

1981 WL 157989 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

September 29, 1981

\*1 Honorable Rudolph Mitchell  
Chairman  
Public Service Commission  
Post Office Box 11649  
Columbia, South Carolina 29211

Dear Mr. Mitchell:

This will respond to your request for an opinion of this Office whether the South Carolina Public Service Commission may act as the disbursing agent for federal funds and matching local, state or private funds to private persons or entities for the rehabilitation or restoration of railway lines within the State of South Carolina, pursuant to the Railroad Revitalization and Regulatory Reform Act of 1976, as amended, [45 USC § 801](#), *et seq.* The opinion of this Office is that the Public Service Commission would be the proper state agency to receive and disburse such funds.

Under the regulations promulgated by the Secretary of Transportation, it would appear that the Public Service Commission is the only state agency with the requisite expertise in railway matters to act as the disbursing agent for such funds. See Chapters 15-17, Title 58, Code of Laws, 1976, as amended. The South Carolina Public Railways Commission (See Chapter 19, Title 58) is an agency of the State authorized to operate public railways, and we would recommend to your Commission that its advice and counsel be utilized in an advisory capacity; however, it is not a regulatory agency and has no staff for the performance of the functions required by the federal act.

Your attention is invited to Act No. 651 of 1978 as amended, which requires the approval of the Governor and the concurrence of the Joint Appropriations Review Committee of the General Assembly before an agency may be designated to apply for, receive, and disburse federal grant funds of any type. Your staff should coordinate with Mr. Bill Prince or Mr. Steve Hooks of the Governor's Office and with Mr. George Oliver, Staff Director of the Joint Committee, in preparing the necessary documents and obtaining the necessary approvals for the Commission to receive and disburse these federal grant funds.

The letter which your Commission forwards to the Secretary of Transportation should include a statement that the funds must be received, disbursed, and accounted for in accordance with State laws governing such procedures.

If you have further questions, do not hesitate to call.

Sincerely,

Frank K. Sloan  
Deputy Attorney General

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