

104TH CONGRESS
1ST SESSION

H. R. 1437

To authorize appropriations for the National Railroad Passenger Corporation,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 1995

Mr. LIPINSKI (for himself and Mr. MINETA) (both by request) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To authorize appropriations for the National Railroad
Passenger Corporation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Amtrak Restructuring
5 Act of 1995”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

8 (1) intercity rail passenger service is an essen-
9 tial component of the integrated national transpor-
10 tation system, and the National Railroad Passenger

1 Corporation (Amtrak) must provide a quality trans-
2 portation product in the form of clean, comfortable,
3 and on-time service to achieve its full potential;

4 (2) Amtrak has been forced to significantly cut
5 back its basic system due to cash shortages, and fur-
6 ther cutback may be required unless Amtrak is able
7 to reduce its costs and increase its revenues;

8 (3) to ensure Amtrak's long-term viability as a
9 provider of intercity rail passenger service, contribu-
10 tions from all of Amtrak's stakeholders are needed
11 to reduce Amtrak's costs and increase its revenues;

12 (4) Amtrak's management and employees are
13 dedicated to providing the high-quality service that
14 Amtrak's customers deserve but additional capital
15 investment is needed to acquire the modern equip-
16 ment and efficient facilities that are essential to sat-
17 isfy the demand for superior intercity rail passenger
18 service, and additional management flexibility is
19 needed to allow Amtrak to adjust quickly to meet
20 demand and changing customer needs;

21 (5) adequate levels of capital investment from
22 the Federal Government and State governments and
23 innovative partnerships with the private sector will
24 enable Amtrak to provide the world class service

1 American rail passengers deserve and will help re-
2 duce operating costs in the long term;

3 (6) Amtrak's management should be held ac-
4 countable to ensure that all capital investment by
5 the Federal Government and State governments is
6 used effectively to improve the quality of service and
7 the long-term financial health of Amtrak;

8 (7) the Secretary of Transportation, as an ex
9 officio member of Amtrak's Board of Directors,
10 should use this position to evaluate Amtrak's costs
11 and revenue elements to ensure that Amtrak pro-
12 vides excellent service to its customers and that Am-
13 trak uses its Federal investment wisely and effi-
14 ciently;

15 (8) States, local governments, and private par-
16 ties can and should play an increasingly significant
17 role in supporting cost-efficient intercity rail pas-
18 senger transportation and in addressing local trans-
19 portation needs and air quality control;

20 (9) mandatory payments reflecting funds paid
21 into the railroad retirement and railroad unemploy-
22 ment systems on Amtrak's behalf in excess of the
23 funds needed to pay retirement and unemployment
24 benefits for Amtrak's employees and their bene-
25 ficiaries shall not be considered a Federal operating

1 subsidy of Amtrak but rather a subsidy of the rail-
2 road retirement and railroad unemployment systems
3 as a whole; and

4 (10) Federal financial assistance to cover oper-
5 ating losses incurred by Amtrak should be reduced
6 gradually between the years 1996 and 2001.

7 **SEC. 3. FINDINGS, PURPOSE, AND GOALS.**

8 Section 24101 of title 49, United States Code, is
9 amended—

10 (1) by revising subsection (a)(6) to read as
11 follows:

12 “(6) Amtrak should be available to operate
13 commuter rail passenger transportation under con-
14 tract with commuter authorities to the extent Am-
15 trak is fully reimbursed for the costs incurred in op-
16 erating such services, including a reasonable return
17 on Amtrak’s investment of time and resources.”;

18 (2) by replacing the period at the end of sub-
19 section (c) with “, and”; and

20 (3) by adding at the end of subsection (c) the
21 following:

22 “(12) manage capital investment in such a way
23 as to provide customers with world class service.”.

1 **SEC. 4. DEFINITIONS.**

2 Section 24102 of title 49, United States Code, is
3 amended—

4 (1) by repealing paragraphs (2), (3) and (11);

5 and

6 (2) by renumbering the remaining paragraphs

7 as appropriate.

8 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

9 (a) AUTHORIZATIONS.—Section 24104 of title 49,
10 United States Code, is amended to read as follows:

11 **“§ 24104. Authorization of appropriations**

12 “(a) OPERATING EXPENSES.—There are authorized
13 to be appropriated to the Secretary to make grants to Am-
14 trak \$300,000,000 for fiscal year 1996 and \$200,000,000
15 for fiscal year 1997, to be used for operating expenses.

16 “(b) CAPITAL INVESTMENT.—There are authorized
17 to be appropriated to the Secretary to make grants to Am-
18 trak \$230,000,000 for fiscal year 1996 and \$230,000,000
19 for fiscal year 1997, to be used for capital investment ex-
20 penditures.

21 “(c) INTERCITY RAIL PASSENGER STATION.—There
22 are authorized to be appropriated to the Secretary to make
23 grants to Amtrak \$40,000,000 for fiscal year 1995 and
24 \$50,000,000 for fiscal year 1996, to be used for engineer-
25 ing, design, and construction activities to enable the
26 James A. Farley Post Office in New York, New York, to

1 be used as a train station and commercial center and for
2 necessary improvements and redevelopment of the existing
3 Pennsylvania Station and associated service building in
4 New York, New York. The Secretary is authorized to re-
5 tain from these funds such amounts as the Secretary shall
6 deem appropriate to undertake the environmental and his-
7 toric preservation analyses associated with the project.

8 “(d) TRANSITION COSTS.—There are authorized to
9 be appropriated to the Secretary to make grants to Am-
10 trak \$100,000,000 for fiscal year 1996, to be used for
11 transition costs associated with a long-term restructuring
12 of the Corporation.

13 “(e) NORTHEAST CORRIDOR IMPROVEMENT PRO-
14 GRAM.—There are authorized to be appropriated to the
15 Secretary to make grants to Amtrak \$235,000,000 for fis-
16 cal year 1996, and \$200,000,000 for fiscal year 1997, to
17 be used for capital expenditures under section 24909 of
18 this title.

19 “(f) MANDATORY PAYMENTS.—(1) Not more than
20 \$120,000,000 for the fiscal year ending September 30,
21 1996, and not more than \$120,000,000 for the fiscal year
22 ending September 30, 1997, may be appropriated to the
23 Secretary to pay—

24 “(A) tax liabilities under section 3221 of the
25 Internal Revenue Code of 1986 due in such fiscal

1 years in excess of amounts needed to fund benefits
2 for individuals who retire from Amtrak and for their
3 beneficiaries; and

4 “(B) obligations of Amtrak under section 8(a)
5 of the Railroad Unemployment Insurance Act (45
6 U.S.C. 358(a)) due in such fiscal years in excess of
7 its obligations calculated on an experience-rated
8 basis.

9 “(2) Amounts appropriated under this subsection
10 shall not be considered a United States Government sub-
11 sidy of Amtrak but rather a subsidy of the railroad retire-
12 ment system as a whole.

13 “(3) Notwithstanding the payment by the Secretary
14 of certain of Amtrak’s obligations under the Internal Rev-
15 enue Code and the Railroad Unemployment Insurance Act
16 under subsection (f)(1) above, Amtrak remains responsible
17 for meeting its financial obligations under applicable law
18 over and above the amounts paid by the Secretary to the
19 Internal Revenue Service and Railroad Retirement Board
20 on Amtrak’s behalf.

21 “(g) AVAILABILITY OF APPROPRIATIONS.—Amounts
22 appropriated under this section remain available until ex-
23 pended.

24 “(h) LIMITATIONS ON USE.—Amounts appropriated
25 under this section may not be used to subsidize operating

1 losses of commuter rail passenger or rail freight transpor-
2 tation.”.

3 (b) CONFORMING AMENDMENT.—Section 24304(d)
4 of title 49, United States Code, is amended by deleting
5 “24104(d)” and by inserting in lieu thereof “24104”.

6 **SEC. 6. EXPANDING THE SCOPE OF COLLECTIVE BARGAIN-**
7 **ING ON CONTRACTING ACTIVITIES.**

8 Section 24312(b) of title 49, United States Code, is
9 amended by adding at the end the following new para-
10 graph:

11 “(3) This subsection does not bar Amtrak and
12 a union representing Amtrak employees from nego-
13 tiating a collective bargaining agreement that per-
14 mits Amtrak greater flexibility in contracting out
15 work than permitted under paragraph (1). Para-
16 graph (1) shall not apply to any bargaining unit cov-
17 ered by a contract containing provisions that are in-
18 consistent with paragraph (1).”.

19 **SEC. 7. REPORTS AND AUDITS.**

20 Section 24315 of title 49, United States Code, is
21 amended—

22 (1) in subsection (a)(1) redesignating subpara-
23 graphs (D), (E), (F), (G), and (H) as subpara-
24 graphs (E), (F), (G), (H), and (I), and by inserting
25 after paragraph (C) the following:

1 “(D) the long-term profit or loss;” and

2 (2) in subsection (b) by redesignating para-
3 graph (2) as (3), and by inserting after paragraph
4 (1) the following:

5 “(2) Amtrak shall include in the report required
6 under paragraph (1) projections of the anticipated
7 benefits of the projects proposed for funding under
8 part C of subtitle V of title 49, United States Code,
9 and a report on the benefits actually realized from
10 all projects previously funded under part C begin-
11 ning with funds provided in fiscal year 1995. The
12 report shall include an identification of improve-
13 ments in the quality of service offered by Amtrak,
14 facility improvements that demonstrate a productiv-
15 ity gain, equipment improvements that lower operat-
16 ing costs, environmental benefits (including air qual-
17 ity and land use benefits), enhancements to local
18 transportation needs, enhancements to mobility of
19 physically and economically disadvantaged persons,
20 any improvement of the revenue-to-cost ratio, any
21 reduced dependence on Federal operating support,
22 and reductions in the need for alternative transpor-
23 tation investments. To the extent practicable, the
24 benefits addressed in each report shall also be ex-
25 pressed as return on invested capital.”.

1 **SEC. 8. MISCELLANEOUS REPEALS AND TECHNICAL**
2 **AMENDMENTS IN CHAPTER 243.**

3 (a) TECHNICAL AMENDMENT.—Section
4 24302(a)(1)(D) of title 49, United States Code, is amend-
5 ed to read as follows:

6 “(D) Two individuals selected by the Presi-
7 dent from a list of five names submitted by
8 commuter authorities providing service over rail
9 properties owned by Amtrak.”.

10 (b) AUTHORITY.—Section 24305(c) of title 49,
11 United States Code, is amended—

12 (1) by deleting the word “and” at the end of
13 paragraph (5);

14 (2) by adding a new paragraph (6) as follows:

15 “(6) consult and cooperate, to the extent fea-
16 sible, on request of eligible applicants proposing a
17 technology demonstration authorized and financed
18 under a law of the United States, with those appli-
19 cants; and”; and

20 (3) by renumbering existing paragraph (6) as
21 paragraph (7).

22 (c) LABOR STANDARDS.—Section 24312(a) of title
23 49, United States Code, is amended by deleting “,
24 24701(a) or 24704(b)(2)” and inserting in lieu thereof “or
25 24701(a)”.

1 (d) REPEALS.—Sections 24310 and 24314 of title
2 49, United States Code, are repealed.

3 (e) CONFORMING.—The remaining sections of chap-
4 ter 243 of title 49, United States Code, are renumbered
5 appropriately.

6 **SEC. 9. ELIMINATION OF AMTRAK COMMUTER SERVICE**
7 **CORPORATION.**

8 Chapter 245 of title 49, United States Code, and the
9 corresponding item in the analysis of subtitle V is repealed
10 except that section 24501(g) is transferred to section
11 24301 as new subsection (o) at the end thereof.

12 **SEC. 10. OPERATION OF INTERCITY RAIL PASSENGER**
13 **SERVICE.**

14 Chapter 247 of title 49, United States Code, is
15 amended—

16 (1) by revising the heading of section 24701 to
17 read as follows:

18 **“§24701. Operation of intercity rail passenger serv-**
19 **ice”;**

20 (2) by amending section 24701(a) to read as
21 follows:

22 “(a) BY AMTRAK.—Amtrak is authorized to provide
23 cost-effective intercity rail passenger service on those
24 routes throughout the United States where it can serve
25 an important transportation function and it can, over the

1 long term, cover the full operating costs associated with
2 providing the service either through fares or contributions
3 from State and local governments or other interested par-
4 ties. Amtrak's decisions regarding the initiation, retention,
5 modification or elimination of intercity rail passenger serv-
6 ice shall be made on the basis of available financial re-
7 sources and any agreement Amtrak enters into with a
8 State or local government or private entity to support rail
9 passenger service should be made with the understanding
10 that Federal funding for operating expenses will decrease
11 over the fiscal years 1996 through 2001."'; and

12 (3) by amending section 24702 to read as
13 follows:

14 **"§ 24702. Route and Service Changes**

15 "Amtrak shall adjust its route structure as it deems
16 appropriate applying sound business and transportation
17 principles. Prior to implementing a route discontinuance
18 that would remove all service on a route or cut service
19 by more than half, Amtrak shall provide affected States,
20 cities and other interested parties with advance notice of
21 at least ninety days in order to enable any of the affected
22 parties to provide financial support for the route that
23 would allow for continued operation. In an emergency,
24 Amtrak may implement a route discontinuance with less
25 than ninety days notice but shall in any event provide as

1 much notice as possible. An emergency shall exist when
2 the Secretary of Transportation determines, on the basis
3 of information and data supplied by Amtrak, that funds
4 available to Amtrak for the fiscal year are not sufficient
5 to meet estimated operating costs and significant harm to
6 the Corporation would result if immediate action is not
7 taken to reduce costs through route reductions and service
8 eliminations.”.

9 **SEC. 11. EXPANDING THE SCOPE OF COLLECTIVE BARGAIN-**
10 **ING ON LABOR PROTECTIVE ARRANGE-**
11 **MENTS.**

12 Section 24706 of title 49, United States Code, is
13 amended:

14 (1) by revising the heading of section 24706 to
15 read as follows:

16 **“§ 24706. Employee Protective Arrangements”;**

17 (2) by repealing subsections (a) and (b);

18 (3) by deleting “(c) EMPLOYEE PROTECTIVE
19 ARRANGEMENTS.—” in subsection (c); and

20 (4) by deleting paragraph (6) and by inserting
21 in lieu thereof the following new paragraphs (6) and
22 (7):

23 “(6) For purposes of this section, employees of
24 Amtrak refers to employees occupying positions sub-

1 ject to collective bargaining under the Railway
2 Labor Act, (45 U.S.C. 151 et seq.).

3 “(7) Notwithstanding the other provisions of
4 this section and the implementing protective ar-
5 rangement established for Amtrak employees (Ap-
6 pendix C-2 to Basic Agreement between Amtrak
7 and the freight railroads), Amtrak and unions rep-
8 resenting Amtrak employees may negotiate new em-
9 ployee protective arrangements for Amtrak employ-
10 ees that differ from the requirements of other por-
11 tions of this section and from the terms of Appendix
12 C-2. If a new protective arrangement is negotiated,
13 provisions of this section and the terms of Appendix
14 C-2 that are inconsistent with the new protective ar-
15 rangement shall cease to apply to the bargaining
16 unit covered by the new protective arrangement.”.

17 **SEC. 12. MISCELLANEOUS REPEALS IN CHAPTER 247.**

18 (a) REPEALS.—Sections 24703, 24704, 24705,
19 24707, and 24708 of title 49, United States Code, are
20 repealed.

21 (b) CONFORMING.—The remaining sections of chap-
22 ter 247 of title 49, United States Code, are renumbered
23 appropriately.

1 **SEC. 13. BOSTON-NEW HAVEN ELECTRIFICATION PROJECT.**

2 (a) **ELECTRIFICATION SYSTEM.**—Section 24902(f) of
3 title 49, United States Code, is amended—

4 (1) by inserting “(1)” before “Improvements
5 under”; and

6 (2) by adding at the end the following new
7 paragraph:

8 “(2) Amtrak shall design and construct an elec-
9 trification system between Boston, Massachusetts,
10 and New Haven, Connecticut. The electrification
11 system shall be designed and constructed to accom-
12 modate the installation of a third mainline track be-
13 tween Davisville and Central Falls, Rhode Island, to
14 be used for double-stack freight service to and from
15 the Port of Davisville. Wherever practicable, Amtrak
16 shall use portal structures and realign existing
17 tracks on undergrade and overgrade bridges to mini-
18 mize the width of the right-of-way required to add
19 the third track. Amtrak shall take such other steps
20 as may be required to coordinate and facilitate de-
21 sign and construction work.”.

22 (b) **AMTRAK REPORT.**—Amtrak shall, not later than
23 six months after the date of enactment of this Act, trans-
24 mit to the Congress a report detailing its electrification
25 design between Davisville and Central Falls, Rhode Island,

1 and describing efforts to comply with section 24902(f)(2)
2 of title 49, United States Code.

3 **SEC. 14. COMPENSATION FOR TRANSPORTATION OVER THE**
4 **NORTHEAST CORRIDOR.**

5 (a) COMPENSATION FOR TRANSPORTATION OVER
6 CERTAIN RIGHTS OF WAY AND FACILITIES.—Section
7 24904(c)(2) of title 49, United States Code, is amended—

8 (1) by adding after the words “rail freight
9 transportation” in the first sentence “or between
10 intercity rail passenger and commuter rail passenger
11 transportation”;

12 (2) by adding after the words “rail freight car-
13 rier” in the second sentence “or a commuter author-
14 ity”; and

15 (3) by adding at the end of the second sentence
16 “or commuter authority.”.

17 (b) NORTHEAST CORRIDOR COST DISPUTE.—Section
18 1163 of the Northeast Rail Service Act of 1981 (45 U.S.C.
19 1111) is repealed.

20 **SEC. 15. NORTHEAST CORRIDOR IMPROVEMENT PROJECT.**

21 Section 24909 of title 49, United States Code, is
22 amended—

23 (1) by revising subsection (a) to read as follows:

24 “(a) CAPITAL IMPROVEMENTS.—Amtrak shall make
25 capital improvements for the Northeast Corridor improve-

1 ment project under this title as necessary to operate reli-
2 able, high-speed rail passenger service, to enhance capac-
3 ity for intercity and commuter passenger service, and as
4 otherwise may be necessary to ensure continued reliable
5 high-speed service. Amtrak shall also acquire train equip-
6 ment to be used on the Northeast Corridor, mitigate envi-
7 ronmental impacts related to the Northeast Corridor im-
8 provement project, and provide adequate parking at, and
9 improve Northeast Corridor rail stations.”;

10 (2) by revising subsection (b) to read as follows:

11 “(b) RHODE ISLAND THIRD TRACK.—(1) There are
12 authorized to be appropriated to the Secretary to make
13 grants to the State of Rhode Island, \$10,000,000 for the
14 fiscal year ending September 30, 1996, and \$10,000,000
15 for the fiscal year ending September 30, 1997, to be used
16 to design and construct a third track on the Northeast
17 Corridor between Davisville and Central Falls, Rhode
18 Island.

19 “(2) The third track shall be designed and con-
20 structed with sufficient clearance to accommodate double
21 stack freight cars.

22 “(3) The funds provided by the Secretary to the State
23 of Rhode Island to design and construct the third track
24 shall be matched by the State of Rhode Island or its des-
25 ignee on a dollar for dollar basis. Notwithstanding other

1 provisions of law, the State of Rhode Island is authorized
2 to use other Federal transportation funds available to the
3 State as the required matching funds.”;

4 (3) by revising subsection (c) to read as follows:

5 “(c) AVAILABILITY OF AMOUNTS.—Amounts appro-
6 priated under this section remain available until ex-
7 pended.”; and

8 (4) by striking subsections (d), (e), (f), and (g).

9 **SEC. 16. EFFECTIVE DATE.**

10 Except as otherwise provided, this Act is effective on
11 the date of enactment.

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