

109TH CONGRESS
1ST SESSION

S. 1516

To reauthorize Amtrak, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 27, 2005

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

A BILL

To reauthorize Amtrak, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Passenger Rail Invest-
5 ment and Improvement Act of 2005”.

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

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

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

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

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

TITLE I—AUTHORIZATIONS

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

TITLE II—AMTRAK REFORM AND OPERATIONAL IMPROVEMENTS

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

TITLE III—INTERCITY PASSENGER RAIL POLICY

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

TITLE IV—PASSENGER RAIL SECURITY AND SAFETY

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

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

TITLE V—RAIL BOND AUTHORITY

Sec. 501. Intercity rail facility bonds.

1 **TITLE I—AUTHORIZATIONS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 (1) 3 percent for fiscal year 2006.

11 (2) 11 percent for fiscal year 2007.

12 (3) 23 percent for fiscal year 2008.

13 (4) 25 percent for fiscal year 2009.

14 (5) 31 percent for fiscal year 2010.

15 (6) 33 percent for fiscal year 2011.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20 (1) by striking paragraph (2);

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

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

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

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

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

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

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

20 “(i) Amtrak; or

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

23 (b) AMTRAK ROUTES WITH STATE FUNDING.—

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

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

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

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

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

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

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

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

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

1 **“§ 24302. Board of directors**

2 “(a) COMPOSITION AND TERMS.—

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

6 “(A) The Secretary of Transportation.

7 “(B) The President of Amtrak.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (9) annual cash flow forecasts; and

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

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

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

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

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

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

10 (d) ASSESSMENT BY DOT INSPECTOR GENERAL.—

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

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

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

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

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

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

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

22 (c) REVIEW AND APPROVAL.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 “(3) PENALTIES.—

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

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

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

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

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

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

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

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

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

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

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

21 **“§ 24710. Long distance routes**

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

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

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

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

17 “(1) on-time performance;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“24710. Long distance routes.”.

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

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

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

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

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

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

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

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

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

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

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

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

6 “(b) IMPLEMENTATION.—

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

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

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

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

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

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

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

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

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

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

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

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

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

“24711. Alternate passenger rail service program.”.

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (b) APPROVAL BY THE SECRETARY.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 “(5) scheduling and dispatching;

11 “(6) safety and security enhancements;

12 “(7) equipment design;

13 “(8) marketing of rail services; and

14 “(9) future capacity requirements.

15 “(c) ACCESS COSTS.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (2) providing an estimate of the savings to Am-
2 trak and the United States Government.

3 **SEC. 216. STUDY OF COMPLIANCE REQUIREMENTS AT EX-**
4 **ISTING INTERCITY RAIL STATIONS.**

5 Amtrak shall evaluate the improvements necessary to
6 make all existing stations it serves readily accessible to
7 and usable by individuals with disabilities, as required by
8 section 242(e)(2) of the Americans with Disabilities Act
9 of 1990 (42 U.S.C. 12162(e)(2)). The evaluation shall in-
10 clude the estimated cost of the improvements necessary,
11 the identification of the responsible person (as defined in
12 section 241(5) of that Act (42 U.S.C. 12161(5))), and the
13 earliest practicable date when such improvements can be
14 made. Amtrak shall submit the survey to the Senate Com-
15 mittee on Commerce, Science, and Transportation, the
16 House of Representatives Committee on Transportation
17 and Infrastructure, and the National Council on Disability
18 by September 30, 2006, along with recommendations for
19 funding the necessary improvements.

20 **SEC. 217. INCENTIVE PAY.**

21 The Amtrak Board of Directors is encouraged to de-
22 velop an incentive pay program for Amtrak employees.

23 **SEC. 218. ACCESS TO AMTRAK EQUIPMENT AND SERVICES.**

24 If a State desires to select or selects an entity other
25 than Amtrak to provide services required for the operation

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

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

22 (a) REPEAL OF SELF-SUFFICIENCY REQUIREMENTS.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“CHAPTER 244—INTERCITY PASSENGER RAIL SERVICE CORRIDOR
 CAPITAL ASSISTANCE

“Sec.

“24401. Definitions.

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

“24403. Project management oversight.

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

“24405. Grant conditions.

1 **“§ 24401. Definitions**

2 “In this subchapter:

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

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

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

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

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

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

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

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

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

20 “(a) GENERAL AUTHORITY.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 “(D) Projects that are—

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

24 “(ii) ready to be commenced.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 “(g) UNDERTAKING PROJECTS IN ADVANCE.—

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

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

16 “(B) the Secretary approves the payment;

17 and

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

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

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

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

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

20 “(i) PUBLIC-PRIVATE PARTNERSHIPS.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 “(8) material testing policies and procedures;

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

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

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

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

1 “(b) SECRETARIAL OVERSIGHT.—

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

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

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

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

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

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

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

6 **“§ 24405. Grant conditions**

7 “(a) DOMESTIC BUYING PREFERENCE.—

8 “(1) REQUIREMENT.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 “(A) any compensation for such use;

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

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

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

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

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

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

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

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

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

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

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

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

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

16 “(2) IMMEDIATE REPLACEMENT SERVICE.—

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

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

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

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

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

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

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

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

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

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

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

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

9 (b) CONFORMING AMENDMENTS.—

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

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

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

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

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

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

“CHAPTER 225—STATE RAIL PLANS AND HIGH PRIORITY
PROJECTS

“Sec.

“22501. Definitions.

“22502. Authority.

“22503. Purposes.

“22504. Transparency; coordination; review.

“22505. Content.

“22506. Review.

1 **“§ 22501. Definitions**

2 “In this subchapter:

3 “(1) PRIVATE BENEFIT.—

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

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

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

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

20 “(2) PUBLIC BENEFIT.—

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

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

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

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

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

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

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

1 **“§ 22502. Authority**

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

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

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

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

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

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

17 **“§ 22503. Purposes**

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

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

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

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

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

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

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

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

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

1 **“§ 22505. Content**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 “(ii) the public benefits.

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

1 thority should take into consideration the following
2 matters:

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

7 “(B) Rail capacity and congestion effects.

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

10 “(D) Regional balance.

11 “(E) Environmental impact.

12 “(F) Economic and employment impacts.

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

15 **“§ 22506. Review**

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

19 (b) CONFORMING AMENDMENTS.—

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

“225. State rail plans 22501”.

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

“225. State rail plans 24401”.

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

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

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

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

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

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

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

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

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

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

14 Section 103 is amended—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12 “(h) PERFORMANCE GOALS AND REPORTS.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 “(c) ADVISORY BOARD.—

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

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

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

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

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

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

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

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

“24910. Rail cooperative research program.”.

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

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

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

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

22 (2) to secure Amtrak trains;

23 (3) to secure Amtrak stations;

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

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

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

6 (7) to expand emergency preparedness efforts.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 **TITLE V—RAIL BOND**

12 **AUTHORITY**

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

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

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

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

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

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

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

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

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

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

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

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

19 “(b) BOND AMOUNT LIMITATION.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“26106. Rail infrastructure bonds.”.

○