

But, again, I think that during the remainder of the day it is very likely that we will have a minimum of two votes, and maybe even three or four.

UNANIMOUS-CONSENT
AGREEMENT—S. 738

Mr. LOTT. Mr. President, I now ask unanimous consent that the Senate proceed to consideration of Calendar No. 179, S. 738.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I ask unanimous consent that the committee amendment be withdrawn, and I understand Senator HUTCHISON has a substitute amendment at the desk, and I would ask for its consideration.

Mr. DASCHLE. Mr. President, reserving the right to object, I only do so at the request of Senators KERRY and LAUTENBERG, that they be given 10 minutes each at some point following the introduction of the amendment and comments made by Senators MCCAIN and HUTCHISON.

Mr. LOTT. Mr. President, I don't know if we should at this time get consent in that we would have that time. I think they will have it and maybe more if they would like to have it, and we should not and will not complete the discussion on it until the Senators have been involved in working out this compromise are in the Chamber.

I would like to say if I could at this point, I thank the chairman of the committee of jurisdiction, Senator MCCAIN, for his persistence on this matter, and Senator HUTCHISON, who is chairman of the subcommittee, for her efforts in bringing about this compromise. Senator KERRY from the committee as well as Senator BREAUX have worked very hard in developing this compromise.

I have been involved in this effort now for 3 years, having served as chairman of the subcommittee in the previous Congress. I think it is very important that we get fundamental reform of Amtrak so that Amtrak at least will have a chance to be able to provide good service and do it without depending on continuing subsidies from the Federal Government forever. They should be able to turn a profit, and I think this legislation will make that possible. They should be able to contract outwork. They should be able to advertise. There are so many basic private sector things that they could do and should have been doing before now that would allow them to actually make a profit so that we can keep a national rail passenger system. We need a passenger system that serves all the country, not just the eastern seaboard, and this is a major step in that direction.

I want to emphasize, though, too, this is required in order to get the \$2.3 billion that was fenced in the budget agreement for capital improvements. And those funds are only for capital improvements, not for operating sub-

sidies, makeup of shortfalls in the past or salaries. That is not included in this legislation.

I think we have a good bill. After trying to move it for 2 years, I am delighted that the work of a lot of Senators including the Senators here now in the Chamber and others that will be here momentarily will make this possible. I don't want to delay it any longer for fear somebody might have a good idea of one word that might be added.

Mr. DASCHLE. Mr. President, at the risk of delaying and only to do what the majority leader has just done, I think the Senators who have worked on this as hard and as long as they have do deserve the commendation just given them not only on that side of the bill but ours as well. The Senators have done an extraordinary job, and I only wish there were more occasions when on a bipartisan basis we could see this kind of leadership and effort put forth. This is a tribute to their effort, and I think a very successful one and I think as a result we are going to see an overwhelming vote on this legislation as we should and I appreciate very much their efforts.

I yield the floor.

Mr. LOTT. Mr. President, I do want to add, and Senator DASCHLE will want to add, the fact that the ranking member on the committee, Senator HOLLINGS, also has been involved in this for quite some time, and he has been helpful in bringing it to this conclusion.

The PRESIDING OFFICER. Is there objection to the request?

Mr. DASCHLE. I certainly would add that Senator HOLLINGS, in fact, was the last person to sign off on this legislation as is understandable. We appreciate very much the early and perpetual effort he makes on Amtrak matters, and certainly he deserves that recognition as well.

I thank the majority leader.

The PRESIDING OFFICER. Was there an objection to the request from the Democratic leader?

Mr. LOTT. I believe the Chair did not hear objection.

There was not an objection from the Democratic leader on that unanimous consent request to proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSENT OF CONGRESS TO THE
APALACHICOLA-CHATTAHOOCHEE-FLINT RIVER BASIN COMPACT

CONSENT OF CONGRESS TO THE
ALABAMA-COOSA-TALLAPOOSA RIVER BASIN COMPACT

Mr. LOTT. Before we go to Amtrak, two other unanimous-consent requests.

I ask unanimous consent that the Senate proceed en bloc to the immediate consideration of House Joint Resolution 91 and House Joint Resolution 92 which were received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows.

A resolution (H.J. Res. 91) granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact.

A resolution (H.J. Res. 92) granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolutions?

There being no objection, the Senate proceeded to consider the joint resolutions.

Mr. LOTT. Mr. President, I ask unanimous consent that the joint resolutions be considered as read a third time and passed, the motions to reconsider be laid upon the table, and that any statements relating to the resolutions be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolutions (H.J. Res. 91 and H.J. Res. 92) were passed.

Mr. LOTT. I yield the floor.

Mr. SHELBY. Mr. President, I am pleased that the Senate has passed House Joint Resolutions 91 and 92 granting the consent of Congress to the Alabama-Coosa-Tallapoosa [ACT] and the Apalachicola-Chattahoochee-Flint [ACF] River Basin Compacts. I would like to thank the majority leader, his staff, and my colleagues from Alabama, Georgia, and Florida for their efforts and leadership in moving these valuable bills.

With the passage of these compacts, the three States now may move forward and begin the difficult task of allocating water resources throughout the region. The compacts set forth the framework for the three States to resolve the critical issue of how our scarce water resources are divided. This partnership will enable the States to determine the best utilization of our shared water supply. These rivers are an invaluable resource to our States—essential to Alabama's economic and personal well-being.

I look forward to continuing to work with Gov. Fob James and the Alabama delegation to assure that Alabama's water needs are met today and in the future.

AMTRAK REFORM AND
ACCOUNTABILITY ACT OF 1997

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (S. 738) to reform the statutes relating to Amtrak, to authorize appropriation for Amtrak, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 738

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF SECTIONS.

(a) **SHORT TITLE.**—This Act may be cited as the “Amtrak Reform and Accountability Act of 1997”.

(b) **TABLE OF SECTIONS.**—The table of sections for this Act is as follows:

Sec. 1. Short title; table of sections.
Sec. 2. Findings.

TITLE I—REFORMS**Subtitle A—Operational Reforms**

Sec. 101. Basic system.
Sec. 102. Mail, express, and auto-ferry transportation.
Sec. 103. Route and service criteria.
Sec. 104. Additional qualifying routes.
Sec. 105. Transportation requested by States, authorities, and other persons.
Sec. 106. Amtrak commuter.
Sec. 107. Through service in conjunction with intercity bus operations.
Sec. 108. Rail and motor carrier passenger service.
Sec. 109. Passenger choice.
Sec. 110. Application of certain laws.

Subtitle B—Procurement

Sec. 121. Contracting out.

Subtitle C—Employee Protection Reforms

Sec. 141. Railway Labor Act Procedures.
Sec. 142. Service discontinuance.

Subtitle D—Use of Railroad Facilities

Sec. 161. Liability limitation.
Sec. 162. Retention of facilities.

TITLE II—FISCAL ACCOUNTABILITY

Sec. 201. Amtrak financial goals.
Sec. 202. Independent assessment.
Sec. 203. Amtrak Reform Council.
Sec. 204. Sunset trigger.
Sec. 205. Access to records and accounts.
Sec. 206. Officers' pay.
Sec. 207. Exemption from taxes.

TITLE III—AUTHORIZATION OF APPROPRIATIONS

Sec. 301. Authorization of appropriations.

TITLE IV—MISCELLANEOUS

Sec. 401. Status and applicable laws.
Sec. 402. Waste disposal.
Sec. 403. Assistance for upgrading facilities.
Sec. 404. Demonstration of new technology.
Sec. 405. Program master plan for Boston-New York main line.
Sec. 406. Americans with Disabilities Act of 1990.
Sec. 407. Definitions.
Sec. 408. Northeast Corridor cost dispute.
Sec. 409. Inspector General Act of 1978 amendment.
Sec. 410. Interstate rail compacts.
Sec. 411. Composition of Amtrak board of directors.
Sec. 412. Educational participation.
Sec. 413. Report to Congress on Amtrak bankruptcy.
Sec. 414. Amtrak to notify Congress of lobbying relationships.

SEC. 2. FINDINGS.

The Congress finds that—

(1) intercity rail passenger service is an essential component of a national intermodal passenger transportation system;

(2) Amtrak is facing a financial crisis, with growing and substantial debt obligations severely limiting its ability to cover operating costs and jeopardizing its long-term viability;

(3) immediate action is required to improve Amtrak's financial condition if Amtrak is to survive;

(4) all of Amtrak's stakeholders, including labor, management, and the Federal govern-

ment, must participate in efforts to reduce Amtrak's costs and increase its revenues;

(5) additional flexibility is needed to allow Amtrak to operate in a businesslike manner in order to manage costs and maximize revenues;

(6) Amtrak should ensure that new management flexibility produces cost savings without compromising safety;

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

(8) Amtrak and its employees should proceed quickly with proposals to modify collective bargaining agreements to make more efficient use of manpower and to realize cost savings which are necessary to reduce Federal financial assistance;

(9) Amtrak and intercity bus service providers should work cooperatively and develop coordinated intermodal relationships promoting seamless transportation services which enhance travel options and increase operating efficiencies; [and]

(10) *Amtrak's Strategic Business Plan calls for the establishment of a dedicated source of capital funding for Amtrak in order to ensure that Amtrak will be able to fulfill the goals of maintaining—*

(A) *a national passenger rail system; and*
(B) *that system without Federal operating assistance; and*

[(10)] (11) *Federal financial assistance to cover operating losses incurred by Amtrak should be eliminated by the year 2002.*

TITLE I—REFORMS**Subtitle A—Operational Reforms****SEC. 101. BASIC SYSTEM.**

(a) **OPERATION OF BASIC SYSTEM.**—Section 24701 of title 49, United States Code, is amended to read as follows:

“§ 24701. Operation of basic system

“Amtrak shall provide intercity rail passenger transportation within the basic system. Amtrak shall strive to operate as a national rail passenger transportation system which provides access to all areas of the country and ties together existing and emergent regional rail passenger corridors and other intermodal passenger service.”

(b) **IMPROVING RAIL PASSENGER TRANSPORTATION.**—Section 24702 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

(c) **DISCONTINUANCE.**—Section 24706 of title 49, United States Code, is amended—

(1) by striking “90 days” and inserting “180 days” in subsection (a)(1);

[(2) by striking “a discontinuance under section 24707(a) or (b) of this title” in subsection (a)(1) and inserting “discontinuing service over a route”];

(2) by striking “24707(a) or (b) of this title,” in subsection (a)(1) and inserting “discontinuing service over a route.”;

(3) by inserting “or assume” after “agree to share” in subsection (a)(1); and

(4) by striking “section 24707 (a) or (b) of this title” in subsections (a)(2) and (b)(1) and inserting “paragraph (1)”.

(d) **COST AND PERFORMANCE REVIEW.**—Section 24707 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

(e) **SPECIAL COMMUTER TRANSPORTATION.**—Section 24708 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

(f) **CONFORMING AMENDMENT.**—Section 24312(a)(1) of title 49, United States Code, is amended by striking “, 24701(a),”.

SEC. 102. MAIL, EXPRESS, AND AUTO-FERRY TRANSPORTATION.

(a) **REPEAL.**—Section 24306 of title 49, United States Code, is amended—

(1) by striking the last sentence of subsection (a); and

[(2) by striking paragraphs (1) and (2) of subsection (b); and]

[(3) by striking “(3) State” and inserting “State”].

(2) by striking subsection (b) and inserting the following:

“(b) **AUTHORITY OF OTHERS TO PROVIDE AUTO-FERRY TRANSPORTATION.**—State and local laws and regulations that impair the provision of auto-ferry transportation do not apply to Amtrak or a rail carrier providing auto-ferry transportation. A rail carrier may not refuse to participate with Amtrak in providing auto-ferry transportation because a State or local law or regulation makes the transportation unlawful.”.

SEC. 103. ROUTE AND SERVICE CRITERIA.

Section 24703 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

SEC. 104. ADDITIONAL QUALIFYING ROUTES.

Section 24705 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

SEC. 105. TRANSPORTATION REQUESTED BY STATES, AUTHORITIES, AND OTHER PERSONS.

Section 24101(c)(2) of title 49, United States Code, is amended by inserting “, separately or in combination,” after “and the private sector”.

SEC. 106. AMTRAK COMMUTER.

(a) **REPEAL OF CHAPTER 245.**—Chapter 245 of title 49, United States Code, and the item relating thereto in the table of chapters of subtitle V of such title, are repealed.

(b) **CONFORMING AMENDMENT.**—Section 24301(f) of title 49, United States Code, is amended to read as follows:

“(f) **TAX EXEMPTION FOR CERTAIN COMMUTER AUTHORITIES.**—A commuter authority that was eligible to make a contract with Amtrak Commuter to provide commuter rail passenger transportation but which decided to provide its own rail passenger transportation beginning January 1, 1983, is exempt, effective October 1, 1981, from paying a tax or fee to the same extent Amtrak is exempt.”.

(c) **TRACKAGE RIGHTS NOT AFFECTED.**—The repeal of chapter 245 of title 49, United States Code, by subsection (a) of this section is without prejudice to the retention of trackage rights over property owned or leased by commuter authorities.

SEC. 107. THROUGH SERVICE IN CONJUNCTION WITH INTERCITY BUS OPERATIONS.

(a) **IN GENERAL.**—Section 24305(a) of title 49, United States Code, is amended by adding at the end the following new paragraph:

“(3)(A) Except as provided in subsection (d)(2), Amtrak may enter into a contract with a motor carrier of passengers for the intercity transportation of passengers by motor carrier over regular routes only—

“(i) if the motor carrier is not a public recipient of governmental assistance, as such term is defined in section [10922(d)(1)(F)(i)] 13902(b)(8)(A) of this title, other than a recipient of funds under section [18 of the Federal Transit Act;] 5311 of this title;

“(ii) for passengers who have had prior movement by rail or will have subsequent movement by rail; and

“(iii) if the buses, when used in the provision of such transportation, are used exclusively for the transportation of passengers described in clause (ii).

“(B) Subparagraph (A) shall not apply to transportation funded predominantly by a

State or local government, or to ticket selling agreements.”.

(b) **POLICY STATEMENT.**—Section 24305(d) of title 49, United States Code, is amended by adding at the end the following new paragraph:

“(3) Congress encourages Amtrak and motor common carriers of passengers to use the authority conferred in section 11342(a) of this title for the purpose of providing improved service to the public and economy of operation.”.

SEC. 108. RAIL AND MOTOR CARRIER PASSENGER SERVICE.

(a) **IN GENERAL.**—Notwithstanding any other provision of law (other than section 24305(a) of title 49, United States Code), Amtrak and motor carriers of passengers are authorized—

(1) to combine or package their respective services and facilities to the public as a means of increasing revenues; and

(2) to coordinate schedules, routes, rates, reservations, and ticketing to provide enhanced intermodal surface transportation.

(b) **REVIEW.**—The authority granted by subsection (a) is subject to review by the Surface Transportation Board and may be modified or revoked by the Board if modification or revocation is in the public interest.

SEC. 109. PASSENGER CHOICE.

Federal employees are authorized to travel on Amtrak for official business where total travel cost from office to office is competitive on a total trip or time basis.

SEC. 110. APPLICATION OF CERTAIN LAWS.

(a) **APPLICATION OF FOIA.**—Section 24301(e) of title 49, United States Code, is amended by adding at the end thereof the following: “Section 552 of title 5, United States Code, applies to Amtrak for any fiscal year in which Amtrak receives a Federal subsidy.”.

(b) **APPLICATION OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT.**—Section [304A(m)] 303B(m) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. [253b]) 253b(m) applies to a proposal in the possession or control of [Amtrak.”.] Amtrak.

Subtitle B—Procurement

SEC. 121. CONTRACTING OUT.

(a) **CONTRACTING OUT REFORM.**—Effective 180 days after the date of enactment of this Act, section 24312 of title 49, United States Code, is amended—

(1) by striking the paragraph designation for paragraph (1) of subsection (a);

(2) by striking “(2)” in subsection (a)(2) and inserting “(b)”;

(3) by striking subsection (b).

The amendment made by paragraph (3) is without prejudice to the power of Amtrak to contract out the provision of food and beverage services on board Amtrak trains or to contract out work not resulting in the layoff of Amtrak employees.

(b) **NOTICES.**—Notwithstanding any arrangement in effect before the date of the enactment of this Act, notices under section 6 of the Railway Labor Act (45 U.S.C. 156) with respect to all issues relating to contracting out by Amtrak of work normally performed by an employee in a bargaining unit covered by a contract between Amtrak and a labor organization representing Amtrak employees, which are applicable to employees of Amtrak shall be deemed served and effective on the date which is 45 days after the date of the enactment of this Act. Amtrak, and each affected labor organization representing Amtrak employees, shall promptly supply specific information and proposals with respect to each such notice. This subsection shall not apply to issues relating to provisions defining the scope or classification of work performed by an Am-

trak employee. The issue for negotiation under this paragraph does not include the contracting out of work involving food and beverage services provided on Amtrak trains or the contracting out of work not resulting in the layoff of Amtrak employees.

(c) **NATIONAL MEDIATION BOARD EFFORTS.**—Except as provided in subsection (d), the National Mediation Board shall complete all efforts, with respect to the dispute described in subsection (b), under section 5 of the Railway Labor Act (45 U.S.C. 155) not later than 120 days after the date of the enactment of this Act.

(d) **RAILWAY LABOR ACT ARBITRATION.**—The parties to the dispute described in subsection (b) may agree to submit the dispute to arbitration under section 7 of the Railway Labor Act (45 U.S.C. 157), and any award resulting therefrom shall be retroactive to the date which is 120 days after the date of the enactment of this Act.

(e) **DISPUTE RESOLUTION.**—

(1) With respect to the dispute described in subsection (b) which—

(A) is unresolved as of the date which is 120 days after the date of the enactment of this Act; and

(B) is not submitted to arbitration as described in subsection (d),

Amtrak shall, and the labor organizations that are parties to such dispute shall, within 127 days after the date of the enactment of this Act, each select an individual from the entire roster of arbitrators maintained by the National Mediation Board. Within 134 days after the date of the enactment of this Act, the individuals selected under the preceding sentence shall jointly select an individual from such roster to make recommendations with respect to such dispute under this subsection. If the National Mediation Board is not informed of the selection of the individual under the preceding sentence 134 days after the date of enactment of this Act, the Board will immediately select such individual.

(2) No individual shall be selected under paragraph (1) who is pecuniarily or otherwise interested in any organization of employees or any railroad or who is selected pursuant to section 141(d) of this Act.

(3) The compensation of individuals selected under paragraph (1) shall be fixed by the National Mediation Board. The second paragraph of section 10 of the Railway Labor Act (45 U.S.C. 160) shall apply to the expenses of such individuals as if such individuals were members of a board created under such section 10.

(4) If the parties to a dispute described in subsection (b) fail to reach agreement within 150 days after the date of the enactment of this Act, the individual selected under paragraph (1) with respect to such dispute shall make recommendations to the parties proposing contract terms to resolve the dispute.

(5) If the parties to a dispute described in subsection (b) fail to reach agreement, no change shall be made by either of the parties in the conditions out of which the dispute arose for 30 days after recommendations are made under paragraph (4).

(6) Section 10 of the Railway Labor Act (45 U.S.C. 160) shall not apply to a dispute described in subsection (b).

(f) **NO PRECEDENT FOR FREIGHT.**—Nothing in this section shall be a precedent for the resolution of any dispute between a freight railroad and any labor organization representing that railroad’s employees.

Subtitle C—Employee Protection Reforms

SEC. 141. RAILWAY LABOR ACT PROCEDURES.

(a) **NOTICES.**—Notwithstanding any arrangement in effect before the date of the enactment of this Act, notices under section 6 of the Railway Labor Act (45 U.S.C. 156)

with respect to all issues relating to employee protective arrangements and severance benefits which are applicable to employees of Amtrak, including all provisions of Appendix C-2 to the National Railroad Passenger Corporation Agreement, signed July 5, 1973, shall be deemed served and effective on the date which is 45 days after the date of the enactment of this Act. Amtrak, and each affected labor organization representing Amtrak employees, shall promptly supply specific information and proposals with respect to each such notice.

(b) **NATIONAL MEDIATION BOARD EFFORTS.**—Except as provided in subsection (c), the National Mediation Board shall complete all efforts, with respect to the dispute described in subsection (a), under section 5 of the Railway Labor Act (45 U.S.C. 155) not later than 120 days after the date of the enactment of this Act.

(c) **RAILWAY LABOR ACT ARBITRATION.**—The parties to the dispute described in subsection (a) may agree to submit the dispute to arbitration under section 7 of the Railway Labor Act (45 U.S.C. 157), and any award resulting therefrom shall be retroactive to the date which is 120 days after the date of the enactment of this Act.

(d) **DISPUTE RESOLUTION.**—

(1) With respect to the dispute described in subsection (a) which

(A) is unresolved as of the date which is 120 days after the date of the enactment of this Act; and

(B) is not submitted to arbitration as described in subsection (c), Amtrak shall, and the labor organization parties to such dispute shall, within 127 days after the date of the enactment of this Act, each select an individual from the entire roster of arbitrators maintained by the National Mediation Board. Within 134 days after the date of the enactment of this Act, the individuals selected under the preceding sentence shall jointly select an individual from such roster to make recommendations with respect to such dispute under this subsection. If the National Mediation Board is not informed of the selection under the preceding sentence 134 days after the date of enactment of this Act, the Board will immediately select such individual.

(2) No individual shall be selected under paragraph (1) who is pecuniarily or otherwise interested in any organization of employees or any railroad or who is selected pursuant to section 121(e) of this Act.

(3) The compensation of individuals selected under paragraph (1) shall be fixed by the National Mediation Board. The second paragraph of section 10 of the Railway Labor Act shall apply to the expenses of such individuals as if such individuals were members of a board created under such section 10.

(4) If the parties to a dispute described in subsection (a) fail to reach agreement within 150 days after the date of the enactment of this Act, the individual selected under paragraph (1) with respect to such dispute shall make recommendations to the parties proposing contract terms to resolve the dispute.

(5) If the parties to a dispute described in subsection (a) fail to reach agreement, no change shall be made by either of the parties in the conditions out of which the dispute arose for 30 days after recommendations are made under paragraph (4).

(6) Section 10 of the Railway Labor Act (45 U.S.C. 160) shall not apply to a dispute described in subsection (a).

SEC. 142. SERVICE DISCONTINUANCE.

(a) **REPEAL.**—Section 24706(c) of title 49, United States Code, is repealed.

(b) **EXISTING CONTRACTS.**—Any provision of a contract entered into before the date of the enactment of this Act between Amtrak and a

labor organization representing Amtrak employees relating to employee protective arrangements and severance benefits applicable to employees of Amtrak is extinguished, including all provisions of Appendix C-2 to the National Railroad Passenger Corporation Agreement, signed July 5, 1973.

(c) SPECIAL EFFECTIVE DATE.—Subsections (a) and (b) of this section shall take effect 180 days after the date of the enactment of this Act.

(d) NONAPPLICATION OF BANKRUPTCY LAW PROVISION.—Section 1172(c) of title 11, United States Code, shall not apply to Amtrak and its employees.

Subtitle D—Use of Railroad Facilities

SEC. 161. LIABILITY LIMITATION.

(a) AMENDMENT.—Chapter 281 of title 49, United States Code, is amended by adding at the end the following new section:

“§ 28103. Limitations on rail passenger transportation liability

“(a) LIMITATIONS.—

“(1) Notwithstanding any other statutory or common law or public policy, or the nature of the conduct giving rise to damages or liability, a contract between Amtrak and its [passengers, the Alaska Railroad and its passengers,] passengers or private railroad car operators and their passengers regarding claims for personal injury, death, or damage to property arising from or in connection with the provision of rail passenger transportation, or from or in connection with any operations over or use of right-of-way or facilities owned, leased, or maintained by [Amtrak or the Alaska Railroad,] Amtrak, or from or in connection with any rail passenger transportation operations over or rail passenger transportation use of right-of-way or facilities owned, leased, or maintained by any high-speed railroad authority or operator, any commuter authority or operator, or any rail carrier shall be enforceable if—

“(A) punitive or exemplary damages, where permitted, are not limited to less than 2 times compensatory damages awarded to any claimant by any State or Federal court or administrative agency, or in any arbitration proceeding, or in any other forum or \$250,000, whichever is greater; and

“(B) passengers are provided adequate notice of any such contractual limitation or waiver or choice of forum.

“(2) For purposes of this subsection, the term ‘claim’ means a claim made directly or indirectly—

“(A) against Amtrak, any high-speed railroad authority or operator, any commuter authority or operator, or any rail carrier [including the Alaska Railroad] or private rail car operators; or

“(B) against an affiliate engaged in railroad operations, officer, employee, or agent of, Amtrak, any high-speed railroad authority or operator, any commuter authority or operator, or any rail carrier.

“(3) Notwithstanding paragraph (1)(A), in any case in which death was caused, the law of the place where the act or omission complained of occurred provides, or has been construed to provide, for damages only punitive in nature, a claimant may recover in a claim limited by this subsection for actual or compensatory damages measured by the pecuniary injuries, resulting from such death, to the persons for whose benefit the action was brought, subject to the provisions of paragraph (1).

“(b) INDEMNIFICATION OBLIGATION.—Obligations of any party, however arising, including obligations arising under leases or contracts or pursuant to orders of an administrative agency, to indemnify against damages or liability for personal injury, death, or damage to property described in [subsection] subsection (a), incurred after

the [death] date of the enactment of the Amtrak Reform and Accountability Act of 1997, shall be enforceable, notwithstanding any other statutory or common law or public policy, or the nature of the conduct giving rise to the damages or [liability.] liability.”.

(c) CONFORMING AMENDMENT.—The table of sections of chapter 281 of title 49, United States Code, is amended by adding at the end the following new item:

“28103. Limitations on rail passenger transportation liability.”.

SEC. 162. RETENTION OF FACILITIES.

Section 24309(b) of title 49, United States Code, is amended by inserting “or on January 1, 1997,” after “1979,”.

TITLE II—FISCAL ACCOUNTABILITY

SEC. 201. AMTRAK FINANCIAL GOALS.

Section 24101(d) of title 49, United States Code, is amended by adding at the end thereof the following: “Amtrak shall prepare a financial plan to operate within the funding levels authorized by section 24104 of this chapter, including budgetary goals for fiscal years 1998 through 2002. Commencing no later than the fiscal year following the fifth anniversary of the Amtrak Reform and Accountability Act of 1997, Amtrak shall operate without Federal operating grant funds appropriated for its benefit.”.

SEC. 202. INDEPENDENT ASSESSMENT.

(a) INITIATION.—Not later than 15 days after the date of enactment of this Act, the Secretary of Transportation shall contract with an entity independent of Amtrak and not in any contractual relationship with Amtrak and of the Department of Transportation to conduct a complete independent assessment of the financial requirements of Amtrak through fiscal year 2002. The entity shall have demonstrated knowledge about railroad industry accounting requirements, including the uniqueness of the industry and of Surface Transportation Board accounting requirements. *The Department of Transportation, Office of Inspector General, shall approve the entity’s statement of work and the award and shall oversee the contract. In carrying out its responsibilities under the preceding sentence, the Inspector General’s Office shall perform such overview and validation or verification of data as may be necessary to assure that the assessment conducted under this subsection meets the requirements of this section.*

(b) ASSESSMENT CRITERIA.—The Secretary and Amtrak shall provide to the independent entity estimates of the financial requirements of Amtrak for the period described above, using as a base the fiscal year 1997 appropriation levels established by the Congress. The independent assessment shall be based on an objective analysis of Amtrak’s funding needs.

(c) CERTAIN FACTORS TO BE TAKEN INTO ACCOUNT.—The independent assessment shall take into account all relevant factors, including Amtrak’s—

(1) cost allocation process and procedures;

(2) expenses related to intercity rail passenger service, commuter service, and any other service Amtrak provides;

(3) Strategic Business Plan, including Amtrak’s projected expenses, capital needs, ridership, and revenue forecasts; and

(4) Amtrak’s [debt obligations.] assets and liabilities.

For purposes of paragraph (3), in the capital needs part of its Strategic Business Plan Amtrak shall distinguish between that portion of the capital required for the Northeast corridor and that required outside the Northeast corridor, and shall include rolling stock requirements, including capital leases, “state of good repair” requirements, and infrastructure improvements.

(d) DEADLINE.—The independent assessment shall be completed not later than [90]

180 days after the contract is awarded, and shall be submitted to the Council established under section 203, the Secretary of Transportation, the Committee on Commerce, Science, and Transportation of the United States Senate, and the Committee on Transportation and Infrastructure of the United States House of Representatives.

SEC. 203. AMTRAK REFORM COUNCIL.

(a) ESTABLISHMENT.—There is established an independent commission to be known as the Amtrak Reform Council.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Council shall consist of 9 members, as follows:

(A) The Secretary of Transportation.

(B) Two individuals appointed by the President, of which—

(i) one shall be a representative of a rail labor organization; and

(ii) one shall be a representative of rail management.

(C) Two individuals appointed by the Majority Leader of the United States Senate.

(D) One individual appointed by the Minority Leader of the United States Senate.

(E) Two individuals appointed by the Speaker of the United States House of Representatives.

(F) One individual appointed by the Minority Leader of the United States House of Representatives.

(2) APPOINTMENT CRITERIA.—

(A) TIME FOR INITIAL APPOINTMENTS.—Appointments under paragraph (1) shall be made within 30 days after the date of enactment of this Act.

(B) EXPERTISE.—Individuals appointed under subparagraphs (C) through (F) of paragraph (1)—

(i) may not be employees of the United States;

(ii) may not be board members or employees of Amtrak;

(iii) may not be representatives of rail labor organizations or rail management; and

(iv) shall have technical qualifications, professional standing, and demonstrated expertise in the field of corporate management, finance, rail or other transportation operations, labor, economics, or the law, or other areas of expertise relevant to the Council.

(3) TERM.—Members shall serve for terms of 5 years. If a vacancy occurs other than by the expiration of a term, the individual appointed to fill the vacancy shall be appointed in the same manner as, and shall serve only for the unexpired portion of the term for which, that individual’s predecessor was appointed.

(4) CHAIRMAN.—The Council shall elect a chairman from among its membership within 15 days after the earlier of—

(A) the date on which all members of the Council have been appointed under paragraph (2)(A); or

(B) 45 days after the date of enactment of this Act.

[(4)] (5) MAJORITY REQUIRED FOR ACTION.—A majority of the members of the Council present and voting is required for the Council to take action. No person shall be elected chairman of the Council who receives fewer than 5 votes.

(c) ADMINISTRATIVE SUPPORT.—The Secretary of Transportation shall provide such administrative support to the Council as it needs in order to carry out its duties under this section.

(d) TRAVEL EXPENSES.—Each member of the Council shall serve without pay, but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with section 5702 and 5703 of title 5, United States Code.

(e) MEETINGS.—Each meeting of the Council, other than a meeting at which proprietary information is to be discussed, shall be open to the public.

(f) ACCESS TO INFORMATION.—Amtrak shall make available to the Council all information the Council requires to carry out its duties under this section. The Council shall establish appropriate procedures to ensure against the public disclosure of any information obtained under this subsection that is a trade secret or commercial or financial information that is privileged or confidential.

(g) DUTIES.—

(1) EVALUATION AND RECOMMENDATION.—The Council—

(A) shall evaluate Amtrak's performance; and

(B) make recommendations to Amtrak for achieving further cost containment and productivity improvements, and financial reforms.

(2) SPECIFIC CONSIDERATIONS.—In making its evaluation and recommendations under paragraph (1), the Council take consider all relevant performance factors, including—

(A) Amtrak's operation as a national passenger rail system which provides access to all regions of the country and ties together existing and emerging rail passenger corridors;

(B) appropriate methods for adoption of uniform cost and accounting procedures throughout the Amtrak system, based on generally accepted accounting principles; and

(C) management efficiencies and revenue enhancements, including savings achieved through labor and contracting negotiations.

(h) ANNUAL REPORT.—Each year before the fifth anniversary of the date of enactment of this Act, the Council shall submit to the Congress a report that includes an assessment of Amtrak's progress on the resolution or status of productivity issues; and makes recommendations for improvements and for any changes in law it believes to be necessary or appropriate.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Council such sums as may be necessary to enable the Council to carry out its duties.

SEC. 204. SUNSET TRIGGER.

(a) IN GENERAL.—If at any time more than 2 years after the date of enactment of this Act and implementation of the financial plan referred to in section 201 the Amtrak Reform Council finds that—

(1) Amtrak's business performance will prevent it from meeting the financial goals set forth in section 201; or

(2) Amtrak will require operating grant funds after the fifth anniversary of the date of enactment of this Act, then

the Council shall immediately notify the President, the Committee on Commerce, Science, and Transportation of the United States Senate; and the Committee on Transportation and Infrastructure of the United States House of Representatives.

(b) FACTORS CONSIDERED.—In making a finding under subsection (a), the Council shall take into account—

(1) Amtrak's performance;

(2) the findings of the independent assessment conducted under section 202; [and]

(3) the level of Federal funds made available for carrying out the financial plan referred to in section 201; and

[(3)] (4) Acts of God, national emergencies, and other events beyond the reasonable control of Amtrak.

[(c) ACTION PLAN.—Within 90 days after the Council makes a finding under subsection (a), it shall develop and submit to the Congress—

[(1) an action plan for a restructured and rationalized intercity rail passenger system; and

[(2) an action plan for the complete liquidation of Amtrak.

If the Congress does not approve by concurrent resolution the implementation of the plan submitted under paragraph (1) within 90 calendar days after it is submitted to the Congress, then the Secretary of Transportation and Amtrak shall implement the plan submitted under paragraph (2).]

(c) ACTION PLAN.—

(1) DEVELOPMENT OF PLANS.—Within 90 days after the Council makes a finding under subsection (a)—

(A) it shall develop and submit to the Congress an action plan for a restructured and rationalized national intercity rail passenger system; and

(B) Amtrak shall develop and submit to the Congress an action plan for the complete liquidation of Amtrak, after having the plan reviewed by the Inspector General of the Department of Transportation and the General Accounting Office for accuracy and reasonableness.

(2) CONGRESSIONAL ACTION OR INACTION.—If within 90 days after receiving the plans submitted under paragraph (1), an Act to implement a restructured and rationalized intercity rail passenger system does not become law, then Amtrak shall implement the liquidation plan developed under paragraph (1)(B) after such modification as may be required to reflect the recommendations, if any, of the Inspector General of the Department of Transportation and the General Accounting Office.

SEC. 205. ACCESS TO RECORDS AND ACCOUNTS.

Section 24315 of title 49, United States Code, is amended by adding at the end the following new subsection:

“(h) ACCESS TO RECORDS AND ACCOUNTS.—A State shall have access to Amtrak's records, accounts, and other necessary documents used to determine the amount of any payment to Amtrak required of the State.”.

SEC. 206. OFFICERS' PAY.

Section 24303(b) of title 49, United States Code, is amended by adding at the end the following: “The preceding sentence shall not apply for any fiscal year for which no Federal assistance is provided to Amtrak.”.

SEC. 207. EXEMPTION FROM TAXES.

(a) IN GENERAL.—Subsection (1) of section 24301 of title 49, United States Code, is amended—

(1) by striking so much of [the subsection as precedes “or a rail carrier” in paragraph (1)] paragraph (1) as precedes “exempt” and inserting the following:

“[(1) EXEMPTION FROM TAXES LEVIED AFTER SEPTEMBER 30, 1981.—]

“(1) IN GENERAL.—[Amtrak.] Amtrak, a rail carrier subsidiary of Amtrak, and any passenger or other customer of Amtrak or such subsidiary, are”;

[(2) by inserting “, and any passenger or other customer of Amtrak or such subsidiary,” in paragraph (1) after “subsidiary of Amtrak”;

[(3)] (2) by striking “tax or fee imposed” in paragraph (1) and all that follows through “levied on it” and inserting “tax, fee, head charge, or other charge, imposed or levied by a State, political subdivision, or local taxing authority on Amtrak, a rail carrier subsidiary of Amtrak, or on persons traveling in intercity rail passenger transportation or on mail or express transportation provided by Amtrak or such a subsidiary, or on the carriage of such persons, mail, or express, or on the sale of any such transportation, or on the gross receipts derived therefrom”;

[(4)] (3) by striking the last sentence of paragraph (1);

[(5)] (4) by striking “(2) The” in paragraph (2) and inserting “(3) JURISDICTION OF UNITED STATES DISTRICT COURTS.—The”; and

[(6)] (5) by inserting after paragraph (1) the following:

“(2) PHASE-IN OF EXEMPTION FOR CERTAIN EXISTING TAXES AND FEES.—

“(A) YEARS BEFORE 2000.—Notwithstanding paragraph (1), Amtrak is exempt from a tax or fee referred to in paragraph (1) that Amtrak was required to pay as of September 10, 1982, during calendar years 1997 through 1999, only to the extent specified in the following table:

Phase-in of Exemption	
Year of assessment	Percentage of exemption
1997	40
1998	60
1999	80
2000 and later years	100

“(B) TAXES ASSESSED AFTER MARCH, 1999.—Amtrak shall be exempt from any tax or fee referred to in subparagraph (A) that is assessed on or after April 1, 1999.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) do not apply to sales taxes imposed on intrastate travel as of the date of enactment of this Act.

TITLE III—AUTHORIZATION OF APPROPRIATIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 24104(a) of title 49, United States Code, is amended to read as follows:

“(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Transportation—

“(1) \$1,138,000,000 for fiscal year 1998;

“(2) \$1,058,000,000 for fiscal year 1999;

“(3) \$1,023,000,000 for fiscal year 2000;

“(4) \$989,000,000 for fiscal year 2001; and

“(5) \$955,000,000 for fiscal year 2002,

for the benefit of Amtrak for capital expenditures under chapters 243 and 247 of this title, operating expenses, and payments described in subsection (c)(1)(A) through (C). In fiscal years following the fifth anniversary of the enactment of the Amtrak Reform and Accountability Act of 1997 no funds authorized for Amtrak shall be used for operating expenses other than those prescribed for tax liabilities under section 3221 of the Internal Revenue Code of 1986 that are more than the amount needed for benefits of individuals who retire from Amtrak and for their beneficiaries.”.

TITLE IV—MISCELLANEOUS

SEC. 401. STATUS AND APPLICABLE LAWS.

Section 24301 of title 49, United States Code, is amended—

(1) by striking “rail carrier under section 10102” in subsection (a)(1) and inserting “railroad carrier under section 20102(2) and chapters 261 and 281”; and

(2) by amending subsection (c) to read as follows:

“(c) APPLICATION OF SUBTITLE IV.—Subtitle IV of this title shall not apply to Amtrak, except for sections [11303, 11342(a), 11504(a) and (d), and 11707.] 11301, 11322(a), 11502(a) and (d), and 11706. Notwithstanding the preceding sentence, Amtrak shall continue to be considered an employer under the Railroad Retirement Act of 1974, the Railroad Unemployment Insurance Act, and the Railroad Retirement Tax Act.”.

SEC. 402. WASTE DISPOSAL.

Section 24301(m)(1)(A) of title 49, United States Code, is amended by striking “1996” and inserting “2001”.

SEC. 403. ASSISTANCE FOR UPGRADING FACILITIES.

Section 24310 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 243 of such title, are repealed.

SEC. 404. DEMONSTRATION OF NEW TECHNOLOGY.

Section 24314 of title 49, United States Code, and the item relating thereto in the

table of sections for chapter 243 of that title, are repealed.

SEC. 405. PROGRAM MASTER PLAN FOR BOSTON-NEW YORK MAIN LINE.

(a) REPEAL.—Section 24903 of title 49, United States Code, is repealed and the table of sections for chapter 249 of such title is amended by striking the item relating to that section.

(b) CONFORMING AMENDMENTS.—

(1) Section 24902 of title 49, United States Code is amended by striking subsections (a), (c), and (d) and redesignating subsection (b) as subsection (a) and subsections (e) through (m) as subsections (b) through (j), respectively.

(2) Section 24904(a)(8) is amended by striking “the high-speed rail passenger transportation area specified in section 24902(a) (1) and (2)” and inserting “a high-speed rail passenger transportation area”.

SEC. 406. AMERICANS WITH DISABILITIES ACT OF 1990.

(a) APPLICATION TO AMTRAK.—

(1) ACCESS IMPROVEMENTS AT CERTAIN SHARED STATIONS.—Amtrak is responsible for its share, if any, of the costs of accessibility improvements at any station jointly used by Amtrak and a commuter authority.

(2) CERTAIN REQUIREMENTS NOT TO APPLY UNTIL 1998.—Amtrak shall not be subject to any requirement under subsection (a)(1), (a)(3), or (e)(2) of section 242 of the Americans With Disabilities Act of 1990 (42 U.S.C. 12162) until January 1, 1998.

(b) CONFORMING AMENDMENT.—Section 24307 of title 49, United States Code, is amended—

(1) by striking subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

SEC. 407. DEFINITIONS.

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

(1) by striking paragraphs (2) and (11);

(2) by redesignating paragraphs (3) through [(8)] (10) as paragraphs (2) through [(7).] (9), respectively; and

(3) by inserting “, including a unit of State or local government,” after “means a person” in paragraph (7), as so [redesignated; and] redesignated.

[(4) by inserting after paragraph (7), as so redesignated, the following new paragraph:

“[(8) ‘rail passenger transportation’ means the interstate, intrastate, or international transportation of passengers by rail, including mail and express.”.]

SEC. 408. NORTHEAST CORRIDOR COST DISPUTE.

Section 1163 of the Northeast Rail Service Act of 1981 (45 U.S.C. 1111) is repealed.

SEC. 409. INSPECTOR GENERAL ACT OF 1978 AMENDMENT.

(a) AMENDMENT.—

(1) IN GENERAL.—Section 8G(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking “Amtrak.”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect in the first fiscal year for which Amtrak receives no Federal subsidy.

(b) AMTRAK NOT FEDERAL ENTITY.—Amtrak shall not be considered a Federal entity for purposes of the Inspector General Act of 1978. The preceding sentence shall apply for any fiscal year for which Amtrak receives no Federal subsidy.

(c) FEDERAL SUBSIDY.—

(1) ASSESSMENT.—*In any fiscal year for which Amtrak requests Federal assistance, the Inspector General of the Department of Transportation shall review Amtrak’s operations and conduct an assessment similar to the assessment required by section 202(a). The Inspector General shall report the results of the review and assessment to—*

(A) the President of Amtrak;

(B) the Secretary of Transportation;

(C) the United States Senate Committee on Appropriations;

(D) the United States Senate Committee on Commerce, Science, and Transportation;

(E) the United States House of Representatives Committee on Appropriations;

(F) the United States House of Representatives Committee on Transportation and Infrastructure.

(2) REPORT.—*The report shall be submitted, to the extent practicable, before any such committee reports legislation authorizing or appropriating funds for Amtrak for capital acquisition, development, or operating expenses.*

(3) SPECIAL EFFECTIVE DATE.—*This subsection takes effect 1 year after the date of enactment of this Act.*

SEC. 410. INTERSTATE RAIL COMPACTS.

(a) CONSENT TO COMPACTS.—Congress grants consent to States with an interest in a specific form, route, or corridor of intercity passenger rail service (including high speed rail service) to enter into interstate compacts to promote the provision of the service, including—

(1) retaining an existing service or commencing a new service;

(2) assembling rights-of-way; and

(3) performing capital improvements, including—

(A) the construction and rehabilitation of maintenance facilities;

(B) the purchase of locomotives; and

(C) operational improvements, including communications, signals, and other systems.

(b) FINANCING.—An interstate compact established by States under subsection (a) may provide that, in order to carry out the compact, the States may—

(1) accept contributions from a unit of State or local government or a person;

(2) use any Federal or State funds made available for intercity passenger rail service (except funds made available for the National Railroad Passenger Corporation);

(3) on such terms and conditions as the States consider advisable—

(A) borrow money on a short-term basis and issue notes for the borrowing; and

(B) issue bonds; and

(4) obtain financing by other means permitted under Federal or State law.

(c) ELIGIBLE PROJECTS.—Section 133(b) of title 23, United States Code, is amended by striking “and publicly owned intracity or intercity bus terminals and [facilities] facilities.” in paragraph (2) and inserting [a comma and] “facilities, including vehicles and facilities, publicly or privately owned, that are used to provide intercity passenger service by bus or rail, or a combination of [both”] both.”.

(d) ELIGIBILITY OF PASSENGER RAIL UNDER CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—The first sentence of section 149(b) of title 23, United States Code, is amended—

(1) by striking “or” at the end of paragraph (3);

(2) by striking [the period at the end of paragraph (4); and] “standard.” in paragraph (4) and inserting “standard; or”

(3) by [adding at the end thereof] inserting after paragraph (4) the following:

“(5) if the project or program will have air quality benefits through construction of and operational improvements for intercity passenger rail facilities, operation of intercity passenger rail trains, and acquisition of rolling stock for intercity passenger rail service, except that not more than 50 percent of the amount received by a State for a fiscal year under this paragraph may be obligated for operating support.”.

(e) ELIGIBILITY OF PASSENGER RAIL AS NATIONAL HIGHWAY SYSTEM PROJECT.—Section

103(i) of title 23, United States Code, is amended by adding at the end thereof the following:

“(14) Construction, reconstruction, and rehabilitation of, and operational improvements for, intercity rail passenger facilities (including facilities owned by the National Railroad Passenger Corporation), operation of intercity rail passenger trains, and acquisition or reconstruction of rolling stock for intercity rail passenger service, except that not more than 50 percent of the amount received by a State for a fiscal year under this paragraph may be obligated for operation.”.

SEC. 411. COMPOSITION OF AMTRAK BOARD OF DIRECTORS.

Section 24302(a) of title 49, United States Code, is amended—

(1) by striking “3” in paragraph (1)(C) and inserting “4”;

(2) by striking clauses (i) and (ii) of paragraph (1)(C) and inserting the following:

“(i) one individual selected as a representative of rail labor in consultation with affected labor organizations.

“(ii) one chief executive officer of a State, and one chief executive officer of a municipality, selected from among the chief executive officers of State and municipalities with an interest in rail transportation, each of whom may select an individual to act as the officer’s representative at board meetings.”;

(4) striking subparagraphs (D) and (E) of paragraph (1);

(5) inserting after subparagraph (C) the following:

“(D) 3 individuals appointed by the President of the United States, as follows:

“(i) one individual selected as a representative of a commuter authority, as defined in section 102 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 702) that provides its own commuter rail passenger transportation or makes a contract with an operator, in consultation with affected commuter authorities.

“(ii) one individual with technical expertise in finance and accounting principles.

“(iii) one individual selected as a representative of the general public.”; and

(6) by striking paragraph (6) and inserting the following:

“[(6) The Secretary may be represented at a meeting of the board only by the Administrator of the Federal Railroad Administration.”.]

“[(6) The Secretary may be represented at a meeting of the Board by his designate.”.]

SEC. 412. EDUCATIONAL PARTICIPATION.

Amtrak shall participate in educational efforts with elementary and secondary schools to inform students on the advantages of rail travel and the need for rail safety.

SEC. 413. REPORT TO CONGRESS ON AMTRAK BANKRUPTCY.

Within 120 days after the date of enactment of this Act, the Comptroller General shall submit a report identifying financial and other issues associated with an Amtrak bankruptcy to the United States Senate Committee on Commerce, Science, and Transportation and to the United States House of Representatives Committee on Transportation and Infrastructure. The report shall include an analysis of the implications of such a bankruptcy on the Federal government, Amtrak’s creditors, and the Railroad Retirement System.

SEC. 414. AMTRAK TO NOTIFY CONGRESS OF LOBBYING RELATIONSHIPS.

If, at any time, Amtrak enters into a consulting contract or similar arrangement, or a contract for lobbying, with a lobbying firm, an individual who is a lobbyist, or who is affiliated with a lobbying firm, as those terms are defined in section 3 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1602), Amtrak shall notify the United States Senate Committee on Commerce,

Science, and Transportation, and the United States House of Representatives Committee on Transportation and Infrastructure of—

(1) the name of the individual or firm involved;

(2) the purpose of the contract or arrangement; and

(3) the amount and nature of Amtrak's financial obligation under the contract.

Mr. MCCAIN. Mr. President, before the majority leader leaves the floor, are we contemplating a recorded vote on this, I would ask the majority leader, or what is the will of the Democratic leader?

Mr. LOTT. Mr. President, if I could respond, I believe we have it cleared and that this could be moved by voice vote.

Mr. MCCAIN. Does the Senator from Pennsylvania want a recorded vote on this or is a voice vote sufficient?

Mr. LOTT. If I could respond to the question, I know Pennsylvania is very supportive of Amtrak and would like this proposal to move forward as quickly as possible so I hope that we wouldn't have to have a recorded vote.

Mr. MCCAIN. I thank the majority leader. The reason why I asked is that the Senator from Pennsylvania had asked the question as to whether we would have a recorded vote.

I thank the Democratic leader as well as the majority leader for their kind remarks.

AMENDMENT NO. 1609

(Purpose: To reauthorize Amtrak and for other purposes)

The PRESIDING OFFICER. We need to have the clerk report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself, Mr. LOTT, Mr. MCCAIN, and Mr. JEFFORDS, proposes an amendment numbered 1609.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I thank the Chair.

I thank the majority leader and the Democratic leader for their kind remarks. I especially wish to thank Senator HUTCHISON and Senator KERRY and Senator BREAUX who spent literally hundreds of hours on this bill. I think it is important to point out for the RECORD that this effort was begun by the majority leader when he was chairman of the subcommittee which is now chaired by the Senator from Texas, and the groundwork was laid through his strong efforts.

I might say that there were several occasions when we were gridlocked on this bill and we gathered in the majority leader's office and he helped us find ways to reach common ground.

Mr. President, this compromise reauthorization legislation is the product of

more than 3 years of bipartisan negotiations. Let there be no mistake. Amtrak is on the verge of bankruptcy. Fundamental reforms are needed immediately if there is to be any possibility of addressing Amtrak's financial crisis and turning it into a viable operation. This measure is long overdue. Some fear, as I do, that even with these reforms Amtrak may not make it.

Again, I thank Senator HUTCHISON for all her hard work, along with Senator BREAUX and Senator KERRY. Senator BREAUX and Senator KERRY will be in the Chamber shortly, I am told, to add their comments. Senator HUTCHISON will describe the details of her amendment which have to do with labor, contracting out, liability, and the sunset trigger which is part of this legislation.

I think everyone knows that I hold strong reservations about Amtrak. After subsidizing for 26 years what was to have been a 2-year experiment, I believe Congress must carefully evaluate whether this is the best use of our limited taxpayers dollars.

Since 1971, Amtrak has received over \$20 billion in Federal tax dollars. I know that Amtrak has strived to reduce its operating costs and increase its revenues. And, yes, a portion of Amtrak's financial challenges are due to statutory constraints that Congress imposed and has failed to lift, but the fact remains the Amtrak 12-year experiment was unsuccessful 26 years ago, it is unsuccessful today, and the prospects of its future are rather bleak.

I realize that my pessimistic view of Amtrak's future, based on its track record, is not shared by the majority of the Congress. That is why I have worked with my colleagues to bring some semblance of legitimacy to this operation. The bill before us does not go as far as many of us would like. For some of my colleagues on the other side of the aisle, they may say it goes too far. Regardless of the position held, the bill does provide for some comprehensive changes.

According to a November 5, 1997, letter from Tom Downs, "enactment of the Amtrak Accountability and Reform Act of 1997 would be the single-most significant action the Congress can take to aid Amtrak in achieving operating self-sufficiency by 2002." He goes on to say, "The legislative reforms contained in the bill will allow Amtrak to operate in a more business-like, cost-effective manner, thus allowing greater productivity and increased savings."

Mr. President, I ask unanimous consent that the letter from Mr. Tom Downs, who is the president and chief executive officer of Amtrak, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL RAILROAD
PASSENGER CORPORATION,
Washington, DC, November 5, 1997.

Hon. JOHN MCCAIN, Chair,

Hon. ERNEST F. HOLLINGS,

Ranking Member, Committee on Commerce, Science and Transportation, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMEN: Thank you for your leadership in working toward an agreement in the Senate on comprehensive reform legislation for Amtrak. It is my understanding that agreement has been reached, and the Senate will soon consider the modified version of S. 738. I want to let you know that enactment of the Amtrak Reform and Revitalization Act of 1997 would be the single most significant action the Congress can take to aid Amtrak in achieving operating self-sufficiency by 2002. I will urge your colleagues to support the compromise you have achieved.

Enactment of the reauthorization bill will not in and of itself enable Amtrak to become independent of federal operating support, but it is the most critical step in the process. The legislative reforms contained in the bill will allow Amtrak to operate in a more businesslike, cost-effective manner, thus allowing greater productivity and increased savings. The capital funding made available by enactment of the legislation will allow us to begin to bring the system up to a state of good repair and invest in high rate-of-return capital projects. Adequate capital investment is the key to operational self-sufficiency and the overall economic viability of the railroad.

Consistent with all our previous statement on becoming independent of federal operating support and as outlined in our Strategic Business Plan, we will still require a specific, declining level of federal operating support through 2002, excess mandatory Railroad Retirement payments, and the level of capital identified in the Congressional Budget Resolution. It is my strong hope that the Administration and the Congress will continue to support us as we come closer to reaching our goal.

Again, thank you for all your leadership and diligence on working out an agreement on this legislation. As both Amtrak and the General Accounting Office (GAO) have made very clear this year, Amtrak will not be around much longer under the status quo. Legislative relief and capital funding are two of the three most critical pieces in regaining our economic health and long-term viability, and enactment of this legislation will accomplish those two goals. Achieving an agreement on this legislation is a goal both the Secretary of Transportation and the Senate Majority Leader have identified as important for this Congress, due to Amtrak's precarious financial condition. I congratulate you on achieving this in the substitute offered today.

Very truly yours,

THOMAS M. DOWNS,
Chairman, President and
Chief Executive Officer.

Mr. MCCAIN. In closing, Mr. President, I want to remind my colleagues that even if Congress approves the statutory reforms and the \$2.3 billion for capital improvements is released, Amtrak's viability remains uncertain. Let's be clear. Amtrak is \$1 billion in debt and that debt level is predicted by the General Accounting Office to double to \$2 billion in the next 2 years. Tom Downs predicts that without this legislation Amtrak could be bankrupt by next spring. Others predict even sooner.

I hope the dire predictions are wrong but prudence dictates that while we

empower Amtrak to meet its financial goals and protect taxpayers, Congress and the administration prepare for and have a clear understanding of the long-range economic effects of a potential bankruptcy.

I requested the General Accounting Office to conduct an analysis of this issue and submit a report to the committee providing an overview of the financial issues and implications associated with an Amtrak liquidation. The report will include an analysis of the financial implications of the Federal Government, Amtrak's creditor's and the railroad retirement system.

I strongly support passage of this reform measure. However, I will continue to hold strong reservations over Amtrak's ability to ever turn Amtrak into a profitable, subsidy-free operation. One of the most important elements of this bill is that it provides the opportunity for us to shut off the spigot if and when it is clear the promise of financial viability will not or cannot be achieved.

What is happening here is not just a piece of reform legislation, Mr. President. We are releasing \$2.3 billion in what I have previously described as the great train robbery of 1997. Back in the old days some citizens of my State used to rob trains. But now the trains have decided to rob the taxpayers of \$2.3 billion with the help of this body.

The proviso, or the rationale that allowed the \$2.3 billion to be fenced off was \$2.3 billion in back taxes. The only problem with that scenario, Mr. President, is Amtrak has never paid any taxes. So we are providing another \$2.3 billion giveaway to Amtrak. These reforms release that money.

I will never forget when I first came to Congress in 1982, Mr. President. I was visited by a man whom I respect as much as any man, Graham Claytor, who was then the head of Amtrak. And he gave me in graphic detail a long and extensive briefing about how Amtrak was going to be viable financially by the year 1985. That's only 12 years ago. But every 2 or 3 years Amtrak has come over to Congress with another plan to become financially viable within 2 or 3 years, and we know the answer. The answer is that they have now received more than \$20 billion of the taxpayers' money.

I say enough is enough. And I commit now that if this reform and reauthorization plan does not make Amtrak financially viable, I will do everything in my power as a Senator and as chairman of the Commerce, Science, and Transportation Committee to see that it comes to an end.

I wish Amtrak every success with the passage of this legislation by the House. I will hope and pray that Amtrak succeeds. But I must tell you I am not optimistic that they will succeed and I hope to God that this is the last trip to the taxpayers' pocket book that we make on behalf of Amtrak.

Mr. President, again I thank Senator HUTCHISON who has done such a mag-

nificent job on this legislation. She has worked countless numbers of hours. She has made compromises that clearly at the beginning she was not prepared to do. She made these compromises because she knew that that is the essence of legislation and the lessons of getting legislative results. She deserves enormous credit, along with my dear friend, Senator KERRY and Senator BREAUX, from Massachusetts and Louisiana, who played a great role. Bipartisanship is what this place is supposed to be about on issues that don't lend themselves to partisanship, and I believe that this is truly a bipartisan effort of which I think all of us can be proud. Again, my thanks to Senator HUTCHISON.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that Senators SANTORUM and JEFFORDS be added as original cosponsors of the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I am ready to vote, after which we will then debate.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1609) was agreed to.

Mrs. HUTCHISON. Mr. President, I want to say that what Senator MCCAIN said is absolutely true. I think it is fairly clear from his comments that he is not a fan of Amtrak. But as the chairman of the committee, he worked with all of us who do care about Amtrak, who do want passenger rail for our country, to try to give Amtrak a chance to succeed. I think all of us have come together on a bill that will give Amtrak a chance to succeed and will also make Amtrak accountable. That is what Senator MCCAIN is looking for and that is what all of us hope will happen.

In fact, Senator LOTT, the majority leader, who has worked on this for, as he said, 3 years—he was the Surface Transportation Subcommittee chairman before I took that position, before he became majority leader—Senator MCCAIN, Senator HOLLINGS, Senator BREAUX, Senator KERRY, all contributed greatly to a very hard-fought compromise. Because, of course, we are making huge changes in the law as it affects Amtrak and passenger rail in our country. Anything that makes this many changes, of course, could not be done easily. It took the labor groups, it took the trial lawyer groups to come together and work with us, along with Senators such as Senator MCCAIN who want accountability. So I think we have come together in a bill that will give Amtrak a chance. It is not a slam dunk. It is not an assured success. This is the first step in many steps that must be made for Amtrak to be able to operate without subsidies in the future.

What this bill has done is authorize the subsidies over the next 5 years that

eventually will phase out. At the end of 5 years there will not be operational subsidies by the taxpayers of Amtrak. We have all agreed to that. That is why it was essential that we have reforms, so that Amtrak could be more efficient, so it could compete in the marketplace, so that it could have a passenger operation that would be much improved and, hopefully, bring more people into the system so it could operate without the subsidies. In addition, the \$2.3 billion in infrastructure improvements, which are necessary both for the efficient operations and for the higher technology trains that we hope they will be able to operate, is contingent on these reforms. I think it was very wise, in the budget reconciliation bill, that the \$2.3 billion that would be put into investment in capital improvements would be tied to these very important reforms. Because without the reforms, Amtrak has no chance to succeed—none. With the reforms, it has a chance. That is what our bill today will give it. I would like to go through a few of the most important points of what we did today.

First, some of the labor protections that were mandated by the Federal Government are now taken out of the law. The 6-year statutory severance benefits will now be in place for 180 days as they are negotiated at the bargaining table, after which they will be totally lifted from all negotiation and there will be no Federal mandates. In other words, today if a line goes out of business or Amtrak takes it off, those employees today would be entitled by Federal law to 6 years of severance pay. Most Americans do not have jobs that have 6-year termination agreements. In fact, when Amtrak first came into place, it was a different time. Today, these severance packages are about to break the system, and I think the unions realize that and they are willing to say we will put it on the negotiating table and we will let the free market reign. So that is the first thing we are doing.

The second thing we are doing is taking the prohibition against any contracting out out of the law once again. It will be part of the contracts for the next 2 years, but it is on the negotiating table now so that Amtrak, if it sees that it can make efficiencies by contracting out certain services, will be able to do that in a negotiated framework. So that will be on the table as well.

It is very important that Amtrak bring its labor costs into line because, in fact, if you look at other forms of transportation, the labor costs in passenger rail transportation are lopsided. For instance, no airline has more than 37 percent total labor expense, yet Amtrak is at 54 percent of its total expenses in labor. No competing passenger industry has similar protection rules that are mandated by the Federal Government. In fact, Greyhound drivers and mechanics, who might be laid off because of service discontinuances,

are guaranteed 7 days' notice under union contracts; no statutory guarantee against contracting out. So I think if you are looking at transportation in its totality in our country, you have to have the ability to compete. So we have to have the ability at the bargaining table to bring these costs in line, if Amtrak is going to be a viable alternative form of transportation.

Another major area that needed some limitations was liability. Our substitute bill provides for a global passenger liability cap of \$200 million. I think this is very important. For any one accident there will be a cap, so Amtrak will be able to buy insurance. That is what we are trying to do, is have some sort of quantifiable limit so we will know what the costs would be in the most extreme circumstances. And Amtrak could buy insurance to cover that, hopefully at a reasonable cost.

As Senator MCCAIN mentioned, there is a trigger on this. There will be an Amtrak Reform Council appointed to monitor Amtrak's progress with these new reforms, to look at the 5-year glidepath that Amtrak is on, to try to get to the point that there will be no more taxpayer subsidies of Amtrak. This Amtrak Reform Council is going to look at the Amtrak operation and the reforms and see how Amtrak is doing. After 2 years they will submit a strategic plan for Amtrak, and they will also report to Congress if they just don't think Amtrak has a chance to make it, after which Congress will be able, then, to either implement the plan, the strategic plan that would be put forward, or pull the plug on Amtrak.

These are accountability standards that I think are reasonable. Certainly we want to put good money into helping Amtrak succeed, but if it is going to be hopeless, we don't want to throw good money after bad. So I think the accountability is a very important part of this compromise.

We also provide in this bill for interstate rail compacts, so that two States that have traffic that would warrant, perhaps, a joint effort toward rail transportation could come together, could pool their resources and provide for rail transportation in their States. I think that is a very important step, for our States to be able to form compacts, because that will add to the options of rail transportation.

It also provides that Amtrak will have to give 180 days' notice if they are going to discontinue a route. The previous law required 90 days' notice. That is not enough time for a State to be able to step in and help Amtrak, especially if it's a State that has a legislature that only meets every other year and would have to make some emergency arrangements.

So I think we have several new parts of the law that will help very much in giving Amtrak the ability to succeed and also in giving more options to our

States to add to the rail passenger capabilities in our country. Because, you see, I think one of the reasons that Amtrak is not only viable but a very important part of an intermodal mobility system for our country is because cities are now going more and more into intracity rail systems. Even in southern States, in my State of Texas, now, in Dallas, Dallas has a rail train system that goes out of the Amtrak station. So I am very happy that the Texas Eagle Amtrak train will be able to start in Chicago, IL, come down through Missouri, through Arkansas, over through east Texas into Dallas and Fort Worth. People can get off the train in Dallas or Fort Worth and they can get on an intracity train and go all over the city of Dallas. They can go to the zoo, they can go to the museums, they can go out north where the commuting traffic is. They will be able eventually to go to the airport.

So, as more cities are beginning to have rail transportation options, then the feeding in of Amtrak also provides more passengers for Amtrak and more mobility for the citizens of our country. I love the fact that you can go from Chicago all the way down through Texas to San Antonio and then get on another Amtrak train, the Sunset Limited, and go to Los Angeles or all the way over to Florida.

These systems will provide vacation capabilities for people in our country to see the sights of America on a train. I think it is something that has been so successful in Europe through the years that it will also have a resurrection in America that will provide more opportunities for families to see this great country from a train and have that experience that we really almost lost in the last 25 or 30 years.

So I think what we are doing today is not propping up a historic, old, antiquated type of transportation that we have known in the past in this country. That is not what we are doing today. What we are doing today is providing a new, vibrant option for rail transportation to be added to the air transportation that is so terrific in our country and the bus transportation and the automobiles and highways that provide mobility options for all kinds of people—people who can't drive and people who don't want to drive. People who don't live near airports would be able to go to a train station that is fed from buses from small communities all over our States, going into an Amtrak train station where someone can get off a bus in a very small town and get onto an Amtrak train and go into cities from Florida to California, from Illinois to Massachusetts, and all the way down to Texas.

So I think it is a very exciting thing we are doing. That is why I have worked so hard with my colleagues, Senator KERRY, Senator BREAUX, Senator HOLLINGS and Senator MCCAIN, to make this a reality, to give Amtrak a chance. Because if Amtrak can compete with the other kinds of transpor-

tation, I think it will not be a relic of the past but a very important part of an overall transportation system for the future for our country, for our children to have this experience, for our elderly people to have the mobility that train passenger systems can give.

I am very excited that we have come to this agreement. I appreciate the bipartisan spirit in which this agreement has been made.

I thank the Senators who are waiting to speak and I yield the floor.

Mr. JEFFORDS. Mr. President, today we move another step closer to preserving our Nation's passenger rail system. The desperate call for action signals the importance of rail travel and the severe impacts a shutdown of Amtrak would have on the daily lives of millions of Americans.

We live in a nation that prides itself on independence. For many Americans, their personal automobile grants them the ability to travel unincumbered for work and pleasure. But as we all know, this freedom is slowly ebbing as our Nation's highways and skies become more and more congested. Our roadways and runways are at capacity and growth opportunities are severely limited.

A drive through and around any major American city today will leave most drivers frustrated by delays. This constant automobile congestion slows commerce, reduces worker productivity, and limits travel independence. In fact, highway congestion now costs the United States \$100 billion annually, not including the economic and societal costs of increased pollution and wasted energy.

The American solution has been to find alternatives. Our road options are limited. Ten-lane highways cannot be expanded, and new highways are difficult to site and result in the destruction of irreplaceable land and neighborhoods.

Congestion in the air is also a major issue. Slots at airports are filled. Runways are backed up. Air space is busy. A recent safety study reported that 21 of the 26 major airports experienced serious delays, costing billions of dollars. New airports are expensive and only add to the problems we face today.

Rail remains the one underutilized infrastructure available to our Nation. Railroads offer us the opportunity to move cars off the highways and planes from the air. Rail is efficient, cheaper and more environmentally preferable than our other options. We must now begin the careful process of retaining and rebuilding passenger rail in our country.

Created in 1970, Amtrak serves millions of passengers each year. For 10 million households that have no car, and many communities without air or bus service, Amtrak is their lifeline. Amtrak connects 68 of the 75 largest urban areas in the United States, and serves many of the 62 million Americans living in rural areas.

According to the Journal of Commerce, without Amtrak there would be

an immediate need for 10 new tunnels under the Hudson River between northern New Jersey and New York City and 20 new highway lanes in New York. If Amtrak disappeared tomorrow, there would be an additional 27,000 cars on the highway between New York and Boston every day.

In my home State of Vermont, passenger rail has been rediscovered. We launched a new passenger service, the Ethan Allen Express last year, to complement the already existing Vermonter. Both trains have been immensely successful, brining passengers from New England, New York, and across the Nation to our beautiful State. These trains have relieved highway congestion, given an economic boost to the State and offer travelers an alternative to driving or flying. Our dream in Vermont is to expand this service, linking a number of our larger cities and reestablishing rail service to Maine, New Hampshire, and Boston.

And as we learned last winter in Vermont, rail keeps rolling regardless of weather. During the deep winter storms, as cars were snowbound and planes held on the ground, the trains were bringing business travelers and skiers to our State. We all remember when the eastern seaboard was hit with a major blizzard in the winter of 1996 and the Federal Government was shut down for a solid week. But Amtrak kept running. In fact, my only means of getting to the Senate that week was on the train, as roads were blocked and planes grounded.

Passenger rail service is the future. But many in this city have yet to recognize this reality. Amtrak has never been given the proper tools to bring the train into the modern age. The rail system operates on 1930's technology, with outdated engines, cars and maintenance facilities.

While this system struggles, other nations have invested heavily in technologically advanced high speed trains. France, Japan, and many other nations operate state-of-the-art trains, an efficient mode of travel in densely populated regions. Japan installed their bullet trains in the early 1960's, and Europe in the 1970's. The high-speed trains, cruising at 200 miles per hour or more, easily compete with cars, buses, and planes.

Why has the United States fallen so far behind? Railroads in this country once had the prestige and financial capital to do nearly anything, but that changed over the years. Through mismanagement and limited public support we let our passenger railroads decay to the point of extinction. Today, we face the same choices. Should we support reviving and expanding advanced passenger rail through public financing or shut the system down? Let's not make a mistake that we would truly regret in the future. It's time to make this railroad work and maintain its role as a vital component of our Nation's transportation infrastructure.

This Nation is on the verge of one of the most important transportation developments in its history. High speed rail should be operational from Washington to Boston by 1999. Other regions of the country are also working to develop high-speed train service, including California, Florida, and many other States. These trains easily compete with air travel and allow travelers a comfortable, fast and efficient means to reach their destination.

High-speed rail will also aid Amtrak's bottom line. This new system will bring further profits to a business that badly needs the capital.

Many critics will question the need for further public investment in Amtrak. As compared to other infrastructure programs, passenger rail gets little public support. Last year we spent \$20 billion on highways, while capital investment for Amtrak was less than \$450 million. In relative terms, between fiscal year 1980 and fiscal year 1994, spending on highways increased 73 percent, aviation increased 170 percent, while spending on rail declined by 60 percent.

Without proper reforms and additional capital funding the future of this railroad is at risk. I commend members of the Senate Commerce committee who have worked to deliver a solid reform proposal to the Senate. My hope is that the House will accept these changes and send this bill to the President before we adjourn for the year. The plan we have developed offers serious reforms that will enable the railroad to modernize while reducing operating costs.

Our Nation needs passenger rail. Together, we must move forward to preserve this important transportation option. The investments we are committing to today will increase our Nation's investment in the Amtrak rail system, and allow it to succeed in its efforts to continue to operate into the future.

Mr. LAUTENBERG. Mr. President, I rise to support the compromise Amtrak reauthorization bill being offered by Senator HUTCHISON. Passage of this bill brings us one step closer to putting Amtrak on firm footing by extending authorization for 5 years, and most importantly, by giving Amtrak \$2.3 billion in tax credits for much-needed capital investments.

But let's not pretend we are completely solving the problem today. The General Accounting Office has warned us over and over again that making Amtrak self sufficient will be difficult and that realistically we have to look at continued investment in the system beyond the year 2002.

Mr. President, our national transportation system is crucial to our economy. And a national rail system is a crucial part of any national transportation plan. But over the years we have consistently shortchanged Amtrak.

For instance, over the course of this decade, Germany has decided to invest nearly \$70 billion on what is already an excellent railway system in a country

a fraction of the size of the United States.

What have we done? Well, since 1971, we've invested just \$19 billion in Amtrak. And now we are preparing to phase out operating subsidies entirely. I think this is unrealistic.

Mr. President, let me put this in perspective. We continue to subsidize every other form of transportation.

Over the past 15 years, in relative terms, we've increased spending on highways by 73 percent and aviation by 170 percent, while we have cut Amtrak's funding 62 percent.

As we starved our national rail system during most of this decade, service declined and so did ridership. Between 1994 and 1996 Amtrak went from 21.1 million passengers to 19.7 million—meaning Amtrak lost even more revenue and was being sent into a downward spiral toward bankruptcy.

And those 1.4 million riders Amtrak lost still had to get to their destinations somehow and that likely meant more cars, buses, or planes in our already congested airports and highways.

Coming from the State of New Jersey, I can speak first hand about the importance of Amtrak to my State and the rest of the northeast corridor.

The New York/New Jersey metropolitan area is one of the most congested in the nation. A recent study said that every day people waste more than 2 million hours in traffic—2 million hours a day.

To put that number into perspective, that means that people here will waste more time in traffic in a single year than the man-hours to build the entire Continental railroad.

And if Amtrak wasn't there, another 11 million people would be dumped onto our roads.

How many billions of dollars would we have to spend widening roads in order to accommodate this new traffic? How much time and money would trucking companies, businesses and commuters lose as a result of increased traffic and congestion? I do not think that anyone can legitimately make the argument that highway users do not benefit from Amtrak's operations.

Amtrak does not just reduce congestion on our highways. It carries over 40 percent of the combined air-rail market between Washington and New York. Loss of Amtrak service in this corridor would require another 7,500 fully booked 757 jetliners to carry Amtrak's passenger load each year. How many billions would we have to invest in our air infrastructure to accommodate these travelers?

Mr. President, while I've spoken about my region, Amtrak is also a national passenger rail system that provides important service in areas of the country that are not as congested. In many cases, Amtrak provides residents of small rural towns with their only form of intercity transportation. Each year, some 22 million passengers depend on Amtrak for transportation between urban centers and rural locations. Amtrak provides service in 45 of the 50 States.

Ask any Amtrak passenger, traveling through the State of Montana, perhaps stopping off at Havre, on their way to Glacier National Park, whether Amtrak is important to them. Of course it is.

Mr. President, this agreement in front of us today strikes a compromise on very difficult labor issues. It asks Amtrak's workers to make significant concessions.

Mr. President, I worked hard to make these funds available to Amtrak. During the budget negotiations, I worked with Senators ROTH and DOMENICI to include a reserve fund for Amtrak to allow us to make additional capital funding available in future legislation.

Thanks to the leadership of Senators ROTH and MOYNIHAN, the Finance Committee found a way to provide this funding in the tax reconciliation bill through a \$2.3 billion tax credit.

Mr. President, I would like to end by commending all of those who worked so feverishly to put this compromise together. In particular, Senators KERRY, HOLLINGS, LOTT, HUTCHISON, MCCAIN, ROTH and BREAUX deserve special recognition for their efforts and leadership in this matter.

I urge my colleagues to support this Amtrak reauthorization compromise.

I think this step we take today to begin rejuvenating our national rail system might someday be considered just as historic as the century-old congressional decision to build it in the first place.

But we must not kid ourselves. More will need to be done if Amtrak is to thrive, not just survive.

Mr. CHAFEE. Mr. President, I strongly support this legislation, which will preserve vital passenger rail service in the United States. I applaud the hard work of the members of the Commerce Committee who have worked out a reasonable compromise on this much-needed bill.

In the 25 years since Amtrak was created, we've learned several things about passenger rail operations in the United States: First, in today's increasingly competitive transportation marketplace, Amtrak cannot continue to operate viably under the status quo. Second, we recognize political reality and know that the American people will not continue to support taxpayer subsidies of Amtrak if the railroad continues to operate under the same structure that has brought it close to financial collapse. Third, like its counterparts in the highway and aviation sectors, passenger railroad ought to be afforded a reasonable level of Federal assistance for its increasingly urgent infrastructure needs.

With regard this third matter—Federal support—I am pleased that Congress included within the tax bill passed earlier this year \$2.3 billion for Amtrak's capital improvements. These funds will help Amtrak conduct badly needed modernization of its infrastructure so that it can enhance service to its customers and more effectively perform in a competitive marketplace. However, these funds are on hold until

the bill before the Senate today is enacted into law.

What is also needed is a realistic assessment of the Federal laws currently governing Amtrak's operation. Although attention recently seems to be focused on the protections for Amtrak employees, there are a wide range of laws that hinder Amtrak's stated goal of operating more like a business.

It has been the provisions affecting Amtrak workers that have been most controversial and have stymied action in Congress for the past 2 years. Some of these laws stem from the Depression era, a time when Congress and the President sought to relieve a national tragedy. Others were enacted when Amtrak was first created in the early 1970's, well before the railroad's financial problems had developed.

In any event, it is important to note that many of these provisions are mandated by law, rather than agreed to through the traditional collective-bargaining process that businesses and labor unions across America deal with regularly. Other employers in the United States are certainly not required by law to provide worker benefits similar to those required of Amtrak.

If financial and operational viability is going to be restored at Amtrak, we simply must take a candid and reasonable look at all of the very unique laws—not just the labor protections—that have hindered Amtrak's ability to succeed. We must also ensure that, like its counterparts in the aviation and highway sectors, passenger rail is provided a reasonable level of support for capital improvements. These are the goals this bill seeks to achieve, and I am pleased that Senate is able to take it up today.

Specifically, when amended by this substitute, S. 738 will:

Authorize \$5.163 billion for Amtrak over the next 5 years;

Mandate that Amtrak be independent of Federal operating subsidies in 5 years;

Repeal two statutes that affect work rules at Amtrak, and put them into the collective bargaining process. These outdated statutes prohibit Amtrak from contracting out, and mandate 6 years of severance pay for laid off employees;

Impose a reasonable cap on punitive damages on rail transportation liability;

Create an Amtrak reform council [ARC] that will regularly evaluate Amtrak's financial performance to ensure accountability to the taxpayer;

Clarify that the \$2.3 billion included within the tax bill can only be used for Amtrak capital improvements.

When taken together, the provisions of this legislation will restore financial viability to Amtrak by permitting the company to operate more like a business. The bill also gives the U.S. taxpayer the assurance that Congress will no longer provide open-ended subsidies to passenger rail.

There are allegations that Amtrak's operational reforms are being sought as a ploy to make it less expensive to

eliminate these jobs and shut down the railroad altogether. This contention is ludicrous. The biggest threat to these jobs is maintaining the status quo, which is not financially viable for Amtrak.

If things continue under the current framework, Amtrak will soon be forced into bankruptcy. Such an outcome would eliminate all of Amtrak's 20,000 jobs, to say nothing of depriving the Nation of a needed service.

Ultimately, our effort to ensure that passenger rail survives into the 21st century should be focused on the customer: we should help ensure that conditions exist that will allow Amtrak to provide efficient, reliable national transportation service without adversely impacting its workforce or burdening U.S. taxpayers.

Absent this service, Amtrak's customers would go elsewhere, and our highways and airports would become severely clogged. This legislation ensures the viability of passenger rail service for the traveling public, and I urge my colleagues to support it.

Ms. SNOWE. Mr. President, today the Senate holds the future of Amtrak in its hands. The legislation before us seeks to put Amtrak's financial situation on a track to self-sufficiency. We have delayed action on Amtrak for three years and we cannot afford to delay it any longer.

As a member of the Senate Commerce Committee for the last 3 years, I have listened to Amtrak and its detractors discuss the problems and the potential for passenger rail service. The committee, first under the leadership of Senator LOTT, and now under the leadership of Senator HUTCHISON, chair of the Surface Transportation Subcommittee, have reported out tough but fair reform bills that put the burden on Amtrak to prove it can survive without a Federal operating subsidy.

In the last Congress, despite the best efforts of Senator LOTT, no agreement could be reached with those who claim they want Amtrak reform but also wouldn't let it come to the floor—even when they were offered the opportunity to offer, debate, and vote on their amendments. Much the same can be said to explain why we are here, in the waning hours of the first session, considering this important bill.

I want to express my support for the amendment offered by Senator HUTCHISON and my appreciation for her dedication to moving the reform process forward. She has fought a difficult battle because of her belief in the importance of maintaining a national passenger rail system, and I would like to commend her for her hard work and dedication to reform.

But, we are not simply debating Amtrak reform, but a more complex question: Do we, as a Nation, believe that we should have a national passenger rail service? If we do, then we will pass

this bill with Senator HUTCHISON's amendment. If we fail to address the financial problems at Amtrak all we are doing is delaying the inevitable.

We need to make the tough choices—that is what the people of this country have sent us here to do. If we are not willing or able to do that for Amtrak then we might as well shut the system down rather than allow it to slowly bleed to death. That is what is happening now because some in this body have been unwilling to face up to the fact that there is no easy answer to the financial problems facing Amtrak. If there were—we would not find ourselves in this situation.

Three years ago, Amtrak took the Government's pronouncement that it should operate without Federal operating subsidies to heart. They developed a business plan and told Congress what was needed both in the way of statutory changes and capital funding in order to meet this goal. Earlier this year we created the capital trust fund—an important first step—but in this case money simply isn't enough. Until we address the statutory changes they need, we have left them to sink slowly into bankruptcy.

Tom Downs has come before the Commerce Committee, the Finance Committee, the Appropriations Committee, and the Environment and Public Works Committee to tell the Senate what changes Amtrak needs in order to turn a public railroad into a business. He has laid out the statutory changes that are necessary in order to allow Amtrak to compete in the next century. He has been very straightforward about the fact that without these changes, Amtrak has no future.

The Commerce Committee has twice reported out bills that provide these changes. But the committee has also made it clear that the reform bill is a commitment between Congress and Amtrak to achieve the mutual goal of self-sufficiency. We have created the Amtrak Review Council which will consider factors that will help it determine if Amtrak has kept its end of the deal—Amtrak's performance, and the findings of the independent assessment—in order to determine whether or not Amtrak should continue to exist. I included a provision in the bill that will require the ARC to also consider whether Congress has held up its end of the bargain by requiring the council to look at whether sufficient funding was provided for Amtrak to carry out the financial plan it is required to write under the bill.

In my very first Commerce Committee hearing in January, 1995, Ken Mead, then with GAO told us that “. . . Congress needs to decide what is to be expected from Amtrak and how much it is willing to pay to fulfill those expectations.” I believe the committee has provided the full Senate with a bill that provides Amtrak and its shareholders with a clear outline of those expectations and most importantly, provides Amtrak with all the tools,

within its power, to meet those expectations.

I believe that the committee's reform package—offered today by the distinguished Senator from Texas—is a fair one, but least anyone think that we are simply pouring money into a sinking ship, it is important to remember that this bill also includes a heavy dose of tough love. If the ARC determines that Amtrak cannot become free of Federal operating subsidies, then plans will be made for liquidation or a major restructuring will be undertaken.

Having worked with Tom Downs, I am a firm believer that he and the men and women who have worked so hard to keep Amtrak moving will meet the goal of self-sufficiency. If they cannot, even after Congress has provided them with the tools they have asked for, then I am ready to close them down. But I want to know that they had the opportunity, the resources and the tools to meet that goal, first. And that is why it is so important that we adopt the amendment offered by Senator HUTCHISON.

It is also important to look at what, until today, has prevented us from moving the Amtrak reform legislation—labor and liability.

According to the General Accounting Office, labor accounts for 52 percent of the costs at Amtrak. You don't need to be an accountant to know that if Amtrak is to succeed it needs to be able to address these costs. Amtrak has asked for the ability to sit down at the bargaining table and negotiate on the issues of contracting out of services and severance pay, which under current law is 6 years. The Committee bill required both sides to negotiate. Under the Hutchison amendment, the issue of contracting out shall itself be negotiated in the next round of contract negotiations.

A lot has changed since Amtrak was created and we need to allow the system to change with the times if it is to be a competitive force as we enter the next century. The men and women of Amtrak have worked hard to improve the system, make no mistake about it, and they have more at stake than anyone for without Amtrak they have no job. I do not believe that asking them to sit down at the table and negotiate is asking too much.

The Hutchison amendment also makes changes in the liability issue that has long held up reform. It is a much misunderstood issue and I applaud the Senator from Texas' ability to reach agreement on the issue.

The Senate will make an important decision today. We can take the responsible approach, pass reform, and help put Amtrak on the road to self-sufficiency. Or we can take the irresponsible approach, kill the bill and shut down passenger rail service. I have the luxury, I suppose, of coming from a State that will not be impacted one way or the other at this time. Maine does not have train service. We would like it, and we are waiting for a

decision by the Surface Transportation Board to determine if we will get it, but the people of my State believe that a national passenger rail system is important, and so do I.

A national passenger rail system is as much a part of our future as it is of our past. The Journal of Commerce noted last year that Amtrak's presence eliminates the need for 20 additional highway lanes in New York City and 10 new tunnels under the Hudson. It also replaces 27,000 cars on the highway between Boston and New York every day. We can only add so many lanes to any given highway.

We need Amtrak—not as a reminder of our past, but as a vital part of our transportation future, and I urge my colleagues to join me in passing this bill.

Mr. HOLLINGS. Mr. President, I rise today in support of S. 738, the Amtrak Reform and Revitalization Act of 1997, and urge its immediate passage.

S. 738 is the final product of a long collaborative process between Democrats and Republicans alike who have come together in a bipartisan way in order to save and strengthen Amtrak, the Nation's passenger rail carrier. Credit must be given to Senator HUTCHISON, the subcommittee chairman, Senator McCAIN, our Commerce Committee chairman, and the majority leader, Senator LOTT who took a personal interest in this legislation to get it done. On my side of the aisle we must acknowledge the contributions of Senators KERRY, BREAUX, and FORD who negotiated this compromise.

In addition, we should mention those Senate staff members who worked long hours to bring this legislation to the floor today. They include: Ann Begeman and Charlotte Casey from the Commerce Committee majority staff; Amy Henderson and Larry DiRita from Senator HUTCHISON's staff; Carl Biersack of the majority leader's office. On the Democratic side I want to mention: Ivan Schlager, Jim Drewry, Clyde Hart, and Carl Bentzel from the committee staff; Gregg Rothschild from Senator KERRY's office; Mark Ashby from Senator BREAUX's staff; Greg Rohde from Senator DORGAN's office; Tom Zoeller from Senator FORD's office; and Jonathan Adelstein of the minority leader's office.

This bill gives Amtrak the tools it says it needs to survive and prosper into the 21st century. In order for this to be done, each of Amtrak's stakeholders has had to give up some benefit. Amtrak passengers will have to bear a limit on Amtrak's liability to them, much the same way that the airlines limit their liability to passengers. Amtrak employees will have labor protections trimmed, but they will retain the ability to renegotiate these protections in the collective bargaining process. In addition, Amtrak management will be under increased scrutiny to perform. The bill establishes an Amtrak Reform Council to advise Amtrak management and to report to the Congress

on Amtrak's progress to self-sufficiency.

However, in return for those sacrifices, the bill provides Amtrak, for perhaps the first time, sufficient funds for it to repair and revitalize its track and facilities to grow into a first-class rail passenger service. The United States ranks very low in the world in the amount of money it spends on rail passenger service. According to one study the United States ranks below Bangladesh in the amount of money we allocate to this service. With this bill we can begin to close that gap and give the American people a service they can use and be proud of.

Mr. SHELBY. Mr. President, I compliment my colleagues on the Senate Commerce, Science, and Transportation Committee on today's successful passage of the Amtrak reauthorization bill. I acknowledge that the procurement, labor, and liability reforms contained in this bill as amended by the chairman's substitute amendment are the end result of difficult negotiations and compromises among many competing interests, and represent many years' effort. Issues such as contracting out and mandatory 6-year severance pay have been taken out of statute and put on the negotiating table.

I hope this bill's provisions, along with future negotiations, result in some real reforms. Even with the \$2.3 billion in tax credits that will be released on January 1, 1998 if this reauthorization bill is enacted into law, Amtrak will still be hard-pressed to continue running trains in the future, if meaningful improvements are not made in the way the railroad does business. Since I have taken on the chairmanship of the Senate Appropriations Transportation Subcommittee this year, one thing has become crystal clear: Amtrak does not intend to be weaned from Federal subsidies any time soon. The Amtrak-Brotherhood of Maintenance of Way Employees [BMWE] union agreement reached last weekend contains contingencies that require appropriations levels higher than those in current law or contemplated by the balanced budget agreement. Amtrak touts its glidepath to self-sufficiency as the funding path that will eventually lead to the elimination of Federal operating subsidies. However, the Amtrak-BMWE agreement points to a glidepath in the opposite direction.

The fiscal year 1998 transportation appropriations bill provided \$793 million for Amtrak operating and capital expenses. Added to Federal subsidies paid to Amtrak since the Corporation was formed in 1971, the taxpayers have thus far spent \$22 billion on a national railroad that carries fewer than 20 million passengers a year—less than 1 percent of all annual intercity passenger trips in the United States. According to the General Accounting Office, the average Amtrak direct Federal subsidy is \$38 per passenger trip, compared to \$1.50 per commercial airline passenger

enplanement. This is subsidy that comes out of the pockets of every American taxpayer, and yet, wide swaths of the country are not served at all by Amtrak, and many communities that do have train service only see the train a few times a week, or at odd hours of the night.

There is a growing sense that Federal funding of Amtrak can no longer be justified on fiscal or mobility grounds, and that it is time to consider phasing out the railroads's public monopoly status. I really hope that the reforms contained in this reauthorization bill do make a difference in the way Amtrak does business. Because if they do not, by releasing these tax credit funds, the Congress may simply be extending Amtrak's financial instability for 2 more years, and costing the taxpayers yet more appropriated funds for the subsidy of a failed experiment.

Mr. BIDEN. Mr. President, I am pleased that we finally have before us the legislation we need to give Amtrak a new lease on life. In my remarks this afternoon, I will start with the bottom line.

When we pass this legislation today, Amtrak will be eligible to receive the \$2.3 billion that was provided in last summer's balanced budget plan. This legislation authorizes the continued existence of Amtrak—that authorization expired in 1994—and therefore gives Amtrak access to the capital fund that some of us have worked so many years to establish.

Agreement on the terms of Amtrak's reauthorization has not been easy, Mr. President. It has taken several years to accomplish, marked by many long hours and more frustrations than I care to recall, as agreements we thought were done unraveled over and over again.

The bill before us this afternoon has required the best efforts of many of my colleagues, who have persevered in the face of those frustrations. We could not have reached this point without the leadership of Senator HUTCHISON, along with Senator MCCAIN, and of course, their colleague on the Commerce Committee, the distinguished majority leader, to reach agreement on the many difficult issues that this legislation has raised.

And I know that without the persistence of Senator JOHN KERRY, along with Senators HOLLINGS and BREAUX, we would not have reached this point.

And if I may say so, Mr. President, the entire Delaware congressional delegation has been a part of this process from the beginning. My good friend BILL ROTH, chair of the Finance Committee, and our Governor, Tom Carper, who is on the Amtrak board of directors, both continued to play their key roles at critical moments in this process.

The result is a bipartisan compromise, that required that everyone give up some of what they wanted to get as much as possible of what Amtrak needs. Those of us who followed

these negotiations closely can count many moments when it seemed that this legislation was dead. Only the long-suffering perseverance of the key players made this legislation possible.

But let's be clear about where we are in the life of Amtrak. As my good friend, Senator MCCAIN, has stressed today, Amtrak is indeed in dire economic trouble. And yes, some of this trouble is indeed due to some of the constraints that we in Congress put on Amtrak's business practices when we created it a quarter of a century ago. That is why the reforms in this legislation are needed.

But I believe that much of the problem is due to our failure over the years to provide our nation's passenger rail system with the level of financial support that we give to other elements of our country's transportation system.

As Senator KERRY has argued here this afternoon, we here in the United States rank below some of the poorest Nations on the planet in the level of financial support per citizen that we provide our passenger rail system.

One result of this has been that during the 25 year life of Amtrak, its employees have seen their wages cut as the cost of living grew while their paychecks stagnated.

In my State of Delaware, we have two of the essential maintenance facilities for Amtrak—at the Wilmington and Bear, DE yards. The workers at these facilities are the best in the business, and are carrying on a tradition that reaches back to the turn of the century in which Delaware has provided essential support for passenger rail along the East Coast.

The hard work that the men and women of the Delaware yards have put in keeping Amtrak's equipment and tracks safe and dependable has been rewarded with a stagnant standard of living. And our citizens—not just in East Coast urban areas, as we often hear, but in small towns all over the country—have had much less passenger rail service than the citizens of other major industrial nations.

By failing to support Amtrak adequately, we have been forced to live with a less efficient transportation system, reducing the effectiveness of the more substantial funds we provide for highways and airports, which are crowded with travelers who might otherwise be able to travel by rail.

We all hope that Amtrak will make the best of the management reforms in this bill to put passenger rail on a healthier financial track for the future. But this legislation entails more than operating reforms and access to a new capital fund.

As Senator MCCAIN so rightly pointed out, this legislation makes provision for termination of Federal Financial support for Amtrak's operations by the year 2002, something already part of our long-term budget plans. It includes provision for a study of the possibility of Amtrak's bankruptcy and liquidation. For the first time in Federal law,

we are contemplating the possibility of shutting down passenger rail in this country.

So while those of us who put in the hard work that made this moment possible should rightfully be proud of those efforts, we must not lose sight of the big picture. While we have bought a little more time for Amtrak, we have by no means assured that passenger rail—essential to the efficient operation of every other industrial economy's transportation system—will survive in the United States.

Over the next 5 years, there will be more tough choices as we move toward the twin goals of a balanced Federal budget and the end of Federal operating support for our country's passenger rail system. If we fail to provide Amtrak with the resources it needs to modernize, to attract the ridership and revenues that can advance the goal of self-sufficiency, today's accomplishment will be hollow.

I am not convinced, Mr. President, that we have chosen the right course for passenger rail in this country. No one argues against reforms that make the best use of taxpayers dollars, reforms that permit Amtrak to make use of the best business practices to attract riders and to expand our country's passenger rail system.

But by themselves, those reforms will not relieve us of our responsibility to keep passenger rail alive.

Senator KERRY reminded us today that the European Community has committed to major new investments on top of their substantial contributions to their continent's passenger rails system. As the most productive economy in the world, we should face up to the need to make similar commitments here.

So many benefits flow from these investments—benefits that can be measured, but not always on the books of any given passenger rail system—that the rest of the developed world is willing to make that kind of commitment. Those benefits include more efficient use of fuel, cleaner air, reduced congestion on our highways and at our airports—real benefits that add up to real dollars saved that can be put to better use.

In today's world—with balanced budgets and increased economic competition—we must make sure that we capture those benefits and save those dollars. That is why the fight for passenger rail in the United States is far from over today.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I ask unanimous consent that the vote that was scheduled for 2:15 be delayed until the end of my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I am delighted to join with the Senator from Texas, the chairman of the Commerce Committee, the Senator from Arizona, Senator HOLLINGS, Senator BREAUX in

strongly supporting Amtrak itself and, equally important, supporting this re-authorization bill which is pending before the Senate.

I offer my sincere thanks to the Senator from Texas, Senator HUTCHISON, for her persistence on behalf not just of the bill but particularly Amtrak, which she just talked about, which she has vision of and of which we share a vision.

I also thank Senator MCCAIN who worked hard with all of us. Despite his own very deeply felt misgivings regarding federally subsidized passenger rail, as chairman he was very fair to all of the opinions that existed on the committee and gave us the opportunity to be able to come together to forge what I think is a good compromise.

A compromise, obviously, doesn't leave everybody happy. It is not supposed to. There are folks on both sides of the aisle who, if they wrote their own bill, would have written a different bill. Clearly, that is true. But it is because we reached that compromise that I think we put Amtrak in a position not only to survive but to thrive, and we have preserved the rights of labor to be able to negotiate appropriately for their relationship with the management.

I will not review, in the interest of time, any of the specific provisions at this moment. Senator HUTCHISON has done that. Senator MCCAIN has done that. But I would like to take a moment just to emphasize what I think can't be emphasized enough, which is the importance of Amtrak to the country and particularly important to the Northeast Corridor Improvement Project and to the transportation infrastructure of the Northeast region of the country. I think it is important to all the regions it reaches, but I particularly point out that the future completion of the Northeast corridor, which this legislation will help to ensure, is expected to attract 3 million additional passengers annually between New York and Boston.

This improved rail service is going to ease the congestion of Logan and other major Northeast airports. The Federal Railroad Administration expects passenger air service between Boston and New York to decrease by 40 percent as a result of these measures and to result in the elimination of over 50 daily New York-Boston flights. Indeed, without this legislation, and without the continued modernization of rail travel in the Northeast, the four airports between New York and Boston would be projected to produce annual passenger delays of over 20 million hours per year. That is lost productivity. That is a lost competitive edge for our country, as well as for the region.

We can expect improved Northeast rail service that will come as a result of this legislation to have a spillover positive impact on road congestion. Mr. President, 5.9 billion passenger miles were taken on Amtrak in 1994. These are trips that were not taken on

crowded highways and airways. Improved rail service in the Northeast is projected to eliminate over 300,000 auto trips each year from highways that are increasingly overly congested, and it will reduce auto congestion around the airports as well as improving air quality for the country and in the Northeast.

As these figures demonstrate, a healthy and financially viable passenger rail system is the key to ensuring an efficient transportation infrastructure in our country. We simply cannot continue, in some parts of the country certainly, to build more and more roads and more and more airports. The space doesn't allow it. We should look to Europe, and we should look to Japan, and we should look to other countries for the experience that they have had as more and more of the square miles of their country are consumed by business and by living space and where they have had to make use of those spaces effectively.

The fact is that in the United States of America within the next 20 to 30 years, the vast majority of our population, 75 percent of it, will live within 50 miles of coastline, including the Great Lakes. We will need to consider how we move people and products as those areas become more crowded.

So, simply stated, we need Amtrak because we cannot continue to pave our way out of our transportation problems. I would like to take just a quick moment to address some of those in the Congress who criticize Amtrak and any kind of Federal subsidy of rail as a form of some kind of central planning that is inherently dangerous and that supposedly the United States has always avoided. The fact is, Mr. President, we have not only not always avoided it; we have relied significantly on that kind of Federal input and planning to help us to be able to build the network of transportation that we rely on.

Throughout our Nation's history, we in Congress have been proactive and aggressive about this kind of assistance. You can drive in one relatively straight line from the northern coast of Maine to Florida on a well-paved road because the Federal Government planned it and because we funded the Interstate Highway System. The planning and construction of our Nation's ports and canal networks, transcontinental railroads, the air traffic control system, and the Interstate Highway System are all examples of Federal leadership in transportation policy which led to overall economic growth, to improved transportation efficiency and, finally, to the development of entirely new industries.

Indeed, while we in Congress have argued over whether the Federal Government should or shouldn't ensure a healthy inter-city rail system, internationally it is no secret that a well-founded rail network is an essential ingredient of a strong 21st century economy.

In fact, every major economic power, except the United States, invests several billions of dollars annually in passenger rail transportation. The European Union plans to invest more than \$100 billion to better utilize and integrate its multibillion-dollar-rail network. And our economic competitors in Asia, including China, Taiwan, Malaysia, and South Korea, are all investing heavily in rail.

The unfortunate truth is that on a per capita basis, at least 34 countries, including Guinea, Myanmar, South Africa, Iran, and Botswana each spend more than the United States on passenger rail. In this light, which I think is the correct light in which to view what we are doing today, we are doing the bare minimum necessary to ensure continued passenger rail travel in the United States and to maintain a vibrant national transportation network.

Finally, I would like to take a moment just to say something about the men and women in Amtrak's labor organizations who work extraordinarily hard daily to ensure that the trains are in working order, that the tracks are maintained and that millions of Americans are able to get to work and travel comfortably and safely from city to city.

Much has been made in the arguments over reform about labor provisions in U.S. law which did give protections to those who worked on Amtrak. Those protections were to guarantee that their jobs wouldn't be contracted away or that a specific level of a severance might exist in order to safeguard them.

Before one overly criticizes those provisions which we have changed and which, in my judgment, we appropriately came to a compromise on, recognizing the times that we now live in, but it is important to not be overly cynical about them and to, frankly, understand the context in which they came about.

Amtrak was formed only in the 1970's, and the reason it was formed was that the freight carriers were unwilling to continue to provide passenger service. It was unclear at the time whether a new entity, called Amtrak, was going to be able to survive at all. It needed experienced, skillful workers in order to be able to put that survival to the test, in order to try to become a viable entity.

So to attract those skilled, viable workers from another job under another umbrella which they worked in where they had a pension and where they had years of experience, it was necessary to say to them, "You are not going to lose your job immediately. We are going to guarantee you that for taking the risk for helping to make Amtrak work, we will provide you with a guarantee."

The labor provisions that are at issue in this debate were originally put into Amtrak law in order to attract employees from other carriers so that they would work for Amtrak. Simply

stated, the provisions guaranteed that people who came to work for Amtrak when they didn't know it would survive would receive nothing more than the protection they had enjoyed previously.

Since that time, I point out to my colleagues, that Amtrak employees have made tremendous financial sacrifices in order to help keep Amtrak going. I don't think those have been recognized. In the early 1980's, Amtrak employees agreed to a 12-percent wage deferral in order to help Amtrak's bottom line. This deferral has never been repaid. So in point of fact, it became not a deferral, it became a wage giveback, a 12-percent wage giveback.

From 1987 through 1992, Amtrak employees agreed to have their wages frozen, even though management received salary increases as high as 15 percent during that period.

In addition, Amtrak employees are paid considerably less than workers holding similar jobs in other transportation agencies. For example, Amtrak car mechanics will earn \$2,200 less than those car mechanics on Atlanta's commuter lines; \$6,500 less than those on Chicago's commuter lines; and \$16,300 less than those on New York's and New Jersey's PATH commuter lines. A mechanic who started to work at Washington's Metro in 1980 literally would have received over \$100,000 more than if he or she had worked for Amtrak.

So now with this bill, Amtrak's employees are making yet another sacrifice, and they are giving up statutory protections to allow them severance benefits in the event of route cuts and also to change the contracting-out provisions.

Mr. President, one of the reasons we have this bill is because Amtrak employees have agreed to make this sacrifice. I think that those of us in Congress and the millions of Americans who enjoy Amtrak ought to be grateful for their courage and commitment to its continued viability.

I believe we have laid the groundwork for Amtrak to survive. Labor would be permitted to negotiate as normally as they can negotiate in the marketing process. I think we have reached an accommodation that will help us keep Amtrak not just alive but on the first steps to becoming a model, hopefully, in the long run as we go into the next century for what a good passenger rail system can be.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from the great State of Texas.

Mrs. HUTCHISON. Thank you, Mr. President. I thank the Senator from Massachusetts who was so helpful in working out this compromise. I think, as he said, a lot of people had to give something that they didn't want to give, which probably means that we did a fair compromise. Senator BREAU, who is also on the floor, was very much a part of this. Senator HOLLINGS, who was here, I also thank.

If there is no one else wishing to speak, then I would like to have third reading and then go to a vote, if that is possible.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass, as amended?

The bill (S. 738), as amended, was passed.

Mr. LOTT. Mr. President, today the Senate acted in a fully bipartisan manner to adopt meaningful and genuine legal, labor, and management reforms for America's national passenger railroad. It offers legislative solutions that could begin to restore the fiscal health of this failing railroad.

American taxpayers have already invested over \$20 million in this railroad.

Let me be clear: the Senate is sending a bipartisan message to this railroad—the management and the workers must fundamentally change both their culture and operating methods.

Amtrak cannot continue getting subsidies.

The legislation adopted today is an amendment to the bill reported by the Commerce Committee earlier this year. It is the bill sponsored by Senator KAY BAILEY HUTCHISON. The amendment was a joint effort of several members of the Commerce Committee on both sides of the aisle.

I want to personally commend the Senate's Commerce Committee for their leadership on this important transportation issue.

I'm sure the nearly 2 million Americans who ride the commuter rail system every day want to also thank them.

I also want to recognize the work of a number of dedicated staffers who have invested many hours, evenings and weekends to get the legislative language right. The work was intense, emotional and personal, but everyone maintained their professional manner and got the job done. The staff responsible for the details are: Ann Begeman, Clyde Hart, Amy Henderson, James Drewry, Lloyd Ator, and Penny Compton.

Let me just take one moment and clarify one important issue within this reform bill. The current industry practice between Amtrak and other rail carriers is to allocate financial responsibility for claims. This makes sense and in fact many such contractual agreements exist today. The language in section 28103(b) of the bill is intended to confirm that such contractual agreements are consistent with Federal law and public policy. One should not construe this section as modifying such agreements.

Today, the Senate has taken action to ensure America's passenger rail service will not be interrupted. And, the Senate also mandated reforms to assure a prosperous passenger railroad.

Mr. President, this reauthorization reform for Amtrak is long overdue, but it is on the right track.

EXECUTIVE SESSION

NOMINATION OF CHRISTINA A. SNYDER, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the nomination of Christina A. Snyder, which the clerk will report.

The legislative clerk read the nomination of Christina A. Snyder, of California, to be U.S. district judge for the central district of California.

Mr. THOMAS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Mr. President, I am glad to see that the Senate is finally turning its attention to the nomination of Christina Snyder. She was first nominated in May 1996, over 17 months ago. Her hearing was finally held in July of this year and after another 2-month delay, she was reported by the Judiciary Committee without objection. She has been pending on the Senate Calendar without action and without any explanation for the 2-month delay that has since ensued.

It seems that the delay in considering her nomination had nothing to do with her outstanding qualifications or temperament or ability to serve as a Federal judge. Rather, it seems that some opposed this fine woman and held up her nomination to a very busy court because she had encouraged lawyers to be involved in pro bono activities.

Ms. Snyder has been held up anonymously for months and months. When the Judiciary Committee finally met to consider her nomination, I was curious to learn who and what had delayed her confirmation for over a year. But no one spoke against her and no one voted against her.

Ms. Snyder has been an outstanding lawyer, a member of the American Law Institute, and someone who contributes to the community and has lived the ethical consideration under Canon 2 of the Code of Professional Responsibility. I congratulate her on her outstanding career.

When she was being interrogated about her membership on the boards of Public Counsel and the Western Center on Law and Public Interest, Senator FEINGOLD properly observed:

[I]t is kind of an irony when we get to the day where if you don't participate in pro bono activities, you are somehow in a situation where your record is a little safer vis a vis being appointed to a Federal judgeship. And then when you get involved in pro bono activity, that might actually cause you to

get a few more questions. . . . [T]hat can't be an encouragement for lawyers to get involved in pro bono activities on behalf of people who don't have the ability to go to court very easily.

After all these months, I was please to hear Senator SESSIONS pronounce Ms. Snyder "an outstanding individual with a fine record" and "a capable lawyer of integrity and ability," when her nomination was considered by the Judiciary Committee.

I congratulate Ms. Snyder and her family and look forward to her service on the Federal court.

Although I am delighted that the Senate will today be confirming Christina Snyder as a Federal district court judge, the Republican leadership has once again passed over and refused to take up the nomination of Margaret Morrow. Ms. Morrow's nomination is the longest pending judicial nomination on the Senate Calendar, having languished on the Senate Calendar since June 12.

The central district of California desperately needs this vacancy filled, which has been open for more than 18 months, and Margaret Morrow is eminently qualified to fill it. Thus, while the Senate is finally proceeded to fill one of the judicial emergency vacancies that has plagued the U.S. District Court for the central district of California, it continues to shirk its duty with respect to the other judicial emergency vacancy, that for which Margaret Morrow was nominated on May 9, 1996.

Just 2 week's ago, the opponents of this nomination announced in a press conference that they welcomed a debate and rollcall vote on Margaret Morrow. But again the Republican majority leader has refused to bring up this well-qualified nominee for such debate and vote. It appears that Republicans have time for press conferences to attack one of the President's judicial nominations, but the majority leader will not allow the U.S. Senate to turn to that nomination for a vote. We can discuss the nomination in sequential press conferences and weekend talk show appearances but not in the one place that action must be taken on it, on the floor of the U.S. Senate.

The Senate has suffered through hours of quorum calls in the past few weeks which time would have been better spent debating and voting on this judicial nomination. The extremist attacks on Margaret Morrow are puzzling—not only to those of us in the Senate who know her record but to those who know her best in California, including many Republicans.

They cannot fathom why a few senators have decided to target someone as well-qualified and as moderate as she is. Just this week I included in the CONGRESSIONAL RECORD a recent article from the Los Angeles Times by Henry Weinstein on the nomination of Margaret Morrow, entitled "Bipartisan Support Not Enough for Judicial Nominee." This article documents the deep

and widespread bipartisan support that Margaret Morrow enjoys from Republicans that know her. In fact, these Republicans are shocked that some Senators have attacked Ms. Morrow.

For example, Sheldon H. Sloan, a former president of the Los Angeles County Bar Association and an associate of Gov. Pete Wilson, declared that: "My party has the wrong woman in their sights." Stephen S. Trott, a former high-ranking official in the Reagan administration and now a Court of Appeals Judge wrote to the majority leader to try to free up the Morrow nomination, according to this article Judge Trott informed Senator LOTT:

"I know that you are concerned, and properly so, about the judicial philosophy of each candidate to the federal bench. So am I. I have taken the oath, and I know what it means: follow the law, don't make it up to suit your own purposes. Based on my own long acquaintance with Margaret Morrow, I have every confidence she will respect the limitations of a judicial position."

Robert Bonner, the former head of DEA under a Republican administration, observed in the article that: "Margaret has gotten tangled in a web of larger forces about Clinton nominees. She is a mere pawn in this struggle." I could not agree more.

I ask unanimous consent to have printed in the RECORD an article by Terry Carter from the Los Angeles Daily Journal entitled "Is Jihad on Judicial Activism About Principle or Politics?" In that article Senator SESSIONS is quoted as saying that the Senate "can have a vote on [Morrow] nomination tomorrow." Well, today is tomorrow. It is high time to free the nomination of Margaret Morrow for debate and a vote.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Daily Journal, Nov. 6, 1997]

IS JIHAD ON JUDICIAL ACTIVISM ABOUT PRINCIPLE OR POLITICS?

(By Terry Carter)

WASHINGTON.—Three years after being nominated for the federal bench—having been branded a California "activist," grilled by Senate Judiciary Committee members about her personal voting habits and consigned to nomination limbo by an unidentified senator's "hold"—it would have been understandable if Los Angeles lawyer Margaret Morrow began composing a withdrawal letter in her head.

If she did, she could have looked for inspiration to what previous failed nominees had written.

"Despite the unpleasantness of the process, I am grateful for the honor of having had your support," one would-be federal judge wrote to his sponsor. ". . . For a while there, I really thought that your Herculean efforts had overcome the false and misleading charges that were made against me."

The author of that letter found salve in a manner few dream of. After his 1986 bid for a judgeship fell to a party line vote, then-Alabama U.S. Attorney Jeff Sessions, who faced questionable charges of racial insensitivity during Judiciary Committee hearings, went on to become a two-term governor and was