

108TH CONGRESS  
1ST SESSION

# H. R. 2725

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

JULY 15, 2003

Mr. YOUNG of Alaska (for himself, Mr. OBERSTAR, Mr. QUINN, and Ms. CORRINE BROWN of Florida) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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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 2003”.

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.—

5                   “(1) ESTABLISHMENT.—The Secretary of  
6           Transportation shall establish a program of capital  
7           grants for the rehabilitation, preservation, or im-  
8           provement of railroad track (including roadbed,  
9           bridges, and related track structures) of class II and  
10          class III railroads. Such grants shall be for rehabili-  
11          tating, preserving, or improving track used primarily  
12          for freight transportation to a standard ensuring  
13          that the track can be operated safely and efficiently,  
14          including grants for rehabilitating, preserving, or im-  
15          proving track to handle 286,000 pound rail cars.  
16          Grants may be provided under this chapter—

17                   “(A) directly to the class II or class III  
18                  railroad; or

19                   “(B) with the concurrence of the class II  
20                  or class III railroad, to a State or local govern-  
21                  ment.

22                   “(2) STATE COOPERATION.—Class II and class  
23                  III railroad applicants for a grant under this chap-  
24                  ter are encouraged to utilize the expertise and assist-

1       ance of State transportation agencies in applying for  
2       and administering such grants. State transportation  
3       agencies are encouraged to provide such expertise  
4       and assistance to such railroads.

5           “(3) INTERIM REGULATIONS.—Not later than  
6       December 31, 2003, the Secretary shall issue tem-  
7       porary regulations to implement the program under  
8       this section. Subchapter II of chapter 5 of title 5  
9       does not apply to a temporary regulation issued  
10      under this paragraph or to an amendment to such  
11      a temporary regulation.

12          “(4) FINAL REGULATIONS.—Not later than Oc-  
13      tober 1, 2004, the Secretary shall issue final regula-  
14      tions to implement the program under this section.

15          “(b) MAXIMUM FEDERAL SHARE.—The maximum  
16      Federal share for carrying out a project under this section  
17      shall be 80 percent of the project cost. The non-Federal  
18      share may be provided by any non-Federal source in cash,  
19      equipment, or supplies. Other in-kind contributions may  
20      be approved by the Secretary on a case by case basis con-  
21      sistent with this chapter.

22          “(c) PROJECT ELIGIBILITY.—For a project to be eli-  
23      gible for assistance under this section the track must have  
24      been operated or owned by a class II or class III railroad

1 as of the date of the enactment of the Railroad Track  
2 Modernization Act of 2003.

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

11 “(e) EMPLOYEE PROTECTION.—The Secretary shall  
12 require as a condition of any grant made under this sec-  
13 tion that the recipient railroad provide a fair arrangement  
14 at least as protective of the interests of employees who  
15 are affected by the project to be funded with the grant  
16 as the terms imposed under section 11326(a), as in effect  
17 on the date of the enactment of the Railroad Track Mod-  
18 ernization Act of 2003.

19 “(f) LABOR STANDARDS.—

20 “(1) PREVAILING WAGES.—The Secretary shall  
21 ensure that laborers and mechanics employed by  
22 contractors and subcontractors in construction work  
23 financed by a grant made under this section will be  
24 paid wages not less than those prevailing on similar  
25 construction in the locality, as determined by the

1 Secretary of Labor under the Act of March 3, 1931  
2 (known as the Davis-Bacon Act; 40 U.S.C. 276a et  
3 seq.). The Secretary shall make a grant under this  
4 section only after being assured that required labor  
5 standards will be maintained on the construction  
6 work.

7 “(2) WAGE RATES.—Wage rates in a collective  
8 bargaining agreement negotiated under the Railway  
9 Labor Act (45 U.S.C. 151 et seq.) are deemed for  
10 purposes of this subsection to comply with the Act  
11 of March 3, 1931 (known as the Davis-Bacon Act;  
12 40 U.S.C. 276a et seq.).

13 “(g) STUDY.—The Secretary shall conduct a study  
14 of the projects carried out with grant assistance under this  
15 section to determine the public interest benefits associated  
16 with the light density railroad networks in the States and  
17 their contribution to a multimodal transportation system.  
18 Not later than March 31, 2005, the Secretary shall report  
19 to Congress any recommendations the Secretary considers  
20 appropriate regarding the eligibility of light density rail  
21 networks for Federal infrastructure financing.

22 “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
23 are authorized to be appropriated to the Secretary of  
24 Transportation \$350,000,000 for each of the fiscal years  
25 2004 through 2006 for carrying out this section.”.

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

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

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