

Public Law 94-25  
94th Congress

An Act

May 26, 1975  
[H.R. 4975]

To amend the Rail Passenger Service Act to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes.

Amtrak  
Improvement Act  
of 1975.  
45 USC 501 note.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Amtrak Improvement Act of 1975".

SEC. 2. Section 303(d) of the Rail Passenger Service Act (45 U.S.C. 543(d)), relating to officers of the Corporation, is amended by inserting immediately before the period at the end of the third sentence thereof the following: "; except that this limitation upon compensation shall not apply in the case of the president of the Corporation if the board determines with respect to such officer that a higher level of compensation is necessary and is not higher than \$85,000 or the general level of compensation paid officers of railroads in positions of comparable responsibility, whichever is lesser".

SEC. 3. Section 305 of such Act (45 U.S.C. 545), relating to general powers of the Corporation, is amended by striking out subsection (f), as added by section 4 of the Amtrak Improvement Act of 1974 (88 Stat. 1527), and inserting in lieu thereof the following:

Customs  
inspection and  
immigration  
procedures.

"(h) The Secretary of the Treasury and the Attorney General shall (consistent with the effective enforcement of the immigration and customs laws) establish and maintain, in cooperation with the Corporation, en route customs inspection and immigration procedures aboard trains operated in international intercity rail passenger service, which procedures will be convenient for passengers and will result in the most rapid possible transit in international intercity rail passenger service."

SEC. 4. (a) The first sentence of section 308(b) of such Act (45 U.S.C. 548(b)), relating to reports, is amended by striking out "the preceding year" and inserting in lieu thereof "the preceding fiscal year".

(b) Section 308(c) of such Act (45 U.S.C. 548(c)), relating to reports, is amended by adding at the end thereof the following new sentence: "Beginning in 1976, the Secretary's report on the Corporation shall be made part of the Department of Transportation annual report to the Congress."

Experimental  
routes.

SEC. 5. Section 403(c) of such Act (45 U.S.C. 563(c)), relating to experimental routes, is amended—

(1) by striking out "the Secretary" in the first sentence and in the third sentence and inserting in lieu thereof in each such sentence "the Board of Directors"; and

(2) by inserting immediately after "the Secretary" in the second sentence "in consultation with the Board of Directors."

Seasonal routes,  
studies.

SEC. 6. Section 403(b) of such Act (45 U.S.C. 563(b)) is amended by adding at the end thereof the following new sentence: "The Corporation, at the request of States, may conduct studies during the fiscal year ending June 30, 1976, to determine benefits of seasonal routes to recreational areas."

Discontinuance  
of service.

SEC. 7. Section 404(b) of such Act (45 U.S.C. 564(b)), relating to discontinuance of service, is amended—

(1) by striking out "July 1, 1975" in paragraph (1) and paragraph (3) and inserting in lieu thereof in each such paragraph "October 1, 1976"; and

(2) by striking out "July 1, 1975" in the second sentence of paragraph (2) and inserting in lieu thereof "March 1, 1977".

SEC. 8. Section 404 of such Act (45 U.S.C. 564), relating to discontinuance of service, is amended by adding at the end thereof the following new subsection:

“(c) (1) Within 120 days after the date of enactment of this subsection, the board of directors of the Corporation shall study, develop, and submit to the Secretary, to the Commission, and to the Congress an initial proposal setting forth criteria and procedures under which the Corporation would be authorized to add or discontinue routes and services. Such criteria and procedures shall include, but need not be limited to—

“(A) methods for evaluating the economic and environmental impact of any addition or discontinuance of intercity rail passenger service including an evaluation of the economic impact to the Corporation and to the nation of the addition of new service points along existing or new inter-city routes within the Northeast Corridor;

“(B) methods for evaluating the effects of any such addition or discontinuance on connecting parts of the national system of intercity rail passenger service;

“(C) methods for estimating, with respect to any such addition or discontinuance, the population to be affected, the demand for intercity rail passenger service, the revenue per passenger mile, and the effect on capital costs and revenue of the Corporation;

“(D) methods for evaluating the availability of alternative modes of transportation;

“(E) methods for giving public notice of, and obtaining public comments on, any such addition or discontinuance; and

“(F) methods for establishing a priority ranking system for routes and trains to meet the needs of the public convenience and necessity for a balanced transportation system, taking into consideration the criteria and procedures referred to in subparagraphs (A) through (E) of this paragraph, together with such other criteria as the board of directors deems appropriate.

“(2) Within 150 days after the date of enactment of this subsection, the Secretary and the Commission shall submit to the Congress and to the board of directors of the Corporation their comments on the initial proposal setting forth criteria and procedures developed by the board of directors of the Corporation, together with such recommendations as they may deem appropriate.

“(3) Within 30 days after receipt of comments submitted by the Secretary and the Commission under paragraph (2) of this subsection, the board of directors of the Corporation shall consider such comments and shall submit to the Congress a final proposal setting forth criteria and procedures under which the Corporation would be authorized to add or discontinue routes and services within the national system of intercity rail passenger service. The criteria and procedures set forth in such final proposal shall take effect at the end of the first period of 60 calendar days of continuous session of the Congress after the date of its submission, unless either the Senate or the House of Representatives adopts a resolution during such period stating that it does not approve such final proposal. If no resolution is adopted as provided in the preceding sentence, the Corporation may add or discontinue routes and services in accordance with the criteria and procedures set forth in the final proposal, notwithstanding the provisions of section 13a of the Interstate Commerce Act or of section 404(b)(3) of this Act, relating to discontinuance of service within the basic system. Service beyond the basic system referred to in section 404(b)(2) of this Act shall not be discontinued under this subsection until March 1, 1977. For purposes of this paragraph, continuity of session of the Congress is broken only by an adjournment sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded from the computation of the 60-day period.”

Criteria and procedures, submittal to Secretary of Transportation, Interstate Commerce Commission, and Congress.

Comments and recommendations, submittal to Congress and National Railroad Passenger Corporation. Final proposal, submittal to Congress.

49 USC 13a. Ante, p. 90.

Financial  
investment  
advisory panel.  
Appropriation  
authorization.

SEC. 9. Such Act is amended by striking out title V, relating to the financial investment advisory panel (45 U.S.C. 581-583).

SEC. 10. Section 601(a) of such Act (45 U.S.C. 601(a)), relating to authorization of appropriations, is amended—

(1) by striking out "in subsequent fiscal years a total of \$534,300,000" in the first sentence and inserting in lieu thereof "in subsequent fiscal years through June 30, 1975, a total of \$597,300,000"; and

(2) by inserting immediately after the first sentence the following "There are authorized to be appropriated to the Secretary for the benefit of the Corporation (1) for the payment of operating expenses for the basic system, and for operating and capital expenses of intercity rail passenger service provided pursuant to section 403(b) of this Act, \$350,000,000 for fiscal year 1976, \$105,000,000 for the transition period of July 1, 1976, through September 30, 1976 (hereafter in this section referred to as the 'transition period') and \$355,000,000 for fiscal year 1977; and (2) for the payment of capital expenditures of the basic system, \$110,000,000 for fiscal year 1976; \$25,000,000 for the transition period; and \$110,000,000 for fiscal year 1977. Of the amounts authorized by clause (1) of the preceding sentence, not more than \$25,000,000 for fiscal year 1976, \$7,000,000 for the transition period, and \$30,000,000 for fiscal year 1977 shall be available for payment of operating and capital expenses of intercity rail passenger service provided pursuant to section 403(b) of this Act."

45 USC 563.

Guarantee of  
loans.

SEC. 11. Section 602 of such Act (45 U.S.C. 602), relating to guarantee of loans, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) The Secretary is authorized, on such terms and conditions as he may prescribe, and with the approval of the Secretary of the Treasury, to guarantee any lender or lessor against loss of principal and interest or other contractual commitments, including rentals, on securities, obligations, leases, or loans (including refinancing thereof) issued to finance the upgrading of roadbeds, and the purchase or lease by the Corporation or an agency of new rolling stock, rehabilitation of existing rolling stock, reservation systems, switch and signal systems, and other capital equipment and facilities necessary for the improvement of rail passenger service. The maturity date or term of such securities, obligations, leases, or loans, including all extensions and renewals thereof, shall not be later than 20 years from their date of issuance.";

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) Any guarantee made by the Secretary under this section shall not be terminated, canceled or otherwise revoked; shall be conclusive evidence that such guarantee complies fully with the provisions of this Act and of the approval and legality of the principal amount, interest rate, lease rate, and all other terms of the securities, obligations, leases, or loans and of the guarantee, and shall be valid and incontestable in the hands of a holder of a guaranteed security, obligation, lease, or loan, except for fraud or material misrepresentation on the part of such holder.";

(3) by striking out "obligations, or loans" in subsection (d) and inserting in lieu thereof "obligations, leases, or loans";

(4) by striking out "obligation, or loan" each place it appears in subsection (g) and inserting in lieu thereof in each such place "obligation, lease, or loan"; and

(5) by striking out "a loan" in subsection (i) and inserting in lieu thereof "a lease or loan".

SEC. 12. Section 701(c)(1) of such Act (45 U.S.C. 621(c)(1)), relating to liquidation of the assets of any railroad recipient of a loan or loan guarantee, is amended by adding at the end thereof the following new sentence: "In the case of a railroad in reorganization (as defined in section 102(12) of the Regional Rail Reorganization Act of 1973) which has an agreement with the Corporation to provide intercity rail passenger service on the date of enactment of this sentence, the sale by such railroad of any right-of-way or track over which the Corporation is required to provide intercity rail passenger service on such date of enactment (as an experimental route designated by the Secretary before such date of enactment) shall be deemed to be a liquidation of the assets of such railroad under the first sentence of this paragraph, and the Secretary shall acquire such right, title, and interest in such right-of-way or track, and restore it to such condition, as may be necessary to permit the Corporation to provide intercity rail passenger service over the designated route."

Liquidation of  
assets.

45 USC 702.

SEC. 13. Section 4(i)(2) of the Department of Transportation Act, as added by the Amtrak Improvement Act of 1974 (94 U.S.C. 1653 (i)(2)), is amended by striking out the last two sentences and inserting in lieu thereof the following: "Any grant made by the Secretary under this paragraph shall not exceed 60 per centum of the total cost of conversion of a railroad passenger terminal into an intermodal transportation terminal."

Railroad terminal  
conversion,  
grants, limitation.  
49 USC 1653.

Approved May 26, 1975.

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**LEGISLATIVE HISTORY:**

HOUSE REPORT No. 94-119 (Comm. on Interstate and Foreign Commerce).

SENATE REPORT No. 94-65 accompanying S. 852 (Comm. on Commerce).

CONGRESSIONAL RECORD, Vol. 121 (1975):

Apr. 24, considered and passed House.

May 8, 13, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 11, No. 22:

May 26, Presidential statement.