

# Union Calendar No. 52

107TH CONGRESS  
1ST SESSION

# H. R. 1020

[Report No. 107-96]

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

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## 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

JUNE 12, 2001

Additional sponsors: Mr. FOLEY, Mr. BORSKI, Mr. UDALL of New Mexico, Mr. FROST, Mr. MICA, Mr. SWEENEY, Mr. PETERSON of Pennsylvania, Mr. NEAL of Massachusetts, Mr. FERGUSON, Mr. MASCARA, Mr. ALLEN, Mr. DUNCAN, Mr. BISHOP, Mr. YOUNG of Alaska, Mr. HOUGHTON, Mr. GOODE, Mr. MORAN of Kansas, Mr. NADLER, Mr. LARSEN of Washington, Mr. McHUGH, Mr. HOLDEN, Mr. FILNER, Mr. PLATTS, Mr. ROSS, Mr. SANDERS, Mr. BASS, Mr. DEFazio, Ms. HART, Mr. BALDACCI, Mr. VISCLOSKEY, Mr. GANSKE, Mr. WATKINS, Mr. TIAHRT, Mr. PETRI, Mr. BOEHLERT, Mr. HAYES, Mr. ENGLISH, Mr. HILL, Mr. HERGER, Ms. KAPTUR, Mr. LIPINSKI, Mr. GEKAS, Mr. CUMMINGS, Mr. BERRY, Mr. HILLIARD, Mr. BOYD, Mr. RYUN of Kansas, Mr. KLECZKA, Mr. KANJORSKI, Mr. CARSON of Oklahoma, Mr. TOWNS, Mr. STUPAK, Mr. PASCRELL, Mr. GREENWOOD, Mr. SCARBOROUGH, Mr. PHELPS, Mr. BLUMENAUER, Mr. SIMMONS, Mrs. CAPITO, Mr. BONIOR, Mr. PASTOR, Mr. MOLLOHAN, Mr. GRAVES, Mr. ROGERS of Michigan, Mr. BARCIA, Mr. COOKSEY, Mr. LATOURETTE, Mr. DEMINT, Mr. DINGELL, Mr. McNULTY, Ms. MCKINNEY, Mr. KIRK, Mr. COBLE, Mr. REHBERG, Mr. BROWN of South Carolina, Mr. LAHOOD, Mr. OBERSTAR, Mr. MEEKS of New York, Mr. GILLMOR, Mr. LUCAS of Oklahoma, Mr. JOHNSON of Illinois, Mr. SCHAFFER, Mr. SNYDER, Mr. COSTELLO, Mr. KENNEDY of Minnesota, Mr. BEREUTER, Mr. BOSWELL, Mr. HUTCHINSON, Mr. MCINTYRE, Mr. LOBIONDO, Mr. HOFFEL, Mr. THOMPSON of California, Mr.

WHITFIELD, Mr. WALDEN of Oregon, Mr. DOYLE, Mr. THOMAS, Mr. PALLONE, and Mr. THOMPSON of Mississippi

JUNE 12, 2001

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on March 14, 2001]

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## 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:*

9        **“CHAPTER 223—CAPITAL GRANTS FOR**  
 10 **RAILROAD TRACK**

*“Sec.*

*“22301. Capital grants for railroad track.*

11 **“§22301. Capital grants for railroad track**

12        *“(a) ESTABLISHMENT OF PROGRAM.—*

1           “(1) *ESTABLISHMENT.*—*The Secretary of Trans-*  
2           *portation shall establish a program of capital grants*  
3           *for the rehabilitation, preservation, or improvement of*  
4           *railroad track (including roadbed, bridges, and re-*  
5           *lated track structures) of class II and class III rail-*  
6           *roads. Such grants shall be for rehabilitating, pre-*  
7           *servicing, or improving track used primarily for freight*  
8           *transportation to a standard ensuring that the track*  
9           *can be operated safely and efficiently, including*  
10           *grants for rehabilitating, preserving, or improving*  
11           *track to handle 286,000 pound rail cars. Grants may*  
12           *be provided under this chapter—*

13                   “(A) *directly to the class II or class III*  
14                   *railroad; or*

15                   “(B) *with the concurrence of the class II or*  
16                   *class III railroad, to a State or local govern-*  
17                   *ment.*

18           “(2) *STATE COOPERATION.*—*Class II and class*  
19           *III railroad applicants for a grant under this chapter*  
20           *are encouraged to utilize the expertise and assistance*  
21           *of State transportation agencies in applying for and*  
22           *administering such grants. State transportation agen-*  
23           *cies are encouraged to provide such expertise and as-*  
24           *sistance to such railroads.*

1           “(3) *INTERIM REGULATIONS.*—Not later than  
2           *December 31, 2001, the Secretary shall issue tem-*  
3           *porary regulations to implement the program under*  
4           *this section. Subchapter II of chapter 5 of title 5 does*  
5           *not apply to a temporary regulation issued under this*  
6           *paragraph or to an amendment to such a temporary*  
7           *regulation.*

8           “(4) *FINAL REGULATIONS.*—Not later than *Octo-*  
9           *ber 1, 2002, the Secretary shall issue final regulations*  
10          *to implement the program under this section.*

11          “(b) *MAXIMUM FEDERAL SHARE.*—*The maximum*  
12          *Federal share for carrying out a project under this section*  
13          *shall be 80 percent of the project cost. The non-Federal share*  
14          *may be provided by any non-Federal source in cash, equip-*  
15          *ment, or supplies. Other in-kind contributions may be ap-*  
16          *proved by the Secretary on a case by case basis consistent*  
17          *with this chapter.*

18          “(c) *PROJECT ELIGIBILITY.*—*For a project to be eligi-*  
19          *ble for assistance under this section the track must have*  
20          *been operated or owned by a class II or class III railroad*  
21          *as of the date of the enactment of the Railroad Track Mod-*  
22          *ernization Act of 2001.*

23          “(d) *USE OF FUNDS.*—*Grants provided under this sec-*  
24          *tion shall be used to implement track capital projects as*  
25          *soon as possible. In no event shall grant funds be contrac-*

1 tually obligated for a project later than the end of the third  
2 Federal fiscal year following the year in which the grant  
3 was awarded. Any funds not so obligated by the end of such  
4 fiscal year shall be returned to the Secretary for realloca-  
5 tion.

6 “(e) *ADDITIONAL PURPOSE.*—In addition to making  
7 grants for projects as provided in subsection (a), the Sec-  
8 retary may also make grants to supplement direct loans  
9 or loan guarantees made under title V of the Railroad Revi-  
10 talization and Regulatory Reform Act of 1976 (45 U.S.C.  
11 822(d)), for projects described in the last sentence of section  
12 502(d) of such title. Grants made under this subsection may  
13 be used, in whole or in part, for paying credit risk pre-  
14 miums, lowering rates of interest, or providing for a holi-  
15 day on principal payments.

16 “(f) *EMPLOYEE PROTECTION.*—The Secretary shall re-  
17 quire as a condition of any grant made under this section  
18 that the recipient railroad provide a fair arrangement at  
19 least as protective of the interests of employees who are af-  
20 fected by the project to be funded with the grant as the terms  
21 imposed under section 11326(a), as in effect on the date  
22 of the enactment of the Railroad Track Modernization Act  
23 of 2001.

24 “(g) *LABOR STANDARDS.*—

1           “(1) *PREVAILING WAGES.*—*The Secretary shall*  
2           *ensure that laborers and mechanics employed by con-*  
3           *tractors and subcontractors in construction work fi-*  
4           *nanced by a grant made under this section will be*  
5           *paid wages not less than those prevailing on similar*  
6           *construction in the locality, as determined by the Sec-*  
7           *retary of Labor under the Act of March 3, 1931*  
8           *(known as the Davis-Bacon Act; 40 U.S.C. 276a et*  
9           *seq.). The Secretary shall make a grant under this*  
10           *section only after being assured that required labor*  
11           *standards will be maintained on the construction*  
12           *work.*

13           “(2) *WAGE RATES.*—*Wage rates in a collective*  
14           *bargaining agreement negotiated under the Railway*  
15           *Labor Act (45 U.S.C. 151 et seq.) are deemed for pur-*  
16           *poses of this subsection to comply with the Act of*  
17           *March 3, 1931 (known as the Davis-Bacon Act; 40*  
18           *U.S.C. 276a et seq.).*

19           “(h) *STUDY.*—*The Secretary shall conduct a study of*  
20           *the projects carried out with grant assistance under this*  
21           *section to determine the public interest benefits associated*  
22           *with the light density railroad networks in the States and*  
23           *their contribution to a multimodal transportation system.*  
24           *Not later than March 31, 2003, the Secretary shall report*  
25           *to Congress any recommendations the Secretary considers*

1 *appropriate regarding the eligibility of light density rail*  
2 *networks for Federal infrastructure financing.*

3       “(i) *AUTHORIZATION OF APPROPRIATIONS.—There are*  
4 *authorized to be appropriated to the Secretary of Transpor-*  
5 *tation \$350,000,000 for each of the fiscal years 2002*  
6 *through 2004 for carrying out this section.*”.

7       “(b) *CONFORMING AMENDMENT.—The item relating to*  
8 *chapter 223 in the table of chapters of subtitle V of title*  
9 *49, United States Code, is amended to read as follows:*

“223. *CAPITAL GRANTS FOR RAILROAD TRACK* ..... 22301”.

**Union Calendar No. 52**

107<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

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