

107TH CONGRESS
1ST SESSION

H. R. 1020

To authorize the Secretary of Transportation to establish a grant program for the rehabilitation, preservation, or improvement of railroad track.

IN THE HOUSE OF REPRESENTATIVES

MARCH 14, 2001

Mr. QUINN (for himself, Mr. CLEMENT, and Mr. BACHUS) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To authorize the Secretary of Transportation to establish a grant program for the rehabilitation, preservation, or improvement of railroad track.

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 “Railroad Track Mod-
5 ernization Act of 2001”.

6 **SEC. 2. CAPITAL GRANTS FOR RAILROAD TRACK.**

7 (a) AMENDMENT.—Chapter 223 of title 49, United
8 States Code, is amended to read as follows:

1 **“CHAPTER 223—CAPITAL GRANTS FOR**
2 **RAILROAD TRACK**

“Sec.

“22301. Capital grants for railroad track.

3 **“§ 22301. Capital grants for railroad track**

4 “(a) ESTABLISHMENT OF PROGRAM.—The Secretary
5 of Transportation shall establish a program of capital
6 grants to class II and class III railroads to rehabilitate,
7 preserve, or improve railroad track (including roadbed,
8 bridges, and related track structures) used primarily for
9 freight transportation to a standard ensuring that such
10 railroad track can be operated safely and efficiently, par-
11 ticularly when handling 286,000 pound rail cars. The Sec-
12 retary shall issue regulations to implement the program.

13 “(b) MAXIMUM FEDERAL SHARE.—The maximum
14 Federal share for carrying out a project under this section
15 shall be 80 percent of the project cost. The non-Federal
16 share may be provided by any non-Federal source in cash,
17 equipment, supplies, or other in-kind contributions ap-
18 proved by the Secretary.

19 “(c) PROJECT ELIGIBILITY STANDARDS.—For a
20 project to be eligible for assistance under this section—

21 (1) the ratio of benefits to costs for the project
22 must be more than 1.0 as calculated by a method-
23 ology established by the Secretary for calculating the

1 ratio of benefits to costs of projects proposed under
2 this section; and

3 (2) the track must have been operated by a
4 class II or class III railroad as of the date of the
5 enactment of the Railroad Track Modernization Act
6 of 2001.

7 The Secretary may waive the requirement under para-
8 graph (1) if the Secretary determines that a project is in
9 the public interest.

10 “(d) USE OF FUNDS.—Grants provided under this
11 section shall be used to implement track capital projects
12 as soon as possible. In no event shall grant funds be con-
13 tractually obligated for a project later than the end of the
14 third Federal fiscal year following the year in which the
15 grant was awarded. Any funds not so obligated by the end
16 of such fiscal year shall be returned to the Secretary for
17 reallocation.

18 “(e) ADDITIONAL PURPOSE.—In addition to making
19 grants for projects as provided in subsection (a), the Sec-
20 retary may also make grants to supplement direct loans
21 or loan guarantees made under title V of the Railroad Re-
22 vitalization and Regulatory Reform Act of 1976 (45
23 U.S.C. 822(d)), for projects described in the last sentence
24 of section 502(d) of such title. Grants made under this
25 subsection may be used, in whole or in part, for paying

1 credit risk premiums, lowering rates of interest, or pro-
2 viding for a holiday on principal payments.

3 “(f) EMPLOYEE PROTECTION.—The Secretary shall
4 require as a condition of any grant made under this sec-
5 tion that the recipient railroad provide a fair arrangement
6 at least as protective of the interests of employees who
7 are affected by the project to be funded with the grant
8 as the terms imposed under section 5(2)(f) of the Inter-
9 state Commerce Act before February 5, 1976.

10 “(g) LABOR STANDARDS.—

11 “(1) PREVAILING WAGES.—The Secretary shall
12 ensure that laborers and mechanics employed by
13 contractors and subcontractors in construction work
14 financed by a grant made under this section will be
15 paid wages not less than those prevailing on similar
16 construction in the locality, as determined by the
17 Secretary of Labor under the Act of March 3, 1931
18 (known as the Davis-Bacon Act; 40 U.S.C. 276a et
19 seq.). The Secretary shall make a grant under this
20 section only after being assured that required labor
21 standards will be maintained on the construction
22 work.

23 “(2) WAGE RATES.—Wage rates in a collective
24 bargaining agreement negotiated under the Railway
25 Labor Act (45 U.S.C. 151 et seq.) are deemed for

1 purposes of this subsection to comply with the Act
 2 of March 3, 1931 (known as the Davis-Bacon Act;
 3 40 U.S.C. 276a et seq.).

4 “(h) STUDY.—The Secretary shall conduct a study
 5 of the projects carried out with grant assistance under this
 6 section to determine the public interest benefits associated
 7 with the light density railroad networks in the States and
 8 their contribution to a multimodal transportation system.
 9 Not later than March 31, 2003, the Secretary shall report
 10 to Congress any recommendations the Secretary considers
 11 appropriate regarding the eligibility of light density rail
 12 networks for Federal infrastructure financing.

13 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
 14 are authorized to be appropriated to the Secretary of
 15 Transportation \$350,000,000 for each of the fiscal years
 16 2002 through 2004 for carrying out this section.”.

17 (b) CONFORMING AMENDMENT.—The item relating
 18 to chapter 223 in the table of chapters of subtitle V of
 19 title 49, United States Code, is amended to read as fol-
 20 lows:

“223. CAPITAL GRANTS FOR RAILROAD TRACK 22301”.

21 (c) REPEAL.—Chapter 221 of title 49, United States
 22 Code (Local Rail Freight Assistance), and the item relat-
 23 ing thereto in the table of chapters of subtitle V of such
 24 title are repealed.