

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

# S. 1516

To reauthorize Amtrak, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

JULY 27, 2005

Mr. LOTT (for himself, Mr. LAUTENBERG, Mr. STEVENS, Mr. INOUE, and Mrs. HUTCHISON) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

---

## A BILL

To reauthorize Amtrak, 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 “Passenger Rail Invest-  
5       ment and Improvement Act of 2005”.

6       **SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.**

7       Except as otherwise specifically provided, whenever in  
8       this Act an amendment is expressed in terms of an amend-  
9       ment to a section or other provision of law, the reference  
10      shall be considered to be made to a section or other provi-  
11      sion of title 49, United States Code.

## 1 **SEC. 3. TABLE OF CONTENTS.**

2 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Amendment of title 49, United States Code.
- Sec. 3. Table of contents.

### TITLE I—AUTHORIZATIONS

- Sec. 101. Authorization for Amtrak capital and operating expenses and State capital grants.
- Sec. 102. Authorization for the Federal Railroad Administration.
- Sec. 103. Repayment of long-term debt and capital leases.
- Sec. 104. Excess railroad retirement.
- Sec. 105. Other authorizations.

### TITLE II—AMTRAK REFORM AND OPERATIONAL IMPROVEMENTS

- Sec. 201. National railroad passenger transportation system defined.
- Sec. 202. Amtrak Board of Directors.
- Sec. 203. Establishment of improved financial accounting system.
- Sec. 204. Development of 5-year financial plan.
- Sec. 205. Establishment of grant process.
- Sec. 206. State-supported routes.
- Sec. 207. Independent auditor to establish methodologies for Amtrak route and service planning decisions.
- Sec. 208. Metrics and standards.
- Sec. 209. Passenger train performance.
- Sec. 210. Long distance routes.
- Sec. 211. Alternate passenger rail service program.
- Sec. 212. Employee transition assistance.
- Sec. 213. Northeast Corridor state-of-good-repair plan.
- Sec. 214. Northeast Corridor infrastructure and operations improvements.
- Sec. 215. Restructuring long-term debt and capital leases.
- Sec. 216. Study of compliance requirements at existing intercity rail stations.
- Sec. 217. Incentive pay.
- Sec. 218. Access to Amtrak equipment and services.
- Sec. 219. General Amtrak provisions.
- Sec. 220. Private sector funding of passenger trains.
- Sec. 221. On-board service improvements.

### TITLE III—INTERCITY PASSENGER RAIL POLICY

- Sec. 301. Capital assistance for intercity passenger rail service.
- Sec. 302. State rail plans.
- Sec. 303. Next generation corridor train equipment pool.
- Sec. 304. Federal rail policy.
- Sec. 305. Rail cooperative research program.

### TITLE IV—PASSENGER RAIL SECURITY AND SAFETY

- Sec. 401. Systemwide Amtrak security upgrades.
- Sec. 402. Fire and life-safety improvements.
- Sec. 403. Amtrak plan to assist families of passengers involved in rail passenger accidents.
- Sec. 404. Northern border rail passenger report.

Sec. 405. Passenger, baggage, and cargo screening.

TITLE V—RAIL BOND AUTHORITY

Sec. 501. Intercity rail facility bonds.

1           **TITLE I—AUTHORIZATIONS**

2   **SEC. 101. AUTHORIZATION FOR AMTRAK CAPITAL AND OP-**  
 3                   **ERATING EXPENSES AND STATE CAPITAL**  
 4                   **GRANTS.**

5           (a) OPERATING GRANTS.—There are authorized to  
 6 be appropriated to the Secretary of Transportation for the  
 7 use of Amtrak for operating costs the following amounts:

8                   (1) For fiscal year 2006, \$580,000,000.

9                   (2) For fiscal year 2007, \$590,000,000.

10                  (3) For fiscal year 2008, \$600,000,000.

11                  (4) For fiscal year 2009, \$575,000,000.

12                  (5) For fiscal year 2010, \$535,000,000.

13                  (6) For fiscal year 2011, \$455,000,000.

14           (b) CAPITAL GRANTS.—There are authorized to be  
 15 appropriated to the Secretary of Transportation for the  
 16 use of Amtrak to bring the Northeast Corridor as defined  
 17 in section 24102(a) to a state-of-good-repair, for capital  
 18 expenses of the national railroad passenger transportation  
 19 system, and for purposes of making capital grants to  
 20 states under section 301 of this Act, the following  
 21 amounts:

22                   (1) For fiscal year 2006, \$813,000,000.

23                   (2) For fiscal year 2007, \$910,000,000.

1 (3) For fiscal year 2008, \$1,071,000,000.

2 (4) For fiscal year 2009, \$1,096,000,000.

3 (5) For fiscal year 2010, \$1,191,000,000.

4 (6) For fiscal year 2011, \$1,231,000,000.

5 (c) AMOUNTS FOR STATE GRANTS.—Out of the  
6 amounts authorized under subsection (b), the following  
7 percentage shall be available each fiscal year for capital  
8 grants to States under section 301 of this Act, to be ad-  
9 ministered by the Secretary of Transportation:

10 (1) 3 percent for fiscal year 2006.

11 (2) 11 percent for fiscal year 2007.

12 (3) 23 percent for fiscal year 2008.

13 (4) 25 percent for fiscal year 2009.

14 (5) 31 percent for fiscal year 2010.

15 (6) 33 percent for fiscal year 2011.

16 (d) PROJECT MANAGEMENT OVERSIGHT.—The Sec-  
17 retary may withhold up to  $\frac{1}{2}$  of 1 percent of amounts  
18 appropriated pursuant to subsection (b) for the costs of  
19 project management oversight of capital projects carried  
20 out by Amtrak.

21 **SEC. 102. AUTHORIZATION FOR THE FEDERAL RAILROAD**  
22 **ADMINISTRATION.**

23 There are authorized to be appropriated to the Sec-  
24 retary of Transportation for the use of the Federal Rail-  
25 road Administration such sums as necessary to implement

1 the provisions required under this Act for fiscal years  
2 2006 through 2011.

3 **SEC. 103. REPAYMENT OF LONG-TERM DEBT AND CAPITAL**  
4 **LEASES.**

5 (a) AMTRAK PRINCIPAL AND INTEREST PAY-  
6 MENTS.—

7 (1) PRINCIPAL ON DEBT SERVICE.—There are  
8 authorized to be appropriated to the Secretary of  
9 Transportation for the use of Amtrak for retirement  
10 of principal on loans for capital equipment, or cap-  
11 ital leases, not more than the following amounts:

12 (A) For fiscal year 2006, \$130,200,000.

13 (B) For fiscal year 2007, \$140,700,000.

14 (C) For fiscal year 2008, \$156,000,000.

15 (D) For fiscal year 2009, \$183,800,000.

16 (E) For fiscal year 2010, \$156,100,000.

17 (F) For fiscal year 2011, \$193,500,000.

18 (2) INTEREST ON DEBT.—There are authorized  
19 to be appropriated to the Secretary of Transpor-  
20 tation for the use of Amtrak for the payment of in-  
21 terest on loans for capital equipment, or capital  
22 leases, the following amounts:

23 (A) For fiscal year 2006, \$148,100,000.

24 (B) For fiscal year 2007, \$141,500,000.

25 (C) For fiscal year 2008, \$133,800,000.

1 (D) For fiscal year 2009, \$124,000,000.

2 (E) For fiscal year 2010, \$113,900,000.

3 (F) For fiscal year 2011, \$103,800,000.

4 (3) EARLY BUYOUT OPTION.—There are au-  
5 thORIZED to be appropriated to the Secretary of  
6 Transportation such sums as may be necessary for  
7 the use of Amtrak for the payment of costs associ-  
8 ated with early buyout options if the exercise of  
9 those options is determined to be advantageous to  
10 Amtrak.

11 **SEC. 104. EXCESS RAILROAD RETIREMENT.**

12 There are authorized to be appropriated to the Sec-  
13 retary of Transportation, beginning with fiscal year 2006,  
14 such sums as may be necessary to pay to the Railroad  
15 Retirement Account an amount equal to the amount Am-  
16 trak must pay under section 3221 of the Internal Revenue  
17 Code of 1986 in such fiscal years that is more than the  
18 amount needed for benefits for individuals who retire from  
19 Amtrak and for their beneficiaries. For each fiscal year  
20 in which the Secretary makes such a payment, the  
21 amounts authorized by section 101(a) shall be reduced by  
22 an amount equal to such payment.

23 **SEC. 105. OTHER AUTHORIZATIONS.**

24 There are authorized to be appropriated to the Sec-  
25 retary of Transportation—

1           (1) \$5,000,000 for each of fiscal years 2006  
2 through 2011 to carry out the rail cooperative re-  
3 search program under section 24910 of title 49,  
4 United States Code; and

5           (2) \$5,000,000 for fiscal year 2006, to remain  
6 available until expended, for grants to Amtrak and  
7 States participating in the Next Generation Corridor  
8 Train Equipment Pool Committee established under  
9 section 303 of this Act for the purpose of designing,  
10 developing specifications for, and initiating the pro-  
11 curement of an initial order of 1 or more types of  
12 standardized next-generation corridor train equip-  
13 ment and establishing a jointly-owned corporation to  
14 manage that equipment.

15 **TITLE II—AMTRAK REFORM AND**  
16 **OPERATIONAL IMPROVEMENTS**

17 **SEC. 201. NATIONAL RAILROAD PASSENGER TRANSPOR-**  
18 **TATION SYSTEM DEFINED.**

19           (a) IN GENERAL.—Section 24102 is amended—

20                 (1) by striking paragraph (2);

21                 (2) by redesignating paragraphs (3), (4), and  
22 (5) as paragraphs (2), (3), and (4), respectively; and

23                 (3) by inserting after paragraph (4) as so re-  
24 designated the following:

1           “(5) ‘national rail passenger transportation sys-  
2           tem’ means—

3                   “(A) the segment of the Northeast Cor-  
4                   ridor between Boston, Massachusetts and  
5                   Washington, D.C.;

6                   “(B) rail corridors that have been des-  
7                   ignated by the Secretary of Transportation as  
8                   high-speed corridors (other than corridors de-  
9                   scribed in subparagraph (A)), but only after they  
10                  have been improved to permit operation of high-  
11                  speed service;

12                  “(C) long-distance routes of more than  
13                  750 miles between endpoints operated by Am-  
14                  trak as of the date of enactment of the Pas-  
15                  senger Rail Investment and Improvement Act of  
16                  2005; and

17                  “(D) short-distance corridors, or routes of  
18                  not more than 750 miles between endpoints, op-  
19                  erated by—

20                           “(i) Amtrak; or

21                           “(ii) another rail carrier that receives  
22                           funds under chapter 244.”.

23           (b) AMTRAK ROUTES WITH STATE FUNDING.—

24                   (1) IN GENERAL.—Chapter 247 is amended by  
25                   inserting after section 24701 the following:



1 **“§ 24702. Transportation requested by States, au-**  
 2 **thorities, and other persons**

3 “(a) CONTRACTS FOR TRANSPORTATION.—Amtrak  
 4 and a State, a regional or local authority, or another per-  
 5 son may enter into a contract for Amtrak to operate an  
 6 intercity rail service or route not included in the national  
 7 rail passenger transportation system upon such terms as  
 8 the parties thereto may agree.

9 “(b) DISCONTINUANCE.—Upon termination of a con-  
 10 tract entered into under this section, or the cessation of  
 11 financial support under such a contract by either party,  
 12 Amtrak may discontinue such service or route, notwith-  
 13 standing any other provision of law.”.

14 (2) CONFORMING AMENDMENT.—The chapter  
 15 analysis for chapter 247 is amended by inserting  
 16 after the item relating to section 24701 the fol-  
 17 lowing:

“24702. Transportation requested by States, authorities, and other persons.”.

18 (c) AMTRAK TO CONTINUE TO PROVIDE NON-HIGH-  
 19 SPEED SERVICES.—Nothing in this Act is intended to pre-  
 20 clude Amtrak from restoring, improving, or developing  
 21 non-high-speed intercity passenger rail service.

22 **SEC. 202. AMTRAK BOARD OF DIRECTORS.**

23 (a) IN GENERAL.—Section 24302 is amended to read  
 24 as follows:

1 **“§ 24302. Board of directors**

2 “(a) COMPOSITION AND TERMS.—

3 “(1) The Board of Directors of Amtrak is com-  
4 posed of the following 9 directors, each of whom  
5 must be a citizen of the United States:

6 “(A) The Secretary of Transportation.

7 “(B) The President of Amtrak.

8 “(C) 7 individuals appointed by the Presi-  
9 dent of the United States, by and with the ad-  
10 vice and consent of the Senate, with general  
11 business and financial experience, experience or  
12 qualifications in transportation, freight and  
13 passenger rail transportation, travel, hospi-  
14 tality, cruise line, and passenger air transpor-  
15 tation businesses, or representatives of users of  
16 passenger rail transportation or State govern-  
17 ment.

18 “(2) In selecting individuals described in para-  
19 graph (1) for nominations for appointments to the  
20 Board, the President shall consult with the Speaker  
21 of the House of Representatives, the minority leader  
22 of the House of Representatives, the majority leader  
23 of the Senate, and the minority leader of the Senate  
24 and try to provide adequate and balanced represen-  
25 tation of the major geographic regions of the United  
26 States served by Amtrak.

1           “(3) An individual appointed under paragraph  
2           (1)(C) of this subsection serves for 5 years or until  
3           the individual’s successor is appointed and qualified.  
4           Not more than 4 individuals appointed under para-  
5           graph (1)(C) may be members of the same political  
6           party.

7           “(4) The Board shall elect a chairman and a  
8           vice chairman from among its membership. The vice  
9           chairman shall serve as chairman in the absence of  
10          the chairman.

11          “(5) The Secretary may be represented at  
12          board meetings by the Secretary’s designee.

13          “(b) PAY AND EXPENSES.—Each director not em-  
14          ployed by the United States Government is entitled to  
15          \$300 a day when performing Board duties. Each Director  
16          is entitled to reimbursement for necessary travel, reason-  
17          able secretarial and professional staff support, and sub-  
18          sistence expenses incurred in attending Board meetings.

19          “(c) VACANCIES.—A vacancy on the Board is filled  
20          in the same way as the original selection, except that an  
21          individual appointed by the President of the United States  
22          under subsection (a)(1)(C) of this section to fill a vacancy  
23          occurring before the end of the term for which the prede-  
24          cessor of that individual was appointed is appointed for  
25          the remainder of that term. A vacancy required to be filled

1 by appointment under subsection (a)(1)(C) must be filled  
2 not later than 120 days after the vacancy occurs.

3 “(d) QUORUM.—A majority of the members serving  
4 shall constitute a quorum for doing business.

5 “(e) BYLAWS.—The Board may adopt and amend by-  
6 laws governing the operation of Amtrak. The bylaws shall  
7 be consistent with this part and the articles of incorpora-  
8 tion.”.

9 (b) EFFECTIVE DATE FOR DIRECTORS’ PROVI-  
10 SION.—The amendment made by subsection (a) shall take  
11 effect on January 1, 2006. The members of the Amtrak  
12 Board serving on the date of enactment of this Act may  
13 continue to serve for the remainder of the term to which  
14 they were appointed.

15 **SEC. 203. ESTABLISHMENT OF IMPROVED FINANCIAL AC-**  
16 **COUNTING SYSTEM.**

17 (a) IN GENERAL.—The Amtrak Board of Directors—

18 (1) may employ an independent financial con-  
19 sultant with experience in railroad accounting to as-  
20 sist Amtrak in improving Amtrak’s financial ac-  
21 counting and reporting system and practices; and

22 (2) shall implement a modern financial account-  
23 ing and reporting system that will produce accurate  
24 and timely financial information in sufficient de-  
25 tail—

1 (A) to enable Amtrak to assign revenues  
2 and expenses appropriately to each of its lines  
3 of business and to each major activity within  
4 each line of business activity, including train  
5 operations, equipment maintenance, ticketing,  
6 and reservations;

7 (B) to aggregate expenses and revenues re-  
8 lated to infrastructure and distinguish them  
9 from expenses and revenues related to rail oper-  
10 ations;

11 (C) to allow the analysis of ticketing and  
12 reservation information on a real-time basis;  
13 and

14 (D) to provide Amtrak cost accounting  
15 data.

16 (b) VERIFICATION OF SYSTEM; REPORT.—The In-  
17 spector General of the Department of Transportation shall  
18 review the accounting system designed and implemented  
19 under subsection (a) to ensure that it accomplishes the  
20 purposes for which it is intended. The Inspector General  
21 shall report his findings and conclusions, together with  
22 any recommendations, to the Senate Committee on Com-  
23 merce, Science, and Transportation and the House of Rep-  
24 resentatives Committee on Transportation and Infrastruc-  
25 ture.

1 **SEC. 204. DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.**

2 (a) DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.—

3 The Amtrak Board of Directors shall submit an annual  
4 budget for Amtrak, and a 5-year financial plan for the  
5 fiscal year to which that budget relates and the subsequent  
6 4 years, prepared in accordance with this section, to the  
7 Secretary of Transportation and the Inspector General of  
8 the Department of Transportation no later than—

9 (1) the first day of each fiscal year beginning  
10 after the date of enactment of this Act; or

11 (2) the date that is 60 days after the date of  
12 enactment of an appropriation Act for the fiscal  
13 year, if later.

14 (b) CONTENTS OF 5-YEAR FINANCIAL PLAN.—The  
15 5-year financial plan for Amtrak shall include, at a min-  
16 imum—

17 (1) all projected revenues and expenditures for  
18 Amtrak, including governmental funding sources;

19 (2) projected ridership levels for all Amtrak  
20 passenger operations;

21 (3) revenue and expenditure forecasts for non-  
22 passenger operations;

23 (4) capital funding requirements and expendi-  
24 tures necessary to maintain passenger service which  
25 will accommodate predicted ridership levels and pre-  
26 dicted sources of capital funding;

1           (5) operational funding needs, if any, to main-  
2           tain current and projected levels of passenger serv-  
3           ice, including state-supported routes and predicted  
4           funding sources;

5           (6) projected capital and operating require-  
6           ments, ridership, and revenue for any new passenger  
7           service operations or service expansions;

8           (7) an assessment of the continuing financial  
9           stability of Amtrak, as indicated by factors such as  
10          the ability of the Federal Government to fund cap-  
11          ital and operating requirements adequately, Am-  
12          trak's ability to efficiently manage its workforce, and  
13          Amtrak's ability to effectively provide passenger  
14          train service;

15          (8) estimates of long-term and short-term debt  
16          and associated principle and interest payments (both  
17          current and anticipated);

18          (9) annual cash flow forecasts; and

19          (10) a statement describing methods of esti-  
20          mation and significant assumptions.

21          (c) STANDARDS TO PROMOTE FINANCIAL STA-  
22          BILITY.—In meeting the requirements of subsection (b),  
23          Amtrak shall—

24                 (1) apply sound budgetary practices, including  
25                 reducing costs and other expenditures, improving

1 productivity, increasing revenues, or combinations of  
2 such practices;

3 (2) use the categories specified in the financial  
4 accounting and reporting system developed under  
5 section 203 when preparing its 5-year financial plan;  
6 and

7 (3) ensure that the plan is consistent with the  
8 authorizations of appropriations under title I of this  
9 Act.

10 (d) ASSESSMENT BY DOT INSPECTOR GENERAL.—

11 (1) IN GENERAL.—The Inspector General of  
12 the Department of Transportation shall assess the  
13 5-year financial plans prepared by Amtrak under  
14 this section to determine whether they meet the re-  
15 quirements of subsection (b), and may suggest revi-  
16 sions to any components thereof that do not meet  
17 those requirements.

18 (2) ASSESSMENT TO BE FURNISHED TO THE  
19 CONGRESS.—The Inspector General shall furnish to  
20 the House of Representatives Committee on Appro-  
21 priations, the Senate Committee on Appropriations,  
22 the House of Representatives Committee on Trans-  
23 portation and Infrastructure, and the Senate Com-  
24 mittee on Commerce, Science, and Transportation—



1           (A) an assessment of the annual budget  
2           within 90 days after receiving it from Amtrak;  
3           and

4           (B) an assessment of the remaining 4  
5           years of the 5-year financial plan within 180  
6           days after receiving it from Amtrak.

7 **SEC. 205. ESTABLISHMENT OF GRANT PROCESS.**

8           (a) **GRANT REQUESTS.**—Amtrak shall submit grant  
9           requests (including a schedule for the disbursement of  
10           funds), consistent with the requirements of this Act, to  
11           the Secretary of Transportation for funds authorized to  
12           be appropriated to the Secretary for the use of Amtrak  
13           under sections 101 (a) and (b), 103, and 105.

14           (b) **PROCEDURES FOR GRANT REQUESTS.**—The Sec-  
15           retary shall establish substantive and procedural require-  
16           ments, including schedules, for grant requests under this  
17           section not later than 30 days after the date of enactment  
18           of this Act and shall transmit copies to the Senate Com-  
19           mittee on Commerce, Science, and Transportation and the  
20           House of Representatives Committee on Transportation  
21           and Infrastructure.

22           (c) **REVIEW AND APPROVAL.**—

23           (1) **30-DAY APPROVAL PROCESS.**—The Sec-  
24           retary shall complete the review of a complete grant  
25           request (including the disbursement schedule) and

1 approve or disapprove the request within 30 days  
2 after the date on which Amtrak submits the grant  
3 request. If the Secretary disapproves the request or  
4 determines that the request is incomplete or defi-  
5 cient, the Secretary shall include the reason for dis-  
6 approval or the incomplete items or deficiencies in  
7 the notice to Amtrak.

8 (2) 15-DAY MODIFICATION PERIOD.—Within 15  
9 days after receiving notification from the Secretary  
10 under the preceding sentence, Amtrak shall submit  
11 a modified request for the Secretary’s review.

12 (3) REVISED REQUESTS.—Within 15 days after  
13 receiving a modified request from Amtrak, the Sec-  
14 retary shall either approve the modified request, or,  
15 if the Secretary finds that the request is still incom-  
16 plete or deficient, the Secretary shall identify in writ-  
17 ing to the Senate Committee on Commerce, Science,  
18 and Transportation and the House of Representatives  
19 Committee on Transportation and Infrastructure the  
20 remaining deficiencies and recommend a process for  
21 resolving the outstanding portions of the request.

22 **SEC. 206. STATE-SUPPORTED ROUTES.**

23 (a) IN GENERAL.—Within 2 years after the date of  
24 enactment of this Act, the Board of Directors of Amtrak,  
25 in consultation with the Secretary of Transportation and

1 the chief executive officer of each State and the District  
2 of Columbia, shall develop and implement a standardized  
3 methodology for establishing and allocating the operating  
4 and capital costs among the States and Amtrak associated  
5 with trains operated on routes described in section  
6 24102(5) (B) or (D) or section 24702 that—

7           (1) ensures, within 5 years after the date of en-  
8           actment of this Act, equal treatment in the provision  
9           of like services of all States and groups of States  
10          (including the District of Columbia); and

11          (2) allocates to each route the costs incurred  
12          only for the benefit of that route and a propor-  
13          tionate share, based upon factors that reasonably re-  
14          flect relative use, of cost incurred for the common  
15          benefit of more than 1 route.

16          (b) REVIEW.—If Amtrak and the States (including  
17 the District of Columbia) in which Amtrak operates such  
18 routes do not voluntarily adopt and implement the meth-  
19 odology developed under subsection (a) in allocating costs  
20 and determining compensation for the provision of service  
21 in accordance with the date established therein, the Sur-  
22 face Transportation Board shall determine the appro-  
23 priate methodology required under subsection (a) for such  
24 services in accordance with the procedures and procedural  
25 schedule applicable to a proceeding under section 24904(c)

1 of title 49, United States Code, and require the full imple-  
2 mentation of this methodology with regards to the provi-  
3 sion of such service within 1 year after the Board's deter-  
4 mination of the appropriate methodology.

5 (c) USE OF CHAPTER 244 FUNDS.—Funds provided  
6 to a State under chapter 244 of title 49, United States  
7 Code, may be used, as provided in that chapter, to pay  
8 capital costs determined in accordance with this section.

9 **SEC. 207. INDEPENDENT AUDITOR TO ESTABLISH METH-**  
10 **ODOLOGIES FOR AMTRAK ROUTE AND SERV-**  
11 **ICE PLANNING DECISIONS.**

12 (a) METHODOLOGY DEVELOPMENT.—The Federal  
13 Railroad Administration shall obtain the services of an  
14 independent auditor or consultant to develop and rec-  
15 ommend objective methodologies for determining intercity  
16 passenger routes and services, including the establishment  
17 of new routes, the elimination of existing routes, and the  
18 contraction or expansion of services or frequencies over  
19 such routes. In developing such methodologies, the auditor  
20 or consultant shall consider—

21 (1) the current or expected performance and  
22 service quality of intercity train operations, including  
23 cost recovery, on-time performance and minutes of  
24 delay, ridership, on-board services, stations, facili-  
25 ties, equipment, and other services;

1           (2) connectivity of a route with other routes;

2           (3) the transportation needs of communities  
3           and populations that are not well served by other  
4           forms of public transportation; and

5           (4) Amtrak's and other major intercity pas-  
6           senger rail service providers in other countries'  
7           methodologies for determining intercity passenger  
8           rail routes and services.

9           (b) SUBMITTAL TO CONGRESS.—The auditor or con-  
10          sultant shall submit recommendations developed under  
11          subsection (a) to Amtrak, the House of Representatives  
12          Committee on Transportation and Infrastructure, and the  
13          Senate Committee on Commerce, Science, and Transpor-  
14          tation.

15          (c) CONSIDERATION OF RECOMMENDATIONS.—With-  
16          in 90 days after receiving the recommendations developed  
17          under subsection (a) by the independent auditor or con-  
18          sultant, the Amtrak Board shall consider the adoption of  
19          those recommendations. The Board shall transmit a report  
20          to the Senate Committee on Commerce, Science, and  
21          Transportation and the House of Representatives Com-  
22          mittee on Transportation and Infrastructure explaining its  
23          action in adopting or failing to adopt any of the rec-  
24          ommendations.

1 (d) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be made available to the Secretary of  
3 Transportation, out of any amounts authorized by this Act  
4 to be appropriated for the benefit of Amtrak and not oth-  
5 erwise obligated or expended, such sums as may be nec-  
6 essary to carry out this section.

7 **SEC. 208. METRICS AND STANDARDS.**

8 (a) IN GENERAL.—Within 180 days after the date  
9 of enactment of this Act, the Administrator of the Federal  
10 Railroad Administration and Amtrak shall jointly, in con-  
11 sultation with the Surface Transportation Board, and rail  
12 carriers over whose rail lines Amtrak trains operate, as  
13 appropriate, develop new or improve existing metrics and  
14 minimum standards for measuring the performance and  
15 service quality of intercity train operations, including cost  
16 recovery, on-time performance and minutes of delay, rider-  
17 ship, on-board services, stations, facilities, equipment, and  
18 other services. Such metrics, at a minimum, shall include  
19 the percentage of avoidable and fully allocated operating  
20 costs covered by passenger revenues on each route, rider-  
21 ship per train mile operated, measures of on-time perform-  
22 ance and delays incurred by intercity trains on the rail  
23 lines of each rail carrier and, for long distance routes, and  
24 measures of connectivity with other routes. Amtrak shall  
25 provide reasonable access to the Federal Railroad Admin-

1 istration in order to enable the Administration to carry  
2 out its duty under this section.

3 (b) QUARTERLY REPORTS.—The Administrator of  
4 the Federal Railroad Administration shall collect the nec-  
5 essary data and publish a quarterly report on the perform-  
6 ance and service quality of intercity train operations, in-  
7 cluding cost recovery, ridership, on-time performance and  
8 minutes of delay, causes of delay, on-board services, sta-  
9 tions, facilities, equipment, and other services.

10 **SEC. 209. PASSENGER TRAIN PERFORMANCE.**

11 (a) IN GENERAL.—Section 24308 is amended by  
12 adding at the end the following:

13 “(f) PASSENGER TRAIN PERFORMANCE AND OTHER  
14 STANDARDS.—

15 “(1) INVESTIGATION OF SUBSTANDARD PER-  
16 FORMANCE.—If the on-time performance of any  
17 intercity passenger train averages less than 80 per-  
18 cent for any 2 consecutive calendar quarters, or the  
19 service quality of intercity train operations for which  
20 minimum standards are established under section  
21 208 of the Passenger Rail Investment and Improve-  
22 ment Act of 2005 fails to meet those standards for  
23 2 consecutive calendar quarters, the Surface Trans-  
24 portation Board shall investigate whether, and to  
25 what extent, delays or failure to achieve minimum

1 standards are due to causes that could reasonably be  
2 addressed by a rail carrier over the tracks of which  
3 the intercity passenger train operates or reasonably  
4 addressed by the intercity passenger rail operator.  
5 In carrying out such an investigation, the Board  
6 shall obtain information from all parties involved  
7 and make recommendations regarding reasonable  
8 measures to improve the service, quality, and on-  
9 time performance of the train.

10 “(2) PROBLEMS CAUSED BY HOST RAIL CAR-  
11 RIER.—If the Board determines that delays or fail-  
12 ures to achieve minimum standards investigated  
13 under paragraph (1) are attributable to a rail car-  
14 rier’s failure to provide preference to Amtrak over  
15 freight transportation under subsection (c), then the  
16 Board shall enforce its recommendations for relief  
17 under this section.

18 “(3) PENALTIES.—

19 “(A) IN GENERAL.—The Board shall pub-  
20 lish a schedule of penalties which will—

21 “(i) fairly reflect the extent to which  
22 Amtrak suffers financial loss as a result of  
23 host rail carrier delays or failure to achieve  
24 minimum standards; and



1                   “(ii) will adequately deter future ac-  
 2                   tions which may reasonably be expected to  
 3                   be likely to result in delays to Amtrak.

4                   “(B) ASSESSMENT.—The Board may as-  
 5                   sess these penalties upon a host rail carrier.

6                   “(C) USE.—The Board shall make any  
 7                   amounts received as penalties under this para-  
 8                   graph available to Amtrak.

9                   (b) CHANGE OF REFERENCE.—Section 24308 is  
 10                  amended—

11                  (1) by striking “Interstate Commerce Commis-  
 12                  sion” in subsection (a)(2)(A) and inserting “Surface  
 13                  Transportation Board”;

14                  (2) by striking “Commission” each place it ap-  
 15                  pears and inserting “Board”;

16                  (3) by striking “Secretary” the last 3 places it  
 17                  appears in subsection (c) and inserting “Board”.

18                  **SEC. 210. LONG DISTANCE ROUTES.**

19                  (a) IN GENERAL.—Chapter 247 is amended by add-  
 20                  ing at the end thereof the following:

21                  **“§ 24710. Long distance routes**

22                  “(a) ANNUAL EVALUATION.—Using the financial and  
 23                  performance metrics developed under section 208 of the  
 24                  Passenger Rail Investment and Improvement Act of 2005,  
 25                  Amtrak shall—

1           “(1) evaluate annually the performance of each  
2 long distance passenger rail route operated by Am-  
3 trak; and

4           “(2) rank the overall performance of such  
5 routes for 2006 and identify each long distance pas-  
6 senger rail route operated by Amtrak in 2006 ac-  
7 cording to its overall performance as belonging to  
8 the best performing third of such routes, the second  
9 best performing third of such routes, or the worst  
10 performing third of such routes.

11       “(b) PERFORMANCE IMPROVEMENT PLAN.—Amtrak  
12 shall develop a performance improvement plan for its long  
13 distance passenger rail routes based on the data collected  
14 through the application of the financial and performance  
15 metrics developed under section 208 of that Act. The plan  
16 shall address—

17           “(1) on-time performance;

18           “(2) scheduling, frequency, routes, and stops;

19           “(3) the feasibility of restructuring service into  
20 connected corridor service;

21           “(4) performance-related equipment changes  
22 and capital improvements;

23           “(5) on-board amenities and service, including  
24 food and sleeping car service;

1           “(6) State or other non-Federal financial con-  
2           tributions; and

3           “(7) other aspects of Amtrak’s long distance  
4           passenger rail routes that affect the financial, com-  
5           petitive, and functional performance of service on  
6           Amtrak’s long distance passenger rail routes.

7           “(c) IMPLEMENTATION.—Amtrak shall implement  
8           the performance improvement plan developed under sub-  
9           section (b)—

10           “(1) beginning in fiscal year 2007 for those  
11           routes identified as being in the worst performing  
12           third under subsection (a)(3);

13           “(2) beginning in fiscal year 2008 for those  
14           routes identified as being in the second best per-  
15           forming third under subsection (a)(3); and

16           “(3) beginning in fiscal year 2009 for those  
17           routes identified as being in the best performing  
18           third under subsection (a)(3).

19           “(d) ENFORCEMENT.—The Federal Railroad Admin-  
20           istration shall monitor the development, implementation,  
21           and outcome of improvement plans under this section. If,  
22           for any year, it determines that Amtrak is not making  
23           reasonable progress in implementing its performance im-  
24           provement plan or in achieving the expected outcome of

1 the plan for any calendar year, the Federal Railroad Ad-  
 2 ministration—

3 “(1) shall notify Amtrak of its determination  
 4 under this subsection;

5 “(2) shall provide an opportunity for a hearing  
 6 with respect to that determination; and

7 “(3) may withhold any appropriated funds oth-  
 8 erwise available to Amtrak for the operation of a  
 9 route or routes on which it is not making progress,  
 10 other than funds made available for passenger safety  
 11 or security measures.”.

12 (b) CONFORMING AMENDMENT.—The chapter anal-  
 13 ysis for chapter 247 is amended by inserting after the item  
 14 relating to section 24709 the following:

“24710. Long distance routes.”.

15 **SEC. 211. ALTERNATE PASSENGER RAIL SERVICE PRO-**  
 16 **GRAM.**

17 (a) IN GENERAL.—Chapter 247, as amended by sec-  
 18 tion 209, is amended by adding at the end thereof the  
 19 following:

20 **“§ 24711. Alternate passenger rail service program**

21 “(a) IN GENERAL.—Within 1 year after the date of  
 22 enactment of the Passenger Rail Investment and Improve-  
 23 ment Act of 2005, the Federal Railroad Administration  
 24 shall initiate a rulemaking proceeding to develop a pro-  
 25 gram under which—

1           “(1) a rail carrier or rail carriers that own in-  
2           frastructure over which Amtrak operates a pas-  
3           senger rail service route described in subparagraph  
4           (B) or (D) of section 24102(5) or in section 24702  
5           of title 49, United States Code may petition the  
6           Federal Railroad Administration to be considered as  
7           a passenger rail service provider over that route in  
8           lieu of Amtrak;

9           “(2) the Administration would notify Amtrak  
10          within 30 days after receiving a petition under para-  
11          graph (1) and establish a deadline by which both the  
12          petitioner and Amtrak would be required to submit  
13          a bid to provide passenger rail service over the route  
14          to which the petition relates;

15          “(3) the Administration would make a decision  
16          within a specified, limited time after that deadline  
17          awarding to the winning bidder—

18                 “(A) the right and obligation to provide  
19                 passenger rail service over that route subject to  
20                 such performance standards as the Administra-  
21                 tion may require; and

22                 “(B) an operating subsidy will be pro-  
23                 vided—

24                         “(i) for the first year at a level not in  
25                         excess of the level in effect during the fis-

1 cal year preceding the fiscal year in which  
2 the petition was received, adjusted for in-  
3 flation; and

4 “(ii) for any subsequent years at such  
5 level, adjusted for inflation.

6 “(b) IMPLEMENTATION.—

7 “(1) INITIAL PETITIONS.—Pursuant to any  
8 rules or regulations promulgated under subsection  
9 (A), the Administration shall establish a deadline for  
10 the submission of a petition under subsection (a)—

11 “(A) during fiscal year 2007 for operations  
12 commencing in fiscal year 2008; and

13 “(B) during the immediately preceding fis-  
14 cal year for operations commencing in subse-  
15 quent fiscal years.

16 “(2) ROUTE LIMITATIONS.—The Administra-  
17 tion may not make the program available with re-  
18 spect to more than 1 Amtrak passenger rail routes  
19 for operations beginning in fiscal year 2008 nor to  
20 more than 2 such routes for operations beginning in  
21 fiscal year 2009 and subsequent fiscal years.

22 “(c) PERFORMANCE STANDARDS; ACCESS TO FACILI-  
23 TIES; EMPLOYEES.—If the Administration awards the  
24 right and obligation to provide passenger rail service over

1 a route under the program to a rail carrier or rail car-  
2 riers—

3           “(1) it shall execute a contract with the rail  
4 carrier or rail carriers for rail passenger operations  
5 on that route that conditions the operating and sub-  
6 sidy rights upon the service provider’s compliance  
7 with the minimum standards established under sec-  
8 tion 208 of the Passenger Rail Investment and Im-  
9 provement Act of 2005 and such additional perform-  
10 ance standards as the Administration may establish;

11           “(2) it shall, if the award is made to a rail car-  
12 rier other than Amtrak, require Amtrak to provide  
13 access to its reservation system, stations, and facili-  
14 ties to any rail carrier or rail carriers awarded a  
15 contract under this section, in accordance with sec-  
16 tion 218 of that Act, necessary to carry out the pur-  
17 poses of this section; and

18           “(3) any person used by a rail carrier or rail  
19 carriers to operate a route under this section shall  
20 be considered an employee of that carrier or carriers  
21 and subject to the applicable Federal laws and regu-  
22 lations governing similar crafts or classes of employ-  
23 ees of Amtrak, including provisions under section  
24 121 of the Amtrak Reform and Accountability Act

1 of 1997 relating to employees that provide food and  
2 beverage service.

3 “(d) CESSATION OF SERVICE.—If a rail carrier or  
4 rail carriers awarded a route under this section cease to  
5 operate the service or fail to fulfill their obligations under  
6 the contract required under subsection (c), the Adminis-  
7 trator, in collaboration with the Surface Transportation  
8 Board when applicable, shall take any necessary action  
9 consistent with this title to enforce the contract and en-  
10 sure the continued provision of service, including the in-  
11 stallment of an interim service provider and re-bidding the  
12 contract to operate the service.

13 “(e) ADEQUATE RESOURCES.—Before taking any ac-  
14 tion allowed under this section, the Secretary shall certify  
15 that the Administrator has sufficient resources that are  
16 adequate to undertake the program established under this  
17 section.”.

18 (b) CONFORMING AMENDMENT.—The chapter anal-  
19 ysis for chapter 247, as amended by section 209, is  
20 amended by inserting after the item relating to section  
21 24710 the following:

“24711. Alternate passenger rail service program.”.

22 **SEC. 212. EMPLOYEE TRANSITION ASSISTANCE.**

23 (a) PROVISION OF FINANCIAL INCENTIVES.—For  
24 Amtrak employees who are adversely affected by the ces-  
25 sation of the operation of a long distance route or any



1 other route under section 24711 of title 49, United States  
2 Code, previously operated by Amtrak, the Secretary shall  
3 develop a program under which the Secretary may, in the  
4 Secretary's discretion, provide grants for financial incen-  
5 tives to be provided to employees of the National Railroad  
6 Passenger Corporation who voluntarily terminate their  
7 employment with the Corporation and relinquish any legal  
8 rights to receive termination-related payments under any  
9 contractual agreement with the Corporation.

10 (b) CONDITIONS FOR FINANCIAL INCENTIVES.—As a  
11 condition for receiving financial assistance grants under  
12 this section, the Corporation must certify that—

13 (1) a reasonable attempt was made to reassign  
14 an employee adversely affected under section 24711  
15 of title 49, United States Code, or by the elimination  
16 of any route, to other positions within the Corpora-  
17 tion in accordance with any contractual agreements;

18 (2) the financial assistance results in a net re-  
19 duction in the total number of employees equal to  
20 the number receiving financial incentives;

21 (3) the financial assistance results in a net re-  
22 duction in total employment expense equivalent to  
23 the total employment expenses associated with the  
24 employees receiving financial incentives; and

1           (4) the total number of employees eligible for  
2           termination-related payments will not be increased  
3           without the express written consent of the Secretary.

4           (c) AMOUNT OF FINANCIAL INCENTIVES.—The fi-  
5           nancial incentives authorized under this section may be  
6           no greater than \$50,000 per employee.

7           (d) AUTHORIZATION OF APPROPRIATIONS.—There  
8           are hereby authorized to be appropriated to the Secretary  
9           such sums as may be necessary to make grants to the Na-  
10          tional Railroad Passenger Corporation to provide financial  
11          incentives under subsection (a).

12          (e) TERMINATION-RELATED PAYMENTS.—If Amtrak  
13          employees adversely affected by the cessation of Amtrak  
14          service resulting from the awarding of a grant to an oper-  
15          ator other than Amtrak for the operation of a route under  
16          section 24711 of title 49, United States Code, or any other  
17          route, previously operated by Amtrak do not receive finan-  
18          cial incentives under subsection (a), then the Secretary  
19          shall make grants to the National Railroad Passenger Cor-  
20          poration from funds authorized by section 102 of this Act  
21          for termination-related payments to employees under ex-  
22          isting contractual agreements.

1 **SEC. 213. NORTHEAST CORRIDOR STATE-OF-GOOD-REPAIR**  
2 **PLAN.**

3 (a) IN GENERAL.—Within 6 months after the date  
4 of enactment of this Act, the National Railroad Passenger  
5 Corporation, in consultation with the Secretary and the  
6 States (including the District of Columbia) that make up  
7 the Northeast Corridor (as defined in section 24102 of  
8 title 49, United States Code), shall prepare a capital  
9 spending plan for capital projects required to return the  
10 Northeast Corridor to a state of good repair by the end  
11 of fiscal year 2011, consistent with the funding levels au-  
12 thorized in this Act and shall submit the plan to the Sec-  
13 retary.

14 (b) APPROVAL BY THE SECRETARY.—

15 (1) The Corporation shall submit the capital  
16 spending plan prepared under this section to the  
17 Secretary of Transportation for review and approval  
18 pursuant to the procedures developed under section  
19 205 of this Act.

20 (2) The Secretary of Transportation shall re-  
21 quire that the plan be updated at least annually and  
22 shall review and approve such updates. During re-  
23 view, the Secretary shall seek comments and review  
24 from the commission established under section  
25 24905 of title 49, United States Code, and other  
26 Northeast Corridor users regarding the plan.

1           (3) The Secretary shall make grants to the Cor-  
 2           poration with funds authorized by section 101(b) for  
 3           Northeast Corridor capital investments contained  
 4           within the capital spending plan prepared by the  
 5           Corporation and approved by the Secretary.

6           (c) ELIGIBILITY OF EXPENDITURES.—The Federal  
 7           share of expenditures for capital improvements under this  
 8           section may not exceed 100 percent.

9           **SEC. 214. NORTHEAST CORRIDOR INFRASTRUCTURE AND**  
 10           **OPERATIONS IMPROVEMENTS.**

11           (a) IN GENERAL.—Section 24905(a) is amended to  
 12           read as follows:

13           **“§ 24905. Northeast Corridor Infrastructure and Op-**  
 14           **erations Advisory Commission; Safety**  
 15           **and Security Committee**

16           “(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND  
 17           OPERATIONS ADVISORY COMMISSION.—

18           “(1) Within 180 days after the date of enact-  
 19           ment of the Passenger Rail Investment and Im-  
 20           provement Act of 2005, the Secretary of Transpor-  
 21           tation shall establish a ‘Northeast Corridor Infra-  
 22           structure and Operations Advisory Commission’  
 23           (hereinafter referred to in this section as the ‘Com-  
 24           mission’) to promote mutual cooperation and plan-  
 25           ning pertaining to the rail operations and related ac-

1           activities of the Northeast Corridor. The Commission  
2           shall be made up of—

3                   “(A) members representing the National  
4           Railroad Passenger Corporation;

5                   “(B) members representing the Federal  
6           Railroad Administration; and

7                   “(C) 1 member from each of the States  
8           (including the District of Columbia) that con-  
9           stitute the Northeast Corridor as defined in sec-  
10          tion 24102, designated by the chief executive  
11          officer thereof.

12                  “(2) The Secretary shall ensure that the mem-  
13          bership belonging to any of the groups enumerated  
14          under subparagraph (1) shall not constitute a major-  
15          ity of the commission’s memberships.

16                  “(3) The commission shall establish a schedule  
17          and location for convening meetings, but shall meet  
18          no less than four times per fiscal year, and the com-  
19          mission shall develop rules and procedures to govern  
20          the commission’s proceedings.

21                  “(4) A vacancy in the Commission shall be  
22          filled in the manner in which the original appoint-  
23          ment was made.

24                  “(5) Members shall serve without pay but shall  
25          receive travel expenses, including per diem in lieu of

1 subsistence, in accordance with sections 5702 and  
2 5703 of title 5, United States Code.

3 “(6) The Chairman of the Commission shall be  
4 elected by the members.

5 “(7) The Commission may appoint and fix the  
6 pay of such personnel as it considers appropriate.

7 “(8) Upon request of the Commission, the head  
8 of any department or agency of the United States  
9 may detail, on a reimbursable basis, any of the per-  
10 sonnel of that department or agency to the Commis-  
11 sion to assist it in carrying out its duties under this  
12 section.

13 “(9) Upon the request of the Commission, the  
14 Administrator of General Services shall provide to  
15 the Commission, on a reimbursable basis, the admin-  
16 istrative support services necessary for the Commis-  
17 sion to carry out its responsibilities under this sec-  
18 tion.

19 “(10) The commission shall consult with freight  
20 railroads users of the Northeast Corridor and other  
21 entities as appropriate.

22 “(b) GENERAL RECOMMENDATIONS.—The Commis-  
23 sion shall develop recommendations concerning northeast  
24 corridor rail infrastructure and operations including pro-  
25 posals addressing, as appropriate—

1           “(1) short-term and long term capital invest-  
2           ment needs beyond the stat-of-good-repair under sec-  
3           tion 213;

4           “(2) future funding requirements for capital  
5           improvements and maintenance;

6           “(3) operational improvements of intercity pas-  
7           senger rail, commuter rail, and freight rail services;

8           “(4) opportunities for additional non-rail uses  
9           of the Northeast Corridor;

10          “(5) scheduling and dispatching;

11          “(6) safety and security enhancements;

12          “(7) equipment design;

13          “(8) marketing of rail services; and

14          “(9) future capacity requirements.

15          “(c) ACCESS COSTS.—

16                 “(1) DEVELOPMENT OF FORMULA.—Within 1  
17                 year after verification of Amtrak’s new financial ac-  
18                 counting system pursuant to section 203(b) of the  
19                 Passenger Rail Investment and Improvement Act of  
20                 2005, the Commission shall—

21                         “(A) develop a standardized formula for  
22                         determining and allocating costs, revenues, and  
23                         compensation for northeast corridor commuter  
24                         rail passenger transportation, as defined in sec-  
25                         tion 24102 of this title, that use National Rail-

1 road Passenger Corporation facilities or services  
2 or that provide such facilities or services to the  
3 National Railroad Passenger Corporation that  
4 ensure that—

5 “(i) there is no cross-subsidization of  
6 commuter rail passenger, intercity rail pas-  
7 senger, or freight rail transportation; and

8 “(ii) each service is assigned the costs  
9 incurred only for the benefit of that serv-  
10 ice, and a proportionate share, based upon  
11 factors that reasonably reflect relative use,  
12 of costs incurred for the common benefit of  
13 more than 1 service;

14 “(B) develop a proposed timetable for im-  
15 plementing the formula before the end of the  
16 6th year following the date of enactment of that  
17 Act; and

18 “(C) transmit the proposed timetable to  
19 the Surface Transportation Board.

20 “(2) IMPLEMENTATION.—The National Rail-  
21 road Passenger Corporation and the commuter au-  
22 thorities providing commuter rail passenger trans-  
23 portation on the northeast corridor shall implement  
24 new agreements for usage of facilities or services  
25 based on the formula proposed in paragraph (1) in



1       accordance with the timetable established therein. If  
2       the parties fail to implement such new agreements  
3       in accordance with the timetable, the parties shall—

4               “(A) submit any dispute regarding such  
5       implementation to binding arbitration con-  
6       ducted by a mutually agreed upon arbitrator  
7       and comply with the decision of that arbitrator;  
8       or

9               “(B) petition the Surface Transportation  
10       Board to determine the appropriate compensa-  
11       tion amounts for such services in accordance  
12       with section 24904(c) of this title.

13       “(d) TRANSMISSION OF RECOMMENDATIONS.—The  
14       commission shall annually transmit the recommendations  
15       developed under subsection (b) and the formula and time-  
16       table developed under subsection (c)(1) to the Senate  
17       Committee on Commerce, Science, and Transportation  
18       and the House of Representatives Committee on Trans-  
19       portation and Infrastructure.”.

20       (b) ESTABLISHMENT OF NORTHEAST CORRIDOR  
21       SAFETY AND SECURITY COMMITTEE.—

22               (1) Section 24905(b)(1) is amended—

23                       (A) by striking the first sentence and in-  
24       serting “The Secretary shall establish a North-  
25       east Corridor Safety and Security Committee

1 composed of members appointed by the Sec-  
2 retary.”;

3 (B) by striking “and” after the semicolon  
4 in subparagraph (F); and

5 (C) by redesignating subparagraph (G) as  
6 subparagraph (H) and inserting after subpara-  
7 graph (F) the following:

8 “(G) the Transportation Security Administra-  
9 tion; and”.

10 (2) Subsections (b)(2) and (b)(3) of section  
11 24905 are each amended by inserting “and security”  
12 after “safety” each place it appears.

13 (3) The first sentence of section 24905(b)(3) is  
14 amended by inserting “to the commission established  
15 under subsection (a) and” after “report”.

16 (4) Section 24905(b)(4) is amended by striking  
17 “January 1, 1999,” and inserting “January 1,  
18 2009,”.

19 **SEC. 215. RESTRUCTURING LONG-TERM DEBT AND CAP-**  
20 **ITAL LEASES.**

21 (a) IN GENERAL.—The Secretary of the Treasury, in  
22 consultation with the Secretary of Transportation and  
23 Amtrak, may make agreements to restructure Amtrak’s  
24 indebtedness as of the date of enactment of this Act. This  
25 authorization expires on January 1, 2007.

1           (b) DEBT RESTRUCTURING.—The Secretary of  
2 Treasury, in consultation with the Secretary of the Trans-  
3 portation and Amtrak, shall enter into negotiations with  
4 the holders of Amtrak debt, including leases, outstanding  
5 on the date of enactment of this Act for the purpose of  
6 restructuring (including repayment) and repaying that  
7 debt. The Secretary of the Treasury shall secure agree-  
8 ments for restructuring or repayment on such terms as  
9 the Secretary of the Treasury deems favorable to the in-  
10 terests of the Government.

11           (c) CRITERIA.—In restructuring Amtrak’s indebted-  
12 ness, the Secretary and Amtrak—

13                 (1) shall take into consideration repayment  
14 costs, the term of any loan or loans, and market  
15 conditions; and

16                 (2) shall ensure that the restructuring results  
17 in significant savings to Amtrak and the United  
18 States Government.

19           (d) PAYMENT OF RENEGOTIATED DEBT.—If the cri-  
20 teria under subsection (c) are met, the Secretary of Treas-  
21 ury shall assume or repay the restructured debt, as appro-  
22 priate.

23           (e) AMTRAK PRINCIPAL AND INTEREST PAY-  
24 MENTS.—

1           (1) PRINCIPAL ON DEBT SERVICE.—Unless the  
2 Secretary of Treasury makes sufficient payments to  
3 creditors under subsection (d) so that Amtrak is re-  
4 quired to make no payments to creditors in a fiscal  
5 year, the Secretary of Transportation shall use  
6 funds authorized by section 103(a)(1) for the use of  
7 Amtrak for retirement of principal on loans for cap-  
8 ital equipment, or capital leases.

9           (2) INTEREST ON DEBT.—Unless the Secretary  
10 of Treasury makes sufficient payments to creditors  
11 under subsection (d) so that Amtrak is required to  
12 make no payments to creditors in a fiscal year, the  
13 Secretary of Transportation shall use funds author-  
14 ized by section 103(a)(2) for the use of Amtrak for  
15 the payment of interest on loans for capital equip-  
16 ment, or capital leases.

17           (3) REDUCTIONS IN AUTHORIZATION LEVELS.—  
18 Whenever action taken by the Secretary of the  
19 Treasury under subsection (a) results in reductions  
20 in amounts of principal or interest that Amtrak  
21 must service on existing debt, the corresponding  
22 amounts authorized by section 103(a)(1) or (2) shall  
23 be reduced accordingly.

24           (f) LEGAL EFFECT OF PAYMENTS UNDER THIS SEC-  
25 TION.—The payment of principal and interest on secured

1 debt, other than debt assumed under subsection (d), with  
2 the proceeds of grants under subsection (e) shall not—

3           (1) modify the extent or nature of any indebt-  
4           edness of the National Railroad Passenger Corpora-  
5           tion to the United States in existence of the date of  
6           enactment of this Act;

7           (2) change the private nature of Amtrak's or its  
8           successors' liabilities; or

9           (3) imply any Federal guarantee or commit-  
10          ment to amortize Amtrak's outstanding indebted-  
11          ness.

12          (g) SECRETARY APPROVAL.—Amtrak may not incur  
13 more debt after the date of enactment of this Act without  
14 the express advance approval of the Secretary of Trans-  
15 portation.

16          (h) REPORT.—The Secretary of the Treasury shall  
17 transmit a report to the Senate Committee on Commerce,  
18 Science, and Transportation, the Senate Committee on  
19 Appropriations, the House of Representatives Committee  
20 on Transportation and Infrastructure, and the House of  
21 Representatives Committee on Appropriations by June 1,  
22 2007—

23           (1) describing in detail any agreements to re-  
24           structure the Amtrak debt; and



1 of a route described in section 24102(5)(D) or 24702 of  
2 title 49, United States Code, the State may make an  
3 agreement with Amtrak to use facilities and equipment of,  
4 or have services provided by, Amtrak under terms agreed  
5 to by the State and Amtrak to enable the State to utilize  
6 an entity other than Amtrak to provide services required  
7 for operation of the route. If the parties cannot agree upon  
8 terms, and the Surface Transportation Board finds that  
9 access to Amtrak's facilities or equipment, or the provision  
10 of services by Amtrak, is necessary to carry out this provi-  
11 sion and that the operation of Amtrak's other services will  
12 not be impaired thereby, the Surface Transportation  
13 Board shall, within 120 days after submission of the dis-  
14 pute, issue an order that the facilities and equipment be  
15 made available, and that services be provided, by Amtrak,  
16 and shall determine reasonable compensation, liability and  
17 other terms for use of the facilities and equipment and  
18 provision of the services. Compensation shall be deter-  
19 mined in accord with the methodology established pursu-  
20 ant to section 206 of this Act.

21 **SEC. 219. GENERAL AMTRAK PROVISIONS.**

22 (a) REPEAL OF SELF-SUFFICIENCY REQUIREMENTS.

23 (1) TITLE 49 AMENDMENTS.—Chapter 241 is  
24 amended—

1 (A) by striking the last sentence of section  
2 24101(d); and

3 (B) by striking the last sentence of section  
4 24104(a).

5 (2) AMTRAK REFORM AND ACCOUNTABILITY  
6 ACT AMENDMENTS.—Title II of the Amtrak Reform  
7 and Accountability Act of 1997 (49 U.S.C. 24101  
8 nt) is amended by striking sections 204 and 205.

9 (3) COMMON STOCK REDEMPTION DATE.—Sec-  
10 tion 415 of the Amtrak Reform and Accountability  
11 Act of 1997 (49 U.S.C. 24304 nt) is amended by  
12 striking subsection (b).

13 (b) LEASE ARRANGEMENTS.—Amtrak may obtain  
14 services from the Administrator of General Services, and  
15 the Administrator may provide services to Amtrak, under  
16 section 201(b) and 211(b) of the Federal Property and  
17 Administrative Service Act of 1949 (40 U.S.C. 481(b) and  
18 491(b)) for each of fiscal years 2006 through 2011.

19 **SEC. 220. PRIVATE SECTOR FUNDING OF PASSENGER**  
20 **TRAINS.**

21 Amtrak is encouraged to increase its operation of  
22 trains funded by the private sector in order to minimize  
23 its need for Federal subsidies. Amtrak shall utilize the  
24 provisions of section 24308 of title 49, United States  
25 Code, when necessary to obtain access to facilities, train



1 and engine crews, or services of a rail carrier or regional  
 2 transportation authority that are required to operate such  
 3 trains.

4 **SEC. 221. ON-BOARD SERVICE IMPROVEMENTS.**

5 (a) IN GENERAL.—Within 1 year after metrics and  
 6 standards are established under section 208 of this Act,  
 7 Amtrak shall develop and implement a plan to improve  
 8 on-board service pursuant to the metrics and standards  
 9 for such service developed under that section.

10 (b) REPORT.—Amtrak shall provide a report to the  
 11 Senate Committee on Commerce, Science, and Transpor-  
 12 tation and the House of Representatives Committee on  
 13 Transportation and Infrastructure on the on-board service  
 14 improvements proscribed in the plan and the timeline for  
 15 implementing such improvements.

16 **TITLE III—INTERCITY**  
 17 **PASSENGER RAIL POLICY**

18 **SEC. 301. CAPITAL ASSISTANCE FOR INTERCITY PAS-**  
 19 **SENGER RAIL SERVICE; STATE RAIL PLANS.**

20 (a) IN GENERAL.—Part C of subtitle V is amended  
 21 by inserting the following after chapter 243:

“CHAPTER 244—INTERCITY PASSENGER RAIL SERVICE CORRIDOR  
 CAPITAL ASSISTANCE

“Sec.

“24401. Definitions.

“24402. Capital investment grants to support intercity passenger rail service.

“24403. Project management oversight.

“24404. Use of capital grants to finance first-dollar liability of grant project.

“24405. Grant conditions.

1 **“§ 24401. Definitions**

2 “In this subchapter:

3 “(1) **APPLICANT.**—The term ‘applicant’ means  
4 a State (including the District of Columbia), a group  
5 of States, an Interstate Compact, or a public agency  
6 established by one or more States and having re-  
7 sponsibility for providing intercity passenger rail  
8 service.

9 “(2) **CAPITAL PROJECT.**—The term ‘capital  
10 project’ means a project or program in a State rail  
11 plan developed under chapter 225 of this title for—

12 “(A) acquiring, constructing, improving, or  
13 inspecting equipment or a facility for use in or  
14 for the primary benefit of intercity passenger  
15 rail service, expenses incidental to the acquisi-  
16 tion or construction (including designing, engi-  
17 neering, location surveying, mapping, environ-  
18 mental studies, and acquiring rights-of-way),  
19 payments for the capital portions of rail track-  
20 age rights agreements, highway-rail grade  
21 crossing improvements related to intercity pas-  
22 senger rail service, security, mitigating environ-  
23 mental impacts, communication and signaliza-  
24 tion improvements, relocation assistance, ac-  
25 quiring replacement housing sites, and acquir-

1 ing, constructing, relocating, and rehabilitating  
2 replacement housing;

3 “(B) rehabilitating, remanufacturing or  
4 overhauling rail rolling stock and facilities used  
5 primarily in intercity passenger rail service;

6 “(C) costs associated with developing State  
7 rail plans; and

8 “(D) the first-dollar liability costs for in-  
9 surance related to the provision of intercity pas-  
10 senger rail service under section 24404.

11 “(3) INTERCITY PASSENGER RAIL SERVICE.—  
12 The term ‘intercity passenger rail service’ means  
13 transportation services with the primary purpose of  
14 passenger transportation between towns, cities and  
15 metropolitan areas by rail, including high-speed rail,  
16 as defined in section 24102 of title 49, United  
17 States Code.

18 **“§ 24402. Capital investment grants to support inter-**  
19 **city passenger rail service**

20 “(a) GENERAL AUTHORITY.—

21 “(1) The Secretary of Transportation may  
22 make grants under this section to an applicant to  
23 assist in financing the capital costs of facilities and  
24 equipment necessary to provide or improve intercity  
25 passenger rail transportation.

1           “(2) The Secretary shall require that a grant  
2           under this section be subject to the terms, condi-  
3           tions, requirements, and provisions the Secretary de-  
4           cides are necessary or appropriate for the purposes  
5           of this section, including requirements for the dis-  
6           position of net increases in value of real property re-  
7           sulting from the project assisted under this section  
8           and shall prescribe procedures and schedules for the  
9           awarding of grants under this title, including appli-  
10          cation and qualification procedures and a record of  
11          decision on applicant eligibility. The Secretary shall  
12          issue a final rule establishing such procedures not  
13          later than 90 days after the date of enactment of  
14          the Passenger Rail Investment and Improvement  
15          Act of 2005.

16          “(b) PROJECT AS PART OF STATE RAIL PLAN.—

17                 “(1) The Secretary may not approve a grant for  
18                 a project under this section unless the Secretary  
19                 finds that the project is part of a State rail plan de-  
20                 veloped under chapter 225 of this title and that the  
21                 applicant or recipient has or will have the legal, fi-  
22                 nancial, and technical capacity to carry out the  
23                 project, satisfactory continuing control over the use  
24                 of the equipment or facilities, and the capability and  
25                 willingness to maintain the equipment or facilities.

1           “(2) An applicant shall provide sufficient infor-  
2           mation upon which the Secretary can make the find-  
3           ings required by this subsection.

4           “(3) If an applicant has not selected the pro-  
5           posed operator of its service competitively, the appli-  
6           cant shall provide written justification to the Sec-  
7           retary showing why the proposed operator is the  
8           best, taking into account price and other factors,  
9           and that use of the proposed operator will not un-  
10          necessarily increase the cost of the project.

11          “(c) PROJECT SELECTION CRITERIA.—The Sec-  
12         retary, in selecting the recipients of financial assistance  
13         to be provided under subsection (a), shall—

14                 “(1) require that each proposed project meet all  
15                 safety and security requirements that are applicable  
16                 to the project under law;

17                 “(2) give preference to projects with high levels  
18                 of estimated ridership, increased on-time perform-  
19                 ance, reduced trip time, additional service frequency,  
20                 or other significant service enhancements as meas-  
21                 ured against minimum standards developed under  
22                 section 208 of the Passenger Rail Investment and  
23                 Improvement Act of 2005;

24                 “(3) encourage intermodal connectivity through  
25                 projects that provide direct connections between

1 train stations, airports, bus terminals, subway sta-  
2 tions, ferry ports, and other modes of transpor-  
3 tation;

4 “(4) ensure that each project is compatible  
5 with, and is operated in conformance with—

6 “(A) plans developed pursuant to the re-  
7 quirements of section 135 of title 23, United  
8 States Code; and

9 “(B) the national rail plan (if it is avail-  
10 able); and

11 “(5) favor the following kinds of projects:

12 “(A) Projects that are expected to have a  
13 significant favorable impact on air or highway  
14 traffic congestion, capacity, or safety.

15 “(B) Projects that also improve freight or  
16 commuter rail operations.

17 “(C) Projects that have significant envi-  
18 ronmental benefits.

19 “(D) Projects that are—

20 “(i) at a stage of preparation that all  
21 pre-commencement compliance with envi-  
22 ronmental protection requirements has al-  
23 ready been completed; and

24 “(ii) ready to be commenced.

1           “(E) Projects with positive economic and  
2 employment impacts.

3           “(F) Projects that encourage the use of  
4 positive train control technologies.

5           “(G) Projects that have commitments of  
6 funding from non-Federal Government sources  
7 in a total amount that exceeds the minimum  
8 amount of the non-Federal contribution re-  
9 quired for the project.

10           “(H) Projects that involve donated prop-  
11 erty interests or services.

12           “(I) Projects that are identified by the  
13 Surface Transportation Board as necessary to  
14 improve the on time performance and reliability  
15 of intercity passenger rail under section  
16 24308(f).

17           “(d) AMTRAK ELIGIBILITY.—To receive a grant  
18 under this section, the National Railroad Passenger Cor-  
19 poration may enter into a cooperative agreement with 1  
20 or more States to carry out 1 or more projects on a State  
21 rail plan’s ranked list of rail capital projects developed  
22 under section 22504(a)(5) of this title.

23           “(e) LETTERS OF INTENT, FULL FUNDING GRANT  
24 AGREEMENTS, AND EARLY SYSTEMS WORK AGREE-  
25 MENTS.—

1           “(1)(A) The Secretary may issue a letter of in-  
2           tent to an applicant announcing an intention to obli-  
3           gate, for a major capital project under this section,  
4           an amount from future available budget authority  
5           specified in law that is not more than the amount  
6           stipulated as the financial participation of the Sec-  
7           retary in the project.

8           “(B) At least 30 days before issuing a let-  
9           ter under subparagraph (A) of this paragraph  
10          or entering into a full funding grant agreement,  
11          the Secretary shall notify in writing the Com-  
12          mittee on Transportation and Infrastructure of  
13          the House of Representatives and the Com-  
14          mittee on Commerce, Science, and Transpor-  
15          tation of the Senate and the House and Senate  
16          Committees on Appropriations of the proposed  
17          letter or agreement. The Secretary shall include  
18          with the notification a copy of the proposed let-  
19          ter or agreement as well as the evaluations and  
20          ratings for the project.

21          “(C) An obligation or administrative com-  
22          mitment may be made only when amounts are  
23          appropriated.



1           “(2)(A) The Secretary may make a full funding  
2 grant agreement with an applicant. The agreement  
3 shall—

4                   “(i) establish the terms of participa-  
5 tion by the United States Government in a  
6 project under this section;

7                   “(ii) establish the maximum amount  
8 of Government financial assistance for the  
9 project;

10                   “(iii) cover the period of time for com-  
11 pleting the project, including a period ex-  
12 tending beyond the period of an authoriza-  
13 tion; and

14                   “(iv) make timely and efficient man-  
15 agement of the project easier according to  
16 the law of the United States.

17           “(B) An agreement under this paragraph  
18 obligates an amount of available budget author-  
19 ity specified in law and may include a commit-  
20 ment, contingent on amounts to be specified in  
21 law in advance for commitments under this  
22 paragraph, to obligate an additional amount  
23 from future available budget authority specified  
24 in law. The agreement shall state that the con-  
25 tingent commitment is not an obligation of the

1 Government and is subject to the availability of  
2 appropriations made by Federal law and to  
3 Federal laws in force on or enacted after the  
4 date of the contingent commitment. Interest  
5 and other financing costs of efficiently carrying  
6 out a part of the project within a reasonable  
7 time are a cost of carrying out the project  
8 under a full funding grant agreement, except  
9 that eligible costs may not be more than the  
10 cost of the most favorable financing terms rea-  
11 sonably available for the project at the time of  
12 borrowing. The applicant shall certify, in a way  
13 satisfactory to the Secretary, that the applicant  
14 has shown reasonable diligence in seeking the  
15 most favorable financing terms.

16 “(3)(A) The Secretary may make an early sys-  
17 tems work agreement with an applicant if a record  
18 of decision under the National Environmental Policy  
19 Act of 1969 (42 U.S.C. 4321 et seq.) has been  
20 issued on the project and the Secretary finds there  
21 is reason to believe—

22 “(i) a full funding grant agreement  
23 for the project will be made; and

1                   “(ii) the terms of the work agreement  
2                   will promote ultimate completion of the  
3                   project more rapidly and at less cost.

4                   “(B) A work agreement under this para-  
5                   graph obligates an amount of available budget  
6                   authority specified in law and shall provide for  
7                   reimbursement of preliminary costs of carrying  
8                   out the project, including land acquisition, time-  
9                   ly procurement of system elements for which  
10                  specifications are decided, and other activities  
11                  the Secretary decides are appropriate to make  
12                  efficient, long-term project management easier.  
13                  A work agreement shall cover the period of time  
14                  the Secretary considers appropriate. The period  
15                  may extend beyond the period of current au-  
16                  thorization. Interest and other financing costs  
17                  of efficiently carrying out the work agreement  
18                  within a reasonable time are a cost of carrying  
19                  out the agreement, except that eligible costs  
20                  may not be more than the cost of the most fa-  
21                  vorable financing terms reasonably available for  
22                  the project at the time of borrowing. The appli-  
23                  cant shall certify, in a way satisfactory to the  
24                  Secretary, that the applicant has shown reason-  
25                  able diligence in seeking the most favorable fi-

1           nancing terms. If an applicant does not carry  
2           out the project for reasons within the control of  
3           the applicant, the applicant shall repay all Gov-  
4           ernment payments made under the work agree-  
5           ment plus reasonable interest and penalty  
6           charges the Secretary establishes in the agree-  
7           ment.

8           “(4) The total estimated amount of future obli-  
9           gations of the Government and contingent commit-  
10          ments to incur obligations covered by all outstanding  
11          letters of intent, full funding grant agreements, and  
12          early systems work agreements may be not more  
13          than the amount authorized under section 101(c) of  
14          Passenger Rail Investment and Improvement Act of  
15          2005, less an amount the Secretary reasonably esti-  
16          mates is necessary for grants under this section not  
17          covered by a letter. The total amount covered by  
18          new letters and contingent commitments included in  
19          full funding grant agreements and early systems  
20          work agreements may be not more than a limitation  
21          specified in law.

22          “(f) FEDERAL SHARE OF NET PROJECT COST.—

23                 “(1)(A) Based on engineering studies, studies  
24                 of economic feasibility, and information on the ex-

1       pected use of equipment or facilities, the Secretary  
2       shall estimate the net project cost.

3               “(B) A grant for the project shall not ex-  
4               ceed 80 percent of the project net capital cost.

5               “(C) The Secretary shall give priority in  
6               allocating future obligations and contingent  
7               commitments to incur obligations to grant re-  
8               quests seeking a lower Federal share of the  
9               project net capital cost.

10              “(2) Up to an additional 20 percent of the re-  
11              quired non-Federal funds may be funded from  
12              amounts appropriated to or made available to a de-  
13              partment or agency of the Federal Government that  
14              are eligible to be expended for transportation.

15              “(3) 50 percent of the average amounts ex-  
16              pended by a State or group of States (including the  
17              District of Columbia) for capital projects to benefit  
18              intercity passenger rail service in fiscal years 2004  
19              and 2005 shall be credited towards the matching re-  
20              quirements for grants awarded under this section.  
21              The Secretary may require such information as nec-  
22              essary to verify such expenditures.

23              “(4) 50 percent of the average amounts ex-  
24              pended by a State or group of States (including the  
25              District of Columbia) in a fiscal year beginning in

1 2006 for capital projects to benefit intercity pas-  
2 senger rail service or for the operating costs of such  
3 service above the average of expenditures made for  
4 such service in fiscal years 2004 and 2005 shall be  
5 credited towards the matching requirements for  
6 grants awarded under this section. The Secretary  
7 may require such information as necessary to verify  
8 such expenditures.

9 “(g) UNDERTAKING PROJECTS IN ADVANCE.—

10 “(1) The Secretary may pay the Federal share  
11 of the net capital project cost to an applicant that  
12 carries out any part of a project described in this  
13 section according to all applicable procedures and re-  
14 quirements if—

15 “(A) the applicant applies for the payment;

16 “(B) the Secretary approves the payment;

17 and

18 “(C) before carrying out the part of the  
19 project, the Secretary approves the plans and  
20 specifications for the part in the same way as  
21 other projects under this section.

22 “(2) The cost of carrying out part of a project  
23 includes the amount of interest earned and payable  
24 on bonds issued by the applicant to the extent pro-  
25 ceeds of the bonds are expended in carrying out the

1 part. However, the amount of interest under this  
2 paragraph may not be more than the most favorable  
3 interest terms reasonably available for the project at  
4 the time of borrowing. The applicant shall certify, in  
5 a manner satisfactory to the Secretary, that the ap-  
6 plicant has shown reasonable diligence in seeking the  
7 most favorable financial terms.

8 “(3) The Secretary shall consider changes in  
9 capital project cost indices when determining the es-  
10 timated cost under paragraph (2) of this subsection.

11 “(h) 2-YEAR AVAILABILITY.—Funds appropriated  
12 under this section shall remain available until expended.  
13 If any amount provided as a grant under this section is  
14 not obligated or expended for the purposes described in  
15 subsection (a) within 2 years after the date on which the  
16 State received the grant, such sums shall be returned to  
17 the Secretary for other intercity passenger rail develop-  
18 ment projects under this section at the discretion of the  
19 Secretary.

20 “(i) PUBLIC-PRIVATE PARTNERSHIPS.—

21 “(1) IN GENERAL.—A metropolitan planning  
22 organization, State transportation department, or  
23 other project sponsor may enter into an agreement  
24 with any public, private, or nonprofit entity to coop-

1 eratively implement any project funded with a grant  
2 under this title.

3 “(2) FORMS OF PARTICIPATION.—Participation  
4 by an entity under paragraph (1) may consist of—

5 “(A) ownership or operation of any land,  
6 facility, locomotive, rail car, vehicle, or other  
7 physical asset associated with the project;

8 “(B) cost-sharing of any project expense;

9 “(C) carrying out administration, construc-  
10 tion management, project management, project  
11 operation, or any other management or oper-  
12 ational duty associated with the project; and

13 “(D) any other form of participation ap-  
14 proved by the Secretary.

15 “(3) SUB-ALLOCATION.—A State may allocate  
16 funds under this section to any entity described in  
17 paragraph (1).

18 “(j) SPECIAL TRANSPORTATION CIRCUMSTANCES.—  
19 In carrying out this section, the Secretary shall allocate  
20 an appropriate portion of the amounts available under this  
21 section to provide grants to States—

22 “(1) in which there is no intercity passenger  
23 rail service for the purpose of funding freight rail  
24 capital projects that are on a State rail plan devel-  
25 oped under chapter 225 of this title that provide



1 public benefits (as defined in chapter 225) as deter-  
2 mined by the Secretary; or

3 “(2) in which the rail transportation system is  
4 not physically connected to rail systems in the conti-  
5 nental United States or may not otherwise qualify  
6 for a grant under this section due to the unique  
7 characteristics of the geography of that State or  
8 other relevant considerations, for the purpose of  
9 funding transportation-related capital projects.

10 **“§ 24403. Project management oversight**

11 “(a) PROJECT MANAGEMENT PLAN REQUIRE-  
12 MENTS.—To receive Federal financial assistance for a  
13 major capital project under this subchapter, an applicant  
14 must prepare and carry out a project management plan  
15 approved by the Secretary of Transportation. The plan  
16 shall provide for—

17 “(1) adequate recipient staff organization with  
18 well-defined reporting relationships, statements of  
19 functional responsibilities, job descriptions, and job  
20 qualifications;

21 “(2) a budget covering the project management  
22 organization, appropriate consultants, property ac-  
23 quisition, utility relocation, systems demonstration  
24 staff, audits, and miscellaneous payments the recipi-  
25 ent may be prepared to justify;

1           “(3) a construction schedule for the project;

2           “(4) a document control procedure and record-  
3 keeping system;

4           “(5) a change order procedure that includes a  
5 documented, systematic approach to handling the  
6 construction change orders;

7           “(6) organizational structures, management  
8 skills, and staffing levels required throughout the  
9 construction phase;

10          “(7) quality control and quality assurance func-  
11 tions, procedures, and responsibilities for construc-  
12 tion, system installation, and integration of system  
13 components;

14          “(8) material testing policies and procedures;

15          “(9) internal plan implementation and reporting  
16 requirements;

17          “(10) criteria and procedures to be used for  
18 testing the operational system or its major compo-  
19 nents;

20          “(11) periodic updates of the plan, especially  
21 related to project budget and project schedule, fi-  
22 nancing, and ridership estimates; and

23          “(12) the recipient’s commitment to submit a  
24 project budget and project schedule to the Secretary  
25 each month.

1 “(b) SECRETARIAL OVERSIGHT.—

2 “(1) The Secretary may use no more than 0.5  
3 percent of amounts made available in a fiscal year  
4 for capital projects under this subchapter to enter  
5 into contracts to oversee the construction of such  
6 projects.

7 “(2) The Secretary may use amounts available  
8 under paragraph (1) of this subsection to make con-  
9 tracts for safety, procurement, management, and fi-  
10 nancial compliance reviews and audits of a recipient  
11 of amounts under paragraph (1).

12 “(3) The Federal Government shall pay the en-  
13 tire cost of carrying out a contract under this sub-  
14 section.

15 “(c) ACCESS TO SITES AND RECORDS.—Each recipi-  
16 ent of assistance under this subchapter shall provide the  
17 Secretary and a contractor the Secretary chooses under  
18 subsection (c) of this section with access to the construc-  
19 tion sites and records of the recipient when reasonably  
20 necessary.

21 **“§ 24404. Use of capital grants to finance first-dollar**  
22 **liability of grant project**

23 “Notwithstanding the requirements of section 24402  
24 of this subchapter, the Secretary of Transportation may  
25 approve the use of capital assistance under this sub-

1 chapter to fund self-insured retention of risk for the first  
2 tier of liability insurance coverage for rail passenger serv-  
3 ice associated with the capital assistance grant, but the  
4 coverage may not exceed \$20,000,000 per occurrence or  
5 \$20,000,000 in aggregate per year.

6 **“§ 24405. Grant conditions**

7 “(a) DOMESTIC BUYING PREFERENCE.—

8 “(1) REQUIREMENT.—

9 “(A) IN GENERAL.—In carrying out a  
10 project funded in whole or in part with a grant  
11 under this title, the grant recipient shall pur-  
12 chase only—

13 “(i) unmanufactured articles, mate-  
14 rial, and supplies mined or produced in the  
15 United States; or

16 “(ii) manufactured articles, material,  
17 and supplies manufactured in the United  
18 States substantially from articles, material,  
19 and supplies mined, produced, or manufac-  
20 tured in the United States.

21 “(B) DE MINIMIS AMOUNT.—Subpara-  
22 graph (1) applies only to a purchase in an total  
23 amount that is not less than \$1,000,000.

24 “(2) EXEMPTIONS.—On application of a recipi-  
25 ent, the Secretary may exempt a recipient from the

1 requirements of this subsection if the Secretary de-  
2 cides that, for particular articles, material, or sup-  
3 plies—

4 “(A) such requirements are inconsistent  
5 with the public interest;

6 “(B) the cost of imposing the requirements  
7 is unreasonable; or

8 “(C) the articles, material, or supplies, or  
9 the articles, material, or supplies from which  
10 they are manufactured, are not mined, pro-  
11 duced, or manufactured in the United States in  
12 sufficient and reasonably available commercial  
13 quantities and are not of a satisfactory quality.

14 “(3) UNITED STATES DEFINED.—In this sub-  
15 section, the term ‘the United States’ means the  
16 States, territories, and possessions of the United  
17 States and the District of Columbia.

18 “(b) OPERATORS DEEMED RAIL CARRIERS AND EM-  
19 PLOYERS FOR CERTAIN PURPOSES.—A person that con-  
20 ducts rail operations over rail infrastructure constructed  
21 or improved with funding provided in whole or in part in  
22 a grant made under this title—

23 “(1) shall be considered an employer for pur-  
24 poses of the Railroad Retirement Act of 1974 (45  
25 U.S.C. 231 et seq.); and

1           “(2) shall be considered a carrier for purposes  
2           of the Railway Labor Act (43 U.S.C. 151 et seq.).

3           “(c) GRANT CONDITIONS.—The Secretary shall re-  
4           quire as a condition of making any grant under this title  
5           that includes the improvement or use of rights-of-way  
6           owned by a railroad that—

7           “(1) a written agreement exist between the ap-  
8           plicant and the railroad regarding such use and  
9           ownership, including—

10                   “(A) any compensation for such use;

11                   “(B) assurances regarding the adequacy of  
12           infrastructure capacity to accommodate both  
13           existing and future freight and passenger oper-  
14           ations; and

15                   “(C) an assurance by the railroad that col-  
16           lective bargaining agreements with the rail-  
17           road’s employees (including terms regulating  
18           the contracting of work) will remain in full  
19           force and effect according to their terms for  
20           work performed by the railroad on the railroad  
21           transportation corridor; and

22           “(2) the applicant agrees to comply with—

23                   “(A) the standards of section 24312 of this  
24           title, as such section was in effect on September  
25           1, 2003, with respect to the project in the same

1 manner that the National Railroad Passenger  
2 Corporation is required to comply with those  
3 standards for construction work financed under  
4 an agreement made under section 24308(a) of  
5 this title; and

6 “(B) the protective arrangements estab-  
7 lished under section 504 of the Railroad Revi-  
8 talization and Regulatory Reform Act of 1976  
9 (45 U.S.C. 836) with respect to employees af-  
10 fected by actions taken in connection with the  
11 project to be financed in whole or in part by  
12 grants under this subchapter.

13 “(d) REPLACEMENT OF EXISTING INTERCITY PAS-  
14 Senger Rail Service.—

15 “(1) COLLECTIVE BARGAINING AGREEMENT  
16 FOR INTERCITY PASSENGER RAIL PROJECTS.—Any  
17 entity providing intercity passenger railroad trans-  
18 portation that begins operations after the date of en-  
19 actment of this Act on a project funded in whole or  
20 in part by grants made under this title and replaces  
21 intercity rail passenger service that was provided by  
22 Amtrak, unless such service was provided solely by  
23 Amtrak to another entity, as of such date shall enter  
24 into an agreement with the authorized bargaining

1 agent or agents for adversely affected employees of  
2 the predecessor provider that—

3 “(A) gives each such qualified employee of  
4 the predecessor provider priority in hiring ac-  
5 cording to the employee’s seniority on the pred-  
6 ecessor provider for each position with the re-  
7 placing entity that is in the employee’s craft or  
8 class and is available within 3 years after the  
9 termination of the service being replaced;

10 “(B) establishes a procedure for notifying  
11 such an employee of such positions;

12 “(C) establishes a procedure for such an  
13 employee to apply for such positions; and

14 “(D) establishes rates of pay, rules, and  
15 working conditions.

16 “(2) IMMEDIATE REPLACEMENT SERVICE.—

17 “(A) NEGOTIATIONS.—If the replacement  
18 of preexisting intercity rail passenger service oc-  
19 curs concurrent with or within a reasonable  
20 time before the commencement of the replacing  
21 entity’s rail passenger service, the replacing en-  
22 tity shall give written notice of its plan to re-  
23 place existing rail passenger service to the au-  
24 thorized collective bargaining agent or agents  
25 for the potentially adversely affected employees



1 of the predecessor provider at least 90 days be-  
2 fore the date on which it plans to commence  
3 service. Within 5 days after the date of receipt  
4 of such written notice, negotiations between the  
5 replacing entity and the collective bargaining  
6 agent or agents for the employees of the prede-  
7 cessor provider shall commence for the purpose  
8 of reaching agreement with respect to all mat-  
9 ters set forth in subparagraphs (A) through (D)  
10 of paragraph (1). The negotiations shall con-  
11 tinue for 30 days or until an agreement is  
12 reached, whichever is sooner. If at the end of  
13 30 days the parties have not entered into an  
14 agreement with respect to all such matters, the  
15 unresolved issues shall be submitted for arbitra-  
16 tion in accordance with the procedure set forth  
17 in subparagraph (B).

18 “(B) ARBITRATION.—If an agreement has  
19 not been entered into with respect to all mat-  
20 ters set forth in subparagraphs (A) through (D)  
21 of paragraph (1) as described in subparagraph  
22 (A) of this paragraph, the parties shall select  
23 an arbitrator. If the parties are unable to agree  
24 upon the selection of such arbitrator within 5  
25 days, either or both parties shall notify the Na-

1 tional Mediation Board, which shall provide a  
2 list of seven arbitrators with experience in arbi-  
3 trating rail labor protection disputes. Within 5  
4 days after such notification, the parties shall al-  
5 ternately strike names from the list until only  
6 1 name remains, and that person shall serve as  
7 the neutral arbitrator. Within 45 days after se-  
8 lection of the arbitrator, the arbitrator shall  
9 conduct a hearing on the dispute and shall  
10 render a decision with respect to the unresolved  
11 issues among the matters set forth in subpara-  
12 graphs (A) through (D) of paragraph (1). This  
13 decision shall be final, binding, and conclusive  
14 upon the parties. The salary and expenses of  
15 the arbitrator shall be borne equally by the par-  
16 ties; all other expenses shall be paid by the  
17 party incurring them.

18 “(3) SERVICE COMMENCEMENT.—A replacing  
19 entity under this subsection shall commence service  
20 only after an agreement is entered into with respect  
21 to the matters set forth in subparagraphs (A)  
22 through (D) of paragraph (1) or the decision of the  
23 arbitrator has been rendered.

24 “(4) SUBSEQUENT REPLACEMENT OF SERV-  
25 ICE.—If the replacement of existing rail passenger

1 service takes place within 3 years after the replacing  
2 entity commences intercity passenger rail service,  
3 the replacing entity and the collective bargaining  
4 agent or agents for the adversely affected employees  
5 of the predecessor provider shall enter into an agree-  
6 ment with respect to the matters set forth in sub-  
7 paragraphs (A) through (D) of paragraph (1). If the  
8 parties have not entered into an agreement with re-  
9 spect to all such matters within 60 days after the  
10 date on which the replacing entity replaces the pred-  
11 ecessor provider, the parties shall select an arbi-  
12 trator using the procedures set forth in paragraph  
13 (2)(B), who shall, within 20 days after the com-  
14 mencement of the arbitration, conduct a hearing and  
15 decide all unresolved issues. This decision shall be  
16 final, binding, and conclusive upon the parties.

17 “(e) INAPPLICABILITY TO CERTAIN RAIL OPER-  
18 ATIONS.— Nothing in this section applies to—

19 “(1) commuter rail passenger transportation  
20 (as defined in section 24102(4) of this title) oper-  
21 ations of a State or local government authority (as  
22 those terms are defined in section 5302(11) and (6),  
23 respectively, of this title) eligible to receive financial  
24 assistance under section 5307 of this title, or to its

1 contractor performing services in connection with  
2 commuter rail passenger operations (as so defined);

3 “(2) the Alaska Railroad or its contractors; or

4 “(3) the National Railroad Passenger Corpora-  
5 tion’s access rights to railroad rights of way and fa-  
6 cilities under current law for projects funded under  
7 this title where train operating speeds do not exceed  
8 79 miles per hour.”.

9 (b) CONFORMING AMENDMENTS.—

10 (1) The table of chapters for the title is amend-  
11 ed by inserting the following after the item relating  
12 to chapter 243:

“244. Intercity passenger rail service capital assistance ..... 24401”.

13 “(2) The chapter analysis for subtitle V is  
14 amended by inserting the following after the item re-  
15 lating to chapter 243:

“244. Intercity passenger rail service capital assistance ..... 24401”.

16 **SEC. 302. STATE RAIL PLANS.**

17 (a) IN GENERAL.—Part B of subtitle V is amended  
18 by adding at the end the following:

“CHAPTER 225—STATE RAIL PLANS AND HIGH PRIORITY  
PROJECTS

- “Sec.
- “22501. Definitions.
- “22502. Authority.
- “22503. Purposes.
- “22504. Transparency; coordination; review.
- “22505. Content.
- “22506. Review.

1 **“§ 22501. Definitions**

2 “In this subchapter:

3 “(1) PRIVATE BENEFIT.—

4 “(A) IN GENERAL.—The term ‘private  
5 benefit’—

6 “(i) means a benefit accrued to a per-  
7 son or private entity, other than the Na-  
8 tional Railroad Passenger Corporation,  
9 that directly improves the economic and  
10 competitive condition of that person or en-  
11 tity through improved assets, cost reduc-  
12 tions, service improvements, or any other  
13 means as defined by the Secretary; and

14 “(ii) shall be determined on a project-  
15 by-project basis, based upon an agreement  
16 between the parties.

17 “(B) CONSULTATION.—The Secretary may  
18 seek the advice of the States and rail carriers  
19 in further defining this term.

20 “(2) PUBLIC BENEFIT.—

21 “(A) IN GENERAL.—The term ‘public ben-  
22 efit’—

23 “(i) means a benefit accrued to the  
24 public in the form of enhanced mobility of  
25 people or goods, environmental protection  
26 or enhancement, congestion mitigation, en-

1           hanced trade and economic development,  
2           improved air quality or land use, more effi-  
3           cient energy use, enhanced public safety or  
4           security, reduction of public expenditures  
5           due to improved transportation efficiency  
6           or infrastructure preservation, and any  
7           other positive community effects as defined  
8           by the Secretary; and

9                   “(ii) shall be determined on a project-  
10           by-project basis, based upon an agreement  
11           between the parties.

12                   “(B) CONSULTATION.—The Secretary may  
13           seek the advice of the States and rail carriers  
14           in further defining this term.

15                   “(3) STATE.—The term ‘State’ means any of  
16           the 50 States and the District of Columbia.

17                   “(4) STATE RAIL TRANSPORTATION AUTHOR-  
18           ITY.—The term ‘State rail transportation authority’  
19           means the State agency or official responsible under  
20           the direction of the Governor of the State or a State  
21           law for preparation, maintenance, coordination, and  
22           administration of the State rail plan.”.

1 **“§ 22502. Authority**

2 “(a) IN GENERAL.—Each State may prepare and  
3 maintain a State rail plan in accordance with the provi-  
4 sions of this subchapter.

5 “(b) REQUIREMENTS.—For the preparation and peri-  
6 odic revision of a State rail plan, a State shall—

7 “(1) establish or designate a State rail trans-  
8 portation authority to prepare, maintain, coordinate,  
9 and administer the plan;

10 “(2) establish or designate a State rail plan ap-  
11 proval authority to approve the plan;

12 “(3) submit the State’s approved plan to the  
13 Secretary of Transportation for review; and

14 “(4) revise and resubmit a State-approved plan  
15 no less frequently than once every 5 years for re-  
16 approval by the Secretary.

17 **“§ 22503. Purposes**

18 “(a) PURPOSES.—The purposes of a State rail plan  
19 are as follows:

20 “(1) To set forth State policy involving freight  
21 and passenger rail transportation, including com-  
22 muter rail operations, in the State.

23 “(2) To establish the period covered by the  
24 State rail plan.

1           “(3) To present priorities and strategies to en-  
2           hance rail service in the State that benefits the pub-  
3           lic.

4           “(4) To serve as the basis for Federal and  
5           State rail investments within the State.

6           “(b) COORDINATION.—A State rail plan shall be co-  
7           ordinated with other State transportation planning goals  
8           and programs and set forth rail transportation’s role with-  
9           in the State transportation system.

10   **“§ 22504. Transparency; coordination; review**

11           “(a) PREPARATION.—A State shall provide adequate  
12           and reasonable notice and opportunity for comment and  
13           other input to the public, rail carriers, commuter and tran-  
14           sit authorities operating in, or affected by rail operations  
15           within the State, units of local government, and other in-  
16           terested parties in the preparation and review of its State  
17           rail plan.

18           “(b) INTERGOVERNMENTAL COORDINATION.—A  
19           State shall review the freight and passenger rail service  
20           activities and initiatives by regional planning agencies, re-  
21           gional transportation authorities, and municipalities with-  
22           in the State, or in the region in which the State is located,  
23           while preparing the plan, and shall include any rec-  
24           ommendations made by such agencies, authorities, and  
25           municipalities as deemed appropriate by the State.



1 **“§ 22505. Content**

2 “(a) IN GENERAL.—Each State rail plan shall con-  
3 tain the following:

4 “(1) An inventory of the existing overall rail  
5 transportation system and rail services and facilities  
6 within the State and an analysis of the role of rail  
7 transportation within the State’s surface transpor-  
8 tation system.

9 “(2) A review of all rail lines within the State,  
10 including proposed high speed rail corridors and sig-  
11 nificant rail line segments not currently in service.

12 “(3) A statement of the State’s passenger rail  
13 service objectives, including minimum service levels,  
14 for rail transportation routes in the State.

15 “(4) A general analysis of rail’s transportation,  
16 economic, and environmental impacts in the State,  
17 including congestion mitigation, trade and economic  
18 development, air quality, land-use, energy-use, and  
19 community impacts.

20 “(5) A long-range rail investment program for  
21 current and future freight and passenger infrastruc-  
22 ture in the State that meets the requirements of  
23 subsection (b).

24 “(6) A statement of public financing issues for  
25 rail projects and service in the State, including a list  
26 of current and prospective public capital and oper-

1       ating funding resources, public subsidies, State tax-  
2       ation, and other financial policies relating to rail in-  
3       frastructure development.

4               “(7) An identification of rail infrastructure  
5       issues within the State that reflects consultation  
6       with all relevant stake holders.

7               “(8) A review of major passenger and freight  
8       intermodal rail connections and facilities within the  
9       State, including seaports, and prioritized options to  
10      maximize service integration and efficiency between  
11      rail and other modes of transportation within the  
12      State.

13              “(9) A review of publicly funded projects within  
14      the State to improve rail transportation safety and  
15      security, including all major projects funded under  
16      section 130 of title 23.

17              “(10) A performance evaluation of passenger  
18      rail services operating in the State, including pos-  
19      sible improvements in those services, and a descrip-  
20      tion of strategies to achieve those improvements.

21              “(11) A compilation of studies and reports on  
22      high-speed rail corridor development within the  
23      State not included in a previous plan under this sub-  
24      chapter, and a plan for funding any recommended  
25      development of such corridors in the State.

1           “(12) A statement that the State is in compli-  
2           ance with the requirements of section 22102.

3           “(b) LONG-RANGE SERVICE AND INVESTMENT PRO-  
4           GRAM.—

5           “(1) PROGRAM CONTENT.—A long-range rail  
6           investment program included in a State rail plan  
7           under subsection (a)(5) shall include the following  
8           matters:

9                   “(A) A list of any rail capital projects ex-  
10                   pected to be undertaken or supported in whole  
11                   or in part by the State.

12                   “(B) A detailed funding plan for those  
13                   projects.

14           “(2) PROJECT LIST CONTENT.—The list of rail  
15           capital projects shall contain—

16                   “(A) a description of the anticipated public  
17                   and private benefits of each such project; and

18                   “(B) a statement of the correlation be-  
19                   tween—

20                           “(i) public funding contributions for  
21                           the projects; and

22                           “(ii) the public benefits.

23           “(3) CONSIDERATIONS FOR PROJECT LIST.—In  
24           preparing the list of freight and intercity passenger  
25           rail capital projects, a State rail transportation au-

1       thority should take into consideration the following  
2       matters:

3               “(A) Contributions made by non-Federal  
4               and non-State sources through user fees,  
5               matching funds, or other private capital involve-  
6               ment.

7               “(B) Rail capacity and congestion effects.

8               “(C) Effects to highway, aviation, and  
9               maritime capacity, congestion, or safety.

10              “(D) Regional balance.

11              “(E) Environmental impact.

12              “(F) Economic and employment impacts.

13              “(G) Projected ridership and other service  
14              measures for passenger rail projects.

15   **“§ 22506. Review**

16       The Secretary shall prescribe procedures for States  
17   to submit State rail plans for review under this title, in-  
18   cluding standardized format and data requirements.”.

19       (b) CONFORMING AMENDMENTS.—

20              (1) The table of chapters for the title is amend-  
21       ed by inserting the following after the item relating  
22       to chapter 223:

“225. State rail plans ..... 22501”.

1           “(2) The chapter analysis for subtitle V is  
2           amended by inserting the following after the item re-  
3           lating to chapter 223:

“225. State rail plans ..... 24401”.

4 **SEC. 303. NEXT GENERATION CORRIDOR TRAIN EQUIP-**  
5 **MENT POOL.**

6           (a) **IN GENERAL.**—Within 180 days after the date  
7 of enactment of this Act, Amtrak shall establish a Next  
8 Generation Corridor Equipment Pool Committee, com-  
9 prised of representatives of Amtrak, the Federal Railroad  
10 Administration, and interested States. The purpose of the  
11 Committee shall be to design, develop specifications for,  
12 and procure standardized next-generation corridor equip-  
13 ment.

14           (b) **FUNCTIONS.**—The Committee may—

15                 (1) determine the number of different types of  
16 equipment required, taking into account variations  
17 in operational needs and corridor infrastructure;

18                 (2) establish a pool of equipment to be used on  
19 corridor routes funded by participating States; and

20                 (3) subject to agreements between Amtrak and  
21 States, utilize services provided by Amtrak to design,  
22 maintain and remanufacture equipment.

23           (c) **COOPERATIVE AGREEMENTS.**—Amtrak and  
24 States participating in the Committee may enter into  
25 agreements for the funding, procurement, remanufacture,

1 ownership and management of corridor equipment, includ-  
2 ing equipment currently owned or leased by Amtrak and  
3 next-generation corridor equipment acquired as a result  
4 of the Committee’s actions, and may establish a corpora-  
5 tion, which may be owned or jointly-owned by Amtrak,  
6 participating States or other entities, to perform these  
7 functions.

8 (d) FUNDING.—In addition to the authorization pro-  
9 vided in section 105 of this Act, capital projects to carry  
10 out the purposes of this section shall be eligible for grants  
11 made pursuant to chapter 244 of title 49, United States  
12 Code.

13 **SEC. 304. FEDERAL RAIL POLICY.**

14 Section 103 is amended—

15 (1) by inserting “IN GENERAL.—” before “The  
16 Federal” in subsection (a);

17 (2) by striking the second and third sentences  
18 of subsection (a);

19 (3) by inserting “ADMINISTRATOR.—” before  
20 “The head” in subsection (b);

21 (4) by redesignating subsections (c), (d), and  
22 (e) as subsections (d), (e), and (f), respectively and  
23 by inserting after subsection (b) the following:

24 “(c) SAFETY.—To carry out all railroad safety laws  
25 of the United States, the Administration is divided on a

1 geographical basis into at least 8 safety offices. The Sec-  
2 retary of Transportation is responsible for all acts taken  
3 under those laws and for ensuring that the laws are uni-  
4 formly administered and enforced among the safety of-  
5 fices.”;

6 (5) by inserting “POWERS AND DUTIES.—” be-  
7 fore “The” in subsection (d), as redesignated;

8 (6) by striking “and” after the semicolon in  
9 paragraph (1) of subsection (d), as redesignated;

10 (7) by redesignating paragraph (2) of sub-  
11 section (d), as redesignated, as paragraph (3) and  
12 inserting after paragraph (1) the following:

13 “(2) the duties and powers related to railroad  
14 policy and development under subsection (e); and”;

15 (8) by inserting “TRANSFERS OF DUTY.—” be-  
16 fore “A duty” in subsection (e), as redesignated;

17 (9) by inserting “CONTRACTS, GRANTS, LEASES,  
18 COOPERATIVE AGREEMENTS, AND SIMILAR TRANS-  
19 ACTIONS.—” before “Subject” in subsection (f), as  
20 redesignated;

21 (10) by striking the last sentence in subsection  
22 (f), as redesignated; and

23 (11) by adding at the end the following:

24 “(g) ADDITIONAL DUTIES OF THE ADMINIS-  
25 TRATOR.—The Administrator shall—

1           “(1) provide assistance to States in developing  
2 State rail plans prepared under chapter 225 and re-  
3 view all State rail plans submitted under that sec-  
4 tion;

5           “(2) develop a long range national rail plan  
6 that is consistent with approved State rail plans and  
7 the rail needs of the Nation, as determined by the  
8 Secretary in order to promote an integrated, cohe-  
9 sive, efficient, and optimized national rail system for  
10 the movement of goods and people;

11           “(3) develop a preliminary national rail plan  
12 within a year after the date of enactment of the Pas-  
13 senger Rail Investment and Improvement Act of  
14 2005;

15           “(4) develop and enhance partnerships with the  
16 freight and passenger railroad industry, States, and  
17 the public concerning rail development;

18           “(5) support rail intermodal development and  
19 high-speed rail development, including high speed  
20 rail planning;

21           “(6) ensure that programs and initiatives devel-  
22 oped under this section benefit the public and work  
23 toward achieving regional and national transpor-  
24 tation goals; and



1           “(7) facilitate and coordinate efforts to assist  
2 freight and passenger rail carriers, transit agencies  
3 and authorities, municipalities, and States in pas-  
4 senger-freight service integration on shared rights of  
5 way by providing neutral assistance at the joint re-  
6 quest of affected rail service providers and infra-  
7 structure owners relating to operations and capacity  
8 analysis, capital requirements, operating costs, and  
9 other research and planning related to corridors  
10 shared by passenger or commuter rail service and  
11 freight rail operations.

12           “(h) PERFORMANCE GOALS AND REPORTS.—

13           “(1) PERFORMANCE GOALS.—In conjunction  
14 with the objectives established and activities under-  
15 taken under section 103(e) of this title, the Adminis-  
16 trator shall develop a schedule for achieving specific,  
17 measurable performance goals.

18           “(2) RESOURCE NEEDS.—The strategy and an-  
19 nual plans shall include estimates of the funds and  
20 staff resources needed to accomplish each goal and  
21 the additional duties required under section 103(e).

22           “(3) SUBMISSION WITH PRESIDENT’S BUDG-  
23 ET.—Beginning with fiscal year 2007 and each fis-  
24 cal year thereafter, the Secretary shall submit to  
25 Congress, at the same time as the President’s budg-

1 et submission, the Administration’s performance  
 2 goals and schedule developed under paragraph (1),  
 3 including an assessment of the progress of the Ad-  
 4 ministration toward achieving its performance  
 5 goals.”.

6 **SEC. 305. RAIL COOPERATIVE RESEARCH PROGRAM.**

7 (a) ESTABLISHMENT AND CONTENT.—Chapter 249  
 8 is amended by adding at the end the following:

9 **“§ 24910. Rail cooperative research program**

10 “(a) IN GENERAL.—The Secretary shall establish  
 11 and carry out a rail cooperative research program. The  
 12 program shall—

13 “(1) address, among other matters, intercity  
 14 rail passenger and freight rail services, including ex-  
 15 isting rail passenger and freight technologies and  
 16 speeds, incrementally enhanced rail systems and in-  
 17 frastructure, and new high-speed wheel-on-rail sys-  
 18 tems and rail security;

19 “(2) address ways to expand the transportation  
 20 of international trade traffic by rail, enhance the ef-  
 21 ficiency of intermodal interchange at ports and other  
 22 intermodal terminals, and increase capacity and  
 23 availability of rail service for seasonal freight needs;

1           “(3) consider research on the interconnected-  
2           ness of commuter rail, passenger rail, freight rail,  
3           and other rail networks; and

4           “(4) give consideration to regional concerns re-  
5           garding rail passenger and freight transportation,  
6           including meeting research needs common to des-  
7           ignated high-speed corridors, long-distance rail serv-  
8           ices, and regional intercity rail corridors, projects,  
9           and entities.

10          “(b) CONTENT.—The program to be carried out  
11          under this section shall include research designed—

12                 “(1) to identify the unique aspects and at-  
13                 tributes of rail passenger and freight service;

14                 “(2) to develop more accurate models for evalu-  
15                 ating the impact of rail passenger and freight serv-  
16                 ice, including the effects on highway and airport and  
17                 airway congestion, environmental quality, and energy  
18                 consumption;

19                 “(3) to develop a better understanding of modal  
20                 choice as it affects rail passenger and freight trans-  
21                 portation, including development of better models to  
22                 predict utilization;

23                 “(4) to recommend priorities for technology  
24                 demonstration and development;

1           “(5) to meet additional priorities as determined  
2           by the advisory board established under subsection  
3           (c), including any recommendations made by the Na-  
4           tional Research Council;

5           “(6) to explore improvements in management,  
6           financing, and institutional structures;

7           “(7) to address rail capacity constraints that  
8           affect passenger and freight rail service through a  
9           wide variety of options, ranging from operating im-  
10          provements to dedicated new infrastructure, taking  
11          into account the impact of such options on oper-  
12          ations;

13          “(8) to improve maintenance, operations, cus-  
14          tomer service, or other aspects of intercity rail pas-  
15          senger and freight service;

16          “(9) to recommend objective methodologies for  
17          determining intercity passenger rail routes and serv-  
18          ices, including the establishment of new routes, the  
19          elimination of existing routes, and the contraction or  
20          expansion of services or frequencies over such  
21          routes;

22          “(10) to review the impact of equipment and  
23          operational safety standards on the further develop-  
24          ment of high speed passenger rail operations con-

1 nected to or integrated with non-high speed freight  
2 or passenger rail operations; and

3 “(11) to recommend any legislative or regu-  
4 latory changes necessary to foster further develop-  
5 ment and implementation of high speed passenger  
6 rail operations while ensuring the safety of such op-  
7 erations that are connected to or integrated with  
8 non-high speed freight or passenger rail operations.

9 “(c) ADVISORY BOARD.—

10 “(1) ESTABLISHMENT.—In consultation with  
11 the heads of appropriate Federal departments and  
12 agencies, the Secretary shall establish an advisory  
13 board to recommend research, technology, and tech-  
14 nology transfer activities related to rail passenger  
15 and freight transportation.

16 “(2) MEMBERSHIP.—The advisory board shall  
17 include—

18 “(A) representatives of State transpor-  
19 tation agencies;

20 “(B) transportation and environmental  
21 economists, scientists, and engineers; and

22 “(C) representatives of Amtrak, the Alaska  
23 Railroad, freight railroads, transit operating  
24 agencies, intercity rail passenger agencies, rail-

1 way labor organizations, and environmental or-  
 2 ganizations.

3 “(d) NATIONAL ACADEMY OF SCIENCES.— The Sec-  
 4 retary may make grants to, and enter into cooperative  
 5 agreements with, the National Academy of Sciences to  
 6 carry out such activities relating to the research, tech-  
 7 nology, and technology transfer activities described in sub-  
 8 section (b) as the Secretary deems appropriate.”.

9 (b) CLERICAL AMENDMENT.—The chapter analysis  
 10 for chapter 249 is amended by adding at the end the fol-  
 11 lowing:

“24910. Rail cooperative research program.”.

12 **TITLE IV—PASSENGER RAIL**  
 13 **SECURITY AND SAFETY**

14 **SEC. 401. SYSTEMWIDE AMTRAK SECURITY UPGRADES.**

15 (a) IN GENERAL—Subject to subsection (c) the Sec-  
 16 retary of Homeland Security, in consultation with the Sec-  
 17 retary of Transportation, is authorized to make grants to  
 18 Amtrak—

19 (1) to secure major tunnel access points and en-  
 20 sure tunnel integrity in New York, Baltimore, and  
 21 Washington, DC;

22 (2) to secure Amtrak trains;

23 (3) to secure Amtrak stations;

24 (4) to obtain a watch list identification system  
 25 approved by the Secretary;

1           (5) to obtain train tracking and interoperable  
2           communications systems that are coordinated to the  
3           maximum extent possible;

4           (6) to hire additional police and security offi-  
5           cers, including canine units; and

6           (7) to expand emergency preparedness efforts.

7           (b) CONDITIONS.—The Secretary of Transportation  
8           shall disburse funds to Amtrak provided under subsection  
9           (a) for projects contained in a systemwide security plan  
10          approved by the Secretary of Homeland Security. The  
11          plan shall include appropriate measures to address secu-  
12          rity awareness, emergency response, and passenger evacu-  
13          ation training.

14          (c) EQUITABLE GEOGRAPHIC ALLOCATION.—The  
15          Secretary shall ensure that, subject to meeting the highest  
16          security needs on Amtrak’s entire system, stations and fa-  
17          cilities located outside of the Northeast Corridor receive  
18          an equitable share of the security funds authorized by this  
19          section.

20          (d) AUTHORIZATION OF APPROPRIATIONS.—There  
21          are authorized to be appropriated to the Secretary of  
22          Homeland Security to carry out this section—

23               (1) \$63,500,000 for fiscal year 2006;

24               (2) \$30,000,000 for fiscal year 2007; and

25               (3) \$30,000,000 for fiscal year 2008.

1 Amounts appropriated pursuant to this subsection shall  
2 remain available until expended.

3 **SEC. 402. FIRE AND LIFE-SAFETY IMPROVEMENTS.**

4 (a) LIFE-SAFETY NEEDS.—The Secretary of Trans-  
5 portation is authorized to make grants to Amtrak for the  
6 purpose of making fire and life-safety improvements to  
7 Amtrak tunnels on the Northeast Corridor in New York,  
8 NY, Baltimore, MD, and Washington, DC.

9 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated to the Secretary of  
11 Transportation for the purposes of carrying out subsection  
12 (a) the following amounts:

13 (1) For the 6 New York tunnels to provide ven-  
14 tilation, electrical, and fire safety technology up-  
15 grades, emergency communication and lighting sys-  
16 tems, and emergency access and egress for pas-  
17 sengers—

18 (A) \$190,000,000 for fiscal year 2006;

19 (B) \$190,000,000 for fiscal year 2007;

20 (C) \$190,000,000 for fiscal year 2008;

21 (2) For the Baltimore & Potomac tunnel and  
22 the Union tunnel, together, to provide adequate  
23 drainage, ventilation, communication, lighting, and  
24 passenger egress upgrades—

25 (A) \$19,000,000 for fiscal year 2006;



1 (B) \$19,000,000 for fiscal year 2007;

2 (C) \$19,000,000 for fiscal year 2008;

3 (3) For the Washington, DC, Union Station  
4 tunnels to improve ventilation, communication, light-  
5 ing, and passenger egress upgrades—

6 (A) \$13,333,000 for fiscal year 2006;

7 (B) \$13,333,000 for fiscal year 2007;

8 (C) \$13,333,000 for fiscal year 2008;

9 (c) INFRASTRUCTURE UPGRADES.—There are au-  
10 thorized to be appropriated to the Secretary of Transpor-  
11 tation for fiscal year 2006 \$3,000,000 for the preliminary  
12 design of options for a new tunnel on a different alignment  
13 to augment the capacity of the existing Baltimore tunnels.

14 (d) AVAILABILITY OF APPROPRIATED FUNDS.—  
15 Amounts made available pursuant to this section shall re-  
16 main available until expended.

17 (e) PLANS REQUIRED.—The Secretary may not make  
18 amounts available to Amtrak for obligation or expenditure  
19 under subsection (a)—

20 (1) until Amtrak has submitted to the Sec-  
21 retary, and the Secretary has approved, an engineer-  
22 ing and financial plan for such projects; and

23 (2) unless, for each project funded pursuant to  
24 this section, the Secretary has approved a project  
25 management plan prepared by Amtrak addressing

1 appropriate project budget, construction schedule,  
2 recipient staff organization, document control and  
3 record keeping, change order procedure, quality con-  
4 trol and assurance, periodic plan updates, and peri-  
5 odic status reports.

6 (f) REVIEW OF PLANS.—The Secretary of Transpor-  
7 tation shall complete the review of the plans required by  
8 paragraphs (1) and (2) of subsection (e) and approve or  
9 disapprove the plans within 45 days after the date on  
10 which each such plan is submitted by Amtrak. If the Sec-  
11 retary determines that a plan is incomplete or deficient,  
12 the Secretary shall notify Amtrak of the incomplete items  
13 or deficiencies and Amtrak shall, within 30 days after re-  
14 ceiving the Secretary’s notification, submit a modified  
15 plan for the Secretary’s review. Within 15 days after re-  
16 ceiving additional information on items previously included  
17 in the plan, and within 45 days after receiving items newly  
18 included in a modified plan, the Secretary shall either ap-  
19 prove the modified plan, or, if the Secretary finds the plan  
20 is still incomplete or deficient, the Secretary shall identify  
21 in writing to the Senate Committee on Commerce, Science,  
22 and Transportation and the House of Representatives  
23 Committee on Transportation and Infrastructure the por-  
24 tions of the plan the Secretary finds incomplete or defi-  
25 cient, approve all other portions of the plan, obligate the

1 funds associated with those other portions, and execute  
 2 an agreement with Amtrak within 15 days thereafter on  
 3 a process for resolving the remaining portions of the plan.

4 (g) FINANCIAL CONTRIBUTION FROM OTHER TUN-  
 5 NEL USERS.—The Secretary shall, taking into account the  
 6 need for the timely completion of all portions of the tunnel  
 7 projects described in subsection (a)—

8 (1) consider the extent to which rail carriers  
 9 other than Amtrak use or plan to use the tunnels;

10 (2) consider the feasibility of seeking a financial  
 11 contribution from those other rail carriers toward  
 12 the costs of the projects; and

13 (3) obtain financial contributions or commit-  
 14 ments from such other rail carriers at levels reflect-  
 15 ing the extent of their use or planned use of the tun-  
 16 nels, if feasible.

17 **SEC. 403. AMTRAK PLAN TO ASSIST FAMILIES OF PAS-**  
 18 **SENGERS INVOLVED IN RAIL PASSENGER AC-**  
 19 **CIDENTS.**

20 (a) IN GENERAL.—Chapter 243 of title 49, United  
 21 States Code, is amended by adding at the end the fol-  
 22 lowing:

1 **“§ 24316. Plans to address needs of families of pas-**  
2 **sengers involved in rail passenger acci-**  
3 **dents**

4 “(a) SUBMISSION OF PLAN.—Not later than 6  
5 months after the date of the enactment of the Passenger  
6 Rail Investment and Improvement Act of 2005, Amtrak  
7 shall submit to the Chairman of the National Transpor-  
8 tation Safety Board and the Secretary of Transportation  
9 a plan for addressing the needs of the families of pas-  
10 sengers involved in any rail passenger accident involving  
11 an Amtrak intercity train and resulting in a loss of life.

12 “(b) CONTENTS OF PLANS.—The plan to be sub-  
13 mitted by Amtrak under subsection (a) shall include, at  
14 a minimum, the following:

15 “(1) A process by which Amtrak will maintain  
16 and provide to the National Transportation Safety  
17 Board and the Secretary of Transportation, imme-  
18 diately upon request, a list (which is based on the  
19 best available information at the time of the request)  
20 of the names of the passengers aboard the train  
21 (whether or not such names have been verified), and  
22 will periodically update the list. The plan shall in-  
23 clude a procedure, with respect to unreserved trains  
24 and passengers not holding reservations on other  
25 trains, for Amtrak to use reasonable efforts to ascer-

1       tain the number and names of passengers aboard a  
2       train involved in an accident.

3               “(2) A plan for creating and publicizing a reli-  
4       able, toll-free telephone number within 4 hours after  
5       such an accident occurs, and for providing staff, to  
6       handle calls from the families of the passengers.

7               “(3) A process for notifying the families of the  
8       passengers, before providing any public notice of the  
9       names of the passengers, by suitably trained individ-  
10      uals.

11              “(4) A process for providing the notice de-  
12      scribed in paragraph (2) to the family of a pas-  
13      senger as soon as Amtrak has verified that the pas-  
14      senger was aboard the train (whether or not the  
15      names of all of the passengers have been verified).

16              “(5) A process by which the family of each pas-  
17      senger will be consulted about the disposition of all  
18      remains and personal effects of the passenger within  
19      Amtrak’s control; that any possession of the pas-  
20      senger within Amtrak’s control will be returned to  
21      the family unless the possession is needed for the ac-  
22      cident investigation or any criminal investigation;  
23      and that any unclaimed possession of a passenger  
24      within Amtrak’s control will be retained by the rail  
25      passenger carrier for at least 18 months.

1           “(6) A process by which the treatment of the  
2 families of nonrevenue passengers will be the same  
3 as the treatment of the families of revenue pas-  
4 sengers.

5           “(7) An assurance that Amtrak will provide  
6 adequate training to its employees and agents to  
7 meet the needs of survivors and family members fol-  
8 lowing an accident.

9           “(c) USE OF INFORMATION.—The National Trans-  
10 portation Safety Board, the Secretary of Transportation,  
11 and Amtrak may not release to any person information  
12 on a list obtained under subsection (b)(1) but may provide  
13 information on the list about a passenger to the family  
14 of the passenger to the extent that the Board or Amtrak  
15 considers appropriate.

16           “(d) LIMITATION ON LIABILITY.—Amtrak shall not  
17 be liable for damages in any action brought in a Federal  
18 or State court arising out of the performance of Amtrak  
19 in preparing or providing a passenger list, or in providing  
20 information concerning a train reservation, pursuant to a  
21 plan submitted by Amtrak under subsection (b), unless  
22 such liability was caused by Amtrak’s conduct.

23           “(e) LIMITATION ON STATUTORY CONSTRUCTION.—  
24 Nothing in this section may be construed as limiting the  
25 actions that Amtrak may take, or the obligations that Am-

1 trak may have, in providing assistance to the families of  
2 passengers involved in a rail passenger accident.

3 “(f) FUNDING.—There are authorized to be appro-  
4 priated to the Secretary of Transportation for the use of  
5 Amtrak \$500,000 for fiscal year 2006 to carry out this  
6 section. Amounts made available pursuant to this sub-  
7 section shall remain available until expended.”.

8 (b) CONFORMING AMENDMENT.—The chapter anal-  
9 ysis for chapter 243 of title 49, United States Code, is  
10 amended by adding at the end the following:

“24316. Plan to assist families of passengers involved in rail passenger acci-  
dents.”.

11 **SEC. 404. NORTHERN BORDER RAIL PASSENGER REPORT.**

12 Within 180 days after the date of enactment of this  
13 Act, the Secretary of Transportation, in consultation with  
14 the Secretary of Homeland Security, the Assistant Sec-  
15 retary of Homeland Security (Transportation Security Ad-  
16 ministration), heads of other appropriate Federal depart-  
17 ments, and agencies and the National Railroad Passenger  
18 Corporation, shall transmit a report to the Senate Com-  
19 mittee on Commerce, Science, and Transportation and the  
20 House of Representatives Committee on Transportation  
21 and Infrastructure that contains—

22 (1) a description of the current system for  
23 screening passengers and baggage on passenger rail  
24 service between the United States and Canada;

1           (2) an assessment of the current program to  
2 provide preclearance of airline passengers between  
3 the United States and Canada as outlined in “The  
4 Agreement on Air Transport Preclearance between  
5 the Government of Canada and the Government of  
6 the United States of America”, dated January 18,  
7 2001;

8           (3) an assessment of the current program to  
9 provide preclearance of freight railroad traffic be-  
10 tween the United States and Canada as outlined in  
11 the “Declaration of Principle for the Improved Secu-  
12 rity of Rail Shipments by Canadian National Rail-  
13 way and Canadian Pacific Railway from Canada to  
14 the United States”, dated April 2, 2003;

15           (4) information on progress by the Department  
16 of Homeland Security and other Federal agencies to-  
17 wards finalizing a bilateral protocol with Canada  
18 that would provide for preclearance of passengers on  
19 trains operating between the United States and Can-  
20 ada;

21           (5) a description of legislative, regulatory,  
22 budgetary, or policy barriers within the United  
23 States Government to providing pre-screened pas-  
24 senger lists for rail passengers traveling between the



1 United States and Canada to the Department of  
2 Homeland Security;

3 (6) a description of the position of the Govern-  
4 ment of Canada and relevant Canadian agencies  
5 with respect to preclearance of such passengers;

6 (7) a draft of any changes in existing Federal  
7 law necessary to provide for pre-screening of such  
8 passengers and providing pre-screened passenger  
9 lists to the Department of Homeland Security; and

10 (8) an analysis of the feasibility of reinstating  
11 United States Customs and Border Patrol rolling in-  
12 spections onboard international Amtrak trains.

13 **SEC. 405. PASSENGER, BAGGAGE, AND CARGO SCREENING.**

14 (a) REQUIREMENT FOR STUDY AND REPORT.—The  
15 Secretary of Homeland Security, in cooperation with the  
16 Secretary of Transportation through the Assistant Sec-  
17 retary of Homeland Security (Transportation Security Ad-  
18 ministration) and other appropriate agencies, shall—

19 (1) study the cost and feasibility of requiring  
20 security screening for passengers, baggage, and  
21 cargo on passenger trains including an analysis of  
22 any passenger train screening pilot programs under-  
23 taken by the Department of Homeland Security; and

24 (2) report the results of the study, together  
25 with any recommendations that the Secretary of

1 Homeland Security may have for implementing a  
 2 rail security screening program to the Senate Com-  
 3 mittee on Commerce, Science, and Transportation  
 4 and the House of Representatives Committee on  
 5 Transportation and Infrastructure within 1 year  
 6 after the date of enactment of this Act.

7 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
 8 are authorized to be appropriated to the Secretary of  
 9 Homeland Security \$1,000,000 for fiscal year 2006 to  
 10 carry out this section.

## 11 **TITLE V—RAIL BOND**

### 12 **AUTHORITY**

#### 13 **SEC. 501. INTERCITY RAIL FACILITY BONDS.**

14 (a) IN GENERAL.—Chapter 261 is amended by add-  
 15 ing at the end the following:

#### 16 **“§ 26106. Rail infrastructure bonds**

17 “(a) DESIGNATION.—The Secretary may designate  
 18 bonds for purposes of section 54 of the Internal Revenue  
 19 Code of 1986 if—

20 “(1) the bonds are to be issued by—

21 “(A) a State, if the entire railroad pas-  
 22 senger transportation corridor containing the  
 23 infrastructure project to be financed is within  
 24 the State;

1           “(B) 1 or more of the States that have en-  
2           tered into an agreement or an interstate com-  
3           pact consented to by Congress under section  
4           410(a) of Public Law 105–134 (49 U.S.C.  
5           24101 note);

6           “(C) an agreement or an interstate com-  
7           pact described in subparagraph (B); or

8           “(D) Amtrak, for capital projects under its  
9           5-year plan;

10          “(2) the bonds are for the purpose of financing  
11          projects that make a substantial contribution to pro-  
12          viding the infrastructure and equipment required to  
13          complete or improve a rail transportation corridor  
14          (including projects for the acquisition, financing, or  
15          refinancing of equipment and other capital improve-  
16          ments, including the introduction of new high-speed  
17          technologies such as magnetic levitation systems,  
18          track or signal improvements, the elimination of  
19          grade crossings, development of intermodal facilities,  
20          improvement of train speeds or safety, or both, and  
21          station rehabilitation or construction), but only if  
22          the Secretary determines that the projects are part  
23          of a viable and comprehensive rail transportation  
24          corridor design for intercity passenger service in-

1       cluded in a State rail plan under chapter 225 (ex-  
2       cept for bonds issued under paragraph (1)(D)); and

3           “(3) for a railroad passenger transportation  
4       corridor not operated by Amtrak that includes the  
5       use of rights-of-way owned by a freight railroad, a  
6       written agreement exists between the applicant and  
7       the freight railroad regarding such use and owner-  
8       ship, including compensation for such use and assur-  
9       ances regarding the adequacy of infrastructure ca-  
10      pacity to accommodate both existing and future  
11      freight and passenger operations, and including an  
12      assurance by the freight railroad that collective bar-  
13      gaining agreements with the freight railroad’s em-  
14      ployees (including terms regulating the contracting  
15      of work) shall remain in full force and effect accord-  
16      ing to their terms for work performed by the freight  
17      railroad on such railroad passenger transportation  
18      corridor.

19      “(b) BOND AMOUNT LIMITATION.—

20           “(1) IN GENERAL.—The amount of bonds des-  
21      ignated under this section may not exceed in the  
22      case of section 54 bonds, \$1,300,000,000 for each of  
23      the fiscal years 2006 through 2015.

24           “(2) CARRYOVER OF UNUSED LIMITATION.—If  
25      for any fiscal year the limitation amount under

1 paragraph (1) exceeds the amount of section 54  
2 bonds issued during such year, the limitation  
3 amount under paragraph (1) for the following fiscal  
4 year (through fiscal year 2019) shall be increased by  
5 the amount of such excess.

6 “(c) PROJECT SELECTION CRITERIA.—The Secretary  
7 shall give preference to the designation under this section  
8 of bonds for projects selected using the criteria in chapter  
9 244.

10 “(d) TIMELY DISPOSITION OF APPLICATION.—The  
11 Secretary shall grant or deny a requested designation  
12 within 9 months after receipt of an application.

13 “(e) REFINANCING RULES.—Bonds designated by  
14 the Secretary under subsection (a) may be issued for refi-  
15 nancing projects only if the indebtedness being refinanced  
16 (including any obligation directly or indirectly refinanced  
17 by such indebtedness) was originally incurred by the  
18 issuer—

19 “(1) after the date of the enactment of this sec-  
20 tion;

21 “(2) for a term of not more than 3 years;

22 “(3) to finance projects described in subsection  
23 (a)(2); and

24 “(4) in anticipation of being refinanced with  
25 proceeds of a bond designated under subsection (a).

1       “(f) APPLICATION OF CONDITIONS.—Any entity pro-  
2 viding railroad transportation (within the meaning of sec-  
3 tion 20102) that begins operations after the date of the  
4 enactment of this section and that uses property acquired  
5 pursuant to this section (except as provided in subsection  
6 (a)(2)(B)), shall be subject to the conditions under section  
7 24405.

8       “(g) ISSUANCE OF REGULATIONS.—Not later than 6  
9 months after the date of the enactment of the Passenger  
10 Rail Investment and Improvement Act of 2005, the Sec-  
11 retary shall issue regulations for carrying out this section.

12       “(h) SECTION 54 DEFINED.—In this section, the  
13 term ‘section 54 bond’ means a bond designated by the  
14 Secretary under subsection (a) for purposes of section 54  
15 of the Internal Revenue Code of 1986 (relating to credit  
16 to holders of qualified rail infrastructure bonds).”.

17       (b) CONFORMING AMENDMENT.—The table of sec-  
18 tions for chapter 261 is amended by adding after the item  
19 relating to section 26105 the following new item:

“26106. Rail infrastructure bonds.”.

○