations that apply if there is an emergency or safety situation that arises. See Appendix D for details.

The Virginia General Assembly amended the Code of Virginia by adding Chapter 65 to Title 15.2. (Appendix E) Chapter 65 establishes a “Tourist Train Development Authority” which has the power to develop a tourist train in cooperation with any private or governmental entity in the State of West Virginia. Other than the normal laws and regulations governing other businesses, this appears to be the only Virginia law relating to tourist trains.

### Funding

Both Federal and State funds have been utilized to pay for studies of tourist trains. No state funds have been available for right of way, equipment, maintenance or operation. The Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 provided funding through an “Enhancement Program” to rehabilitate passenger stations which may be used by tourist trains.

The Virginia Tourism Corporation has available matching grants that provide funding for advertising that could “encourage and stimulate the tourism segment of the economy of the Commonwealth” (Appendix F). This has been established through the Co-operative Tourism Advertising Fund. This is available for matching funds to advertise locations within the boundaries of the Commonwealth.

There are loans available for small businesses that might apply for tourist railroads. Each project would have to stand on its own merit.



## CONCLUSION

Tourism is a major industry in the Commonwealth. Excursion trains attract tourists. Virginia is the only Mid-Atlantic State that does not have any scheduled excursion train operating within its borders. All of the states contiguous to Virginia have at least three excursion trains each, operating in their state. With the rich historical heritage that Virginia enjoys, it would appear that further study into specific areas would be appropriate.

Virginia has had excursion trains beginning in the 1960's. Both Norfolk Southern and CSX operated excursion trains throughout their systems until the mid-1990's. By 1993, the railroads were concerned about liability, and with rising deficits and declining ticket revenues, they decided to cease operations. At one time, there was an excursion train in Wytheville and one in Covington. These too, gave in to increased costs and declining revenues. The Virginia Central Railroad operated briefly in 1993, but had to stop because they could not negotiate terms with a major railroad on insurance coverage and other requirements.

Currently the only trains of this type that are still operating are the "special trains" that are operated at seasonal times by the Buckingham Branch Railroad, the Eastern Shore Railroad, the Saltville Railroad, the Virginia Railway Express and Amtrak.

Recently, there have been studies done at several locations throughout the state to revive the excursion trains. The locations around Pocahontas, Winchester and Harrisonburg have not progressed as rapidly as envisioned due to the lack of the completion of studies. The proposed tourist train plan from Strasburg to the Shenandoah Caverns is still very active and hopes to be in operation by next year.

In order to have a viable operation, it is important to have an attraction on, or in close proximity to the line to attract the tourists. Some of the excursion railroads also carry freight to supplement their income.

Excursion trains are in operation across the country and some have been in operation for over a hundred years. Most of these trains are either tied in with a major attraction or a museum. Of those responding to the survey, it was evenly split between those "for-profit" and not-for-profit" groups operating the railroads.

Before beginning an excursion train operation, there are many different factors to consider. The location is an important factor in order to attract ridership. Whether the line chosen is on an active railroad or an abandoned rail line, arrangements must be made with the owning railroad to operate over their line. The freight railroads are concerned about liability and capacity. These issues need to be resolved as soon as possible.

Based on the surveys, personnel costs ranked highest in operating expenditures. Insurance and equipment maintenance are also high cost items. Track maintenance is expensive whether the excursion railroad maintains their own track or includes it in a trackage rights agreement. A study must be done to determine ridership, which, in turn, may dictate the type and amount of equipment, and physical plant that will be necessary to begin operating.



Revenue received from fares is approximately 80% of the total revenue. Concessions ranked second, bringing in 8% of the total revenue. State and federal subsidies amounted to less than 5% each. Funding has not been readily available for the tourist trains. State and federal funds have been used to conduct studies. Loans may be available from both public and private sources.

The study shows that there are a number of things to be considered, and each of these items has many variables. The burden of running a tourist train operation rests solely on the operating entity. The funding that makes this a reality comes primarily from patrons and not the state or federal government. Close ties to a museum or an attraction are required for any tourist train to survive. Liability issues are of paramount importance and must be resolved in the beginning.

# APPENDIX A



**SENATE JOINT RESOLUTION NO. 458**

*Requesting the Department of Rail and Public Transportation, in cooperation with the Department of Transportation and the Secretary of Commerce and Trade, to study the operation of excursion trains as tourist attractions in Virginia.*

Agreed to by the Senate, February 9, 1999

Agreed to by the House of Delegates, February 23, 1999

WHEREAS, excursion train rides offer a unique opportunity for tourists to ride on an early 20th-century steam-powered train through picturesque and scenic mountains, forests, and farmlands, and rich and attractive historical sites and cities; and

WHEREAS, a strong rail excursion industry that attracts tourists promotes a healthy and robust economy in the communities it serves; and

WHEREAS, the success of the excursion train industry in other states has been attributed to railroad carriers' ability to use low-density or abandoned trackage, state-owned rails, such as the Great Smoky Railway in North Carolina, or regional freight lines, such as the Ohio Central; and

WHEREAS, the excursion train industry in Virginia is hampered by Virginia's railroad business success, since almost all of Virginia's rails are privately owned, carry a fairly heavy traffic flow, or are committed for future development; and

WHEREAS, previous efforts to offer excursion programs in Virginia during the 1970s and 1980s met with several difficulties, including low ridership, undercapitalization, and concerns about carrier liability and interference with freight traffic; and

WHEREAS, among the mid-Atlantic states, Virginia is the only state that does not operate excursion trains for tourists; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Department of Rail and Public Transportation, in cooperation with the Department of Transportation and the Secretary of Commerce and Trade, be requested to study the operation of excursion trains as tourist attractions in Virginia.

In conducting this study, the Department shall examine excursion trains for tourists in other states and examine the issues of liability insurance and incentives involved in the operation of such trains in Virginia.

The Department of Rail and Public Transportation shall provide staff support for the study. All agencies of the Commonwealth shall provide assistance to the Department of Rail and Public Transportation, upon request.

The Department of Rail and Public Transportation shall complete its work in time to submit its findings and recommendations to the Governor and the 2000 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.



## APPENDIX B





## COMMONWEALTH of VIRGINIA

LEO J. BEVON  
DIRECTOR

DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION  
1401 EAST BROAD STREET  
RICHMOND, 23219-1939

(804) 786-7940  
FAX (804) 786-7286  
VIRGINIA RELAY CENTER  
1-800-828-1120 (TDD)

June 1, 1999

To State Railroad Agencies:

The Virginia Department of Rail and Public Transportation has been directed by Virginia's legislative body to investigate the issues involving the possible operation of excursion trains as tourist attractions in Virginia. Excursion trains can offer tourists a unique opportunity to ride on vintage steam and/or diesel-powered trains through picturesque and scenic mountains, forests, and farmlands that are rich in historical and cultural significance.

The attached questionnaire was developed in an effort to ascertain information that would provide Virginia with an idea of the issues surrounding the operation of an excursion train. The information that you provide will be extremely important to the Commonwealth of Virginia when it begins to deliberate whether it will bring excursion trains to its tourists.

I hope you will complete the survey in full; however, should you feel that any question is inappropriate, please feel free to leave it blank. If you have any comments or suggestions regarding a state's role in the oversight and/or the operation of an excursion train, please feel free to add them to the end of the questionnaire. Again, anything that you are able to provide will surely be of significant value to Virginia's discussions. I have included a self-addressed, postage-paid envelope for your convenience. Thank you in advance for your participation.

Sincerely yours,

A handwritten signature in cursive script that reads 'Thomas F. Stewart'.

Thomas F. Stewart  
Rail Transportation Engineer  
Programs Supervisor

*Leading Virginia To Greater Mobility*



Name: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

Email address (if applicable): \_\_\_\_\_

### ***Excursion Train Questionnaire***

1. Do any excursion trains operate in your state?  Yes  No  
If NO, please STOP here and return the survey in the enclosed envelope.
2. If you answered YES to question 1, how many excursion trains operate in your state? \_\_\_\_\_
3. Which state agencies are involved in excursion train operations?  Department of Transportation  
 Tourism  Other (specify) \_\_\_\_\_  None
4. If a state agency is involved in excursion train operations, please describe (check all that apply).  
 Subsidies  Grants  Right-of-way leasing  Advisory board  
 Regulatory oversight  Marketing  Other \_\_\_\_\_  Not applicable
5. Does your state sometimes offer grants for the initial rehabilitation of an excursion train line?  
 Yes  No
6. If you answered YES to question 5, is there a maximum amount that your state will grant?  
 Yes Please list amount: \$ \_\_\_\_\_  No
7. Does your state own any of the track right of way and lease it back to the excursion train operators?  
 Yes  No
8. Does your state own any equipment or maintenance facilities and lease them back to the excursion train operators?  Yes  No
9. Does your state allow freight and excursion passenger services to operate on the same right of way?  
 Yes  No
10. Please describe the type of organization required by your state to oversee excursion train operations:  
 State  Local government  Non-profit group  
 Not-for-profit group  For-profit business  Transportation commission  
 Transportation trust  Historical society  Other (specify) \_\_\_\_\_  
 No organizational requirements

11. Please list and describe (including limits) the types of liability coverage required by your state.

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12. Who dictates the levels of insurance required?  State  Local  Railroad

Insurance company  Other (specify) \_\_\_\_\_

13. Do you have any excursion trains that operate between two states?  Yes  No

14. Is there a staff person who is the point of contact for excursion train operations?  Yes  No

If yes, please provide name and phone number: \_\_\_\_\_

15. Approximately how many person-hours are spent annually overseeing excursion train operations?

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16. Please provide any details or documents (e.g., mileage, revenues, number of employees.) regarding excursion train operations. \_\_\_\_\_

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17. Please provide here any additional comments about your state's experiences with excursion trains.

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Please return by July 15, 1999 to:

Mr. Stephen C. Brich  
Virginia Transportation Research Council  
530 Edgemont Road  
Charlottesville, VA 22903  
Phone (804) 293-1922  
Fax (804) 293-1990  
Email [BrichSC@vdot.state.va.us](mailto:BrichSC@vdot.state.va.us)

Thank you for your time and consideration.



## APPENDIX C





## COMMONWEALTH of VIRGINIA

LEO J. BEVON  
DIRECTOR

DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION  
1401 EAST BROAD STREET  
RICHMOND, 23219-1939

(804) 786-7940  
FAX (804) 786-7286  
VIRGINIA RELAY CENTER  
1-800-828-1120 (TDD)

July 8, 1999

To Excursion or Tourist Train Operators:

The Virginia Department of Rail and Public Transportation has been directed by Virginia's legislative body to investigate the issues involving the possible operation of excursion trains as tourist attractions in Virginia. Excursion trains can offer tourists a unique opportunity to ride on vintage steam and/or diesel-powered trains through picturesque and scenic mountains, forests, and farmlands that are rich in historical and cultural significance.

The attached questionnaire was developed in an effort to ascertain information that would provide Virginia with an idea of the issues surrounding the operation of an excursion train. The information that you provide will be extremely important to the Commonwealth of Virginia when it begins to deliberate whether it will preserve a piece of history by bringing the enjoyment of riding vintage trains to its tourists.

I hope you will complete the survey in full; however, should you feel that any question is inappropriate, please feel free to leave it blank. If you can provide nothing more than a brochure of your operation, that would be greatly appreciated. Also, please feel free to refer to the brochure as your response to any of the questions. I have included a self-addressed, postage-paid envelope for your convenience. Thank you in advance for your participation.

Sincerely yours,

A handwritten signature in cursive script that reads "Thomas F. Stewart".

Thomas F. Stewart  
Rail Transportation Engineer

*Leading Virginia To Greater Mobility*

Name (Optional): \_\_\_\_\_ Telephone number: \_\_\_\_\_

Name of the excursion train operation: \_\_\_\_\_

Email address (if applicable): \_\_\_\_\_

### ***Excursion Train Operator Questionnaire***

1. How many total years has your train operated as an excursion train? \_\_\_\_\_ years
2. How many miles of track does your excursion train run on? \_\_\_\_\_ miles
3. What is the total length of the track you are responsible for? \_\_\_\_\_ miles
4. What is the gauge of track you operate on?      Narrow      Standard
5. Is your track right of way (check one)?    Privately owned    State owned  
 Local government owned      Leased from a Class I railroad  
 Leased from a Class II        Leased from a Class III    Other (specify) \_\_\_\_\_
6. Do both freight and excursion passenger services operate on your right of way?  
 Yes            No
7. If you answered YES to question 6, what class of freight railroad operates on your tracks? (Check all that apply.)    Class I            Class II            Class III            Switching
8. Please describe your equipment:  
Number of locomotives:    Steam \_\_\_\_\_   Diesel \_\_\_\_\_  
Number of passenger coaches: \_\_\_\_\_  
Number of passenger station platforms: \_\_\_\_\_  
Number of locomotive maintenance facilities: \_\_\_\_\_  
Number of car maintenance facilities: \_\_\_\_\_
9. If you use both steam and diesel locomotives, which type of engine attracts most of your customers?  
 Steam            Diesel
10. Please describe your operating schedule. (If the schedule is in a brochure, please attach it.)  
Months of operation: \_\_\_\_\_ Days of operation: \_\_\_\_\_  
Number of trains per day of operation: \_\_\_\_\_  
Average trip time: \_\_\_\_\_ (hours)

11. What type of specialty train rides do you offer (check all that apply)?  Dinner trains  
 Fall foliage  Private parties  Easter Bunny  Santa trains  
 Other (specify) \_\_\_\_\_  None
12. What is the typical fare for: Senior Citizens \_\_\_\_\_ Adults \_\_\_\_\_ Children \_\_\_\_\_?  
 What is the age range for a person to be considered a child (e.g., 3-12 or 4-11)? \_\_\_\_\_  
 What are your group rates for: Adults \_\_\_\_\_ Children \_\_\_\_\_?  
 (If fares are contained in a brochure, please attach.)
13. Please describe your annual ridership:  
 Total ridership: \_\_\_\_\_ Percentage Senior Citizens \_\_\_\_\_  
 Percentage adults: \_\_\_\_\_ Percentage children \_\_\_\_\_  
 Percentage groups \_\_\_\_\_
14. Describe the type of concessions you offer to your customers:  
**On train:**  Food  Beverages  Souvenirs  Other \_\_\_\_\_  
**On site:**  Food  Beverages  Souvenirs  Video games  Other \_\_\_\_\_
15. What types of attractions/points of interest are on the excursion train route?  
 Museum  Sightseeing  State or national park  Shopping  
 Other (specify) \_\_\_\_\_
16. What types of attractions/points of interest are within close proximity to your operation?  
 Museum  Sightseeing  State or national park  Shopping  
 Other (specify) \_\_\_\_\_
17. How close is your operation to an interstate/U.S. highway?  0-5 miles  6-10 miles  
 11-15 miles  16-20 miles  21-30 miles  greater than 30 miles
18. How far do you estimate that most of your customers travel to visit your attraction?  
 Less than 10 miles  11-25 miles  26-40 miles  41-55 miles  
 56-70 miles  Beyond 70 miles
19. How do you market your operation?  Brochures  Television  Radio  
 Newspaper  Magazines  AAA  Other (specify) \_\_\_\_\_  
 Internet (please provide web site address) \_\_\_\_\_



20. Which state agencies are involved in your operation?  Department of Transportation  
 Tourism  Other (specify) \_\_\_\_\_  None
21. If you have state agency involvement, please describe it (check all that apply):  
 Subsidies  Grants  Right-of-way leasing  Advisory board  
 Regulatory oversight  Marketing  Other \_\_\_\_\_  Not applicable
22. What local government involvement do you have in your operation (check all that apply)?  
 Subsidies  Grants  Right-of-way leasing  Advisory board  
 Regulatory oversight  Marketing  Other \_\_\_\_\_  None
23. Please describe the type of organization that has oversight of your excursion train operations:  
 State  Local government  Non-profit group  Not-for-profit group  
 For-profit business  Transportation commission  Transportation trust  
 Historical society  Other (specify) \_\_\_\_\_
24. What is your employee makeup?  
Number salaried \_\_\_\_\_ Number hourly \_\_\_\_\_ Number volunteer \_\_\_\_\_
25. Please provide a breakdown of your total annual revenue in percentages:  
Fare/ticket sales \_\_\_\_\_ Concessions (food, souvenirs, etc.) \_\_\_\_\_  
Federal subsidies \_\_\_\_\_ State subsidies \_\_\_\_\_  
Local subsidies \_\_\_\_\_ Other (specify) \_\_\_\_\_
26. Please provide a breakdown of your total annual expenditures in percentages:  
Insurance \_\_\_\_\_ Track rehabilitation \_\_\_\_\_  
Equipment maintenance \_\_\_\_\_ Building maintenance \_\_\_\_\_  
Fuel \_\_\_\_\_ Leases \_\_\_\_\_  
Personnel \_\_\_\_\_ Concessions (food, souvenirs, etc.) \_\_\_\_\_  
Supplies \_\_\_\_\_ Other (specify) \_\_\_\_\_
27. Please list and describe the types of liability coverage you carry. Please note which coverage, in your opinion, is the most important for an excursion train operation. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

28. Who dictates these levels of insurance required?  State  Local  Railroad

Insurance company  Other (specify) \_\_\_\_\_

29. Does your excursion train operate between two states?  Yes  No

30. Please provide any additional comments about your operation: \_\_\_\_\_

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Please return by July 26, 1999 to:

Mr. Stephen C. Birch  
Virginia Transportation Research Council  
530 Edgemont Road  
Charlottesville, VA 22903  
Phone (804) 293-1922  
Fax (804) 293-1990  
Email: [BrichSC@vdot.state.va.us](mailto:BrichSC@vdot.state.va.us)

Thank you for your time and consideration.



## APPENDIX D



**FEDERAL RAILROAD ADMINISTRATION**  
Office of Chief Counsel, RCC-30  
400 Seventh Street, S.W.  
Washington, D.C. 20590

**FRA's Jurisdiction over Tourist Railroads Carriers**

FRA's authority to regulate railroads arises from Title 49 of the United States Code § 20103 which gives the agency plenary authority over "every area of railroad safety." 49 U.S.C. § 20103. "Railroad" is defined by the act as "all forms of non-highway ground transportation that run on rails or electromagnetic guideways...." 49 U.S.C. § 20102(1). The definition excludes only rapid transit systems that operate in urban areas and are not connected to the general railroad system of transportation.<sup>1</sup> "Railroad carrier" is defined by the statute as "a person providing railroad transportation." 49 U.S.C. § 20102(2).

For resource and policy reasons, FRA does not extend the reach of most of its regulations as far as the statute permits. (See 49 C.F.R. Part 209, Appendix A.) In an effort to clarify the proper extent of the exercise of FRA's jurisdiction, we have recently settled on several principles that we will use as our current guidelines.

We will exercise jurisdiction over all tourist operations, whether or not they operate over the general railroad system, except those that are (1) less than 24 inches in gage and/or (2) insular. Operations with less than 24-inch gage have never been considered railroads under the Federal railroad safety laws and are generally considered miniature or imitation railroads.

We will consider a tourist operation insular if its operations are limited to a separate enclave in such a way that there is no reasonable expectation that the safety of any member of the public – except a business guest, a licensee of the tourist operation or an affiliated entity, or a trespasser – would be affected by the operation. An operation will not be considered insular if one or more of the following exists on its line:

- a public highway-rail crossing that is in use;
- an at-grade rail crossing that is in use;
- a bridge over a public road or waters used for commercial navigation; or
- a common corridor with a railroad, i.e., its operations are within 30 feet of those of any railroad.

Thus, the mere fact that a tourist operation is not connected to the general railroad system would not make it insular under these criteria. While these criteria will tend to sort out the insular theme parks and museums, there will still be a need to do case-by-case analysis in some close situations.

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<sup>1</sup> "General railroad system of transportation" is defined at 49 C.F.R. Part 209, Appendix A as: "the network of standard gage railroads over which the interchange of goods and passengers throughout the nation is possible."

**How the safety regulations apply:**

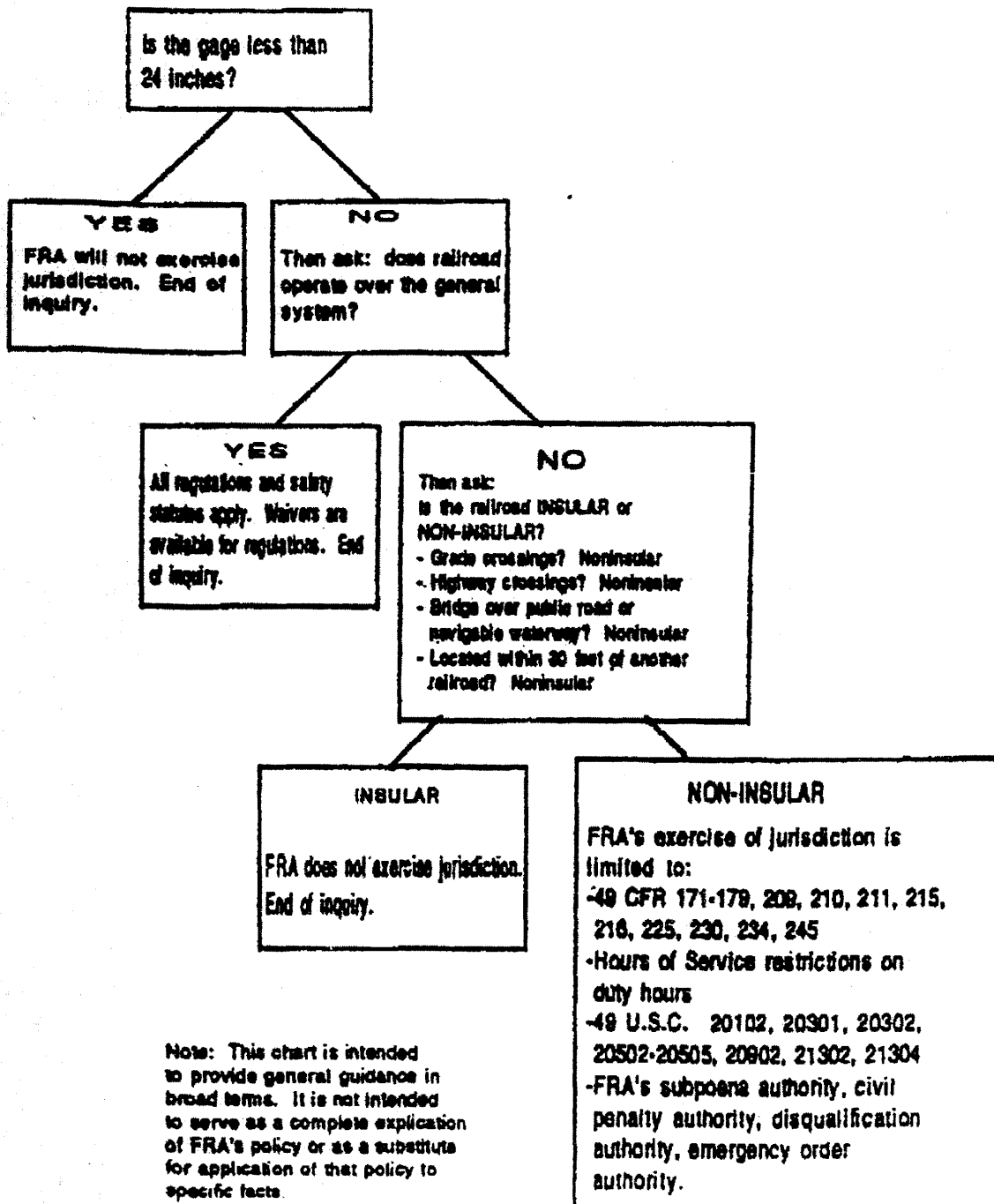
If the railroad operates on the general system, all statutes and regulations apply unless and until any appropriate waiver has been applied for and granted. Of course, FRA generally lacks authority to waive statutory requirements.

Some railroads are neither insular nor part of the general system (i.e., stand-alone lines with no freight traffic). For these railroads, only the following regulations and statutory provisions apply:

- 49 U.S.C. §§ 20102, 20301, 20302, 20502-20505, 20902, 21302, 21304 (formerly 45 U.S.C §§ 1, 2, 4, 9, 11 of the Safety Appliance Act and 45 U.S.C. 22 of the Locomotive Inspection Act);
- Federal signal inspection laws, 49 U.S.C. §§ 20102, 20502-20505, 20902, 21302, 21304;
- Hazardous materials regulations (49 C.F.R. Parts 171-179);
- FRA's procedural regulations at 49 C.F.R. Parts 209, 211, and 216;
- Noise emission regulations (49 C.F.R. Part 210): but note that the regulations do not apply to steam locomotives;
- Freight car safety standards (49 C.F.R. Part 215) applicable only to standard gage lines;
- Accident/incident reporting regulations (49 C.F.R. Part 225);
- Hours of Service restrictions on duty hours;
- Steam locomotive inspection regulations (49 C.F.R. Part 230);
- Grade crossing signal system safety regulations (49 C.F.R. Part 234);
- User fee requirements (49 C.F.R. Part 245);
- All general power and enforcement provisions of the rail safety statutes (e.g., subpoena authority, civil penalty authority, disqualification authority, and emergency order authority).

Thus, there are many FRA regulations that do not presently apply to tourist railroads that are not operated over the general system. However, FRA's emergency order authority permits it to address a true safety emergency arising from conditions (e.g., the proper functioning of air brakes) covered by those regulations or any other regulations (e.g., the track safety standards) that do not apply outside of the general system. Thus, even off-the-system tourist railroads should understand that FRA has jurisdiction to inspect their operations and to take emergency action if those operations pose an imminent hazard of death or injury.

## Tourist Railroads FRA's Exercise of Jurisdiction Decision Tree







# APPENDIX E



## VIRGINIA ACTS OF ASSEMBLY -- 2000 SESSION

### CHAPTER 680

*An Act to amend the Code of Virginia by adding in Title 15.2 a chapter numbered 65, consisting of sections numbered 15.2-6500 through 15.2-6504, relating to the Tourist Train Development Authority.*

[H 1114]

Approved April 8, 2000

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 15.2 a chapter numbered 65, consisting of sections numbered 15.2-6500 through 15.2-6504, as follows:

#### CHAPTER 65.

#### TOURIST TRAIN DEVELOPMENT AUTHORITY.

§ 15.2-6500. *Tourist Train Development Authority established.*

*The Tourist Train Development Authority, hereinafter referred to as the "Authority," is created as a body politic and corporate, a political subdivision of the Commonwealth. As such it shall have, and is hereby vested with, the powers and duties hereinafter conferred in this chapter.*

§ 15.2-6501. *Board of the Authority; qualifications; terms; quorum; records.*

*All powers, rights, and duties conferred by this chapter, or other provisions of law, upon the Authority shall be exercised by the Board of the Tourist Train Development Authority, hereinafter referred to as "the board." Initial appointments to the board shall begin July 1, 2000. The board shall consist of eight members appointed by the Governor as follows: three representatives from the governing bodies of Tazewell County, the Town of Bluefield, Virginia, and the Town of Pocahontas; four citizen members, who shall be residents of Tazewell County; and one member of the General Assembly representing Tazewell County, who shall serve as an ex officio, voting member. All members shall serve for a term of four years and may be reappointed for one additional term, except the member appointed from the General Assembly, who shall serve no more than four years. The term of any member of the board shall immediately terminate if the member no longer meets the eligibility criteria of the initial appointment. Vacancies shall be filled for the unexpired term. For the initial appointments only, three of the members shall be appointed for two-year terms and such initial terms shall not be counted toward the term limitation.*

*The board shall elect from its membership a chairman, a vice-chairman, and from its membership or not, as they desire, a secretary and a treasurer, or a secretary-treasurer, who shall continue to hold such office until their respective successors are elected. The members of the board shall receive no salary. Four members of the board shall constitute a quorum of the board for the purposes of conducting its business and exercising its powers and for all other purposes. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the powers and perform all the duties of the board. The board shall keep detailed minutes of its proceedings, which shall be open to public inspection at all times. It shall keep suitable records of its financial transactions and, unless exempted by § 2.1-164, it shall arrange to have the records audited annually. Copies of each such audit shall be furnished to the governing bodies of Tazewell County and all adjacent counties and the Auditor of Public Accounts and shall be open to public inspection.*

§ 15.2-6502. *Executive director; staff.*

*The Authority shall appoint an executive director, who shall be authorized to employ such staff as necessary to enable the Authority to perform its duties as set forth in this chapter. The Authority is authorized to determine the duties of such staff and to fix salaries and compensation from such funds as may be received or appropriated.*

§ 15.2-6503. *Powers of Authority.*

*The Authority shall have the following powers together with all powers incidental thereto or necessary for the performance of those hereinafter stated:*

- 1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;*
- 2. To adopt and use a corporate seal and to alter the same at pleasure;*
- 3. To contract and be contracted with;*
- 4. To employ and pay compensation to such employees and agents, including attorneys, as the board deems necessary in carrying on the business of the Authority;*
- 5. To establish bylaws and make all rules and regulations, not inconsistent with the provisions of this chapter, deemed expedient for the management of the Authority's affairs;*
- 6. To borrow money and to accept contributions, grants, and other financial assistance from the United States of America and agencies or instrumentalities thereof, the Commonwealth, or any political subdivision, agency, or public instrumentality of the Commonwealth;*
- 7. To issue bonds in accordance with applicable law;*
- 8. To receive and expend moneys on behalf of tourist train development; and*
- 9. To cooperate with any private or governmental entity in the state of West Virginia in the development of a tourist train.*

§ 15.2-6504. *Authority of localities.*

*Localities are hereby authorized to lend or donate money or other property or services to the Authority for any of its purposes. The locality making the grant or loan may restrict the use of such grants or loans to a specific project, within or outside that locality.*

## APPENDIX F



## LEGISLATION ESTABLISHING THE CO-OP PROGRAM

The following text has been extracted from the Code of Virginia and covers the establishment and application criteria for the Cooperative Marketing Fund Program. The purpose of these guidelines is to familiarize applicants with policy, application and project procedures necessary for funding under the program.

2.1-548.29.03

### *Co-operative Tourism Advertising Fund*

- A. *There is hereby established the Co-operative Tourism Advertising Fund (Co-op Fund) for the purpose of encouraging, stimulating, and supporting the tourism segment of the economy of the Commonwealth and the direct and indirect benefits that flow from the success of such industry. To create the public-private partnership envisioned by such Co-op fund, the Co-op Fund shall be established out of the sums appropriated from time to time by the General Assembly for the purpose of matching private funds to be used for the promotion, marketing, and advertising of the Commonwealth's many tourist attractions and locations. Proposals shall be eligible for matching funds under this section only if they advertise locations or destinations solely within the limits of the Commonwealth. No advertising or marketing proposal or application which mentions a non-Virginia attraction or location shall qualify for matching funds. The Co-op Fund shall be administrated and managed by the Authority and expended pursuant to a formula contained in the general appropriation act.*
- B. *In the event more than one person seeks to take advantage of the benefits conferred by this section and the Co-op fund is insufficient to accommodate all such requests, the matching formula shall be adjusted, to the extent practicable, to afford each request for which there is a valid public purpose, an equitable share.*
- C. *All persons seeking to receive or qualify for such matching funds shall apply to the Authority in August of the year preceding the fiscal year for which funds are sought, and to the extent the Governor concurs in such funding requests, it shall be reflected in the Governor's Budget Bill filed pursuant to 2.1-399. Such application shall be set forth in the applicant's proposals in detail. The Authority shall develop guidelines setting forth the criteria it will weigh in considering such applications; such guidelines may indicate a preference for proposals submitted by nonprofit organizations.*





# FIGURE 1



FIGURE I

# COMMONWEALTH OF VIRGINIA

DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION

## VIRGINIA RAILROAD MAP

### VIRGINIA RAILROADS

RAILROAD NAME	REPORTING MARK
BUCKINGHAM BRANCH	BB
CHESAPEAKE AND ALBEMARLE	CA
CHESAPEAKE WESTERN	CHW
CSX TRANSPORTATION	CSXT
COMMONWEALTH RAILWAY	CWRY
CONRAIL	CR
EASTERN SHORE	ESHR
NORFOLK & PORTSMOUTH BELT LINE	NPB
NORFOLK SOUTHERN	NS
NORTH CAROLINA AND VIRGINIA	NCVA
SALSVILLE	SVL
SHENANDOAH VALLEY	SV
VIRGINIA SOUTHERN	VSRR
WINCHESTER & WESTERN	WW

