Public Law 96–254
96th Congress

An Act

To amend the Railroad Revitalization and Regulatory Reform Act of 1976 to authorize additional appropriations for the Northeast Corridor improvement project and to require the Secretary of Transportation to begin development of energy efficient rail passenger corridors, to provide for the protection of the employees of the Rock Island Railroad, and for other purposes.

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

TITLE I—ROCK ISLAND TRANSITION AND EMPLOYEE ASSISTANCE

SHORT TITLE

SEC. 101. This title may be cited as the “Rock Island Railroad Transition and Employee Assistance Act”.

CONGRESSIONAL FINDINGS

SEC. 102. Congress hereby finds that—
(1) uninterrupted continuation of services over Rock Island lines is dependent on adequate employee protection provisions covering Rock Island Railroad employees who are not hired by other railroads;
(2) for those Rock Island Railroad employees not hired by other rail carriers, there is no other practicable means of obtaining funds to meet the necessary costs of such employee protection that are assumed by the Rock Island Railroad;
(3) a cessation of necessary operations of the Rock Island Railroad would have serious repercussions on the economies of the States in which such railroad principally operates; and
(4) premature cessation of services over lines which are the subject of pending purchase application would result in harm to the shipping public and could imperil continuation of vital commuter service.

DEFINITIONS

SEC. 103. As used in this title, the term—
(1) “bankruptcy court” means the court having jurisdiction over the reorganization of the Rock Island Railroad;
(2) “Board” means the Railroad Retirement Board;
(3) “Commission” means the Interstate Commerce Commission;
(4) “employee” includes any employee of the Rock Island Railroad as of August 1, 1979, but does not include any individual serving as president, vice-president, secretary, treasurer, comptroller, counsel, member of the board of directors, or any other person performing such functions.
(5) the term "Rock Island Railroad" means the Chicago, Rock Island and Pacific Railroad Company; and
(6) the term "Secretary" means the Secretary of Transportation.

SERVICE CONTINUATION

Sec. 104. (a) Notwithstanding the provisions of section 11125 of title 49, United States Code, or Public Law 96–131, the Commission shall order directed service for a period of not to exceed 90 days over any line of the Rock Island Railroad if the Secretary finds and certifies to the Commission that—

(1) a lack of rail service exists which cannot be resolved by a grant of interim operating authority over such line and grains or foods are ready to be shipped to market; or

(2) a lack of rail service exists which cannot be resolved by a grant of interim operating authority over such line and a rail carrier, shipper, State, or other interested party has expressed in writing to the Secretary an interest in purchasing, leasing, or rehabilitating the particular rail line or facility for purposes of providing rail services, and there is a reasonable expectation that such transaction will be consummated.

(b)(1) Not more than $15,000,000 of the funds available for expenditure by the Secretary out of the Railroad Rehabilitation and Improvement Fund established under title V of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 821 et seq.) may be made available by the Secretary to the Commission for purposes of providing directed service under this section and section 1802 of the Milwaukee Railroad Restructuring Act.

(2) Funds may be made available for directed service under this section without regard to the findings of the Secretary required under title V of the Railroad Revitalization and Regulatory Reform Act of 1976, and section 516 of such Act (45 U.S.C. 836) shall not apply to any directed service provided with such funds.

(c) The terms of compensation for all trackage rights, joint facilities, and similar arrangements between other rail carriers and the trustee of the Rock Island Railroad which are in effect on or after March 15, 1980, on portions of the lines of the Rock Island Railroad involved in temporary emergency operations shall be continued in effect during the duration of the temporary emergency operating authority with the carrier providing temporary emergency service substituting for the trustee, except where the Rock Island Railroad has been given more favorable treatment by virtue of its bankruptcy. Such continuation shall not alter or affect the ultimate rights of other rail carriers under trackage rights, joint facilities, or similar arrangements nor prejudice the ultimate determination of any controversy or proceeding concerning rights of the parties with regard to assignment by the trustee of rights in or to the facilities or under the arrangements.

RAILROAD HIRING

Sec. 105. (a) Each person who is an employee of the Rock Island Railroad on August 1, 1979, and who, prior to January 1, 1981, is separated or furloughed (other than for cause) from his employment with such railroad, or from his employment with another rail carrier providing temporary service over lines of the Rock Island Railroad, as a result of a reduction of service by such railroad or such temporary
service carrier shall, unless found to be less qualified than other applicants, have the first right of hire by any other rail carrier that is subject to regulation by the Commission for any vacancy that is not covered by (1) an affirmative action plan, or a hiring plan designed to eliminate discrimination, that is required by Federal or State statute, regulations, or Executive order, or by the order of a Federal or State court or agency, or (2) a permissible voluntary affirmative action plan. For purposes of this section, a rail carrier shall not be considered to be hiring new employees when it recalls any of its own furloughed employees.

(b) The rights afforded to Rock Island Railroad employees by this section shall be coequal to the rights afforded to Chicago, Milwaukee, Saint Paul and Pacific Railroad Company employees by section 8 of the Milwaukee Railroad Restructuring Act (45 U.S.C. 907).

EMPLOYEE PROTECTION AGREEMENTS

SEC. 106. (a) No later than 10 days after the date of enactment of this Act, in order to avoid disruption of rail service and undue displacement of employees, the Rock Island Railroad and labor organizations representing the employees of such railroad, with the assistance of the National Mediation Board, may enter into an agreement providing protection for employees of such railroad who are adversely affected as a result of a reduction in service by such railroad. Such employee protection may include, but need not be limited to, employee relocation incentive compensation, moving expenses, and separation allowances.

(b) If the Rock Island Railroad and the labor organizations representing the employees of such railroad are unable to enter into an employee protection agreement under subsection (a) of this section within 10 days after the date of enactment of this Act, the parties shall immediately submit the matter to the Commission. The Commission shall impose upon the parties by appropriate order a fair and equitable arrangement with respect to employee protection no later than 30 days after the date of enactment of this Act, unless the Rock Island Railroad and the authorized representatives of its employees have by then entered into a labor protection agreement. For purposes of this subsection, the term “fair and equitable” means no less protective of the interests of employees than protection afforded under section 9 of the Milwaukee Railroad Restructuring Act (45 U.S.C. 908), subject to the limitations set forth in section 110 of this title.

(c) If an employee protection arrangement is imposed by the Commission under subsection (b) of this section, the bankruptcy court shall immediately authorize and direct the Rock Island Railroad trustee to, and the Rock Island Railroad trustee and the labor organizations representing the employees of the railroad shall, immediately implement such arrangement.

(d)(1) An order of the Commission under subsection (b) of this section may not be stayed by the Commission or by any court, and an order of the bankruptcy court under subsection (c) of this section may not be stayed by any other court.

(2) Any order described in paragraph (1) of this subsection may be appealed only to the court of appeals of the United States having jurisdiction to review decisions and orders of the bankruptcy court. Any such appeal to such court of appeals shall be filed within 5 days after the date of entry of the order of the Commission or the
bankruptcy court, as the case may be, and such court of appeals shall finally determine such appeal within 60 days after the date such appeal is filed. No determination by the court of appeals under this subsection may be reviewed in any other court.

(e)(1) Any claim of an employee for benefits and allowances under an employee protection agreement or arrangement entered into under this section shall be filed with the Board in such time and manner as the Board by regulation shall prescribe. The Board shall determine the amount for which such employee is eligible under such agreement or arrangement and shall certify such amount to the Rock Island Railroad for payment.

(2) Benefits and allowances under such agreement or arrangement entered into under this section shall be paid by the Rock Island Railroad from its own assets or in accordance with section 110 of this title, and claims of employees for such benefits and allowances shall be treated as administrative expenses of the estate of the Rock Island Railroad.

(f) The first sentence of section 7(b)(7) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(b)(7)) is amended by striking out “and the Milwaukee Railroad Restructuring Act” and inserting in lieu thereof “, the Milwaukee Railroad Restructuring Act, and the Rock Island Railroad Transition and Employee Assistance Act”.

EMPLOYMENT OF ROCK ISLAND RAILROAD EMPLOYEES

Sec. 107. (a) The Board shall prepare and maintain—

(1) a list of employees separated from employment with the Rock Island Railroad who indicate a desire to appear on a list to be available to rail carriers; and

(2) a list of employment, by class and craft, available with rail carriers,

based upon information submitted to the Board by the Rock Island Railroad and other rail carriers. Upon the request of any rail carrier, the Board shall make available to such carrier a copy of the list described in paragraph (1) of this subsection.

(b) The Board shall maintain the lists required by subsection (a) of this section through December 31, 1984.

ELECTION

Sec. 108. (a) Any employee who receives any assistance under an employee protection agreement or arrangement entered into under section 106 of this title or any new career training assistance under section 119 of this title shall be deemed to waive any employee protection benefits otherwise available to such employee under the Bankruptcy Act, title 11 of the United States Code, subtitle IV of title 49 of the United States Code, or any applicable contract or agreement.

(b) Any employee of the Rock Island Railroad who is entitled to receive assistance under this title shall, no later than April 1, 1981, file a statement with the Board indicating whether such employee elects to receive (1) assistance under this title; or (2) any employee protection benefits otherwise available to such employee under the Bankruptcy Act, title 11, United States Code, subtitle IV of title 49, United States Code, or any applicable contract or agreement.

(c) With regard to any employee who elects benefits under subsection (b)(2) of this section, nothing in this title shall be deemed to
determine or otherwise affect the priority, status, or timing of payment of, or the liability for any claim for, employee protection which might have existed in the absence of this title.

(d) An employee shall not be eligible to receive any assistance (other than moving expenses) under an employee protection agreement or arrangement entered into under section 106 of this title or any new career training assistance under section 119 of this title—

(1) during any period in which such employee is employed by any rail carrier providing temporary service over any lines of the Rock Island Railroad; or

(2) at any time after the date such employee receives an offer of employment, in his craft and for which such employee is qualified, from a rail carrier acquiring lines of the Rock Island Railroad.

AUTHORIZATION OF APPROPRIATIONS

SEC. 109. (a) Section 14(c) of the Milwaukee Railroad Restructuring Act (45 U.S.C. 913(c)) is amended—

(1) by inserting “and the Rock Island Railroad Transition and Employee Assistance Act” immediately after “this Act”; and

(2) by adding at the end thereof the following new sentence: “Effective October 1, 1980, there is authorized to be appropriated to the Board an additional $1,000,000 to carry out its administrative expenses under this Act and the Rock Island Railroad Transition and Employee Assistance Act.”.

(b) Section 14(b) of the Milwaukee Railroad Restructuring Act (45 U.S.C. 913(b)) is amended by adding at the end thereof the following new sentence: “Effective October 1, 1980, there is authorized to be appropriated an additional $1,500,000 for new career training assistance under section 119 of this Act and section 119 of the Rock Island Railroad Transition and Employee Assistance Act.”.

OBLIGATION GUARANTEES

SEC. 110. (a) The Secretary, under the authority of section 511 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 831), shall guarantee obligations of the Rock Island Railroad for purposes of providing employee protection in accordance with the terms of any employee protection agreement or arrangement entered into under section 106 of this title.

(b) Any obligation guaranteed pursuant to this section shall be treated as an administrative expense of the estate of the Rock Island Railroad.

(c) The aggregate unpaid principal amount of obligations which may be guaranteed by the Secretary pursuant to this section shall not exceed $75,000,000.

(d) The total liability of the Rock Island Railroad in connection with benefits and allowances provided under any employee protection agreement or arrangement entered into under section 106 of this title shall not exceed $75,000,000.

(e) Except in connection with obligations guaranteed under this section, the United States shall incur no liability in connection with any employee protection agreement or arrangement entered into under section 106 of this title.

(f) Section 511(g) and section 516 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 831(g) and 836) shall not apply to any obligation guaranteed under this section.
EXPEDITED PROCEEDINGS

SEC. 111. (a) The Commission shall give all proceedings involving the Rock Island Railroad preference over all other pending proceedings related to rail carriers and make all of its decisions at the earliest practicable time.

(b) The Commission shall, within 100 days of the filing of an application (or such shorter period as the court may set) pursuant to section 17 of the Milwaukee Railroad Restructuring Act (45 U.S.C. 915), reach a decision on all proceedings filed after January 1, 1980, which involve a sale, transfer or lease of any line of the Rock Island Railroad to a solvent carrier.

TRANSACTION ASSISTANCE

SEC. 112. Section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 825) is amended by adding at the end thereof the following new subsection:

"(h) PURCHASE OF ESSENTIAL PROPERTIES FOR COMMON CARRIER SERVICE.—(1) Notwithstanding subsections (a) through (g) of this section (other than subsections (b)(2) and (d)(3)), the Secretary shall, upon application of a noncarrier entity—

"(A) purchase, from funds available on May 1, 1980, not less than $25,000,000 in redeemable preference shares, bonds, or trustee certificates convertible to redeemable preference shares under this section as necessary for the purchase, lease, or rehabilitation of properties of the Rock Island Railroad by responsible noncarrier entities to be used for common carrier rail service; and

"(B) purchase not more than $18,000,000 in redeemable preference shares or trustee certificates convertible to redeemable preference shares under this section as necessary for the purchase of properties of the Milwaukee Railroad by responsible noncarrier entities to be used for common carrier rail service, to the extent that the Secretary determines that funds are available.

"(2) Preference shares, bonds, and trustee certificates purchased under this subsection shall be purchased under terms and conditions that insure that the applicant will be financially capable of making the requisite dividend or interest and redemption or principal payments without impairing its financial resources, and the Secretary shall insure that all assistance provided under this subsection is likely to be repaid or can be secured.

"(3)(A)(i) For purposes of this subsection, a responsible noncarrier entity may include an association composed of representatives of national railway labor organizations, employee coalitions, shippers, or any combination thereof, and States or State organizations, which wish to acquire, lease, or rehabilitate properties of the Rock Island Railroad or the Milwaukee Railroad pursuant to a feasible employee, employee-shippers, or State ownership plan. A responsible noncarrier entity may also include any railroad that wishes to contribute any of its properties under common ownership with the property being acquired by the association.

"(ii) Any ownership plan described in clause (i) of this subparagraph shall be submitted to the Secretary no later than August 20, 1980, or such later date as the Secretary considers appropriate.
"(B) For purposes of this subsection, the return on redeemable preference shares shall be the minimum established pursuant to section 506(a)(3) of this title.

"(4) This subsection shall apply to purchase applications filed with the Commission prior to September 15, 1980, and approved by the court having jurisdiction over the reorganization of the Rock Island Railroad or the Milwaukee Railroad, as the case may be, and by the Commission."

APPLICABILITY OF NEPA AND EPCA

Sec. 113. The provisions of the National Environmental Policy Act and section 382(b) of the Energy Policy and Conservation Act (42 U.S.C. 6362(b)) shall not apply to transactions carried out pursuant to this title.

AUTHORITY OF THE RAILROAD RETIREMENT BOARD

Sec. 114. (a) The Board may prescribe such regulations as may be necessary to carry out its duties under this title.

(b) In carrying out its duties under this title, the Board may exercise such of the powers, duties, and remedies provided in subsections (a), (b), and (d) of section 12 of the Railroad Unemployment Insurance Act (45 U.S.C. 362 (a), (b), and (d)) as are not inconsistent with the provisions of this title.

PUBLICATIONS AND REPORTS

Sec. 115. Within 45 days after the date of enactment of this Act, the Board shall publish, and make available for distribution by the Rock Island Railroad to all eligible employees, a document which describes in detail the rights of such employees under sections 106, 107, 108, and 119 of this title.

AMENDMENTS TO MILWAUKEE RAILROAD RESTRUCTURING ACT

Sec. 116. Section 18 of the Milwaukee Railroad Restructuring Act (45 U.S.C. 916) is amended—

(1) by striking "Until" and inserting in lieu thereof "(a) Except as provided in subsection (b) of this section, until"; and

(2) by adding at the end thereof the following new subsection:

"(b) The Commission shall upon request provide for directed service, not to exceed 30 days during the period immediately prior to acquisition, on the Milwaukee Railroad under section 11125 of title 49, United States Code. Such directed service shall be limited to those lines or line segments where legislation has been enacted by a State legislature prior to the date of enactment of this subsection which would provide for such State to tender a bona fide offer for acquisition of such lines or line segments. The Commission may order directed service by the Milwaukee Railroad under this subsection without inclusion of a 6 percent profit factor. The Commission shall take the action described in this subsection only in the event that the Secretary of Transportation determines that such service cannot be continued under the Emergency Rail Service Assistance Act.".
RAIL TECHNOLOGICAL IMPROVEMENTS

SEC. 117. Notwithstanding any other provision of law, the Secretary may, after a hearing and consistent with findings based upon evidence developed therein or pursuant to expressions of agreement between national railroad labor representatives and the developer or operator of new equipment or technology, to exempt from the mandatory requirements of the provisions of the Act of March 2, 1893, the Act of March 2, 1903, and the Act of April 14, 1910 (45 U.S.C. 1 through 16), also referred to as the Safety Appliance Acts, any railroad equipment, or equipment which will be operated on rails, when such requirements preclude the development or implementation of more efficient railroad transportation equipment or other transportation innovations under the existing statutes.

AMENDMENTS TO THE REGIONAL RAIL REORGANIZATION ACT OF 1973

SEC. 118. (a) Section 216(f)(5) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 726(f)(5)) is amended by adding the following sentence after the first sentence thereof: "For purposes of this subsection, the Railway Labor Executives' Association shall be deemed to represent all of the representatives of crafts or classes of employees of the Corporation and its subsidiaries as though that organization held powers of attorney from each representative of a craft or class for the limited purposes of negotiating and agreeing upon an employee stock ownership plan."

(b) Section 216(f)(5) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 726(f)(5)) is further amended by adding the following sentence after the second sentence thereof: "The plan shall not be subject to change under the provisions of section 6 of the Railway Labor Act until after such time as securities have been distributed from the plan to the participants in the plan or their beneficiaries pursuant to the terms of the plan."

(c) Section 216(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 726(f)) is further amended by adding the following at the end thereof:

"(8)(A) Except as provided in subparagraph (B) of this paragraph, no person described in subparagraph (C) of this paragraph shall have or be subject to any fiduciary responsibility, obligation, or duty, nor shall any such person be subject to civil liability, under any Federal or State law, as a fiduciary or otherwise—

"(i) in connection with the employee stock ownership plan and related trust established by the Corporation pursuant to the requirements of this subsection or with ConRail Equity Corporation (I) on account of any reorganization or restructuring of the Corporation, its successors or assigns, or their assets or capital structure, or (II) on account of any action taken or not taken by the Corporation which may affect its ability to attain the performance levels established in connection with the plan pursuant to paragraph (2)(A)(ii) of this subsection;"
“(ii) for or in connection with the establishment, continuation or implementation of the plan and related trust or of ConRail Equity Corporation or the acquisition of, investment in or retention of any security of the Corporation or ConRail Equity Corporation, or of any of their successors and assigns, by the plan or ConRail Equity Corporation, or the disposition of any such security to the extent that such disposition is made in connection with a reorganization or restructuring of the Corporation, its successors and assigns, or their assets or capital structure, as directed or approved by or on behalf of the Association or the United States, or the acquisition or retention of any cash, security or other property received in connection with any such reorganization or restructuring; or

“(iii) for or in connection with any other action taken or not taken pursuant to any term or condition of the plan or related trust agreement or of the articles of incorporation or bylaws of ConRail Equity Corporation.

Any directions described in clauses (i)(I), (ii), or (iii) shall be taken at the direction, or with the consent, of the Association or of the Secretary or his designate.

“(B) Subparagraph (A) of this paragraph shall not be interpreted to relieve any person from any fiduciary or other responsibility, obligation or duty under any Federal or State law to take or not to take actions with respect to the plan in connection with (i) receiving contributions, (ii) exercising custodial responsibilities, (iii) determining eligibility to participate in the plan, (iv) calculating, determining and paying benefits, (v) processing and deciding claims, (vi) preparing and distributing plan information, benefit statements, returns and reports, (vii) maintaining plan records, (viii) appointing plan fiduciaries and other persons to advise or assist in plan administration and (ix) other than as provided in subparagraph (A), acquiring, holding or disposing of plan assets.

“(C) For purposes of subparagraph (A) of this paragraph, the term ‘person’ includes each of the following:

“(i) the trustee or trustees of the plan, the Corporation and its subsidiaries, ConRail Equity Corporation, the Association, and any of their successors and assigns;

“(ii) each director, officer, employee and agent of the Corporation of any of its subsidiaries, of ConRail Equity Corporation, of the plan, of the Association or of any of their successors and assigns; and

“(iii) each member of the Finance Committee and any of their employees and agents.

“(D) Neither this paragraph nor paragraph (9) of this subsection shall be construed to grant immunity from any criminal law of the United States or of any State or the District of Columbia.

“(9) The United States shall indemnify, defend, and hold indemnity harmless the persons described in paragraph (8)(C) of this subsection from and against any and all liabilities, claims, actions, judgments, amounts paid in settlement, and costs and expenses (including reasonable fees of accountants, experts, and attorneys) actually incurred in connection with the establishment, implementation, or operation of the plan or ConRail Equity Corporation or with any transaction which is required by or is appropriate to effectuate fully the provisions of this subsection,
except as may arise in connection with the execution of a responsibility, obligation, or duty excluded from paragraph (8)(A) by paragraph (8)(B), if it is determined that such persons were acting in good faith. The indemnity provided in this paragraph shall be a full faith and credit obligation of the United States.

“(10) All securities of the Corporation, all securities of any subsidiary of the Corporation and of ConRail Equity Corporation, and all interests in the employee stock ownership plan which are issued or transferred in connection with the employee stock ownership plan established by the Corporation pursuant to the requirements of this subsection shall be deemed for all purposes to have been issued subject to and authorized and approved pursuant to section 11301(b) of title 49 of the United States Code and any corresponding provision of any successor statute.”.
compensation, the trustee of the Rock Island Railroad shall receive compensation for the property and facilities of the Rock Island Railroad on terms determined by the Commission to be reasonable.

(b) Notwithstanding any other provision of law, a passenger commuter line of the Rock Island Railroad over which directed service is provided pursuant to this section may not be abandoned, and service over such line may not be discontinued, during the period of such directed service.

TEMPORARY RAIL BANKING

SEC. 121. During the 180-day period beginning on the date of enactment of this Act, no rail line or facility of the Rock Island Railroad which has been approved for abandonment by the Commission or the bankruptcy court may be downgraded, scrapped, or otherwise disposed of without the approval of the Secretary under this section. In no case before abandonment has been approved and before the 180-day period has elapsed shall the Secretary approve a disposition of such portion of the rail line or related facility to any carrier or other entity not engaged in providing railroad services or not formed for the purpose of providing railroad services. The Secretary, upon application by the Rock Island Railroad, shall grant such approval unless he finds that—

(1) a rail carrier, shipper, State, or other interested party has expressed in writing an interest in purchasing, leasing or rehabilitating the particular rail line or facility for purposes of providing rail service; and

(2) there is a reasonable expectation that such purchase transaction will be consummated.

TEMPORARY OPERATING APPROVAL

SEC. 122. (a) The Commission may authorize any rail carrier willing to do so voluntarily to use the tracks and facilities of the Rock Island Railroad or the Milwaukee Railroad. The use of such tracks and facilities shall be under such terms of compensation as the carriers establish between themselves, or if the carriers are unable to agree, under such terms of compensation as the Commission finds to be reasonable.

(b) In carrying out the provisions of this section, the Commission shall require, to the maximum extent practicable, the use of the employees who would normally have performed work in connection with the traffic subject to the action of the Commission.

(c) As used in this section, the term "Milwaukee Railroad" means the Chicago, Milwaukee, Saint Paul and Pacific Railroad Company.

DEFINITION OF RESTRUCTURED MILWAUKEE RAILROAD

SEC. 123. Section 3(6) of the Milwaukee Railroad Restructuring Act (45 U.S.C. 902(6)) is amended to read as follows:

"(6) the term 'restructured Milwaukee Railroad' means the entity that is designated as the reorganized railroad under the reorganization plan for the Milwaukee Railroad finally certified by the Commission.'

SAVINGS PROVISION

SEC. 124. If any provision of this title or the application thereof to any person or circumstance is held invalid, the remainder of this title
and the application of such provision to other persons or circumstances shall not be affected thereby.

TITLE II—RAIL PASSENGER CORRIDORS

SHORT TITLE

Sec. 201. This title may be cited as the "Passenger Railroad Rebuilding Act of 1980".

RAIL PASSENGER CORRIDOR SERVICE


(1) in the first sentence, by striking "goals:" and inserting in lieu thereof "goals to the extent compatible with the amount of authorizations specified in section 704 of this title;"

(2) in paragraph (1)(A)(i) thereof, by striking "Within 5 years after the date of enactment of this Act," and inserting in lieu thereof "No later than September 30, 1985;"; and

(3) in the fourth sentence of paragraph (1)(E), by striking out "6" and inserting in lieu thereof "9".

SEPARATION OF PASSENGER AND FREIGHT TRAFFIC

Sec. 203. Section 703 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 853) is further amended—

(1) by inserting "(A)" immediately after the paragraph heading in paragraph (3) and by adding at the end of such paragraph the following:

"(B)(i) Within 6 months after the date of enactment of the Passenger Railroad Rebuilding Act of 1980, the Secretary shall develop plans for alternate off-corridor routings of freight traffic over lines along the Northeast Corridor between the Washington, District of Columbia Metropolitan area and the New York Metropolitan area, including intermediate points.

"(ii) The Secretary may enter into agreements with rail freight carriers and regional transportation agencies for a period of no less than 5 years to provide for the implementation by such rail carriers of the off-corridor routings on such terms and conditions as the parties may agree. Promptly upon reaching such agreement, the Secretary shall apply to the Commission for approval of the agreement and all related agreements accompanying such application.

"(iii) If the Commission finds that approval of such agreements is necessary to carry out the purposes of this Act, it shall, within 90 days after the receipt of the application, approve such application and related agreements including the provision of service use of tracks and facilities as provided in such application.

"(iv) If the Secretary and any other involved rail freight carriers are unable to reach the agreement or agreements necessary as provided in clause (ii) of this subparagraph, the Secretary may, with the consent of all involved rail freight carriers, make application to the Commission which shall, within 90 days after such application, if it finds that doing so is necessary to carry out the purposes of this Act, find the terms and conditions for the agreement necessary and such terms and conditions shall be binding upon all involved rail freight carriers."
"(v) Within 12 months after the date of enactment of the Passenger Railroad Rebuilding Act, the Secretary shall submit to the Congress a report on:

(I) an evaluation of the extent to which passenger and freight operations should be separated in the Northeast Corridor; and

(II) an evaluation of any operational, safety, maintenance, or other problems of mixing freight and passenger service on the same rail lines.

In the preparation of such report, the Secretary shall consult with the Comptroller General of the United States, the National Railroad Passenger Corporation, the Association, affected railroads, and other interested parties. The Secretary, in preparing such report, shall consider such factors as congestion, delays to both passengers and freight, fuel efficiency, safety, the control of train operations, and the impact of diversion to other modes and the impact of diversion on other modes.

(2) by adding at the end thereof the following new paragraph:

"(6) ELIMINATION OF CONGESTION.—The elimination, to the maximum extent practicable, of congestion in rail freight and rail passenger traffic at the Baltimore and Potomac Tunnel in Baltimore, Maryland, by the rehabilitation and improvement of such tunnel and the rail lines approaching such tunnel, for purposes of implementing the Northeast Corridor improvement project under this title.".

**AUTHORIZATION OF APPROPRIATIONS**

Sec. 204. (a) Section 704(a) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 854(a)) is amended—

(1) in paragraph (1) thereof, by striking "$1,600,000,000" and inserting in lieu thereof "$2,313,000,000";

(2) in paragraph (1) thereof, by striking out "and after such goals have been achieved, the goals of section 703(1)(A)(ii)";

(3) by striking the period at the end of paragraph (3) and inserting in lieu thereof "; and"

(4) by adding at the end thereof the following new paragraph:

"(4) $37,000,000 to remain available until expended in order to effectuate the goals of section 703(3)(B) and section 703(6) of this title.".

(b) Section 704 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 854) is amended by adding at the end thereof the following new subsections:

"(h) ACQUISITION OF REAL PROPERTY.—The Secretary is authorized to acquire for the United States, by lease, purchase, condemnation, or otherwise, any interest in real property (including lands, easements, and rights-of-way, and any other property interests, including contract rights) which the Secretary considers necessary to effectuate the goals of section 703 of this title.

(i) REIMBURSEMENT AGREEMENTS.—Where a portion of the costs of improvements authorized under section 703 of this title are to be borne by a State or local or regional transportation authorities or other responsible parties, the Secretary is authorized to enter into agreements with such cost-sharing parties providing for the Secretary to carry out such improvements with funds appropriated pursuant to this section and requiring reimbursement to the Secretary by the cost-sharing parties of their portion of the costs of such improvements. Where the Secretary has entered into such reimbursement agreements, the Secretary is further authorized, to the extent and in
the amounts provided in appropriation Acts, to incur obligations for contracts to carry out such improvements in anticipation of such reimbursement. Funds reimbursed to the Secretary shall be credited to the appropriation originally charged for the costs of such improvements and shall be available for further obligation.

"(j) Excess Equipment and Other Property.—Notwithstanding the provisions of section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483) or of any other law, the Secretary may transfer to the National Railroad Passenger Corporation, in accordance with procedures which the Secretary shall establish, excess real or personal property from the Northeast Corridor improvement project. As consideration to the United States for such transfer, property so transferred shall be made subject to the mortgage entered into pursuant to subsection (e) of this section. For purposes of this subsection, the term 'excess real or personal property' means—

"(1) any interest in real property acquired under the authority of subsection (h) of this section which is determined by the Secretary to be (A) usable by the National Railroad Passenger Corporation, and (B) no longer required by the Federal Government in order to implement the Northeast Corridor improvement project; or

"(2) any item of personal property, such as equipment, which is acquired with funds authorized under this section."

(c) The amendments made by this section shall take effect on October 1, 1980.

MANAGEMENT GOAL

Sec. 205. Section 701 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 851) is amended by adding at the end thereof the following new subsection:

"(d) Management Goal.—(1) It shall be a goal of the National Railroad Passenger Corporation to manage its operating costs, pricing policies, and other factors so that annual revenues derived from the operation of intercity rail passenger service over the Northeast Corridor route between Washington, District of Columbia, and Boston, Massachusetts, shall equal or exceed:

"(A) 55 percent of the annual operating costs of providing such service in fiscal year 1981;

"(B) 75 percent of the annual operating costs of providing such service in fiscal years 1982 through 1986; and

"(C) 100 percent of the annual operating costs of providing such service in subsequent fiscal years.

"(2) The National Railroad Passenger Corporation shall include in the annual report required by sections 308 and 805 of the Rail Passenger Services Act a discussion and accounting of its success in meeting the goal specified in paragraph (1) of this subsection."

TRANSFER OF AUTHORITY

Sec. 206. (a) Title VII of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 851 et seq.) is amended by redesignating sections 705 and 706 as sections 706 and 707, respectively, and by inserting after section 704 the following new section:

"Sec. 705. (a) Track Improvements.—Within 90 days after the date of enactment of the Passenger Railroad Rebuilding Act of 1980, the
Secretary and the National Railroad Passenger Corporation shall agree on the reallocation to the Corporation of authority and responsibility with respect to the contracting of construction solely related to track improvements in connection with the Northeast Corridor improvement project.

(b) **Other Authority.**—Effective October 1, 1985, the Secretary shall transfer to the Corporation all authority and responsibility, for carrying out the Northeast Corridor improvement project and implementing the goals of section 703 of this title.

(45 U.S.C. 853)

The table of contents of the Railroad Revitalization and Regulatory Reform Act of 1976 is amended by striking out the items relating to sections 705 and 706 and inserting immediately after the item relating to section 704 the following:

"Sec. 705. Transfer of authority.
Sec. 706. Conforming amendments.
Sec. 707. Facilities with historical or architectural significance."

**Working Capital Fund**

Sec. 207. Section 9 of the Department of Transportation Act (49 U.S.C. 1657) is amended by adding at the end thereof the following new subsection:

"(r)(1) The Secretary is authorized to establish a working capital fund for financing the activities of the Transportation Systems Center. Such fund will be effective on October 1, 1980, and shall be available without fiscal year limitation. The Transportation Systems Center is authorized to perform research, development, test, evaluation, analysis, and other related activities as the Secretary may direct for the Department and other Government agencies and, when approved by the Secretary or his designee, for State and local governments, other public authorities, private sources, and foreign countries.

"(2) The capital of the fund shall consist of—
"(A) the net assets of the Transportation Systems Center as of October 1, 1980, including any unexpended advances made to the Center for which valid obligations are incurred as of September 30, 1980;
"(B) any appropriations to the fund, which are hereby authorized to be made; and
"(C) the fair and reasonable value of property or other assets transferred to the fund after September 30, 1980, by the Department and other agencies of the Government less the related liabilities and unpaid obligations, and the fair and reasonable value of property or other assets donated to the fund from other sources.

"(3) The fund shall be reimbursed or credited with advance payments from applicable funds or appropriations of the Department and other Federal agencies, and with advance payments from other sources, as authorized by the Secretary or his designee, for services provided at rates that will recover the expense of operation, including accrual of annual leave and overhead, and for acquisition of property and equipment in accordance with regulations to be issued by the Secretary. The fund shall also be credited with receipts from the sale or exchange of property or in payment for loss or damage of property held by the fund.

"(4) At the close of each fiscal year, there shall be transferred into the Treasury as miscellaneous receipts any funds accumulated which
the Secretary determines to be surplus to the needs of the working capital fund.

AMENDMENT TO RAIL PASSENGER SERVICE ACT


PRIORITIES FOR IMPROVEMENTS

SEC. 209. Section 703 of the Railroad Revitalization and Regulatory Reform Act of 1976 is further amended by adding at the end thereof the following new paragraph:

"(7) PRIORITIES FOR IMPROVEMENTS.—The following considerations shall be applied to the selection and scheduling of specific projects, in the following order:

(A) Safety of the passengers and users of the Northeast Corridor must be paramount, and safety-related items should be completed prior to other items.

(B) Potential ridership should be considered, with those activities which benefit the greatest number of passengers completed before those involving fewer passengers.

(C) Reliability of intercity passenger service must be emphasized.

(D) Trip-time requirements of this Act must be achieved to the extent compatible with the priorities cited in subparagraphs (A) through (C) of this paragraph.

(E) Reducing maintenance cost levels is desirable, and improvements which will pay for the investment by achieving lower operating or maintenance cost should be implemented.

(F) On-time performance of Northeast Corridor commuter and freight operations must be optimized, and construction operations should be scheduled in order that the fewest possible passengers are inconvenienced and service is maintained.

(G) Planning should focus on completing activities which will provide immediate benefits to the users of the Northeast Corridor."

AUTHORITY OF THE SECRETARY

SEC. 210. Section 704(c) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 854(c)) is amended—

(1) by striking out "COORDINATION.—The Secretary" and inserting in lieu thereof "COORDINATION AND CONSULTATION.—(1) The Secretary"; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall consult with the Secretary of Housing and Urban Development and the Secretary of Commerce and with other appropriate Federal officials to take steps to utilize Federal funds from the several Federal departments to assist and encourage public and private redevelopment in the vicinity of urban rail stations on the Northeast Corridor served by intercity and commuter rail service for purposes of aiding in the revitalization of urban areas around such stations. The Secretaries shall, within one year after the date of the enactment of this subsection, report to the Congress on the methods by which Federal funds from the several Federal depart-
ments have been and will be coordinated to achieve urban redevelopment and revitalization in the vicinity of such stations.”.

DEMONSTRATION SERVICE

SEC. 211. Section 601(b)(1)(B) of the Rail Passenger Service Act (45 U.S.C. 601(b)(1)(B)) is amended by inserting immediately after “1981,” the following: “of which $500,000 may be expended for the purchase of a self-propelled single car capable of carrying 50 to 60 passengers for purposes of demonstrating the feasibility of developing feeder service to basic system service and State subsidized service.”.

RAIL PASSENGER CORRIDORS

SEC. 212. The Rail Passenger Service Act (45 U.S.C. 501 et seq.) is further amended by adding at the end thereof the following new title:

“TITLE X—RAIL PASSENGER CORRIDORS

“SEC. 1001. DEVELOPMENT OF EVALUATION METHOD.

“(a) The Secretary, in consultation with the Corporation, shall develop a method for evaluating rail passenger corridors.

“(b)(1) The evaluation method developed by the Secretary under this section shall be designed to determine which corridors (A) have the greatest potential for attracting riders on rail passenger service in the corridor, (B) have the greatest potential to reduce energy consumption, and (C) are capable of providing cost-effective rail passenger service.

“(2) In developing an evaluation method for purposes of making the determinations described in paragraph (1) of this subsection, the Secretary shall consider at least each of the following factors:

“(A) Potential ridership.

“(B) Operating costs and revenues.

“(C) Preliminary information on the costs of capital expenditures required.

“(D) Economic and demographic growth projections.

“(E) The evidence of State commitment to rail passenger service.

“(F) The adequacy of energy efficiency of other transportation modes in the area served.

“(c) The Secretary shall, in consultation with the Corporation, determine which corridors have the greatest potential to attract riders, reduce energy consumption, and provide cost-effective rail passenger service according to the evaluation method developed under subsection (a), and shall establish a priority ranking of such corridors.

“(d) The Secretary shall, within 60 days after the date of enactment of this title, submit the proposed method for evaluating rail passenger corridors (together with explanatory material) and the ranking of the corridors with the greatest potential to both Houses of Congress and to the Committee on Interstate and Foreign Commerce of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate.

“SEC. 1002. DESIGN AND ENGINEERING.

“(a) Upon completion of the Secretary’s ranking of corridors under section 1001 of this title, the Corporation shall develop design and

Corridor priority ranking.

Proposed method, submittal to Congress and congressional committees.
engineering plans to the extent necessary to provide accurate information on capital expenditures for improvements and equipment, operating cost projections, running times, and other information which the Corporation, in consultation with the Secretary, determines necessary to complete an accurate assessment of the anticipated costs and benefits of instituting new service in such corridors.

"(b) In preparing a design and engineering plan for a corridor under this section, the Corporation shall consult with the Secretary and shall request the views of the appropriate officials of each State in such corridor.

"(c)(1) The Corporation shall develop a design and engineering plan for a corridor under this section cooperatively with the rail carriers that own tracks and facilities used or to be used in providing passenger service in such corridor.

"(2) If a rail carrier described in paragraph (1) or this subsection is unwilling to cooperate with the Corporation in developing a design and engineering plan, the Corporation may apply to the Secretary for assistance in obtaining such cooperation. The Secretary may require such a private rail carrier to cooperate with the Corporation in developing such plan, and shall fix an amount which the Corporation shall reimburse such carrier for the work it performs.

"SEC. 1003. FINAL CORRIDOR EVALUATION.

"(a) The Secretary and the Corporation shall prepare a final corridor evaluation and submit a report to both Houses of Congress and to the Committee on Interstate and Foreign Commerce of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate with respect to each corridor. Such report shall include for each corridor—

"(1) ridership projections for rail passenger service in such corridor;

"(2) operating cost and revenue projections for such corridor;

"(3) projected capital expenditures, as determined by the Corporation under section 1002, for improvements in such corridor.

"(b) The Secretary and the Corporation shall submit such a report on corridor evaluations by February 15, 1981. If the Secretary and the Corporation believe that further analysis is required after February 15, 1981, they shall submit a supplemental report with such additional information.

"SEC. 1004. EQUIPMENT ACQUISITION.

"The Corporation shall, to the extent of funds available under section 1008(a)(2) of this title, acquire necessary equipment for purposes of providing service in rail passenger corridors.

"SEC. 1005. PRIVATE SECTOR DEVELOPMENT.

"(a) The Secretary shall encourage the private sector development of potential rail passenger corridors, including the corridor between Atlantic City, New Jersey, and Philadelphia, Pennsylvania.

"(b) In order to carry out the purposes of this section, the Secretary shall—

"(1) in cooperation with private rail carriers, the Corporation, the Consolidated Rail Corporation, commuter agencies, and State and local transportation authorities, take all necessary steps to remove institutional and legal barriers to the private development of rail passenger corridors;
“(2) ensure that investment of Federal funds in contiguous corridors is coordinated with privately developed corridors; and
“(3) coordinate the investment of Federal funds with State, local, and private funds for nonoperational improvements, such as stations, in privately developed corridors.
“(c) The Secretary shall, no later than February 15, 1981, submit a report to the Congress describing the action taken under this section.

“SEC. 1006. SPEED RESTRICTIONS.
“(a) The Corporation shall identify any restriction imposed by a State or local government on the speed of Amtrak trains that the Corporation determines impedes the achievement of high-speed intercity rail passenger service by the Corporation.
“(b) The Corporation shall consult with each State or local government that imposes a speed restriction identified under subsection (a) of this section, for purposes of (1) evaluating alternatives to such speed restriction, taking into account the particular local safety hazard which is the basis for such restriction, and (2) considering the possibility of eliminating or modifying such speed restriction in order to permit safe operations at higher speeds in the State or locality involved.

“SEC. 1007. SERVICE BETWEEN CORRIDORS.

“If the Corporation determines that improvements in or institution of rail passenger service on a route between corridors would be justified by an increase in overall ridership on Amtrak trains, the Corporation shall undertake such service or improvements in such service as it considers appropriate in order to increase ridership on such route and in the connecting corridors.

“SEC. 1008. AUTHORIZATION OF APPROPRIATIONS.
“(a) There are authorized to be appropriated to the Secretary—
“(1) for the evaluation of corridors under sections 1001 and 1003 of this title and for the benefit of the Corporation in preparing design and engineering plans under section 1002 of this title, not to exceed $38,000,000 for the fiscal year ending September 30, 1981; and
“(2) for the acquisition of equipment under section 1004 of this title, not to exceed $25,000,000 for the fiscal year ending September 30, 1982.
“(b) There is authorized to be appropriated, out of funds available under section 704(a)(1) of the Railroad Revitalization and Regulatory Reform Act of 1976, for private sector development under section 1005 of this title, not to exceed $200,000 for the fiscal year ending September 30, 1981.
“(c) Amounts appropriated under subsection (a) of this section are authorized to remain available until expended.”.

AMTRAK INTERCITY SERVICE

Sect. 213. Section 403(d)(2) of the Rail Passenger Service Act (45 U.S.C. 563(d)(2)) is amended by striking out “April 1, 1981” and inserting in lieu thereof “October 1, 1981”.

CONRAIL EMPLOYEE PROTECTION

Sect. 214. (a) The Consolidated Railroad Corporation shall make payments in accordance with title V of the Regional Rail Reorganiza-
45 USC 771 (a) The Secretary of Transportation may not take any action with respect to the relocation of the Amtrak maintenance-of-way facility at Bristol, Pennsylvania, until 60 days after the date the Secretary reports to the Congress under subsection (a) of this section.

(b) The Secretary of Transportation shall consider and report to the Congress with respect to—

(1) preliminary design plans for sites which are potential alternatives to the maintenance-of-way facility referred to in subsection (a) of this section;

(2) the current value, current use, and alternative uses of such potential alternative sites;

(3) potential labor protection costs to be incurred in the maintenance-of-way relocation; and

(4) potential problems arising from jurisdictional labor disputes arising as a result of such a relocation.

OPERATION OF ADDITIONAL TRAINS

Sec. 216. Section 402 of the Rail Passenger Service Act (45 U.S.C. 562) is amended by adding at the end thereof the following new subsection:

"(h) Upon receipt of an application from the Corporation in any situation where the Corporation is unable to obtain a satisfactory, voluntary agreement from a rail carrier for operation of additional trains on the rail lines of that rail carrier, the Secretary may, after a hearing on the record, order such rail carrier, within 60 days, to permit or provide requested operation of trains of the Corporation over such rail lines on schedules based upon legally permissible operating times. If the Secretary determines not to hold a hearing, the Secretary, within 30 days after receipt of an application from the Corporation, shall publish in the Federal Register his reasons for not holding a hearing. Any such hearing must include a consideration of whether such an order would unduly impair freight operations of the rail carrier involved, and the burden shall be on the rail carrier seeking to oppose the operation of an additional train to demonstrate that the requested operation will impair freight operations. In establishing such scheduled running times, the Secretary shall give proper consideration to the statutory goal that the Corporation shall implement schedules which will attain a system-wide average speed of at least 55 miles per hour which can be adhered to with a high degree of reliability and passenger comfort. The compensation payable by the Corporation to a rail carrier for an operation ordered pursuant to this subsection shall be that which is properly established pursuant to an agreement between the Corporation and such rail carrier, or, in the
absence of an applicable agreement, shall be determined by the
Commission in a proceeding pursuant to subsection (a) of this
section.".


LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 96-839 and supplemental report No. 96-839, pt. 2, both
accompanying H.R. 6837 (Comm. on Interstate and Foreign
Commerce) and No. 96-1041 (Comm. on Conference).

SENATE REPORTS: No. 96-614 (Comm. on Commerce, Science, and Transportation)
and No. 96-677 accompanying S. 2156 (Comm of Commerce,
Science, and Transportation).

CONGRESSIONAL RECORD, Vol. 126 (1980):
Mar. 6, considered and passed Senate.
Mar. 21, 31, H.R. 6837 considered and passed House; passage vacated and S. 2253, amended, passed in lieu.

May 8, S. 2156 considered and passed Senate.
May 22, House and Senate agreed to conference report on S. 2253.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 16, No. 22:
May 30, Presidential statement.