

Calendar No. 235

109TH CONGRESS
1ST SESSION**S. 1516****[Report No. 109-143]**

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, Mrs. HUTCHISON, Mr. BURNS, Mr. ROCKEFELLER, Mr. DEWINE, Ms. SNOWE, Ms. COLLINS, Mr. CARPER, Mr. CORZINE, and Mr. JEFFORDS) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

OCTOBER 18, 2005

Reported by Mr. STEVENS, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italie*]**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”.

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

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

7 **SEC. 3. TABLE OF CONTENTS.**

8 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

1 expenses of the national railroad passenger transportation
 2 system, and for purposes of making capital grants to
 3 states under section 301 of this Act, the following
 4 amounts:

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

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

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

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

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

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

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

16 (1) 3 percent for fiscal year 2006.

17 (2) 11 percent for fiscal year 2007.

18 (3) 23 percent for fiscal year 2008.

19 (4) 25 percent for fiscal year 2009.

20 (5) 31 percent for fiscal year 2010.

21 (6) 33 percent for fiscal year 2011.

22 (d) PROJECT MANAGEMENT OVERSIGHT.—The Sec-
 23 retary may withhold up to $\frac{1}{2}$ of 1 percent of amounts
 24 appropriated pursuant to subsection (b) for the costs of

1 project management oversight of capital projects carried
 2 out by Amtrak.

3 **SEC. 102. AUTHORIZATION FOR THE FEDERAL RAILROAD**
 4 **ADMINISTRATION.**

5 There are authorized to be appropriated to the Sec-
 6 retary of Transportation for the use of the Federal Rail-
 7 road Administration such sums as necessary to implement
 8 the provisions required under this Act for fiscal years
 9 2006 through 2011.

10 **SEC. 103. REPAYMENT OF LONG-TERM DEBT AND CAPITAL**
 11 **LEASES.**

12 (a) AMTRAK PRINCIPAL AND INTEREST PAY-
 13 MENTS.—

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

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

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

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

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

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

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

1 ~~(2) INTEREST ON DEBT.—~~There are authorized
 2 to be appropriated to the Secretary of Transpor-
 3 tation for the use of Amtrak for the payment of in-
 4 terest on loans for capital equipment, or capital
 5 leases, the following amounts:

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

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

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

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

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

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

12 ~~(3) EARLY BUYOUT OPTION.—~~There are au-
 13 thorized to be appropriated to the Secretary of
 14 Transportation such sums as may be necessary for
 15 the use of Amtrak for the payment of costs associ-
 16 ated with early buyout options if the exercise of
 17 those options is determined to be advantageous to
 18 Amtrak.

19 **SEC. 104. EXCESS RAILROAD RETIREMENT.**

20 There are authorized to be appropriated to the Sec-
 21 retary of Transportation, beginning with fiscal year 2006,
 22 such sums as may be necessary to pay to the Railroad
 23 Retirement Account an amount equal to the amount Am-
 24 trak must pay under section 3221 of the Internal Revenue
 25 Code of 1986 in such fiscal years that is more than the

1 amount needed for benefits for individuals who retire from
 2 Amtrak and for their beneficiaries. For each fiscal year
 3 in which the Secretary makes such a payment, the
 4 amounts authorized by section 101(a) shall be reduced by
 5 an amount equal to such payment.

6 **SEC. 105. OTHER AUTHORIZATIONS.**

7 There are authorized to be appropriated to the Sec-
 8 retary of Transportation—

9 (1) \$5,000,000 for each of fiscal years 2006
 10 through 2011 to carry out the rail cooperative re-
 11 search program under section 24910 of title 49,
 12 United States Code; and

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

1 **TITLE II—AMTRAK REFORM AND**
 2 **OPERATIONAL IMPROVEMENTS**

3 **SEC. 201. NATIONAL RAILROAD PASSENGER TRANSPOR-**
 4 **TATION SYSTEM DEFINED.**

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

6 (1) by striking paragraph (2);

7 (2) by redesignating paragraphs (3), (4), and
 8 (5) as paragraphs (2), (3), and (4), respectively; and

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

11 “(5) ‘national rail passenger transportation sys-
 12 tem’ means—

13 “(A) the segment of the Northeast Cor-
 14 ridor between Boston, Massachusetts and
 15 Washington, D.C.;

16 “(B) rail corridors that have been des-
 17 ignated by the Secretary of Transportation as
 18 high-speed corridors (other than corridors de-
 19 scribed in subparagraph (A)); but only after they
 20 have been improved to permit operation of high-
 21 speed service;

22 “(C) long-distance routes of more than
 23 750 miles between endpoints operated by Am-
 24 trak as of the date of enactment of the Pas-

1 senger Rail Investment and Improvement Act of
 2 2005; and

3 “(D) short-distance corridors, or routes of
 4 not more than 750 miles between endpoints, op-
 5 erated by—

6 “(i) Amtrak; or

7 “(ii) another rail carrier that receives
 8 funds under chapter 244.”.

9 (b) AMTRAK ROUTES WITH STATE FUNDING.—

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

12 **“§ 24702. Transportation requested by States, au-**
 13 **thorities, and other persons**

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

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

1 (2) CONFORMING AMENDMENT.—The chapter
 2 analysis for chapter 247 is amended by inserting
 3 after the item relating to section 24701 the fol-
 4 lowing:

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

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

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

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

12 **“§ 24302. Board of directors**

13 “(a) COMPOSITION AND TERMS.—

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

17 “(A) The Secretary of Transportation.

18 “(B) The President of Amtrak.

19 “(C) 7 individuals appointed by the Presi-
 20 dent of the United States, by and with the ad-
 21 vice and consent of the Senate, with general
 22 business and financial experience, experience or
 23 qualifications in transportation, freight and
 24 passenger rail transportation, travel, hospi-
 25 tality, cruise line, and passenger air transpor-

1 tation businesses, or representatives of users of
2 passenger rail transportation or State govern-
3 ment.

4 “(2) In selecting individuals described in para-
5 graph (1) for nominations for appointments to the
6 Board, the President shall consult with the Speaker
7 of the House of Representatives, the minority leader
8 of the House of Representatives, the majority leader
9 of the Senate, and the minority leader of the Senate
10 and try to provide adequate and balanced represen-
11 tation of the major geographic regions of the United
12 States served by Amtrak.

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

19 “(4) The Board shall elect a chairman and a
20 vice chairman from among its membership. The vice
21 chairman shall serve as chairman in the absence of
22 the chairman.

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

1 “(b) PAY AND EXPENSES.—Each director not em-
 2 ployed by the United States Government is entitled to
 3 \$300 a day when performing Board duties. Each Director
 4 is entitled to reimbursement for necessary travel, reason-
 5 able secretarial and professional staff support, and sub-
 6 sistence expenses incurred in attending Board meetings.

7 “(c) VACANCIES.—A vacancy on the Board is filled
 8 in the same way as the original selection, except that an
 9 individual appointed by the President of the United States
 10 under subsection (a)(1)(C) of this section to fill a vacancy
 11 occurring before the end of the term for which the prede-
 12 cessor of that individual was appointed is appointed for
 13 the remainder of that term. A vacancy required to be filled
 14 by appointment under subsection (a)(1)(C) must be filled
 15 not later than 120 days after the vacancy occurs.

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

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

22 (b) EFFECTIVE DATE FOR DIRECTORS’ PROVI-
 23 SION.—The amendment made by subsection (a) shall take
 24 effect on January 1, 2006. The members of the Amtrak
 25 Board serving on the date of enactment of this Act may

1 continue to serve for the remainder of the term to which
 2 they were appointed.

3 **SEC. 203. ESTABLISHMENT OF IMPROVED FINANCIAL AC-**
 4 **COUNTING SYSTEM.**

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

6 (1) may employ an independent financial con-
 7 sultant with experience in railroad accounting to as-
 8 sist Amtrak in improving Amtrak's financial ac-
 9 counting and reporting system and practices; and

10 (2) shall implement a modern financial account-
 11 ing and reporting system that will produce accurate
 12 and timely financial information in sufficient de-
 13 tail—

14 (A) to enable Amtrak to assign revenues
 15 and expenses appropriately to each of its lines
 16 of business and to each major activity within
 17 each line of business activity, including train
 18 operations, equipment maintenance, ticketing,
 19 and reservations;

20 (B) to aggregate expenses and revenues re-
 21 lated to infrastructure and distinguish them
 22 from expenses and revenues related to rail oper-
 23 ations;

1 (C) to allow the analysis of ticketing and
 2 reservation information on a real-time basis;
 3 and

4 (D) to provide Amtrak cost accounting
 5 data.

6 (b) VERIFICATION OF SYSTEM; REPORT.—The In-
 7 specter General of the Department of Transportation shall
 8 review the accounting system designed and implemented
 9 under subsection (a) to ensure that it accomplishes the
 10 purposes for which it is intended. The Inspector General
 11 shall report his findings and conclusions, together with
 12 any recommendations, to the Senate Committee on Com-
 13 merce, Science, and Transportation and the House of Rep-
 14 resentatives Committee on Transportation and Infrastruc-
 15 ture.

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

17 (a) DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.—
 18 The Amtrak Board of Directors shall submit an annual
 19 budget for Amtrak, and a 5-year financial plan for the
 20 fiscal year to which that budget relates and the subsequent
 21 4 years, prepared in accordance with this section, to the
 22 Secretary of Transportation and the Inspector General of
 23 the Department of Transportation no later than—

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

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

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

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

9 (2) projected ridership levels for all Amtrak
10 passenger operations;

11 (3) revenue and expenditure forecasts for non-
12 passenger operations;

13 (4) capital funding requirements and expendi-
14 tures necessary to maintain passenger service which
15 will accommodate predicted ridership levels and pre-
16 dicted sources of capital funding;

17 (5) operational funding needs, if any, to main-
18 tain current and projected levels of passenger serv-
19 ice, including state-supported routes and predicted
20 funding sources;

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

24 (7) an assessment of the continuing financial
25 stability of Amtrak, as indicated by factors such as

the ability of the Federal Government to fund capital and operating requirements adequately, Amtrak's ability to efficiently manage its workforce, and Amtrak's ability to effectively provide passenger train service;

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

(9) annual cash flow forecasts; and

(10) a statement describing methods of estimation and significant assumptions.

(c) STANDARDS TO PROMOTE FINANCIAL STABILITY.—In meeting the requirements of subsection (b), Amtrak shall—

(1) apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or combinations of such practices;

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

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

1 (d) ASSESSMENT BY DOT INSPECTOR GENERAL.—

2 (1) IN GENERAL.—The Inspector General of
3 the Department of Transportation shall assess the
4 5-year financial plans prepared by Amtrak under
5 this section to determine whether they meet the re-
6 quirements of subsection (b); and may suggest revi-
7 sions to any components thereof that do not meet
8 those requirements.

9 (2) ASSESSMENT TO BE FURNISHED TO THE
10 CONGRESS.—The Inspector General shall furnish to
11 the House of Representatives Committee on Appro-
12 priations; the Senate Committee on Appropriations;
13 the House of Representatives Committee on Trans-
14 portation and Infrastructure; and the Senate Com-
15 mittee on Commerce, Science, and Transportation—

16 (A) an assessment of the annual budget
17 within 90 days after receiving it from Amtrak;
18 and

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

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

23 (a) GRANT REQUESTS.—Amtrak shall submit grant
24 requests (including a schedule for the disbursement of
25 funds), consistent with the requirements of this Act, to

1 the Secretary of Transportation for funds authorized to
 2 be appropriated to the Secretary for the use of Amtrak
 3 under sections 101 (a) and (b), 103, and 105.

4 (b) PROCEDURES FOR GRANT REQUESTS.—The Sec-
 5 retary shall establish substantive and procedural require-
 6 ments, including schedules, for grant requests under this
 7 section not later than 30 days after the date of enactment
 8 of this Act and shall transmit copies to the Senate Com-
 9 mittee on Commerce, Science, and Transportation and the
 10 House of Representatives Committee on Transportation
 11 and Infrastructure.

12 (c) REVIEW AND APPROVAL.—

13 (1) 30-DAY APPROVAL PROCESS.—The Sec-
 14 retary shall complete the review of a complete grant
 15 request (including the disbursement schedule) and
 16 approve or disapprove the request within 30 days
 17 after the date on which Amtrak submits the grant
 18 request. If the Secretary disapproves the request or
 19 determines that the request is incomplete or defi-
 20 cient, the Secretary shall include the reason for dis-
 21 approval or the incomplete items or deficiencies in
 22 the notice to Amtrak.

23 (2) 15-DAY MODIFICATION PERIOD.—Within 15
 24 days after receiving notification from the Secretary

1 under the preceding sentence, Amtrak shall submit
 2 a modified request for the Secretary's review.

3 ~~(3) REVISED REQUESTS.—~~Within 15 days after
 4 receiving a modified request from Amtrak, the Sec-
 5 retary shall either approve the modified request, or,
 6 if the Secretary finds that the request is still incom-
 7 plete or deficient, the Secretary shall identify in
 8 writing to the Senate Committee on Commerce,
 9 Science, and Transportation and the House of Rep-
 10 resentatives Committee on Transportation and In-
 11 frastructure the remaining deficiencies and rec-
 12 ommend a process for resolving the outstanding por-
 13 tions of the request.

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

15 ~~(a) IN GENERAL.—~~Within 2 years after the date of
 16 enactment of this Act, the Board of Directors of Amtrak,
 17 in consultation with the Secretary of Transportation and
 18 the chief executive officer of each State and the District
 19 of Columbia, shall develop and implement a standardized
 20 methodology for establishing and allocating the operating
 21 and capital costs among the States and Amtrak associated
 22 with trains operated on routes described in section
 23 24102(5) (B) or (D) or section 24702 that—

24 ~~(1)~~ ensures, within 5 years after the date of en-
 25 actment of this Act, equal treatment in the provision

1 of like services of all States and groups of States
 2 (including the District of Columbia); and

3 ~~(2)~~ allocates to each route the costs incurred
 4 only for the benefit of that route and a propor-
 5 tionate share, based upon factors that reasonably re-
 6 flect relative use, of cost incurred for the common
 7 benefit of more than 1 route.

8 (b) REVIEW.—If Amtrak and the States (including
 9 the District of Columbia) in which Amtrak operates such
 10 routes do not voluntarily adopt and implement the meth-
 11 odology developed under subsection (a) in allocating costs
 12 and determining compensation for the provision of service
 13 in accordance with the date established therein, the Sur-
 14 face Transportation Board shall determine the appro-
 15 priate methodology required under subsection (a) for such
 16 services in accordance with the procedures and procedural
 17 schedule applicable to a proceeding under section 24904(e)
 18 of title 49, United States Code, and require the full imple-
 19 mentation of this methodology with regards to the provi-
 20 sion of such service within 1 year after the Board's deter-
 21 mination of the appropriate methodology.

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

1 **SEC. 207. INDEPENDENT AUDITOR TO ESTABLISH METH-**
2 **ODOLOGIES FOR AMTRAK ROUTE AND SERV-**
3 **ICE PLANNING DECISIONS.**

4 (a) **METHODOLOGY DEVELOPMENT.**—The Federal
5 Railroad Administration shall obtain the services of an
6 independent auditor or consultant to develop and rec-
7 ommend objective methodologies for determining intercity
8 passenger routes and services, including the establishment
9 of new routes, the elimination of existing routes, and the
10 contraction or expansion of services or frequencies over
11 such routes. In developing such methodologies, the auditor
12 or consultant shall consider—

13 (1) the current or expected performance and
14 service quality of intercity train operations, including
15 cost recovery, on-time performance and minutes of
16 delay, ridership, on-board services, stations, facili-
17 ties, equipment, and other services;

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

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

22 (4) Amtrak's and other major intercity pas-
23 senger rail service providers in other countries'
24 methodologies for determining intercity passenger
25 rail routes and services.

1 (b) ~~SUBMITTAL TO CONGRESS.—The auditor or con-~~
 2 ~~sultant shall submit recommendations developed under~~
 3 ~~subsection (a) to Amtrak, the House of Representatives~~
 4 ~~Committee on Transportation and Infrastructure, and the~~
 5 ~~Senate Committee on Commerce, Science, and Transpor-~~
 6 ~~tation.~~

7 (c) ~~CONSIDERATION OF RECOMMENDATIONS.—With-~~
 8 ~~in 90 days after receiving the recommendations developed~~
 9 ~~under subsection (a) by the independent auditor or con-~~
 10 ~~sultant, the Amtrak Board shall consider the adoption of~~
 11 ~~those recommendations. The Board shall transmit a report~~
 12 ~~to the Senate Committee on Commerce, Science, and~~
 13 ~~Transportation and the House of Representatives Com-~~
 14 ~~mittee on Transportation and Infrastructure explaining its~~
 15 ~~action in adopting or failing to adopt any of the rec-~~
 16 ~~ommendations.~~

17 (d) ~~AUTHORIZATION OF APPROPRIATIONS.—There~~
 18 ~~are authorized to be made available to the Secretary of~~
 19 ~~Transportation, out of any amounts authorized by this Act~~
 20 ~~to be appropriated for the benefit of Amtrak and not oth-~~
 21 ~~erwise obligated or expended, such sums as may be nec-~~
 22 ~~essary to carry out this section.~~

23 **SEC. 208. METRICS AND STANDARDS.**

24 (a) ~~IN GENERAL.—Within 180 days after the date~~
 25 ~~of enactment of this Act, the Administrator of the Federal~~

1 Railroad Administration and Amtrak shall jointly, in con-
 2 sultation with the Surface Transportation Board, and rail
 3 carriers over whose rail lines Amtrak trains operate, as
 4 appropriate, develop new or improve existing metrics and
 5 minimum standards for measuring the performance and
 6 service quality of intercity train operations, including cost
 7 recovery, on-time performance and minutes of delay, rider-
 8 ship, on-board services, stations, facilities, equipment, and
 9 other services. Such metrics, at a minimum, shall include
 10 the percentage of avoidable and fully allocated operating
 11 costs covered by passenger revenues on each route, rider-
 12 ship per train mile operated, measures of on-time perform-
 13 ance and delays incurred by intercity trains on the rail
 14 lines of each rail carrier and, for long distance routes, and
 15 measures of connectivity with other routes. Amtrak shall
 16 provide reasonable access to the Federal Railroad Admin-
 17 istration in order to enable the Administration to carry
 18 out its duty under this section.

19 (b) QUARTERLY REPORTS.—The Administrator of
 20 the Federal Railroad Administration shall collect the nec-
 21 essary data and publish a quarterly report on the perform-
 22 ance and service quality of intercity train operations, in-
 23 cluding cost recovery, ridership, on-time performance and
 24 minutes of delay, causes of delay, on-board services, sta-
 25 tions, facilities, equipment, and other services.

1 **SEC. 209. PASSENGER TRAIN PERFORMANCE.**

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

4 “(f) PASSENGER TRAIN PERFORMANCE AND OTHER
5 STANDARDS.—

6 “(1) INVESTIGATION OF SUBSTANDARD PER-
7 FORMANCE.—If the on-time performance of any
8 intercity passenger train averages less than 80 per-
9 cent for any 2 consecutive calendar quarters, or the
10 service quality of intercity train operations for which
11 minimum standards are established under section
12 208 of the Passenger Rail Investment and Improve-
13 ment Act of 2005 fails to meet those standards for
14 2 consecutive calendar quarters, the Surface Trans-
15 portation Board shall investigate whether, and to
16 what extent, delays or failure to achieve minimum
17 standards are due to causes that could reasonably be
18 addressed by a rail carrier over the tracks of which
19 the intercity passenger train operates or reasonably
20 addressed by the intercity passenger rail operator.
21 In carrying out such an investigation, the Board
22 shall obtain information from all parties involved
23 and make recommendations regarding reasonable
24 measures to improve the service, quality, and on-
25 time performance of the train.

1 ~~“(2) PROBLEMS CAUSED BY HOST RAIL CAR-~~
 2 ~~RIER.—If the Board determines that delays or fail-~~
 3 ~~ures to achieve minimum standards investigated~~
 4 ~~under paragraph (1) are attributable to a rail car-~~
 5 ~~rier’s failure to provide preference to Amtrak over~~
 6 ~~freight transportation under subsection (c); then the~~
 7 ~~Board shall enforce its recommendations for relief~~
 8 ~~under this section.~~

9 ~~“(3) PENALTIES.—~~

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

12 ~~“(i) fairly reflect the extent to which~~
 13 ~~Amtrak suffers financial loss as a result of~~
 14 ~~host rail carrier delays or failure to achieve~~
 15 ~~minimum standards; and~~

16 ~~“(ii) will adequately deter future ac-~~
 17 ~~tions which may reasonably be expected to~~
 18 ~~be likely to result in delays to Amtrak.~~

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

21 ~~“(C) USE.—The Board shall make any~~
 22 ~~amounts received as penalties under this para-~~
 23 ~~graph available to Amtrak.~~

24 ~~(b) CHANGE OF REFERENCE.—Section 24308 is~~
 25 ~~amended—~~

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

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

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

8 **SEC. 210. LONG DISTANCE ROUTES.**

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

11 **“§ 24710. Long distance routes**

12 “(a) ANNUAL EVALUATION.—Using the financial and
 13 performance metrics developed under section 208 of the
 14 Passenger Rail Investment and Improvement Act of 2005,
 15 Amtrak shall—

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

19 “(2) rank the overall performance of such
 20 routes for 2006 and identify each long distance pas-
 21 senger rail route operated by Amtrak in 2006 ac-
 22 cording to its overall performance as belonging to
 23 the best performing third of such routes, the second
 24 best performing third of such routes, or the worst
 25 performing third of such routes.

1 “(b) PERFORMANCE IMPROVEMENT PLAN.—Amtrak
 2 shall develop a performance improvement plan for its long
 3 distance passenger rail routes based on the data collected
 4 through the application of the financial and performance
 5 metrics developed under section 208 of that Act. The plan
 6 shall address—

7 “(1) on-time performance;

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

9 “(3) the feasibility of restructuring service into
 10 connected corridor service;

11 “(4) performance-related equipment changes
 12 and capital improvements;

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

15 “(6) State or other non-Federal financial con-
 16 tributions; and

17 “(7) other aspects of Amtrak’s long distance
 18 passenger rail routes that affect the financial, com-
 19 petitive, and functional performance of service on
 20 Amtrak’s long distance passenger rail routes.

21 “(c) IMPLEMENTATION.—Amtrak shall implement
 22 the performance improvement plan developed under sub-
 23 section (b)—

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

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

7 “(3) beginning in fiscal year 2009 for those
8 routes identified as being in the best performing
9 third under subsection (a)(3).

10 “(d) ENFORCEMENT.—The Federal Railroad Admin-
11 istration shall monitor the development, implementation,
12 and outcome of improvement plans under this section. If,
13 for any year, it determines that Amtrak is not making
14 reasonable progress in implementing its performance im-
15 provement plan or in achieving the expected outcome of
16 the plan for any calendar year, the Federal Railroad Ad-
17 ministration—

18 “(1) shall notify Amtrak of its determination
19 under this subsection;

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

22 “(3) may withhold any appropriated funds oth-
23 erwise available to Amtrak for the operation of a
24 route or routes on which it is not making progress;

1 other than funds made available for passenger safety
2 or security measures.”.

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

“24710. Long distance routes.”.

6 **SEC. 211. ALTERNATE PASSENGER RAIL SERVICE PRO-**
7 **GRAM.**

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

11 **“§ 24711. Alternate passenger rail service program**

12 “(a) IN GENERAL.—Within 1 year after the date of
13 enactment of the Passenger Rail Investment and Improve-
14 ment Act of 2005, the Federal Railroad Administration
15 shall initiate a rulemaking proceeding to develop a pro-
16 gram under which—

17 “(1) a rail carrier or rail carriers that own in-
18 frastructure over which Amtrak operates a pas-
19 senger rail service route described in subparagraph
20 (B) or (D) of section 24102(5) or in section 24702
21 of title 49, United States Code may petition the
22 Federal Railroad Administration to be considered as
23 a passenger rail service provider over that route in
24 lieu of Amtrak;

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

7 “(3) the Administration would make a decision
8 within a specified, limited time after that deadline
9 awarding to the winning bidder—

10 “(A) the right and obligation to provide
11 passenger rail service over that route subject to
12 such performance standards as the Administra-
13 tion may require; and

14 “(B) an operating subsidy will be pro-
15 vided—

16 “(i) for the first year at a level not in
17 excess of the level in effect during the fis-
18 cal year preceding the fiscal year in which
19 the petition was received, adjusted for in-
20 flation; and

21 “(ii) for any subsequent years at such
22 level, adjusted for inflation.

23 “(b) IMPLEMENTATION.—

24 “(1) INITIAL PETITIONS.—Pursuant to any
25 rules or regulations promulgated under subsection

1 (A), the Administration shall establish a deadline for
 2 the submission of a petition under subsection (a)—

3 “(A) during fiscal year 2007 for operations
 4 commencing in fiscal year 2008; and

5 “(B) during the immediately preceding fis-
 6 cal year for operations commencing in subse-
 7 quent fiscal years.

8 “(2) ROUTE LIMITATIONS.—The Administra-
 9 tion may not make the program available with re-
 10 spect to more than 1 Amtrak passenger rail routes
 11 for operations beginning in fiscal year 2008 nor to
 12 more than 2 such routes for operations beginning in
 13 fiscal year 2009 and subsequent fiscal years.

14 “(c) PERFORMANCE STANDARDS; ACCESS TO FACILI-
 15 TIES; EMPLOYEES.—If the Administration awards the
 16 right and obligation to provide passenger rail service over
 17 a route under the program to a rail carrier or rail car-
 18 riers—

19 “(1) it shall execute a contract with the rail
 20 carrier or rail carriers for rail passenger operations
 21 on that route that conditions the operating and sub-
 22 sidy rights upon the service provider’s compliance
 23 with the minimum standards established under sec-
 24 tion 208 of the Passenger Rail Investment and Im-

1 provement Act of 2005 and such additional perform-
 2 ance standards as the Administration may establish;

3 ~~“(2) it shall, if the award is made to a rail ear-~~
 4 ~~rier other than Amtrak, require Amtrak to provide~~
 5 ~~access to its reservation system, stations, and facili-~~
 6 ~~ties to any rail carrier or rail carriers awarded a~~
 7 ~~contract under this section, in accordance with sec-~~
 8 ~~tion 218 of that Act, necessary to carry out the pur-~~
 9 ~~poses of this section; and~~

10 ~~“(3) any person used by a rail carrier or rail~~
 11 ~~carriers to operate a route under this section shall~~
 12 ~~be considered an employee of that carrier or carriers~~
 13 ~~and subject to the applicable Federal laws and regu-~~
 14 ~~lations governing similar crafts or classes of employ-~~
 15 ~~ees of Amtrak, including provisions under section~~
 16 ~~121 of the Amtrak Reform and Accountability Act~~
 17 ~~of 1997 relating to employees that provide food and~~
 18 ~~beverage service.~~

19 ~~“(d) CESSATION OF SERVICE.—If a rail carrier or~~
 20 ~~rail carriers awarded a route under this section cease to~~
 21 ~~operate the service or fail to fulfill their obligations under~~
 22 ~~the contract required under subsection (c), the Adminis-~~
 23 ~~trator, in collaboration with the Surface Transportation~~
 24 ~~Board when applicable, shall take any necessary action~~
 25 ~~consistent with this title to enforce the contract and en-~~

1 sure the continued provision of service, including the in-
 2 stallment of an interim service provider and re-bidding the
 3 contract to operate the service.

4 “(c) ADEQUATE RESOURCES.—Before taking any ac-
 5 tion allowed under this section, the Secretary shall certify
 6 that the Administrator has sufficient resources that are
 7 adequate to undertake the program established under this
 8 section.”.

9 (b) CONFORMING AMENDMENT.—The chapter anal-
 10 ysis for chapter 247, as amended by section 209, is
 11 amended by inserting after the item relating to section
 12 24710 the following:

“24711. Alternate passenger rail service program.”.

13 **SEC. 212. EMPLOYEE TRANSITION ASSISTANCE.**

14 (a) PROVISION OF FINANCIAL INCENTIVES.—For
 15 Amtrak employees who are adversely affected by the ces-
 16 sation of the operation of a long distance route or any
 17 other route under section 24711 of title 49, United States
 18 Code, previously operated by Amtrak, the Secretary shall
 19 develop a program under which the Secretary may, in the
 20 Secretary’s discretion, provide grants for financial incen-
 21 tives to be provided to employees of the National Railroad
 22 Passenger Corporation who voluntarily terminate their
 23 employment with the Corporation and relinquish any legal
 24 rights to receive termination-related payments under any
 25 contractual agreement with the Corporation.

1 (b) ~~CONDITIONS FOR FINANCIAL INCENTIVES.~~—As a
 2 condition for receiving financial assistance grants under
 3 this section, the Corporation must certify that—

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

9 (2) the financial assistance results in a net re-
 10 duction in the total number of employees equal to
 11 the number receiving financial incentives;

12 (3) the financial assistance results in a net re-
 13 duction in total employment expense equivalent to
 14 the total employment expenses associated with the
 15 employees receiving financial incentives; and

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

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

22 (d) ~~AUTHORIZATION OF APPROPRIATIONS.~~—There
 23 are hereby authorized to be appropriated to the Secretary
 24 such sums as may be necessary to make grants to the Na-

1 tional Railroad Passenger Corporation to provide financial
2 incentives under subsection (a).

3 ~~(c) TERMINATION-RELATED PAYMENTS.—If Amtrak~~
4 ~~employees adversely affected by the cessation of Amtrak~~
5 ~~service resulting from the awarding of a grant to an oper-~~
6 ~~ator other than Amtrak for the operation of a route under~~
7 ~~section 24711 of title 49, United States Code, or any other~~
8 ~~route, previously operated by Amtrak do not receive finan-~~
9 ~~cial incentives under subsection (a), then the Secretary~~
10 ~~shall make grants to the National Railroad Passenger Cor-~~
11 ~~poration from funds authorized by section 102 of this Act~~
12 ~~for termination-related payments to employees under ex-~~
13 ~~isting contractual agreements.~~

14 **SEC. 213. NORTHEAST CORRIDOR STATE-OF-GOOD-REPAIR**
15 **PLAN.**

16 ~~(a) IN GENERAL.—Within 6 months after the date~~
17 ~~of enactment of this Act, the National Railroad Passenger~~
18 ~~Corporation, in consultation with the Secretary and the~~
19 ~~States (including the District of Columbia) that make up~~
20 ~~the Northeast Corridor (as defined in section 24102 of~~
21 ~~title 49, United States Code), shall prepare a capital~~
22 ~~spending plan for capital projects required to return the~~
23 ~~Northeast Corridor to a state of good repair by the end~~
24 ~~of fiscal year 2011, consistent with the funding levels au-~~

1 thorized in this Act and shall submit the plan to the Sec-
 2 retary.

3 ~~(b) APPROVAL BY THE SECRETARY.—~~

4 ~~(1) The Corporation shall submit the capital~~
 5 ~~spending plan prepared under this section to the~~
 6 ~~Secretary of Transportation for review and approval~~
 7 ~~pursuant to the procedures developed under section~~
 8 ~~205 of this Act.~~

9 ~~(2) The Secretary of Transportation shall re-~~
 10 ~~quire that the plan be updated at least annually and~~
 11 ~~shall review and approve such updates. During re-~~
 12 ~~view, the Secretary shall seek comments and review~~
 13 ~~from the commission established under section~~
 14 ~~24905 of title 49, United States Code, and other~~
 15 ~~Northeast Corridor users regarding the plan.~~

16 ~~(3) The Secretary shall make grants to the Cor-~~
 17 ~~poration with funds authorized by section 101(b) for~~
 18 ~~Northeast Corridor capital investments contained~~
 19 ~~within the capital spending plan prepared by the~~
 20 ~~Corporation and approved by the Secretary.~~

21 ~~(c) ELIGIBILITY OF EXPENDITURES.—The Federal~~
 22 ~~share of expenditures for capital improvements under this~~
 23 ~~section may not exceed 100 percent.~~

1 **SEC. 214. NORTHEAST CORRIDOR INFRASTRUCTURE AND**
 2 **OPERATIONS IMPROVEMENTS.**

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

5 **“§ 24905. Northeast Corridor Infrastructure and Op-**
 6 **erations Advisory Commission; Safety**
 7 **and Security Committee**

8 **“(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND**
 9 **OPERATIONS ADVISORY COMMISSION.—**

10 **“(1) Within 180 days after the date of enact-**
 11 **ment of the Passenger Rail Investment and Im-**
 12 **provement Act of 2005, the Secretary of Transpor-**
 13 **tation shall establish a ‘Northeast Corridor Infra-**
 14 **structure and Operations Advisory Commission’**
 15 **(hereinafter referred to in this section as the ‘Com-**
 16 **mission’)** to promote mutual cooperation and plan-
 17 **ning pertaining to the rail operations and related ac-**
 18 **tivities of the Northeast Corridor. The Commission**
 19 **shall be made up of—**

20 **“(A) members representing the National**
 21 **Railroad Passenger Corporation;**

22 **“(B) members representing the Federal**
 23 **Railroad Administration; and**

24 **“(C) 1 member from each of the States**
 25 **(including the District of Columbia) that con-**
 26 **stitute the Northeast Corridor as defined in sec-**

1 tion 24102, designated by the chief executive
2 officer thereof.

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

7 “(3) The commission shall establish a schedule
8 and location for convening meetings, but shall meet
9 no less than four times per fiscal year, and the com-
10 mission shall develop rules and procedures to govern
11 the commission’s proceedings.

12 “(4) A vacancy in the Commission shall be
13 filled in the manner in which the original appoint-
14 ment was made.

15 “(5) Members shall serve without pay but shall
16 receive travel expenses, including per diem in lieu of
17 subsistence, in accordance with sections 5702 and
18 5703 of title 5, United States Code.

19 “(6) The Chairman of the Commission shall be
20 elected by the members.

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

23 “(8) Upon request of the Commission, the head
24 of any department or agency of the United States
25 may detail, on a reimbursable basis, any of the per-

1 sonnel of that department or agency to the Commis-
 2 sion to assist it in carrying out its duties under this
 3 section.

4 “(9) Upon the request of the Commission, the
 5 Administrator of General Services shall provide to
 6 the Commission, on a reimbursable basis, the admin-
 7 istrative support services necessary for the Commis-
 8 sion to carry out its responsibilities under this sec-
 9 tion.

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

13 “(b) GENERAL RECOMMENDATIONS.—The Commis-
 14 sion shall develop recommendations concerning northeast
 15 corridor rail infrastructure and operations including pro-
 16 posals addressing, as appropriate—

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

20 “(2) future funding requirements for capital
 21 improvements and maintenance;

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

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

- 1 ~~“(5) scheduling and dispatching;~~
- 2 ~~“(6) safety and security enhancements;~~
- 3 ~~“(7) equipment design;~~
- 4 ~~“(8) marketing of rail services; and~~
- 5 ~~“(9) future capacity requirements.~~

6 ~~“(e) ACCESS COSTS.—~~

7 ~~“(1) DEVELOPMENT OF FORMULA.—Within 1~~
 8 ~~year after verification of Amtrak’s new financial ac-~~
 9 ~~counting system pursuant to section 203(b) of the~~
 10 ~~Passenger Rail Investment and Improvement Act of~~
 11 ~~2005, the Commission shall—~~

12 ~~“(A) develop a standardized formula for~~
 13 ~~determining and allocating costs, revenues, and~~
 14 ~~compensation for northeast corridor commuter~~
 15 ~~rail passenger transportation, as defined in sec-~~
 16 ~~tion 24102 of this title, that use National Rail-~~
 17 ~~road Passenger Corporation facilities or services~~
 18 ~~or that provide such facilities or services to the~~
 19 ~~National Railroad Passenger Corporation that~~
 20 ~~ensure that—~~

21 ~~“(i) there is no cross-subsidization of~~
 22 ~~commuter rail passenger, intercity rail pas-~~
 23 ~~senger, or freight rail transportation; and~~

24 ~~“(ii) each service is assigned the costs~~
 25 ~~incurred only for the benefit of that serv-~~

1 ice, and a proportionate share, based upon
 2 factors that reasonably reflect relative use,
 3 of costs incurred for the common benefit of
 4 more than 1 service;

5 “(B) develop a proposed timetable for im-
 6 plementing the formula before the end of the
 7 6th year following the date of enactment of that
 8 Act; and

9 “(C) transmit the proposed timetable to
 10 the Surface Transportation Board.

11 “(2) IMPLEMENTATION.—The National Rail-
 12 road Passenger Corporation and the commuter au-
 13 thorities providing commuter rail passenger trans-
 14 portation on the northeast corridor shall implement
 15 new agreements for usage of facilities or services
 16 based on the formula proposed in paragraph (1) in
 17 accordance with the timetable established therein. If
 18 the parties fail to implement such new agreements
 19 in accordance with the timetable, the parties shall—

20 “(A) submit any dispute regarding such
 21 implementation to binding arbitration con-
 22 ducted by a mutually agreed upon arbitrator
 23 and comply with the decision of that arbitrator;
 24 or

1 “(B) petition the Surface Transportation
 2 Board to determine the appropriate compensa-
 3 tion amounts for such services in accordance
 4 with section 24904(c) of this title.

5 “(d) TRANSMISSION OF RECOMMENDATIONS.—The
 6 commission shall annually transmit the recommendations
 7 developed under subsection (b) and the formula and time-
 8 table developed under subsection (e)(1) to the Senate
 9 Committee on Commerce, Science, and Transportation
 10 and the House of Representatives Committee on Trans-
 11 portation and Infrastructure.”.

12 (b) ESTABLISHMENT OF NORTHEAST CORRIDOR
 13 SAFETY AND SECURITY COMMITTEE.—

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

15 (A) by striking the first sentence and in-
 16 serting “The Secretary shall establish a North-
 17 east Corridor Safety and Security Committee
 18 composed of members appointed by the Sec-
 19 retary.”;

20 (B) by striking “and” after the semicolon
 21 in subparagraph (F); and

22 (C) by redesignating subparagraph (G) as
 23 subparagraph (H) and inserting after subpara-
 24 graph (F) the following:

1 “(G) the Transportation Security Administra-
2 tion; and”.

3 (2) Subsections (b)(2) and (b)(3) of section
4 24905 are each amended by inserting “and security”
5 after “safety” each place it appears.

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

9 (4) Section 24905(b)(4) is amended by striking
10 “January 1, 1999,” and inserting “January 1,
11 2009,”.

12 **SEC. 215. RESTRUCTURING LONG-TERM DEBT AND CAP-**
13 **ITAL LEASES.**

14 (a) **IN GENERAL.**—The Secretary of the Treasury, in
15 consultation with the Secretary of Transportation and
16 Amtrak, may make agreements to restructure Amtrak’s
17 indebtedness as of the date of enactment of this Act. This
18 authorization expires on January 1, 2007.

19 (b) **DEBT RESTRUCTURING.**—The Secretary of
20 Treasury, in consultation with the Secretary of the Trans-
21 portation and Amtrak, shall enter into negotiations with
22 the holders of Amtrak debt, including leases, outstanding
23 on the date of enactment of this Act for the purpose of
24 restructuring (including repayment) and repaying that
25 debt. The Secretary of the Treasury shall secure agree-

1 ments for restructuring or repayment on such terms as
 2 the Secretary of the Treasury deems favorable to the in-
 3 terests of the Government.

4 (c) CRITERIA.—In restructuring Amtrak's indebted-
 5 ness, the Secretary and Amtrak—

6 (1) shall take into consideration repayment
 7 costs; the term of any loan or loans; and market
 8 conditions; and

9 (2) shall ensure that the restructuring results
 10 in significant savings to Amtrak and the United
 11 States Government.

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

16 (e) AMTRAK PRINCIPAL AND INTEREST PAY-
 17 MENTS.—

18 (1) PRINCIPAL ON DEBT SERVICE.—Unless the
 19 Secretary of Treasury makes sufficient payments to
 20 creditors under subsection (d) so that Amtrak is re-
 21 quired to make no payments to creditors in a fiscal
 22 year, the Secretary of Transportation shall use
 23 funds authorized by section 103(a)(1) for the use of
 24 Amtrak for retirement of principal on loans for cap-
 25 ital equipment, or capital leases.

1 (2) INTEREST ON DEBT.—Unless the Secretary
 2 of Treasury makes sufficient payments to creditors
 3 under subsection (d) so that Amtrak is required to
 4 make no payments to creditors in a fiscal year, the
 5 Secretary of Transportation shall use funds author-
 6 ized by section 103(a)(2) for the use of Amtrak for
 7 the payment of interest on loans for capital equip-
 8 ment, or capital leases.

9 (3) REDUCTIONS IN AUTHORIZATION LEVELS.—
 10 Whenever action taken by the Secretary of the
 11 Treasury under subsection (a) results in reductions
 12 in amounts of principal or interest that Amtrak
 13 must service on existing debt, the corresponding
 14 amounts authorized by section 103(a)(1) or (2) shall
 15 be reduced accordingly.

16 (f) LEGAL EFFECT OF PAYMENTS UNDER THIS SEC-
 17 TION.—The payment of principal and interest on secured
 18 debt, other than debt assumed under subsection (d), with
 19 the proceeds of grants under subsection (e) shall not—

20 (1) modify the extent or nature of any indebt-
 21 edness of the National Railroad Passenger Corpora-
 22 tion to the United States in existence of the date of
 23 enactment of this Act;

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

1 ~~(3)~~ imply any Federal guarantee or commit-
 2 ment to amortize Amtrak's outstanding indebted-
 3 ness.

4 ~~(g)~~ SECRETARY APPROVAL.—Amtrak may not incur
 5 more debt after the date of enactment of this Act without
 6 the express advance approval of the Secretary of Trans-
 7 portation.

8 ~~(h)~~ REPORT.—The Secretary of the Treasury shall
 9 transmit a report to the Senate Committee on Commerce,
 10 Science, and Transportation; the Senate Committee on
 11 Appropriations; the House of Representatives Committee
 12 on Transportation and Infrastructure; and the House of
 13 Representatives Committee on Appropriations by June 1,
 14 2007—

15 ~~(1)~~ describing in detail any agreements to re-
 16 structure the Amtrak debt; and

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

19 **SEC. 216. STUDY OF COMPLIANCE REQUIREMENTS AT EX-**
 20 **ISTING INTERCITY RAIL STATIONS.**

21 Amtrak shall evaluate the improvements necessary to
 22 make all existing stations it serves readily accessible to
 23 and usable by individuals with disabilities, as required by
 24 section 242(c)(2) of the Americans with Disabilities Act
 25 of 1990 (42 U.S.C. 12162(c)(2)). The evaluation shall in-

1 elude the estimated cost of the improvements necessary;
2 the identification of the responsible person (as defined in
3 section 241(5) of that Act (42 U.S.C. 12161(5))), and the
4 earliest practicable date when such improvements can be
5 made. Amtrak shall submit the survey to the Senate Com-
6 mittee on Commerce, Science, and Transportation, the
7 House of Representatives Committee on Transportation
8 and Infrastructure, and the National Council on Disability
9 by September 30, 2006, along with recommendations for
10 funding the necessary improvements.

11 **SEC. 217. INCENTIVE PAY.**

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

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

15 If a State desires to select or selects an entity other
16 than Amtrak to provide services required for the operation
17 of a route described in section 24102(5)(D) or 24702 of
18 title 49, United States Code, the State may make an
19 agreement with Amtrak to use facilities and equipment of,
20 or have services provided by, Amtrak under terms agreed
21 to by the State and Amtrak to enable the State to utilize
22 an entity other than Amtrak to provide services required
23 for operation of the route. If the parties cannot agree upon
24 terms, and the Surface Transportation Board finds that
25 access to Amtrak's facilities or equipment, or the provision

1 of services by Amtrak, is necessary to carry out this provi-
 2 sion and that the operation of Amtrak's other services will
 3 not be impaired thereby, the Surface Transportation
 4 Board shall, within 120 days after submission of the dis-
 5 pute, issue an order that the facilities and equipment be
 6 made available, and that services be provided, by Amtrak,
 7 and shall determine reasonable compensation, liability and
 8 other terms for use of the facilities and equipment and
 9 provision of the services. Compensation shall be deter-
 10 mined in accord with the methodology established pursu-
 11 ant to section 206 of this Act.

12 **SEC. 219. GENERAL AMTRAK PROVISIONS.**

13 (a) **REPEAL OF SELF-SUFFICIENCY REQUIREMENTS.**

14 (1) **TITLE 49 AMENDMENTS.**—Chapter 241 is
 15 amended—

16 (A) by striking the last sentence of section
 17 24101(d); and

18 (B) by striking the last sentence of section
 19 24104(a).

20 (2) **AMTRAK REFORM AND ACCOUNTABILITY**
 21 **ACT AMENDMENTS.**—Title II of the Amtrak Reform
 22 and Accountability Act of 1997 (49 U.S.C. 24101
 23 nt) is amended by striking sections 204 and 205.

24 (3) **COMMON STOCK REDEMPTION DATE.**—Sec-
 25 tion 415 of the Amtrak Reform and Accountability

1 Act of 1997 (49 U.S.C. 24304 nt) is amended by
 2 striking subsection (b).

3 (b) ~~LEASE ARRANGEMENTS.~~—Amtrak may obtain
 4 services from the Administrator of General Services, and
 5 the Administrator may provide services to Amtrak, under
 6 section 201(b) and 211(b) of the Federal Property and
 7 Administrative Service Act of 1949 (40 U.S.C. 481(b) and
 8 491(b)) for each of fiscal years 2006 through 2011.

9 **SEC. 220. PRIVATE SECTOR FUNDING OF PASSENGER**
 10 **TRAINS.**

11 Amtrak is encouraged to increase its operation of
 12 trains funded by the private sector in order to minimize
 13 its need for Federal subsidies. Amtrak shall utilize the
 14 provisions of section 24308 of title 49, United States
 15 Code, when necessary to obtain access to facilities, train
 16 and engine crews, or services of a rail carrier or regional
 17 transportation authority that are required to operate such
 18 trains.

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

20 (a) ~~IN GENERAL.~~—Within 1 year after metrics and
 21 standards are established under section 208 of this Act,
 22 Amtrak shall develop and implement a plan to improve
 23 on-board service pursuant to the metrics and standards
 24 for such service developed under that section.

1 (b) **REPORT.**—Amtrak shall provide a report to the
 2 Senate Committee on Commerce, Science, and Transpor-
 3 tation and the House of Representatives Committee on
 4 Transportation and Infrastructure on the on-board service
 5 improvements proscribed in the plan and the timeline for
 6 implementing such improvements.

7 **TITLE III—INTERCITY**
 8 **PASSENGER RAIL POLICY**

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

11 (a) **IN GENERAL.**—Part C of subtitle V is amended
 12 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.

13 **“§ 24401. Definitions**

14 “**In this subchapter:**

15 “(1) **APPLICANT.**—The term ‘applicant’ means
 16 a State (including the District of Columbia), a group
 17 of States, an Interstate Compact, or a public agency
 18 established by one or more States and having re-
 19 sponsibility for providing intercity passenger rail
 20 service.

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

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

20 “(B) rehabilitating, remanufacturing or
21 overhauling rail rolling stock and facilities used
22 primarily in intercity passenger rail service;

23 “(C) costs associated with developing State
24 rail plans; and

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

4 “(3) INTERCITY PASSENGER RAIL SERVICE.—
 5 The term ‘intercity passenger rail service’ means
 6 transportation services with the primary purpose of
 7 passenger transportation between towns, cities and
 8 metropolitan areas by rail, including high-speed rail,
 9 as defined in section 24102 of title 49, United
 10 States Code.

11 **“§ 24402. Capital investment grants to support inter-**
 12 **city passenger rail service**

13 “(a) GENERAL AUTHORITY.—

14 “(1) The Secretary of Transportation may
 15 make grants under this section to an applicant to
 16 assist in financing the capital costs of facilities and
 17 equipment necessary to provide or improve intercity
 18 passenger rail transportation.

19 “(2) The Secretary shall require that a grant
 20 under this section be subject to the terms, condi-
 21 tions, requirements, and provisions the Secretary de-
 22 cides are necessary or appropriate for the purposes
 23 of this section, including requirements for the dis-
 24 position of net increases in value of real property re-
 25 sulting from the project assisted under this section

1 and shall prescribe procedures and schedules for the
 2 awarding of grants under this title, including appli-
 3 cation and qualification procedures and a record of
 4 decision on applicant eligibility. The Secretary shall
 5 issue a final rule establishing such procedures not
 6 later than 90 days after the date of enactment of
 7 the Passenger Rail Investment and Improvement
 8 Act of 2005.

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

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

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

22 “(3) If an applicant has not selected the pro-
 23 posed operator of its service competitively, the appli-
 24 cant shall provide written justification to the Sec-
 25 retary showing why the proposed operator is the

1 best, taking into account price and other factors;
2 and that use of the proposed operator will not un-
3 necessarily increase the cost of the project.

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

7 “(1) require that each proposed project meet all
8 safety and security requirements that are applicable
9 to the project under law;

10 “(2) give preference to projects with high levels
11 of estimated ridership; increased on-time perform-
12 ance; reduced trip time; additional service frequency;
13 or other significant service enhancements as meas-
14 ured against minimum standards developed under
15 section 208 of the Passenger Rail Investment and
16 Improvement Act of 2005;

17 “(3) encourage intermodal connectivity through
18 projects that provide direct connections between
19 train stations; airports; bus terminals; subway sta-
20 tions; ferry ports; and other modes of transpor-
21 tation;

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

1 “(A) plans developed pursuant to the re-
2 quirements of section 135 of title 23, United
3 States Code; and

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

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

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

10 “(B) Projects that also improve freight or
11 commuter rail operations.

12 “(C) Projects that have significant envi-
13 ronmental benefits.

14 “(D) Projects that are—

15 “(i) at a stage of preparation that all
16 pre-commencement compliance with envi-
17 ronmental protection requirements has al-
18 ready been completed; and

19 “(ii) ready to be commenced.

20 “(E) Projects with positive economic and
21 employment impacts.

22 “(F) Projects that encourage the use of
23 positive train control technologies.

24 “(G) Projects that have commitments of
25 funding from non-Federal Government sources

1 in a total amount that exceeds the minimum
 2 amount of the non-Federal contribution re-
 3 quired for the project.

4 “(H) Projects that involve donated prop-
 5 erty interests or services.

6 “(I) Projects that are identified by the
 7 Surface Transportation Board as necessary to
 8 improve the on time performance and reliability
 9 of intercity passenger rail under section
 10 24308(f).

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

17 “(e) LETTERS OF INTENT, FULL FUNDING GRANT
 18 AGREEMENTS, AND EARLY SYSTEMS WORK AGREE-
 19 MENTS.—

20 “(1)(A) The Secretary may issue a letter of in-
 21 tent to an applicant announcing an intention to obli-
 22 gate, for a major capital project under this section,
 23 an amount from future available budget authority
 24 specified in law that is not more than the amount

1 stipulated as the financial participation of the Sec-
2 retary in the project.

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

16 “(C) An obligation or administrative com-
17 mitment may be made only when amounts are
18 appropriated.

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

22 “(i) establish the terms of participa-
23 tion by the United States Government in a
24 project under this section;

1 “(ii) establish the maximum amount
2 of Government financial assistance for the
3 project;

4 “(iii) cover the period of time for com-
5 pleting the project, including a period ex-
6 tending beyond the period of an authoriza-
7 tion; and

8 “(iv) make timely and efficient man-
9 agement of the project easier according to
10 the law of the United States.

11 “(B) An agreement under this paragraph
12 obligates an amount of available budget author-
13 ity specified in law and may include a commit-
14 ment, contingent on amounts to be specified in
15 law in advance for commitments under this
16 paragraph, to obligate an additional amount
17 from future available budget authority specified
18 in law. The agreement shall state that the con-
19 tingent commitment is not an obligation of the
20 Government and is subject to the availability of
21 appropriations made by Federal law and to
22 Federal laws in force on or enacted after the
23 date of the contingent commitment. Interest
24 and other financing costs of efficiently carrying
25 out a part of the project within a reasonable

time are a cost of carrying out the project under a full funding grant agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms.

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

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

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

“(B) A work agreement under this paragraph obligates an amount of available budget authority specified in law and shall provide for reimbursement of preliminary costs of carrying out the project, including land acquisition, time-

1 ly procurement of system elements for which
2 specifications are decided, and other activities
3 the Secretary decides are appropriate to make
4 efficient, long-term project management easier.
5 A work agreement shall cover the period of time
6 the Secretary considers appropriate. The period
7 may extend beyond the period of current au-
8 thorization. Interest and other financing costs
9 of efficiently carrying out the work agreement
10 within a reasonable time are a cost of carrying
11 out the agreement, except that eligible costs
12 may not be more than the cost of the most fa-
13 vorable financing terms reasonably available for
14 the project at the time of borrowing. The appli-
15 cant shall certify, in a way satisfactory to the
16 Secretary, that the applicant has shown reason-
17 able diligence in seeking the most favorable fi-
18 nancing terms. If an applicant does not carry
19 out the project for reasons within the control of
20 the applicant, the applicant shall repay all Gov-
21 ernment payments made under the work agree-
22 ment plus reasonable interest and penalty
23 charges the Secretary establishes in the agree-
24 ment.

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

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

16 “(1)(A) Based on engineering studies, studies
 17 of economic feasibility, and information on the ex-
 18 pected use of equipment or facilities, the Secretary
 19 shall estimate the net project cost.

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

22 “(C) The Secretary shall give priority in
 23 allocating future obligations and contingent
 24 commitments to incur obligations to grant re-

1 quests seeking a lower Federal share of the
2 project net capital cost.

3 “(2) Up to an additional 20 percent of the re-
4 quired non-Federal funds may be funded from
5 amounts appropriated to or made available to a de-
6 partment or agency of the Federal Government that
7 are eligible to be expended for transportation.

8 “(3) 50 percent of the average amounts ex-
9 pended by a State or group of States (including the
10 District of Columbia) for capital projects to benefit
11 intercity passenger rail service in fiscal years 2004
12 and 2005 shall be credited towards the matching re-
13 quirements for grants awarded under this section.
14 The Secretary may require such information as nec-
15 essary to verify such expenditures.

16 “(4) 50 percent of the average amounts ex-
17 pended by a State or group of States (including the
18 District of Columbia) in a fiscal year beginning in
19 2006 for capital projects to benefit intercity pas-
20 senger rail service or for the operating costs of such
21 service above the average of expenditures made for
22 such service in fiscal years 2004 and 2005 shall be
23 credited towards the matching requirements for
24 grants awarded under this section. The Secretary

1 may require such information as necessary to verify
2 such expenditures.

3 ~~“(g) UNDERTAKING PROJECTS IN ADVANCE.—~~

4 ~~“(1) The Secretary may pay the Federal share~~
5 ~~of the net capital project cost to an applicant that~~
6 ~~carries out any part of a project described in this~~
7 ~~section according to all applicable procedures and re-~~
8 ~~quirements if—~~

9 ~~“(A) the applicant applies for the payment;~~

10 ~~“(B) the Secretary approves the payment;~~

11 and

12 ~~“(C) before carrying out the part of the~~
13 ~~project, the Secretary approves the plans and~~
14 ~~specifications for the part in the same way as~~
15 ~~other projects under this section.~~

16 ~~“(2) The cost of carrying out part of a project~~
17 ~~includes the amount of interest earned and payable~~
18 ~~on bonds issued by the applicant to the extent pro-~~
19 ~~ceeds of the bonds are expended in carrying out the~~
20 ~~part. However, the amount of interest under this~~
21 ~~paragraph may not be more than the most favorable~~
22 ~~interest terms reasonably available for the project at~~
23 ~~the time of borrowing. The applicant shall certify, in~~
24 ~~a manner satisfactory to the Secretary, that the ap-~~

1 plicant has shown reasonable diligence in seeking the
2 most favorable financial terms:

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

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

15 ~~“(i) PUBLIC-PRIVATE PARTNERSHIPS.—~~

16 ~~“(1) IN GENERAL.—A metropolitan planning~~
17 organization, State transportation department, or
18 other project sponsor may enter into an agreement
19 with any public, private, or nonprofit entity to coop-
20 eratively implement any project funded with a grant
21 under this title.

22 ~~“(2) FORMS OF PARTICIPATION.—Participation~~
23 by an entity under paragraph (1) may consist of—

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

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

5 “(C) carrying out administration, construe-
6 tion management, project management, project
7 operation, or any other management or oper-
8 ational duty associated with the project; and

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

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

14 “(j) SPECIAL TRANSPORTATION CIRCUMSTANCES.—
15 In carrying out this section, the Secretary shall allocate
16 an appropriate portion of the amounts available under this
17 section to provide grants to States—

18 “(1) in which there is no intercity passenger
19 rail service for the purpose of funding freight rail
20 capital projects that are on a State rail plan devel-
21 oped under chapter 225 of this title that provide
22 public benefits (as defined in chapter 225) as deter-
23 mined by the Secretary; or

24 “(2) in which the rail transportation system is
25 not physically connected to rail systems in the conti-

1 nental United States or may not otherwise qualify
 2 for a grant under this section due to the unique
 3 characteristics of the geography of that State or
 4 other relevant considerations, for the purpose of
 5 funding transportation-related capital projects.

6 **“§ 24403. Project management oversight**

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

13 “(1) adequate recipient staff organization with
 14 well-defined reporting relationships, statements of
 15 functional responsibilities, job descriptions, and job
 16 qualifications;

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

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

23 “(4) a document control procedure and record-
 24 keeping system;

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

4 “(6) organizational structures, management
5 skills, and staffing levels required throughout the
6 construction phase;

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

11 “(8) material testing policies and procedures;

12 “(9) internal plan implementation and reporting
13 requirements;

14 “(10) criteria and procedures to be used for
15 testing the operational system or its major compo-
16 nents;

17 “(11) periodic updates of the plan, especially
18 related to project budget and project schedule, fi-
19 nancing, and ridership estimates; and

20 “(12) the recipient’s commitment to submit a
21 project budget and project schedule to the Secretary
22 each month.

23 “(b) SECRETARIAL OVERSIGHT.—

24 “(1) The Secretary may use no more than 0.5
25 percent of amounts made available in a fiscal year

1 for capital projects under this subchapter to enter
 2 into contracts to oversee the construction of such
 3 projects.

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

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

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

18 **“§ 24404. Use of capital grants to finance first-dollar**
 19 **liability of grant project**

20 “Notwithstanding the requirements of section 24402
 21 of this subchapter, the Secretary of Transportation may
 22 approve the use of capital assistance under this sub-
 23 chapter to fund self-insured retention of risk for the first
 24 tier of liability insurance coverage for rail passenger serv-
 25 ice associated with the capital assistance grant, but the

1 coverage may not exceed \$20,000,000 per occurrence or
 2 \$20,000,000 in aggregate per year.

3 **“§ 24405. Grant conditions**

4 **“(a) DOMESTIC BUYING PREFERENCE.—**

5 **“(1) REQUIREMENT.—**

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

10 **“(i) unmanufactured articles, mate-**
 11 **rial, and supplies mined or produced in the**
 12 **United States; or**

13 **“(ii) manufactured articles, material,**
 14 **and supplies manufactured in the United**
 15 **States substantially from articles, material,**
 16 **and supplies mined, produced, or manufac-**
 17 **tured in the United States.**

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

21 **“(2) EXEMPTIONS.—**On application of a recipi-
 22 ent, the Secretary may exempt a recipient from the
 23 requirements of this subsection if the Secretary de-
 24 cides that, for particular articles, material, or sup-
 25 plies—

1 “(A) such requirements are inconsistent
2 with the public interest;

3 “(B) the cost of imposing the requirements
4 is unreasonable; or

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

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

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

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

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

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

5 “(1) a written agreement exist between the ap-
 6 plicant and the railroad regarding such use and
 7 ownership; including—

8 “(A) any compensation for such use;

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

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

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

21 “(A) the standards of section 24312 of this
 22 title, as such section was in effect on September
 23 1, 2003, with respect to the project in the same
 24 manner that the National Railroad Passenger
 25 Corporation is required to comply with those

standards for construction work financed under an agreement made under section 24308(a) of this title; and

“(B) the protective arrangements established under section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 836) with respect to employees affected by actions taken in connection with the project to be financed in whole or in part by grants under this subchapter.

“(d) REPLACEMENT OF EXISTING INTERCITY PASSENGER RAIL SERVICE.—

“(1) COLLECTIVE BARGAINING AGREEMENT FOR INTERCITY PASSENGER RAIL PROJECTS.—Any entity providing intercity passenger railroad transportation that begins operations after the date of enactment of this Act on a project funded in whole or in part by grants made under this title and replaces intercity rail passenger service that was provided by Amtrak, unless such service was provided solely by Amtrak to another entity, as of such date shall enter into an agreement with the authorized bargaining agent or agents for adversely affected employees of the predecessor provider that—

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

8 “(B) establishes a procedure for notifying
 9 such an employee of such positions;

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

12 “(D) establishes rates of pay, rules, and
 13 working conditions.

14 “(2) IMMEDIATE REPLACEMENT SERVICE.—

15 “(A) NEGOTIATIONS.—If the replacement
 16 of preexisting intercity rail passenger service oc-
 17 curs concurrent with or within a reasonable
 18 time before the commencement of the replacing
 19 entity’s rail passenger service, the replacing en-
 20 tity shall give written notice of its plan to re-
 21 place existing rail passenger service to the au-
 22 thorized collective bargaining agent or agents
 23 for the potentially adversely affected employees
 24 of the predecessor provider at least 90 days be-
 25 fore the date on which it plans to commence

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

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

trating rail labor protection disputes. Within 5 days after such notification, the parties shall alternately strike names from the list until only 1 name remains, and that person shall serve as the neutral arbitrator. Within 45 days after selection of the arbitrator, the arbitrator shall conduct a hearing on the dispute and shall render a decision with respect to the unresolved issues among the matters set forth in subparagraphs (A) through (D) of paragraph (1). This decision shall be final, binding, and conclusive upon the parties. The salary and expenses of the arbitrator shall be borne equally by the parties; all other expenses shall be paid by the party incurring them.

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

“(4) SUBSEQUENT REPLACEMENT OF SERVICE.—If the replacement of existing rail passenger service takes place within 3 years after the replacing entity commences intercity passenger rail service,

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

15 “(c) INAPPLICABILITY TO CERTAIN RAIL OPER-
 16 ATIONS.— Nothing in this section applies to—

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

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

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

6 ~~(b) CONFORMING AMENDMENTS.—~~

7 ~~(1) The table of chapters for the title is amend-~~
 8 ~~ed by inserting the following after the item relating~~
 9 ~~to chapter 243:~~

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

10 ~~“(2) The chapter analysis for subtitle V is~~
 11 ~~amended by inserting the following after the item re-~~
 12 ~~lating to chapter 243:~~

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

13 **SEC. 302. STATE RAIL PLANS.**

14 ~~(a) IN GENERAL.—Part B of subtitle V is amended~~
 15 ~~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.~~

16 **“§ 22501. Definitions**

17 ~~“In this subchapter:~~

18 ~~“(1) PRIVATE BENEFIT.—~~

1 “(A) IN GENERAL.—The term ‘private
2 benefit’—

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

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

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

17 “(2) PUBLIC BENEFIT.—

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

20 “(i) means a benefit accrued to the
21 public in the form of enhanced mobility of
22 people or goods, environmental protection
23 or enhancement, congestion mitigation, en-
24 hanced trade and economic development,
25 improved air quality or land use, more effi-

1 cient energy use, enhanced public safety or
 2 security, reduction of public expenditures
 3 due to improved transportation efficiency
 4 or infrastructure preservation, and any
 5 other positive community effects as defined
 6 by the Secretary; and

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

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

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

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

21 **“§ 22502. Authority**

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

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

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

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

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

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

13 **“§ 22503. Purposes**

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

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

19 “(2) To establish the period covered by the
20 State rail plan.

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

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

1 “(b) ~~COORDINATION.~~—A State rail plan shall be co-
 2 ordinated with other State transportation planning goals
 3 and programs and set forth rail transportation’s role with-
 4 in the State transportation system.

5 **“§ 22504. Transparency; coordination; review**

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

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

21 **“§ 22505. Content**

22 “(a) ~~IN GENERAL.~~—Each State rail plan shall con-
 23 tain the following:

24 “(1) An inventory of the existing overall rail
 25 transportation system and rail services and facilities

1 within the State and an analysis of the role of rail
2 transportation within the State's surface transpor-
3 tation system.

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

7 “(3) A statement of the State's passenger rail
8 service objectives, including minimum service levels,
9 for rail transportation routes in the State.

10 “(4) A general analysis of rail's transportation,
11 economic, and environmental impacts in the State,
12 including congestion mitigation, trade and economic
13 development, air quality, land-use, energy-use, and
14 community impacts.

15 “(5) A long-range rail investment program for
16 current and future freight and passenger infrastruc-
17 ture in the State that meets the requirements of
18 subsection (b).

19 “(6) A statement of public financing issues for
20 rail projects and service in the State, including a list
21 of current and prospective public capital and oper-
22 ating funding resources, public subsidies, State tax-
23 ation, and other financial policies relating to rail in-
24 frastructure development.

1 “(7) An identification of rail infrastructure
2 issues within the State that reflects consultation
3 with all relevant stake holders.

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

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

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

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

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

1 ~~“(b) LONG-RANGE SERVICE AND INVESTMENT PRO-~~
 2 ~~GRAM.—~~

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

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

10 ~~“(B) A detailed funding plan for those~~
 11 ~~projects.~~

12 ~~“(2) PROJECT LIST CONTENT.—The list of rail~~
 13 ~~capital projects shall contain—~~

14 ~~“(A) a description of the anticipated public~~
 15 ~~and private benefits of each such project; and~~

16 ~~“(B) a statement of the correlation be-~~
 17 ~~tween—~~

18 ~~“(i) public funding contributions for~~
 19 ~~the projects; and~~

20 ~~“(ii) the public benefits.~~

21 ~~“(3) CONSIDERATIONS FOR PROJECT LIST.—In~~
 22 ~~preparing the list of freight and intercity passenger~~
 23 ~~rail capital projects, a State rail transportation au-~~
 24 ~~thority should take into consideration the following~~
 25 ~~matters:~~

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

5 “(B) Rail capacity and congestion effects.

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

8 “(D) Regional balance.

9 “(E) Environmental impact.

10 “(F) Economic and employment impacts.

11 “(G) Projected ridership and other service
12 measures for passenger rail projects.

13 **“§ 22506. Review**

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

17 (b) CONFORMING AMENDMENTS.—

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

“225. State rail plans 22501”.

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

“225. State rail plans 24401”.

1 **SEC. 303. NEXT GENERATION CORRIDOR TRAIN EQUIP-**
 2 **MENT POOL.**

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

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

12 (1) determine the number of different types of
 13 equipment required, taking into account variations
 14 in operational needs and corridor infrastructure;

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

17 (3) subject to agreements between Amtrak and
 18 States, utilize services provided by Amtrak to design,
 19 maintain and remanufacture equipment.

20 (c) **COOPERATIVE AGREEMENTS.**—Amtrak and
 21 States participating in the Committee may enter into
 22 agreements for the funding, procurement, remanufacture,
 23 ownership and management of corridor equipment, includ-
 24 ing equipment currently owned or leased by Amtrak and
 25 next-generation corridor equipment acquired as a result
 26 of the Committee's actions, and may establish a corpora-

tion, which may be owned or jointly-owned by Amtrak,
participating States or other entities, to perform these
functions.

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

SEC. 304. FEDERAL RAIL POLICY.

Section 103 is amended—

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

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

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

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

“(e) SAFETY.—To carry out all railroad safety laws of the United States, the Administration is divided on a geographical basis into at least 8 safety offices. The Secretary of Transportation is responsible for all acts taken under those laws and for ensuring that the laws are uni-

1 formerly administered and enforced among the safety of-
 2 fees.”;

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

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

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

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

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

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

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

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

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

23 “(1) provide assistance to States in developing
 24 State rail plans prepared under chapter 225 and re-

1 view all State rail plans submitted under that sec-
2 tion;

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

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

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

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

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

23 “(7) facilitate and coordinate efforts to assist
24 freight and passenger rail carriers, transit agencies
25 and authorities, municipalities, and States in pas-

1 senger-freight service integration on shared rights of
 2 way by providing neutral assistance at the joint re-
 3 quest of affected rail service providers and infra-
 4 structure owners relating to operations and capacity
 5 analysis, capital requirements, operating costs, and
 6 other research and planning related to corridors
 7 shared by passenger or commuter rail service and
 8 freight rail operations.

9 “(h) PERFORMANCE GOALS AND REPORTS.—

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

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

19 “(3) SUBMISSION WITH PRESIDENT’S BUDG-
 20 ET.—Beginning with fiscal year 2007 and each fis-
 21 cal year thereafter, the Secretary shall submit to
 22 Congress, at the same time as the President’s budg-
 23 et submission, the Administration’s performance
 24 goals and schedule developed under paragraph (1),
 25 including an assessment of the progress of the Ad-

1 ministration toward achieving its performance
2 goals.”.

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

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

6 **“§ 24910. Rail cooperative research program**

7 “(a) IN GENERAL.—The Secretary shall establish
8 and carry out a rail cooperative research program. The
9 program shall—

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

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

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

24 “(4) give consideration to regional concerns re-
25 garding rail passenger and freight transportation;

1 including meeting research needs common to des-
 2 ignated high-speed corridors, long-distance rail serv-
 3 ices, and regional intercity rail corridors, projects,
 4 and entities.

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

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

9 “(2) to develop more accurate models for evalu-
 10 ating the impact of rail passenger and freight serv-
 11 ice, including the effects on highway and airport and
 12 airway congestion, environmental quality, and energy
 13 consumption;

14 “(3) to develop a better understanding of modal
 15 choice as it affects rail passenger and freight trans-
 16 portation, including development of better models to
 17 predict utilization;

18 “(4) to recommend priorities for technology
 19 demonstration and development;

20 “(5) to meet additional priorities as determined
 21 by the advisory board established under subsection
 22 (c), including any recommendations made by the Na-
 23 tional Research Council;

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

1 “(7) to address rail capacity constraints that
2 affect passenger and freight rail service through a
3 wide variety of options, ranging from operating im-
4 provements to dedicated new infrastructure, taking
5 into account the impact of such options on oper-
6 ations;

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

10 “(9) to recommend objective methodologies for
11 determining intercity passenger rail routes and serv-
12 ices, including the establishment of new routes, the
13 elimination of existing routes, and the contraction or
14 expansion of services or frequencies over such
15 routes;

16 “(10) to review the impact of equipment and
17 operational safety standards on the further develop-
18 ment of high speed passenger rail operations con-
19 nected to or integrated with non-high speed freight
20 or passenger rail operations; and

21 “(11) to recommend any legislative or regu-
22 latory changes necessary to foster further develop-
23 ment and implementation of high speed passenger
24 rail operations while ensuring the safety of such op-

1 erations that are connected to or integrated with
 2 non-high speed freight or passenger rail operations.

3 ~~“(c) ADVISORY BOARD.—~~

4 ~~“(1) ESTABLISHMENT.—In consultation with~~
 5 the heads of appropriate Federal departments and
 6 agencies, the Secretary shall establish an advisory
 7 board to recommend research, technology, and tech-
 8 nology transfer activities related to rail passenger
 9 and freight transportation.

10 ~~“(2) MEMBERSHIP.—The advisory board shall~~
 11 include—

12 ~~“(A) representatives of State transpor-~~
 13 ~~tation agencies;~~

14 ~~“(B) transportation and environmental~~
 15 ~~economists, scientists, and engineers; and~~

16 ~~“(C) representatives of Amtrak, the Alaska~~
 17 ~~Railroad, freight railroads, transit operating~~
 18 ~~agencies, intercity rail passenger agencies, rail-~~
 19 ~~way labor organizations, and environmental or-~~
 20 ~~ganizations.~~

21 ~~“(d) NATIONAL ACADEMY OF SCIENCES.— The Sec-~~
 22 ~~retary may make grants to, and enter into cooperative~~
 23 ~~agreements with, the National Academy of Sciences to~~
 24 ~~carry out such activities relating to the research, tech-~~

1 nology, and technology transfer activities described in sub-
 2 section (b) as the Secretary deems appropriate.”.

3 (b) CLERICAL AMENDMENT.—The chapter analysis
 4 for chapter 249 is amended by adding at the end the fol-
 5 lowing:

“24910. Rail cooperative research program.”.

6 **TITLE IV—PASSENGER RAIL** 7 **SECURITY AND SAFETY**

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

9 (a) IN GENERAL—Subject to subsection (c) the Sec-
 10 retary of Homeland Security, in consultation with the Sec-
 11 retary of Transportation, is authorized to make grants to
 12 Amtrak—

13 (1) to secure major tunnel access points and en-
 14 sure tunnel integrity in New York, Baltimore, and
 15 Washington, DC;

16 (2) to secure Amtrak trains;

17 (3) to secure Amtrak stations;

18 (4) to obtain a watch list identification system
 19 approved by the Secretary;

20 (5) to obtain train tracking and interoperable
 21 communications systems that are coordinated to the
 22 maximum extent possible;

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

25 (7) to expand emergency preparedness efforts.

1 (b) ~~CONDITIONS.—~~The Secretary of Transportation
 2 shall disburse funds to Amtrak provided under subsection
 3 ~~(a)~~ for projects contained in a systemwide security plan
 4 approved by the Secretary of Homeland Security. The
 5 plan shall include appropriate measures to address secu-
 6 rity awareness, emergency response, and passenger evacu-
 7 ation training.

8 (c) ~~EQUITABLE GEOGRAPHIC ALLOCATION.—~~The
 9 Secretary shall ensure that, subject to meeting the highest
 10 security needs on Amtrak's entire system, stations and fa-
 11 cilities located outside of the Northeast Corridor receive
 12 an equitable share of the security funds authorized by this
 13 section.

14 (d) ~~AUTHORIZATION OF APPROPRIATIONS.—~~There
 15 are authorized to be appropriated to the Secretary of
 16 Homeland Security to carry out this section—

- 17 (1) \$63,500,000 for fiscal year 2006;
- 18 (2) \$30,000,000 for fiscal year 2007; and
- 19 (3) \$30,000,000 for fiscal year 2008.

20 Amounts appropriated pursuant to this subsection shall
 21 remain available until expended.

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

23 (a) ~~LIFE-SAFETY NEEDS.—~~The Secretary of Trans-
 24 portation is authorized to make grants to Amtrak for the
 25 purpose of making fire and life-safety improvements to

1 Amtrak tunnels on the Northeast Corridor in New York,
 2 NY, Baltimore, MD, and Washington, DC.

3 (b) AUTHORIZATION OF APPROPRIATIONS.—There
 4 are authorized to be appropriated to the Secretary of
 5 Transportation for the purposes of carrying out subsection
 6 (a) the following amounts:

7 (1) For the 6 New York tunnels to provide ven-
 8 tilation, electrical, and fire safety technology up-
 9 grades, emergency communication and lighting sys-
 10 tems, and emergency access and egress for pas-
 11 sengers—

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

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

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

15 (2) For the Baltimore & Potomac tunnel and
 16 the Union tunnel, together, to provide adequate
 17 drainage, ventilation, communication, lighting, and
 18 passenger egress upgrades—

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

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

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

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

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

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

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

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

8 (d) AVAILABILITY OF APPROPRIATED FUNDS.—
9 Amounts made available pursuant to this section shall re-
10 main available until expended.

11 (e) PLANS REQUIRED.—The Secretary may not make
12 amounts available to Amtrak for obligation or expenditure
13 under subsection (a)—

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

17 (2) unless, for each project funded pursuant to
18 this section, the Secretary has approved a project
19 management plan prepared by Amtrak addressing
20 appropriate project budget, construction schedule,
21 recipient staff organization, document control and
22 record keeping, change order procedure, quality con-
23 trol and assurance, periodic plan updates, and peri-
24 odic status reports.

1 (f) REVIEW OF PLANS.—The Secretary of Transpor-
 2 tation shall complete the review of the plans required by
 3 paragraphs (1) and (2) of subsection (c) and approve or
 4 disapprove the plans within 45 days after the date on
 5 which each such plan is submitted by Amtrak. If the Sec-
 6 retary determines that a plan is incomplete or deficient,
 7 the Secretary shall notify Amtrak of the incomplete items
 8 or deficiencies and Amtrak shall, within 30 days after re-
 9 ceiving the Secretary's notification, submit a modified
 10 plan for the Secretary's review. Within 15 days after re-
 11 ceiving additional information on items previously included
 12 in the plan, and within 45 days after receiving items newly
 13 included in a modified plan, the Secretary shall either ap-
 14 prove the modified plan, or, if the Secretary finds the plan
 15 is still incomplete or deficient, the Secretary shall identify
 16 in writing to the Senate Committee on Commerce, Science,
 17 and Transportation and the House of Representatives
 18 Committee on Transportation and Infrastructure the por-
 19 tions of the plan the Secretary finds incomplete or defi-
 20 cient, approve all other portions of the plan, obligate the
 21 funds associated with those other portions, and execute
 22 an agreement with Amtrak within 15 days thereafter on
 23 a process for resolving the remaining portions of the plan.
 24 (g) FINANCIAL CONTRIBUTION FROM OTHER TUN-
 25 NEL USERS.—The Secretary shall, taking into account the

1 need for the timely completion of all portions of the tunnel
 2 projects described in subsection (a)—

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

5 (2) consider the feasibility of seeking a financial
 6 contribution from those other rail carriers toward
 7 the costs of the projects; and

8 (3) obtain financial contributions or commit-
 9 ments from such other rail carriers at levels reflect-
 10 ing the extent of their use or planned use of the tun-
 11 nels, if feasible.

12 **SEC. 403. AMTRAK PLAN TO ASSIST FAMILIES OF PAS-**
 13 **SENGERS INVOLVED IN RAIL PASSENGER AC-**
 14 **CIDENTS.**

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

18 **“§ 24316. Plans to address needs of families of pas-**
 19 **sengers involved in rail passenger acci-**
 20 **dents**

21 “(a) SUBMISSION OF PLAN.—Not later than 6
 22 months after the date of the enactment of the Passenger
 23 Rail Investment and Improvement Act of 2005, Amtrak
 24 shall submit to the Chairman of the National Transpor-
 25 tation Safety Board and the Secretary of Transportation

1 a plan for addressing the needs of the families of pas-
2 sengers involved in any rail passenger accident involving
3 an Amtrak intercity train and resulting in a loss of life.

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

7 “(1) A process by which Amtrak will maintain
8 and provide to the National Transportation Safety
9 Board and the Secretary of Transportation, imme-
10 diately upon request, a list (which is based on the
11 best available information at the time of the request)
12 of the names of the passengers aboard the train
13 (whether or not such names have been verified), and
14 will periodically update the list. The plan shall in-
15 clude a procedure, with respect to unreserved trains
16 and passengers not holding reservations on other
17 trains, for Amtrak to use reasonable efforts to ascer-
18 tain the number and names of passengers aboard a
19 train involved in an accident.

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

24 “(3) A process for notifying the families of the
25 passengers, before providing any public notice of the

1 names of the passengers, by suitably trained individ-
2 uals.

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

8 “(5) A process by which the family of each pas-
9 senger will be consulted about the disposition of all
10 remains and personal effects of the passenger within
11 Amtrak’s control; that any possession of the pas-
12 senger within Amtrak’s control will be returned to
13 the family unless the possession is needed for the ac-
14 cident investigation or any criminal investigation;
15 and that any unclaimed possession of a passenger
16 within Amtrak’s control will be retained by the rail
17 passenger carrier for at least 18 months.

18 “(6) A process by which the treatment of the
19 families of nonrevenue passengers will be the same
20 as the treatment of the families of revenue pas-
21 sengers.

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

1 “(c) USE OF INFORMATION.—The National Trans-
2 portation Safety Board, the Secretary of Transportation,
3 and Amtrak may not release to any person information
4 on a list obtained under subsection (b)(1) but may provide
5 information on the list about a passenger to the family
6 of the passenger to the extent that the Board or Amtrak
7 considers appropriate.

8 “(d) LIMITATION ON LIABILITY.—Amtrak shall not
9 be liable for damages in any action brought in a Federal
10 or State court arising out of the performance of Amtrak
11 in preparing or providing a passenger list, or in providing
12 information concerning a train reservation, pursuant to a
13 plan submitted by Amtrak under subsection (b), unless
14 such liability was caused by Amtrak’s conduct.

15 “(e) LIMITATION ON STATUTORY CONSTRUCTION.—
16 Nothing in this section may be construed as limiting the
17 actions that Amtrak may take, or the obligations that Am-
18 trak may have, in providing assistance to the families of
19 passengers involved in a rail passenger accident.

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

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

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

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

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

15 (1) a description of the current system for
 16 screening passengers and baggage on passenger rail
 17 service between the United States and Canada;

18 (2) an assessment of the current program to
 19 provide preclearance of airline passengers between
 20 the United States and Canada as outlined in “The
 21 Agreement on Air Transport Preclearance between
 22 the Government of Canada and the Government of
 23 the United States of America”, dated January 18,
 24 2001;

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

8 (4) information on progress by the Department
9 of Homeland Security and other Federal agencies to-
10 wards finalizing a bilateral protocol with Canada
11 that would provide for preclearance of passengers on
12 trains operating between the United States and Can-
13 ada;

14 (5) a description of legislative, regulatory,
15 budgetary, or policy barriers within the United
16 States Government to providing pre-screened pas-
17 senger lists for rail passengers traveling between the
18 United States and Canada to the Department of
19 Homeland Security;

20 (6) a description of the position of the Govern-
21 ment of Canada and relevant Canadian agencies
22 with respect to preclearance of such passengers;

23 (7) a draft of any changes in existing Federal
24 law necessary to provide for pre-screening of such

1 passengers and providing pre-screened passenger
2 lists to the Department of Homeland Security; and
3 (8) an analysis of the feasibility of reinstating
4 United States Customs and Border Patrol rolling in-
5 spections onboard international Amtrak trains.

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

7 (a) REQUIREMENT FOR STUDY AND REPORT.—The
8 Secretary of Homeland Security, in cooperation with the
9 Secretary of Transportation through the Assistant Sec-
10 retary of Homeland Security (Transportation Security Ad-
11 ministration) and other appropriate agencies, shall—

12 (1) study the cost and feasibility of requiring
13 security screening for passengers, baggage, and
14 cargo on passenger trains including an analysis of
15 any passenger train screening pilot programs under-
16 taken by the Department of Homeland Security; and

17 (2) report the results of the study, together
18 with any recommendations that the Secretary of
19 Homeland Security may have for implementing a
20 rail security screening program to the Senate Com-
21 mittee on Commerce, Science, and Transportation
22 and the House of Representatives Committee on
23 Transportation and Infrastructure within 1 year
24 after the date of enactment of this Act.

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

5 **TITLE V—RAIL BOND** 6 **AUTHORITY**

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

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

10 **“§ 26106. Rail infrastructure bonds**

11 “(a) DESIGNATION.—The Secretary may designate
 12 bonds for purposes of section 54 of the Internal Revenue
 13 Code of 1986 if—

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

15 “(A) a State, if the entire railroad pas-
 16 senger transportation corridor containing the
 17 infrastructure project to be financed is within
 18 the State;

19 “(B) 1 or more of the States that have en-
 20 tered into an agreement or an interstate com-
 21 pact consented to by Congress under section
 22 410(a) of Public Law 105–134 (49 U.S.C.
 23 24101 note);

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

1 “(D) Amtrak, for capital projects under its
2 5-year plan;

3 “(2) the bonds are for the purpose of financing
4 projects that make a substantial contribution to pro-
5 viding the infrastructure and equipment required to
6 complete or improve a rail transportation corridor
7 (including projects for the acquisition, financing, or
8 refinancing of equipment and other capital improve-
9 ments, including the introduction of new high-speed
10 technologies such as magnetic levitation systems,
11 track or signal improvements, the elimination of
12 grade crossings, development of intermodal facilities,
13 improvement of train speeds or safety, or both, and
14 station rehabilitation or construction), but only if
15 the Secretary determines that the projects are part
16 of a viable and comprehensive rail transportation
17 corridor design for intercity passenger service in-
18 cluded in a State rail plan under chapter 225 (ex-
19 cept for bonds issued under paragraph (1)(D)); and

20 “(3) for a railroad passenger transportation
21 corridor not operated by Amtrak that includes the
22 use of rights-of-way owned by a freight railroad, a
23 written agreement exists between the applicant and
24 the freight railroad regarding such use and owner-
25 ship, including compensation for such use and assur-

1 ances regarding the adequacy of infrastructure ca-
 2 pacity to accommodate both existing and future
 3 freight and passenger operations; and including an
 4 assurance by the freight railroad that collective bar-
 5 gaining agreements with the freight railroad's em-
 6 ployees (including terms regulating the contracting
 7 of work) shall remain in full force and effect accord-
 8 ing to their terms for work performed by the freight
 9 railroad on such railroad passenger transportation
 10 corridor.

11 “(b) BOND AMOUNT LIMITATION.—

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

16 “(2) CARRYOVER OF UNUSED LIMITATION.—If
 17 for any fiscal year the limitation amount under
 18 paragraph (1) exceeds the amount of section 54
 19 bonds issued during such year, the limitation
 20 amount under paragraph (1) for the following fiscal
 21 year (through fiscal year 2019) shall be increased by
 22 the amount of such excess.

23 “(c) PROJECT SELECTION CRITERIA.—The Secretary
 24 shall give preference to the designation under this section

1 of bonds for projects selected using the criteria in chapter
2 244.

3 “(d) ~~TIMELY DISPOSITION OF APPLICATION.~~—The
4 Secretary shall grant or deny a requested designation
5 within 9 months after receipt of an application.

6 “(e) ~~REFINANCING RULES.~~—Bonds designated by
7 the Secretary under subsection (a) may be issued for refi-
8 nancing projects only if the indebtedness being refinanced
9 (including any obligation directly or indirectly refinanced
10 by such indebtedness) was originally incurred by the
11 issuer—

12 “(1) after the date of the enactment of this sec-
13 tion;

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

15 “(3) to finance projects described in subsection
16 (a)(2); and

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

19 “(f) ~~APPLICATION OF CONDITIONS.~~—Any entity pro-
20 viding railroad transportation (within the meaning of sec-
21 tion 20102) that begins operations after the date of the
22 enactment of this section and that uses property acquired
23 pursuant to this section (except as provided in subsection
24 (a)(2)(B)), shall be subject to the conditions under section
25 24405.

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

5 “(h) **SECTION 54 DEFINED.**—In this section, the
 6 term ‘section 54 bond’ means a bond designated by the
 7 Secretary under subsection (a) for purposes of section 54
 8 of the Internal Revenue Code of 1986 (relating to credit
 9 to holders of qualified rail infrastructure bonds).”.

10 “(b) **CONFORMING AMENDMENT.**—The table of sec-
 11 tions for chapter 261 is amended by adding after the item
 12 relating to section 26105 the following new item:

“26106. Rail infrastructure bonds.”.

13 **SECTION 1. SHORT TITLE.**

14 *This Act may be cited as the “Passenger Rail Invest-*
 15 *ment and Improvement Act of 2005”.*

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

17 *Except as otherwise specifically provided, whenever in*
 18 *this Act an amendment is expressed in terms of an amend-*
 19 *ment to a section or other provision of law, the reference*
 20 *shall be considered to be made to a section or other provi-*
 21 *sion of title 49, United States Code.*

22 **SEC. 3. TABLE OF CONTENTS.**

23 *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 be*
 6 *appropriated to the Secretary of Transportation for the use*
 7 *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 ap-*
 15 *propriated to the Secretary of Transportation for the use*
 16 *of Amtrak to bring the Northeast Corridor as defined in*
 17 *section 24102(a) to a state-of-good-repair, for capital ex-*
 18 *penses of the national railroad passenger transportation*
 19 *system, and for purposes of making capital grants to states*
 20 *under section 301 of this Act, the following amounts:*

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

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

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

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

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

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

2 (c) *AMOUNTS FOR STATE GRANTS.—Out of the*
 3 *amounts authorized under subsection (b), the following per-*
 4 *centage shall be available each fiscal year for capital grants*
 5 *to States under section 301 of this Act, to be administered*
 6 *by the Secretary of Transportation:*

7 (1) *3 percent for fiscal year 2006.*

8 (2) *11 percent for fiscal year 2007.*

9 (3) *23 percent for fiscal year 2008.*

10 (4) *25 percent for fiscal year 2009.*

11 (5) *31 percent for fiscal year 2010.*

12 (6) *33 percent for fiscal year 2011.*

13 (d) *PROJECT MANAGEMENT OVERSIGHT.—The Sec-*
 14 *retary may withhold up to ½ of 1 percent of amounts ap-*
 15 *propriated pursuant to subsection (b) for the costs of project*
 16 *management oversight of capital projects carried out by*
 17 *Amtrak.*

18 **SEC. 102. AUTHORIZATION FOR THE FEDERAL RAILROAD**
 19 **ADMINISTRATION.**

20 *There are authorized to be appropriated to the Sec-*
 21 *retary of Transportation for the use of the Federal Railroad*
 22 *Administration such sums as necessary to implement the*
 23 *provisions required under this Act for fiscal years 2006*
 24 *through 2011.*

1 **SEC. 103. REPAYMENT OF LONG-TERM DEBT AND CAPITAL**
 2 **LEASES.**

3 (a) *AMTRAK PRINCIPAL AND INTEREST PAYMENTS.*—

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

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

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

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

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

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

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

15 (2) *INTEREST ON DEBT.*—*There are authorized*
 16 *to be appropriated to the Secretary of Transportation*
 17 *for the use of Amtrak for the payment of interest on*
 18 *loans for capital equipment, or capital leases, the fol-*
 19 *lowing amounts:*

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

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

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

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

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

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

1 (3) *EARLY BUYOUT OPTION.*—*There are author-*
 2 *ized to be appropriated to the Secretary of Transpor-*
 3 *tation such sums as may be necessary for the use of*
 4 *Amtrak for the payment of costs associated with early*
 5 *buyout options if the exercise of those options is deter-*
 6 *mined to be advantageous to Amtrak.*

7 **SEC. 104. EXCESS RAILROAD RETIREMENT.**

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

19 **SEC. 105. OTHER AUTHORIZATIONS.**

20 *There are authorized to be appropriated to the Sec-*
 21 *retary of Transportation—*

22 (1) *\$5,000,000 for each of fiscal years 2006*
 23 *through 2011 to carry out the rail cooperative re-*
 24 *search program under section 24910 of title 49,*
 25 *United States Code; and*

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

11 ***TITLE II—AMTRAK REFORM AND*** 12 ***OPERATIONAL IMPROVEMENTS***

13 ***SEC. 201. NATIONAL RAILROAD PASSENGER TRANSPOR-*** 14 ***TATION SYSTEM DEFINED.***

15 (a) *IN GENERAL.*—Section 24102 is amended—

16 (1) *by striking paragraph (2);*

17 (2) *by redesignating paragraphs (3), (4), and (5)*
 18 *as paragraphs (2), (3), and (4), respectively; and*

19 (3) *by inserting after paragraph (4) as so redes-*
 20 *ignated the following:*

21 “(5) ‘national rail passenger transportation sys-

22 tem’ means—

23 “(A) *the segment of the Northeast Corridor*
 24 *between Boston, Massachusetts and Washington,*
 25 *DC;*

“(B) rail corridors that have been designated by the Secretary of Transportation as high-speed corridors (other than corridors described in subparagraph (A)), but only after they have been improved to permit operation of high-speed service;

“(C) long-distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the Passenger Rail Investment and Improvement Act of 2005; and

“(D) short-distance corridors, or routes of not more than 750 miles between endpoints, operated by—

“(i) Amtrak; or

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

(b) *AMTRAK ROUTES WITH STATE FUNDING.*—

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

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

“(a) *CONTRACTS FOR TRANSPORTATION.*—Amtrak and a State, a regional or local authority, or another person may enter into a contract for Amtrak to operate an intercity rail service or route not included in the national rail

1 *passenger transportation system upon such terms as the*
 2 *parties thereto may agree.*

3 “(b) *DISCONTINUANCE.*—*Upon termination of a con-*
 4 *tract entered into under this section, or the cessation of fi-*
 5 *nancial support under such a contract by either party, Am-*
 6 *trak may discontinue such service or route, notwithstanding*
 7 *any other provision of law.”.*

8 (2) *CONFORMING AMENDMENT.*—*The chapter*
 9 *analysis for chapter 247 is amended by inserting*
 10 *after the item relating to section 24701 the following:*

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

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

15 (d) *APPLICABILITY OF SECTION 24706.*—*Section*
 16 *24706 is amended by adding at the end the following:*

17 “(c) *APPLICABILITY.*—*This section applies to all serv-*
 18 *ice over routes provided by Amtrak, notwithstanding any*
 19 *provision of section 24701 of this title or any other provi-*
 20 *sion of this title.”.*

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

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

24 **“§ 24302. Board of directors**

25 “(a) *COMPOSITION AND TERMS.*—

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

4 “(A) *The Secretary of Transportation.*

5 “(B) *The President of Amtrak.*

6 “(C) *7 individuals appointed by the Presi-*
7 *dent of the United States, by and with the advice*
8 *and consent of the Senate, with general business*
9 *and financial experience, experience or qualifica-*
10 *tions in transportation, freight and passenger*
11 *rail transportation, travel, hospitality, cruise*
12 *line, and passenger air transportation busi-*
13 *nesses, or representatives of users of passenger*
14 *rail transportation or State government.*

15 “(2) *In selecting individuals described in para-*
16 *graph (1) for nominations for appointments to the*
17 *Board, the President shall consult with the Speaker of*
18 *the House of Representatives, the Minority Leader of*
19 *the House of Representatives, the Majority Leader of*
20 *the Senate, and the Minority Leader of the Senate*
21 *and try to provide adequate and balanced representa-*
22 *tion of the major geographic regions of the United*
23 *States served by Amtrak.*

24 “(3) *An individual appointed under paragraph*
25 *(1)(C) of this subsection serves for 5 years or until the*

1 *individual's successor is appointed and qualified. Not*
2 *more than 4 individuals appointed under paragraph*
3 *(1)(C) may be members of the same political party.*

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

8 “(5) *The Secretary may be represented at board*
9 *meetings by the Secretary's designee.*

10 “(b) *PAY AND EXPENSES.—Each director not em-*
11 *ployed by the United States Government is entitled to \$300*
12 *a day when performing Board duties. Each Director is enti-*
13 *tled to reimbursement for necessary travel, reasonable secre-*
14 *tarial and professional staff support, and subsistence ex-*
15 *penses incurred in attending Board meetings.*

16 “(c) *VACANCIES.—A vacancy on the Board is filled in*
17 *the same way as the original selection, except that an indi-*
18 *vidual appointed by the President of the United States*
19 *under subsection (a)(1)(C) of this section to fill a vacancy*
20 *occurring before the end of the term for which the prede-*
21 *cessor of that individual was appointed is appointed for*
22 *the remainder of that term. A vacancy required to be filled*
23 *by appointment under subsection (a)(1)(C) must be filled*
24 *not later than 120 days after the vacancy occurs.*

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

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

7 (b) *EFFECTIVE DATE FOR DIRECTORS’ PROVISION*.—
8 The amendment made by subsection (a) shall take effect on
9 January 1, 2006. The members of the Amtrak Board serv-
10 ing on the date of enactment of this Act may continue to
11 serve for the remainder of the term to which they were ap-
12 pointed.

13 **SEC. 203. ESTABLISHMENT OF IMPROVED FINANCIAL AC-**
14 **COUNTING SYSTEM.**

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

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

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

24 (A) to enable Amtrak to assign revenues
25 and expenses appropriately to each of its lines of

1 *business and to each major activity within each*
 2 *line of business activity, including train oper-*
 3 *ations, equipment maintenance, ticketing, and*
 4 *reservations;*

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

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

12 *(D) to provide Amtrak cost accounting*
 13 *data.*

14 ***(b) VERIFICATION OF SYSTEM; REPORT.***—*The Inspec-*
 15 *tor General of the Department of Transportation shall re-*
 16 *view the accounting system designed and implemented*
 17 *under subsection (a) to ensure that it accomplishes the pur-*
 18 *poses for which it is intended. The Inspector General shall*
 19 *report his findings and conclusions, together with any rec-*
 20 *ommendations, to the Senate Committee on Commerce,*
 21 *Science, and Transportation and the House of Representa-*
 22 *tives Committee on Transportation and Infrastructure.*

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

24 ***(a) DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.***—*The*
 25 *Amtrak Board of Directors shall submit an annual budget*

1 *for Amtrak, and a 5-year financial plan for the fiscal year*
 2 *to which that budget relates and the subsequent 4 years,*
 3 *prepared in accordance with this section, to the Secretary*
 4 *of Transportation and the Inspector General of the Depart-*
 5 *ment of Transportation no later than—*

6 (1) *the first day of each fiscal year beginning*
 7 *after the date of enactment of this Act; or*

8 (2) *the date that is 60 days after the date of en-*
 9 *actment of an appropriation Act for the fiscal year,*
 10 *if later.*

11 (b) *CONTENTS OF 5-YEAR FINANCIAL PLAN.—The 5-*
 12 *year financial plan for Amtrak shall include, at a min-*
 13 *imum—*

14 (1) *all projected revenues and expenditures for*
 15 *Amtrak, including governmental funding sources;*

16 (2) *projected ridership levels for all Amtrak pas-*
 17 *senger operations;*

18 (3) *revenue and expenditure forecasts for non-*
 19 *passenger operations;*

20 (4) *capital funding requirements and expendi-*
 21 *tures necessary to maintain passenger service which*
 22 *will accommodate predicted ridership levels and pre-*
 23 *dicted sources of capital funding;*

24 (5) *operational funding needs, if any, to main-*
 25 *tain current and projected levels of passenger service,*

1 *including state-supported routes and predicted fund-*
 2 *ing sources;*

3 *(6) projected capital and operating requirements,*
 4 *ridership, and revenue for any new passenger service*
 5 *operations or service expansions;*

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

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

16 *(9) annual cash flow forecasts; and*

17 *(10) a statement describing methods of esti-*
 18 *mation and significant assumptions.*

19 *(c) STANDARDS TO PROMOTE FINANCIAL STA-*
 20 *BILITY.—In meeting the requirements of subsection (b), Am-*
 21 *trak shall—*

22 *(1) apply sound budgetary practices, including*
 23 *reducing costs and other expenditures, improving pro-*
 24 *ductivity, increasing revenues, or combinations of*
 25 *such practices;*

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

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

8 (d) *ASSESSMENT BY DOT INSPECTOR GENERAL.—*

9 (1) *IN GENERAL.—The Inspector General of the*
10 *Department of Transportation shall assess the 5-year*
11 *financial plans prepared by Amtrak under this sec-*
12 *tion to determine whether they meet the requirements*
13 *of subsection (b), and may suggest revisions to any*
14 *components thereof that do not meet those require-*
15 *ments.*

16 (2) *ASSESSMENT TO BE FURNISHED TO THE*
17 *CONGRESS.—The Inspector General shall furnish to*
18 *the House of Representatives Committee on Appro-*
19 *propriations, the Senate Committee on Appropriations,*
20 *the House of Representatives Committee on Transpor-*
21 *tation and Infrastructure, and the Senate Committee*
22 *on Commerce, Science, and Transportation—*

23 (A) *an assessment of the annual budget*
24 *within 90 days after receiving it from Amtrak;*
25 *and*

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

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

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

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

19 (c) *REVIEW AND APPROVAL.*—

20 (1) *30-DAY APPROVAL PROCESS.*—The Secretary
 21 shall complete the review of a complete grant request
 22 (including the disbursement schedule) and approve or
 23 disapprove the request within 30 days after the date
 24 on which Amtrak submits the grant request. If the
 25 Secretary disapproves the request or determines that

1 *the request is incomplete or deficient, the Secretary*
 2 *shall include the reason for disapproval or the incom-*
 3 *plete items or deficiencies in the notice to Amtrak.*

4 (2) *15-DAY MODIFICATION PERIOD.*—*Within 15*
 5 *days after receiving notification from the Secretary*
 6 *under the preceding sentence, Amtrak shall submit a*
 7 *modified request for the Secretary’s review.*

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

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

19 (a) *IN GENERAL.*—*Within 2 years after the date of en-*
 20 *actment of this Act, the Board of Directors of Amtrak, in*
 21 *consultation with the Secretary of Transportation and the*
 22 *chief executive officer of each State and the District of Co-*
 23 *lumbia, shall develop and implement a standardized meth-*
 24 *odology for establishing and allocating the operating and*
 25 *capital costs among the States and Amtrak associated with*

1 trains operated on routes described in section 24102(5)(B)
2 or (D) or section 24702 that—

3 (1) ensures, within 5 years after the date of en-
4 actment of this Act, equal treatment in the provision
5 of like services of all States and groups of States (in-
6 cluding the District of Columbia); and

7 (2) allocates to each route the costs incurred only
8 for the benefit of that route and a proportionate
9 share, based upon factors that reasonably reflect rel-
10 ative use, of cost incurred for the common benefit of
11 more than 1 route.

12 (b) REVIEW.—If Amtrak and the States (including the
13 District of Columbia) in which Amtrak operates such routes
14 do not voluntarily adopt and implement the methodology
15 developed under subsection (a) in allocating costs and deter-
16 mining compensation for the provision of service in accord-
17 ance with the date established therein, the Surface Trans-
18 portation Board shall determine the appropriate method-
19 ology required under subsection (a) for such services in ac-
20 cordance with the procedures and procedural schedule ap-
21 plicable to a proceeding under section 24904(c) of title 49,
22 United States Code, and require the full implementation
23 of this methodology with regards to the provision of such
24 service within 1 year after the Board's determination of the
25 appropriate methodology.

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

5 **SEC. 207. INDEPENDENT AUDITOR TO ESTABLISH METH-**
 6 **ODOLOGIES FOR AMTRAK ROUTE AND SERV-**
 7 **ICE PLANNING DECISIONS.**

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

17 (1) *the current or expected performance and*
 18 *service quality of intercity train operations, including*
 19 *cost recovery, on-time performance and minutes of*
 20 *delay, ridership, on-board services, stations, facilities,*
 21 *equipment, and other services;*

22 (2) *connectivity of a route with other routes;*

23 (3) *the transportation needs of communities and*
 24 *populations that are not well served by other forms of*
 25 *public transportation; and*

1 (4) *Amtrak's and other major intercity passenger*
2 *rail service providers in other countries' methodologies*
3 *for determining intercity passenger rail routes and*
4 *services.*

5 (b) *SUBMITTAL TO CONGRESS.—The auditor or con-*
6 *sultant shall submit recommendations developed under sub-*
7 *section (a) to Amtrak, the House of Representatives Com-*
8 *mittee on Transportation and Infrastructure, and the Sen-*
9 *ate Committee on Commerce, Science, and Transportation.*

10 (c) *CONSIDERATION OF RECOMMENDATIONS.—Within*
11 *90 days after receiving the recommendations developed*
12 *under subsection (a) by the independent auditor or consult-*
13 *ant, the Amtrak Board shall consider the adoption of those*
14 *recommendations. The Board shall transmit a report to the*
15 *Senate Committee on Commerce, Science, and Transpor-*
16 *tation and the House of Representatives Committee on*
17 *Transportation and Infrastructure explaining its action in*
18 *adopting or failing to adopt any of the recommendations.*

19 (d) *AUTHORIZATION OF APPROPRIATIONS.—There are*
20 *authorized to be made available to the Secretary of Trans-*
21 *portation, out of any amounts authorized by this Act to*
22 *be appropriated for the benefit of Amtrak and not otherwise*
23 *obligated or expended, such sums as may be necessary to*
24 *carry out this section.*

1 (e) *PIONEER ROUTE*.—Within 2 years after the date
 2 of enactment of this Act, Amtrak shall conduct a 1-time
 3 evaluation of the Pioneer Route formerly operated by Am-
 4 trak to determine, using methodologies adopted under sub-
 5 section (c), whether a level of passenger demand exists that
 6 would warrant consideration of reinstating the entire Pio-
 7 neer Route service or segments of that service.

8 **SEC. 208. METRICS AND STANDARDS.**

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

1 receiving Amtrak service and the transportation needs of
 2 communities and populations that are not well-served by
 3 other forms of public transportation.. Amtrak shall provide
 4 reasonable access to the Federal Railroad Administration
 5 in order to enable the Administration to carry out its duty
 6 under this section.

7 (b) *QUARTERLY REPORTS.*—The Administrator of the
 8 Federal Railroad Administration shall collect the necessary
 9 data and publish a quarterly report on the performance and
 10 service quality of intercity train operations, including cost
 11 recovery, ridership, on-time performance and minutes of
 12 delay, causes of delay, on-board services, stations, facilities,
 13 equipment, and other services.

14 **SEC. 209. PASSENGER TRAIN PERFORMANCE.**

15 (a) *IN GENERAL.*—Section 24308 is amended by add-
 16 ing at the end the following:

17 “(f) *PASSENGER TRAIN PERFORMANCE AND OTHER*
 18 *STANDARDS.*—

19 “(1) *INVESTIGATION OF SUBSTANDARD PER-*
 20 *FORMANCE.*—If the on-time performance of any inter-
 21 city passenger train averages less than 80 percent for
 22 any 2 consecutive calendar quarters, or the service
 23 quality of intercity train operations for which min-
 24 imum standards are established under section 208 of
 25 the Passenger Rail Investment and Improvement Act

1 *of 2005 fails to meet those standards for 2 consecutive*
 2 *calendar quarters, the Surface Transportation Board*
 3 *shall investigate whether, and to what extent, delays*
 4 *or failure to achieve minimum standards are due to*
 5 *causes that could reasonably be addressed by a rail*
 6 *carrier over the tracks of which the intercity pas-*
 7 *senger train operates or reasonably addressed by the*
 8 *intercity passenger rail operator. In carrying out*
 9 *such an investigation, the Board shall obtain infor-*
 10 *mation from all parties involved and make rec-*
 11 *ommendations regarding reasonable measures to im-*
 12 *prove the service, quality, and on-time performance of*
 13 *the train.*

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

22 *“(3) PENALTIES.—*

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

1 “(A) *fairly reflect the extent to which Am-*
 2 *trak suffers financial loss as a result of host rail*
 3 *carrier delays or failure to achieve minimum*
 4 *standards; and*

5 “(B) *will adequately deter future actions*
 6 *which may reasonably be expected to be likely to*
 7 *result in delays to Amtrak.*

8 “(B) *ASSESSMENT.—The Board may assess*
 9 *these penalties upon a host rail carrier.*

10 “(C) *USE.—The Board shall make any*
 11 *amounts received as penalties under this para-*
 12 *graph available to Amtrak.”.*

13 (b) *CHANGE OF REFERENCE.—Section 24308 is*
 14 *amended—*

15 (1) *by striking “Interstate Commerce Commis-*
 16 *sion” in subsection (a)(2)(A) and inserting “Surface*
 17 *Transportation Board”;*

18 (2) *by striking “Commission” each place it ap-*
 19 *pears and inserting “Board”;*

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

22 **SEC. 210. LONG DISTANCE ROUTES.**

23 (a) *IN GENERAL.—Chapter 247 is amended by adding*
 24 *at the end thereof the following:*

1 **“§ 24710. Long distance routes**

2 “(a) *ANNUAL EVALUATION.*—Using the financial and
3 performance metrics developed under section 208 of the Pas-
4 senger Rail Investment and Improvement Act of 2005, Am-
5 trak shall—

6 “(1) *evaluate annually the performance of each*
7 *long distance passenger rail route operated by Am-*
8 *trak; and*

9 “(2) *rank the overall performance of such routes*
10 *for 2006 and identify each long distance passenger*
11 *rail route operated by Amtrak in 2006 according to*
12 *its overall performance as belonging to the best per-*
13 *forming third of such routes, the second best per-*
14 *forming third of such routes, or the worst performing*
15 *third of such routes.*

16 “(b) *PERFORMANCE IMPROVEMENT PLAN.*—Amtrak
17 shall develop a performance improvement plan for its long
18 distance passenger rail routes based on the data collected
19 through the application of the financial and performance
20 metrics developed under section 208 of that Act. The plan
21 shall address—

22 “(1) *on-time performance;*

23 “(2) *scheduling, frequency, routes, and stops;*

24 “(3) *the feasibility of restructuring service into*
25 *connected corridor service;*

1 “(4) performance-related equipment changes and
2 capital improvements;

3 “(5) on-board amenities and service, including
4 food, first class, and sleeping car service;

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

7 “(7) other aspects of Amtrak’s long distance pas-
8 senger rail routes that affect the financial, competi-
9 tive, and functional performance of service on Am-
10 trak’s long distance passenger rail routes.

11 “(c) IMPLEMENTATION.—Amtrak shall implement the
12 performance improvement plan developed under subsection
13 (b)—

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

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

20 “(3) beginning in fiscal year 2009 for those
21 routes identified as being in the best performing third
22 under subsection (a)(3).

23 “(d) ENFORCEMENT.—The Federal Railroad Adminis-
24 tration shall monitor the development, implementation, and
25 outcome of improvement plans under this section. If, for

1 *any year, it determines that Amtrak is not making reason-*
 2 *able progress in implementing its performance improve-*
 3 *ment plan or in achieving the expected outcome of the plan*
 4 *for any calendar year, the Federal Railroad Administra-*
 5 *tion—*

6 “(1) shall notify Amtrak of its determination
 7 under this subsection;

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

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

15 (b) **CONFORMING AMENDMENT.**—*The chapter analysis*
 16 *for chapter 247 is amended by inserting after the item relat-*
 17 *ing to section 24709 the following:*

 “24710. Long distance routes.”.

18 **SEC. 211. ALTERNATE PASSENGER RAIL SERVICE PROGRAM.**

19 (a) **IN GENERAL.**—*Chapter 247, as amended by sec-*
 20 *tion 209, is amended by adding at the end thereof the fol-*
 21 *lowing:*

22 **“§ 24711. Alternate passenger rail service program**

23 “(a) **IN GENERAL.**—*Within 1 year after the date of*
 24 *enactment of the Passenger Rail Investment and Improve-*
 25 *ment Act of 2005, the Federal Railroad Administration*

1 *shall initiate a rulemaking proceeding to develop a program*
2 *under which—*

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

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

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

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

24 “(B) *an operating subsidy will be pro-*
25 *vided—*

1 “(i) for the first year at a level not in
 2 excess of the level in effect during the fiscal
 3 year preceding the fiscal year in which the
 4 petition was received, adjusted for inflation;
 5 and

6 “(ii) for any subsequent years at such
 7 level, adjusted for inflation.

8 “(b) *IMPLEMENTATION.*—

9 “(1) *INITIAL PETITIONS.*—Pursuant to any rules
 10 or regulations promulgated under subsection (A), the
 11 Administration shall establish a deadline for the sub-
 12 mission of a petition under subsection (a)—

13 “(A) during fiscal year 2007 for operations
 14 commencing in fiscal year 2008; and

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

18 “(2) *ROUTE LIMITATIONS.*—The Administration
 19 may not make the program available with respect to
 20 more than 1 Amtrak passenger rail routes for oper-
 21 ations beginning in fiscal year 2008 nor to more than
 22 2 such routes for operations beginning in fiscal year
 23 2010 and subsequent fiscal years.

24 “(c) *PERFORMANCE STANDARDS; ACCESS TO FACILI-*
 25 *TIES; EMPLOYEES.*—If the Administration awards the right

1 *and obligation to provide passenger rail service over a route*
2 *under the program to a rail carrier or rail carriers—*

3 “(1) *it shall execute a contract with the rail car-*
4 *rier or rail carriers for rail passenger operations on*
5 *that route that conditions the operating and subsidy*
6 *rights upon—*

7 “(A) *the service provider continuing to pro-*
8 *vide passenger rail service on the route that is no*
9 *less frequent, nor over a shorter distance, than*
10 *Amtrak provided on that route before the award;*
11 *and*

12 “(B) *the service provider’s compliance with*
13 *the minimum standards established under sec-*
14 *tion 208 of the Passenger Rail Investment and*
15 *Improvement Act of 2005 and such additional*
16 *performance standards as the Administration*
17 *may establish;*

18 “(2) *it shall, if the award is made to a rail car-*
19 *rier other than Amtrak, require Amtrak to provide*
20 *access to its reservation system, stations, and facili-*
21 *ties to any rail carrier or rail carriers awarded a*
22 *contract under this section, in accordance with sec-*
23 *tion 218 of that Act, necessary to carry out the pur-*
24 *poses of this section; and*

1 “(3) any person used by a rail carrier or rail
2 carriers (as defined in section 10102(5) of this title)
3 to operate a route under this section shall be consid-
4 ered an employee of that carrier or carriers and sub-
5 ject to the applicable Federal laws and regulations
6 governing similar crafts or classes of employees of
7 Amtrak, including provisions under section 121 of the
8 Amtrak Reform and Accountability Act of 1997 relat-
9 ing to employees that provide food and beverage serv-
10 ice.

11 “(d) CESSATION OF SERVICE.—If a rail carrier or rail
12 carriers awarded a route under this section cease to operate
13 the service or fail to fulfill their obligations under the con-
14 tract required under subsection (c), the Administrator, in
15 collaboration with the Surface Transportation Board when
16 applicable, shall take any necessary action consistent with
17 this title to enforce the contract and ensure the continued
18 provision of service, including the installment of an interim
19 service provider and re-bidding the contract to operate the
20 service.

21 “(e) ADEQUATE RESOURCES.—Before taking any ac-
22 tion allowed under this section, the Secretary shall certify
23 that the Administrator has sufficient resources that are ade-
24 quate to undertake the program established under this sec-
25 tion.”.

1 (b) *CONFORMING AMENDMENT.*—*The chapter analysis*
 2 *for chapter 247, as amended by section 209, is amended*
 3 *by inserting after the item relating to section 24710 the fol-*
 4 *lowing:*

“24711. *Alternate passenger rail service program.*”.

5 **SEC. 212. EMPLOYEE TRANSITION ASSISTANCE.**

6 (a) *PROVISION OF FINANCIAL INCENTIVES.*—*For Am-*
 7 *trak employees who are adversely affected by the cessation*
 8 *of the operation of a long distance route or any other route*
 9 *under section 24711 of title 49, United States Code, pre-*
 10 *viously operated by Amtrak, the Secretary shall develop a*
 11 *program under which the Secretary may, in the Secretary’s*
 12 *discretion, provide grants for financial incentives to be pro-*
 13 *vided to employees of the National Railroad Passenger Cor-*
 14 *poration who voluntarily terminate their employment with*
 15 *the Corporation and relinquish any legal rights to receive*
 16 *termination-related payments under any contractual agree-*
 17 *ment with the Corporation.*

18 (b) *CONDITIONS FOR FINANCIAL INCENTIVES.*—*As a*
 19 *condition for receiving financial assistance grants under*
 20 *this section, the Corporation must certify that—*

21 (1) *a reasonable attempt was made to reassign*
 22 *an employee adversely affected under section 24711 of*
 23 *title 49, United States Code, or by the elimination of*
 24 *any route, to other positions within the Corporation*
 25 *in accordance with any contractual agreements;*

1 (2) *the financial assistance results in a net re-*
 2 *duction in the total number of employees equal to the*
 3 *number receiving financial incentives;*

4 (3) *the financial assistance results in a net re-*
 5 *duction in total employment expense equivalent to the*
 6 *total employment expenses associated with the em-*
 7 *ployees receiving financial incentives; and*

8 (4) *the total number of employees eligible for ter-*
 9 *mination-related payments will not be increased*
 10 *without the express written consent of the Secretary.*

11 (c) *AMOUNT OF FINANCIAL INCENTIVES.—The finan-*
 12 *cial incentives authorized under this section may be no*
 13 *greater than \$50,000 per employee.*

14 (d) *AUTHORIZATION OF APPROPRIATIONS.—There are*
 15 *hereby authorized to be appropriated to the Secretary such*
 16 *sums as may be necessary to make grants to the National*
 17 *Railroad Passenger Corporation to provide financial incen-*
 18 *tives under subsection (a).*

19 (e) *TERMINATION-RELATED PAYMENTS.—If Amtrak*
 20 *employees adversely affected by the cessation of Amtrak*
 21 *service resulting from the awarding of a grant to an oper-*
 22 *ator other than Amtrak for the operation of a route under*
 23 *section 24711 of title 49, United States Code, or any other*
 24 *route, previously operated by Amtrak do not receive finan-*
 25 *cial incentives under subsection (a), then the Secretary shall*

1 *make grants to the National Railroad Passenger Corpora-*
 2 *tion from funds authorized by section 102 of this Act for*
 3 *termination-related payments to employees under existing*
 4 *contractual agreements.*

5 **SEC. 213. NORTHEAST CORRIDOR STATE-OF-GOOD-REPAIR**
 6 **PLAN.**

7 (a) *IN GENERAL.*—Within 6 months after the date of
 8 enactment of this Act, the National Railroad Passenger Cor-
 9 poration, in consultation with the Secretary and the States
 10 (including the District of Columbia) that make up the
 11 Northeast Corridor (as defined in section 24102 of title 49,
 12 United States Code), shall prepare a capital spending plan
 13 for capital projects required to return the Northeast Cor-
 14 ridor to a state of good repair by the end of fiscal year
 15 2011, consistent with the funding levels authorized in this
 16 Act and shall submit the plan to the Secretary.

17 (b) *APPROVAL BY THE SECRETARY.*—

18 (1) *The Corporation shall submit the capital*
 19 *spending plan prepared under this section to the Sec-*
 20 *retary of Transportation for review and approval*
 21 *pursuant to the procedures developed under section*
 22 *205 of this Act.*

23 (2) *The Secretary of Transportation shall require*
 24 *that the plan be updated at least annually and shall*
 25 *review and approve such updates. During review, the*

1 *Secretary shall seek comments and review from the*
 2 *commission established under section 24905 of title*
 3 *49, United States Code, and other Northeast Corridor*
 4 *users regarding the plan.*

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

10 *(c) ELIGIBILITY OF EXPENDITURES.—The Federal*
 11 *share of expenditures for capital improvements under this*
 12 *section may not exceed 100 percent.*

13 **SEC. 214. NORTHEAST CORRIDOR INFRASTRUCTURE AND**
 14 **OPERATIONS IMPROVEMENTS.**

15 *Section 24905 is amended to read as follows:*

16 **“§24905. Northeast Corridor Infrastructure and Op-**
 17 **erations Advisory Commission; Safety and**
 18 **Security Committee.**

19 **“(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND**
 20 **OPERATIONS ADVISORY COMMISSION.—**

21 **“(1) Within 180 days after the date of enactment**
 22 **of the Passenger Rail Investment and Improvement**
 23 **Act of 2005, the Secretary of Transportation shall es-**
 24 **tablish a Northeast Corridor Infrastructure and Oper-**
 25 **ations Advisory Commission (hereinafter referred to**

1 *in this section as the ‘Commission’ to promote mu-*
2 *tual cooperation and planning pertaining to the rail*
3 *operations and related activities of the Northeast Cor-*
4 *ridor. The Commission shall be made up of—*

5 “(A) *members representing the National*
6 *Railroad Passenger Corporation;*

7 “(B) *members representing the Federal*
8 *Railroad Administration; and*

9 “(C) *1 member from each of the States (in-*
10 *cluding the District of Columbia) that constitute*
11 *the Northeast Corridor as defined in section*
12 *24102, designated by the chief executive officer*
13 *thereof.*

14 “(2) *The Secretary shall ensure that the member-*
15 *ship belonging to any of the groups enumerated under*
16 *subparagraph (1) shall not constitute a majority of*
17 *the commission’s memberships.*

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

23 “(4) *A vacancy in the Commission shall be filled*
24 *in the manner in which the original appointment was*
25 *made.*

1 “(5) *Members shall serve without pay but shall*
2 *receive travel expenses, including per diem in lieu of*
3 *subsistence, in accordance with sections 5702 and*
4 *5703 of title 5, United States Code.*

5 “(6) *The Chairman of the Commission shall be*
6 *elected by the members.*

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

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

15 “(9) *Upon the request of the Commission, the*
16 *Administrator of General Services shall provide to the*
17 *Commission, on a reimbursable basis, the administra-*
18 *tive support services necessary for the Commission to*
19 *carry out its responsibilities under this section.*

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

23 “(b) *GENERAL RECOMMENDATIONS.—The Commission*
24 *shall develop recommendations concerning northeast cor-*

1 *ridor rail infrastructure and operations including pro-*
 2 *posals addressing, as appropriate—*

3 “(1) *short-term and long term capital investment*
 4 *needs beyond the state-of-good-repair under section*
 5 *213;*

6 “(2) *future funding requirements for capital im-*
 7 *provements and maintenance;*

8 “(3) *operational improvements of intercity pas-*
 9 *senger rail, commuter rail, and freight rail services;*

10 “(4) *opportunities for additional non-rail uses of*
 11 *the Northeast Corridor;*

12 “(5) *scheduling and dispatching;*

13 “(6) *safety and security enhancements;*

14 “(7) *equipment design;*

15 “(8) *marketing of rail services; and*

16 “(9) *future capacity requirements.*

17 “(c) *ACCESS COSTS.—*

18 “(1) *DEVELOPMENT OF FORMULA.—Within 1*
 19 *year after verification of Amtrak’s new financial ac-*
 20 *counting system pursuant to section 203(b) of the*
 21 *Passenger Rail Investment and Improvement Act of*
 22 *2005, the Commission shall—*

23 “(A) *develop a standardized formula for de-*
 24 *termining and allocating costs, revenues, and*
 25 *compensation for northeast corridor commuter*

1 *rail passenger transportation, as defined in sec-*
 2 *tion 24102 of this title, that use National Rail-*
 3 *road Passenger Corporation facilities or services*
 4 *or that provide such facilities or services to the*
 5 *National Railroad Passenger Corporation that*
 6 *ensure that—*

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

10 *“(ii) each service is assigned the costs*
 11 *incurred only for the benefit of that service,*
 12 *and a proportionate share, based upon fac-*
 13 *tors that reasonably reflect relative use, of*
 14 *costs incurred for the common benefit of*
 15 *more than 1 service;*

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

20 *“(C) transmit the proposed timetable to the*
 21 *Surface Transportation Board.*

22 *“(2) IMPLEMENTATION.—The National Railroad*
 23 *Passenger Corporation and the commuter authorities*
 24 *providing commuter rail passenger transportation on*
 25 *the northeast corridor shall implement new agree-*

1 *ments for usage of facilities or services based on the*
 2 *formula proposed in paragraph (1) in accordance*
 3 *with the timetable established therein. If the parties*
 4 *fail to implement such new agreements in accordance*
 5 *with the timetable, the parties shall—*

6 *“(A) submit any dispute regarding such im-*
 7 *plementation to binding arbitration conducted*
 8 *by a mutually agreed upon arbitrator and com-*
 9 *ply with the decision of that arbitrator; or*

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

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

21 *“(e) NORTHEAST CORRIDOR SAFETY COMMITTEE.—*

22 *“(1) IN GENERAL.—The Secretary shall establish*
 23 *a Northeast Corridor Safety and Security Committee*
 24 *composed of members appointed by the Secretary. The*
 25 *members shall be representatives of—*

1 “(A) *the Secretary;*

2 “(B) *Amtrak;*

3 “(C) *freight carriers operating more than*
4 *150,000 train miles a year on the main line of*
5 *the Northeast Corridor;*

6 “(D) *commuter agencies;*

7 “(E) *rail passengers;*

8 “(F) *rail labor;*

9 “(G) *the Transportation Security Adminis-*
10 *tration; and*

11 “(H) *other individuals and organizations*
12 *the Secretary decides have a significant interest*
13 *in rail safety.*

14 “(2) *FUNCTION; MEETINGS.—The Secretary shall*
15 *consult with the Committee about safety and security*
16 *improvements on the Northeast Corridor main line.*
17 *The Committee shall meet at least once every 2 years*
18 *to consider safety matters on the main line.*

19 “(3) *REPORT.—At the beginning of the first ses-*
20 *sion of each Congress, the Secretary shall submit a re-*
21 *port to the Commission and to Congress on the status*
22 *of efforts to improve safety and security on the North-*
23 *east Corridor main line. The report shall include the*
24 *safety recommendations of the Committee and the*
25 *comments of the Secretary on those recommendations.*

1 “(4) *TERMINATION.*—*The Committee shall cease*
 2 *to exist on January 1, 2009, or on another date the*
 3 *Secretary decides is appropriate. The Secretary shall*
 4 *notify Congress in writing of a decision to terminate*
 5 *the Committee on another date.*”.

6 **SEC. 215. RESTRUCTURING LONG-TERM DEBT AND CAPITAL**
 7 **LEASES.**

8 (a) *IN GENERAL.*—*The Secretary of the Treasury, in*
 9 *consultation with the Secretary of Transportation and Am-*
 10 *trak, may make agreements to restructure Amtrak’s indebt-*
 11 *edness as of the date of enactment of this Act. This author-*
 12 *ization expires on January 1, 2007.*

13 (b) *DEBT RESTRUCTURING.*—*The Secretary of Treas-*
 14 *ury, in consultation with the Secretary of the Transpor-*
 15 *tation and Amtrak, shall enter into negotiations with the*
 16 *holders of Amtrak debt, including leases, outstanding on the*
 17 *date of enactment of this Act for the purpose of restruc-*
 18 *turing (including repayment) and repaying that debt. The*
 19 *Secretary of the Treasury may secure agreements for re-*
 20 *structuring or repayment on such terms as the Secretary*
 21 *of the Treasury deems favorable to the interests of the Gov-*
 22 *ernment.*

23 (c) *CRITERIA.*—*In restructuring Amtrak’s indebted-*
 24 *ness, the Secretary and Amtrak—*

1 (1) *shall take into consideration repayment costs,*
 2 *the term of any loan or loans, and market conditions;*
 3 *and*

4 (2) *shall ensure that the restructuring results in*
 5 *significant savings to Amtrak and the United States*
 6 *Government.*

7 (d) *PAYMENT OF RENEGOTIATED DEBT.—If the cri-*
 8 *teria under subsection (c) are met, the Secretary of Treas-*
 9 *ury shall assume or repay the restructured debt, as appro-*
 10 *priate.*

11 (e) *AMTRAK PRINCIPAL AND INTEREST PAYMENTS.—*

12 (1) *PRINCIPAL ON DEBT SERVICE.—Unless the*
 13 *Secretary of Treasury makes sufficient payments to*
 14 *creditors under subsection (d) so that Amtrak is re-*
 15 *quired to make no payments to creditors in a fiscal*
 16 *year, the Secretary of Transportation shall use funds*
 17 *authorized by section 103(a)(1) for the use of Amtrak*
 18 *for retirement of principal on loans for capital equip-*
 19 *ment, or capital leases.*

20 (2) *INTEREST ON DEBT.—Unless the Secretary of*
 21 *Treasury makes sufficient payments to creditors*
 22 *under subsection (d) so that Amtrak is required to*
 23 *make no payments to creditors in a fiscal year, the*
 24 *Secretary of Transportation shall use funds author-*
 25 *ized by section 103(a)(2) for the use of Amtrak for the*

1 *payment of interest on loans for capital equipment,*
 2 *or capital leases.*

3 (3) *REDUCTIONS IN AUTHORIZATION LEVELS.—*

4 *Whenever action taken by the Secretary of the Treas-*
 5 *ury under subsection (a) results in reductions in*
 6 *amounts of principal or interest that Amtrak must*
 7 *service on existing debt, the corresponding amounts*
 8 *authorized by section 103(a)(1) or (2) shall be reduced*
 9 *accordingly.*

10 (f) *LEGAL EFFECT OF PAYMENTS UNDER THIS SEC-*
 11 *TION.—The payment of principal and interest on secured*
 12 *debt, other than debt assumed under subsection (d), with*
 13 *the proceeds of grants under subsection (e) shall not—*

14 (1) *modify the extent or nature of any indebted-*
 15 *ness of the National Railroad Passenger Corporation*
 16 *to the United States in existence of the date of enact-*
 17 *ment of this Act;*

18 (2) *change the private nature of Amtrak's or its*
 19 *successors' liabilities; or*

20 (3) *imply any Federal guarantee or commitment*
 21 *to amortize Amtrak's outstanding indebtedness.*

22 (g) *SECRETARY APPROVAL.—Amtrak may not incur*
 23 *more debt after the date of enactment of this Act without*
 24 *the express advance approval of the Secretary of Transpor-*
 25 *tation.*

1 (h) *REPORT.*—*The Secretary of the Treasury shall*
 2 *transmit a report to the Senate Committee on Commerce,*
 3 *Science, and Transportation, the Senate Committee on Ap-*
 4 *propriations, the House of Representatives Committee on*
 5 *Transportation and Infrastructure, and the House of Rep-*
 6 *resentatives Committee on Appropriations by June 1,*
 7 *2007—*

8 (1) *describing in detail any agreements to re-*
 9 *structure the Amtrak debt; and*

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

12 **SEC. 216. STUDY OF COMPLIANCE REQUIREMENTS AT EX-**
 13 **ISTING INTERCITY RAIL STATIONS.**

14 *Amtrak shall evaluate the improvements necessary to*
 15 *make all existing stations it serves readily accessible to and*
 16 *usable by individuals with disabilities, as required by sec-*
 17 *tion 242(e)(2) of the Americans with Disabilities Act of*
 18 *1990 (42 U.S.C. 12162(e)(2)). The evaluation shall include*
 19 *the estimated cost of the improvements necessary, the identi-*
 20 *fication of the responsible person (as defined in section*
 21 *241(5) of that Act (42 U.S.C. 12161(5))), and the earliest*
 22 *practicable date when such improvements can be made. Am-*
 23 *trak shall submit the survey to the Senate Committee on*
 24 *Commerce, Science, and Transportation, the House of Rep-*
 25 *resentatives Committee on Transportation and Infrastruc-*

1 ture, and the National Council on Disability by September
 2 30, 2006, along with recommendations for funding the nec-
 3 essary improvements.

4 **SEC. 217. INCENTIVE PAY.**

5 *The Amtrak Board of Directors is encouraged to de-*
 6 *velop an incentive pay program for Amtrak employees.*

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

8 *If a State desires to select or selects an entity other*
 9 *than Amtrak to provide services required for the operation*
 10 *of a route described in section 24102(5)(D) or 24702 of title*
 11 *49, United States Code, the State may make an agreement*
 12 *with Amtrak to use facilities and equipment of, or have*
 13 *services provided by, Amtrak under terms agreed to by the*
 14 *State and Amtrak to enable the State to utilize an entity*
 15 *other than Amtrak to provide services required for operation*
 16 *of the route. If the parties cannot agree upon terms, and*
 17 *the Surface Transportation Board finds that access to Am-*
 18 *trak's facilities or equipment, or the provision of services*
 19 *by Amtrak, is necessary to carry out this provision and*
 20 *that the operation of Amtrak's other services will not be im-*
 21 *paired thereby, the Surface Transportation Board shall,*
 22 *within 120 days after submission of the dispute, issue an*
 23 *order that the facilities and equipment be made available,*
 24 *and that services be provided, by Amtrak, and shall deter-*
 25 *mine reasonable compensation, liability and other terms for*

1 *use of the facilities and equipment and provision of the*
 2 *services. Compensation shall be determined in accord with*
 3 *the methodology established pursuant to section 206 of this*
 4 *Act.*

5 **SEC. 219. GENERAL AMTRAK PROVISIONS.**

6 *(a) REPEAL OF SELF-SUFFICIENCY REQUIREMENTS.*

7 *(1) TITLE 49 AMENDMENTS.—Chapter 241 is*
 8 *amended—*

9 *(A) by striking the last sentence of section*
 10 *24101(d); and*

11 *(B) by striking the last sentence of section*
 12 *24104(a).*

13 *(2) AMTRAK REFORM AND ACCOUNTABILITY ACT*
 14 *AMENDMENTS.—Title II of the Amtrak Reform and*
 15 *Accountability Act of 1997 (49 U.S.C. 24101 nt) is*
 16 *amended by striking sections 204 and 205.*

17 *(3) COMMON STOCK REDEMPTION DATE.—Sec-*
 18 *tion 415 of the Amtrak Reform and Accountability*
 19 *Act of 1997 (49 U.S.C. 24304 nt) is amended by*
 20 *striking subsection (b).*

21 *(b) LEASE ARRANGEMENTS.—Amtrak may obtain*
 22 *services from the Administrator of General Services, and*
 23 *the Administrator may provide services to Amtrak, under*
 24 *section 201(b) and 211(b) of the Federal Property and Ad-*

1 *ministrative Service Act of 1949 (40 U.S.C. 481(b) and*
2 *491(b)) for each of fiscal years 2006 through 2011.*

3 **SEC. 220. PRIVATE SECTOR FUNDING OF PASSENGER**
4 **TRAINS.**

5 *Amtrak is encouraged to increase its operation of*
6 *trains funded by the private sector in order to minimize*
7 *its need for Federal subsidies. Amtrak shall utilize the pro-*
8 *visions of section 24308 of title 49, United States Code,*
9 *when necessary to obtain access to facilities, train and en-*
10 *gine crews, or services of a rail carrier or regional transpor-*
11 *tation authority that are required to operate such trains.*

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

13 *(a) IN GENERAL.—Within 1 year after metrics and*
14 *standards are established under section 208 of this Act, Am-*
15 *trak shall develop and implement a plan to improve on-*
16 *board service pursuant to the metrics and standards for*
17 *such service developed under that section.*

18 *(b) REPORT.—Amtrak shall provide a report to the*
19 *Senate Committee on Commerce, Science, and Transpor-*
20 *tation and the House of Representatives Committee on*
21 *Transportation and Infrastructure on the on-board service*
22 *improvements proscribed in the plan and the timeline for*
23 *implementing such improvements.*

**TITLE III—INTERCITY
PASSENGER RAIL POLICY**

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

(a) *IN GENERAL.*—Part C of subtitle V is amended 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.

§ 24401. Definitions

“In this subchapter:

“(1) APPLICANT.—The term ‘applicant’ means a State (including the District of Columbia), a group of States, an Interstate Compact, or a public agency established by one or more States and having responsibility for providing intercity passenger rail service.

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

“(A) acquiring, constructing, improving, or inspecting equipment or a facility for use in or for the primary benefit of intercity passenger rail service, expenses incidental to the acquisition or construction (including designing, engi-

neering, location surveying, mapping, environmental studies, and acquiring rights-of-way), payments for the capital portions of rail track-age rights agreements, highway-rail grade crossing improvements related to intercity passenger rail service, security, mitigating environmental impacts, communication and signalization improvements, relocation assistance, acquiring replacement housing sites, and acquiring, constructing, relocating, and rehabilitating replacement housing;

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

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

“(D) the first-dollar liability costs for insurance related to the provision of intercity passenger rail service under section 24404.

“(3) *INTERCITY PASSENGER RAIL SERVICE*.—The term ‘intercity passenger rail service’ means transportation services with the primary purpose of passenger transportation between towns, cities and metropolitan areas by rail, including high-speed rail, as

1 *defined in section 24102 of title 49, United States*
 2 *Code.*

3 **“§24402. Capital investment grants to support inter-**
 4 **city passenger rail service.**

5 “(a) *GENERAL AUTHORITY.*—

6 “(1) *The Secretary of Transportation may make*
 7 *grants under this section to an applicant to assist in*
 8 *financing the capital costs of facilities and equipment*
 9 *necessary to provide or improve intercity passenger*
 10 *rail transportation.*

11 “(2) *The Secretary shall require that a grant*
 12 *under this section be subject to the terms, conditions,*
 13 *requirements, and provisions the Secretary decides*
 14 *are necessary or appropriate for the purposes of this*
 15 *section, including requirements for the disposition of*
 16 *net increases in value of real property resulting from*
 17 *the project assisted under this section and shall pre-*
 18 *scribe procedures and schedules for the awarding of*
 19 *grants under this title, including application and*
 20 *qualification procedures and a record of decision on*
 21 *applicant eligibility. The Secretary shall issue a final*
 22 *rule establishing such procedures not later than 90*
 23 *days after the date of enactment of the Passenger Rail*
 24 *Investment and Improvement Act of 2005.*

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

1 “(1) *The Secretary may not approve a grant for*
 2 *a project under this section unless the Secretary finds*
 3 *that the project is part of a State rail plan developed*
 4 *under chapter 225 of this title and that the applicant*
 5 *or recipient has or will have the legal, financial, and*
 6 *technical capacity to carry out the project, satisfac-*
 7 *tory continuing control over the use of the equipment*
 8 *or facilities, and the capability and willingness to*
 9 *maintain the equipment or facilities.*

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

13 “(3) *If an applicant has not selected the pro-*
 14 *posed operator of its service competitively, the appli-*
 15 *cant shall provide written justification to the Sec-*
 16 *retary showing why the proposed operator is the best,*
 17 *taking into account price and other factors, and that*
 18 *use of the proposed operator will not unnecessarily in-*
 19 *crease the cost of the project.*

20 “(c) *PROJECT SELECTION CRITERIA.—The Secretary,*
 21 *in selecting the recipients of financial assistance to be pro-*
 22 *vided under subsection (a), shall—*

23 “(1) *require that each proposed project meet all*
 24 *safety and security requirements that are applicable*
 25 *to the project under law;*

1 “(2) give preference to projects with high levels
2 of estimated ridership, increased on-time perform-
3 ance, reduced trip time, additional service frequency,
4 or other significant service enhancements as measured
5 against minimum standards developed under section
6 208 of the Passenger Rail Investment and Improve-
7 ment Act of 2005;

8 “(3) encourage intermodal connectivity through
9 projects that provide direct connections between train
10 stations, airports, bus terminals, subway stations,
11 ferry ports, and other modes of transportation;

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

14 “(A) plans developed pursuant to the re-
15 quirements of section 135 of title 23, United
16 States Code; and

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

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

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

23 “(B) Projects that also improve freight or
24 commuter rail operations.

1 “(C) *Projects that have significant environ-*
2 *mental benefits.*

3 “(D) *Projects that are—*

4 “(i) *at a stage of preparation that all*
5 *pre-commencement compliance with envi-*
6 *ronmental protection requirements has al-*
7 *ready been completed; and*

8 “(ii) *ready to be commenced.*

9 “(E) *Projects with positive economic and*
10 *employment impacts.*

11 “(F) *Projects that encourage the use of posi-*
12 *tive train control technologies.*

13 “(G) *Projects that have commitments of*
14 *funding from non-Federal Government sources in*
15 *a total amount that exceeds the minimum*
16 *amount of the non-Federal contribution required*
17 *for the project.*

18 “(H) *Projects that involve donated property*
19 *interests or services.*

20 “(I) *Projects that are identified by the Sur-*
21 *face Transportation Board as necessary to im-*
22 *prove the on time performance and reliability of*
23 *intercity passenger rail under section 24308(f).*

24 “(d) *AMTRAK ELIGIBILITY.—To receive a grant under*
25 *this section, the National Railroad Passenger Corporation*

1 *may enter into a cooperative agreement with 1 or more*
 2 *States to carry out 1 or more projects on a State rail plan's*
 3 *ranked list of rail capital projects developed under section*
 4 *22504(a)(5) of this title.*

5 “(e) *LETTERS OF INTENT, FULL FUNDING GRANT*
 6 *AGREEMENTS, AND EARLY SYSTEMS WORK AGREE-*
 7 *MENTS.—*

8 “(1)(A) *The Secretary may issue a letter of in-*
 9 *tent to an applicant announcing an intention to obli-*
 10 *gate, for a major capital project under this section,*
 11 *an amount from future available budget authority*
 12 *specified in law that is not more than the amount*
 13 *stipulated as the financial participation of the Sec-*
 14 *retary in the project.*

15 “(B) *At least 30 days before issuing a letter*
 16 *under subparagraph (A) of this paragraph or en-*
 17 *tering into a full funding grant agreement, the*
 18 *Secretary shall notify in writing the Committee*
 19 *on Transportation and Infrastructure of the*
 20 *House of Representatives and the Committee on*
 21 *Commerce, Science, and Transportation of the*
 22 *Senate and the House and Senate Committees on*
 23 *Appropriations of the proposed letter or agree-*
 24 *ment. The Secretary shall include with the noti-*
 25 *fication a copy of the proposed letter or agree-*

1 *ment as well as the evaluations and ratings for*
 2 *the project.*

3 “(C) *An obligation or administrative com-*
 4 *mitment may be made only when amounts are*
 5 *appropriated.*

6 “(2)(A) *The Secretary may make a full funding*
 7 *grant agreement with an applicant. The agreement*
 8 *shall—*

9 “(i) *establish the terms of participa-*
 10 *tion by the United States Government in a*
 11 *project under this section;*

12 “(ii) *establish the maximum amount of*
 13 *Government financial assistance for the*
 14 *project;*

15 “(iii) *cover the period of time for com-*
 16 *pleting the project, including a period ex-*
 17 *tending beyond the period of an authoriza-*
 18 *tion; and*

19 “(iv) *make timely and efficient man-*
 20 *agement of the project easier according to*
 21 *the law of the United States.*

22 “(B) *An agreement under this paragraph*
 23 *obligates an amount of available budget author-*
 24 *ity specified in law and may include a commit-*
 25 *ment, contingent on amounts to be specified in*

1 *law in advance for commitments under this*
2 *paragraph, to obligate an additional amount*
3 *from future available budget authority specified*
4 *in law. The agreement shall state that the con-*
5 *tingent commitment is not an obligation of the*
6 *Government and is subject to the availability of*
7 *appropriations made by Federal law and to Fed-*
8 *eral laws in force on or enacted after the date of*
9 *the contingent commitment. Interest and other*
10 *financing costs of efficiently carrying out a part*
11 *of the project within a reasonable time are a cost*
12 *of carrying out the project under a full funding*
13 *grant agreement, except that eligible costs may*
14 *not be more than the cost of the most favorable*
15 *financing terms reasonably available for the*
16 *project at the time of borrowing. The applicant*
17 *shall certify, in a way satisfactory to the Sec-*
18 *retary, that the applicant has shown reasonable*
19 *diligence in seeking the most favorable financing*
20 *terms.*

21 “(3)(A) *The Secretary may make an early sys-*
22 *tems work agreement with an applicant if a record*
23 *of decision under the National Environmental Policy*
24 *Act of 1969 (42 U.S.C. 4321 et seq.) has been issued*

1 *on the project and the Secretary finds there is reason*
2 *to believe—*

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

5 “(ii) the terms of the work agreement
6 will promote ultimate completion of the
7 project more rapidly and at less cost.

8 “(B) A work agreement under this para-
9 graph obligates an amount of available budget
10 authority specified in law and shall provide for
11 reimbursement of preliminary costs of carrying
12 out the project, including land acquisition, time-
13 ly procurement of system elements for which
14 specifications are decided, and other activities
15 the Secretary decides are appropriate to make ef-
16 ficient, long-term project management easier. A
17 work agreement shall cover the period of time the
18 Secretary considers appropriate. The period may
19 extend beyond the period of current authoriza-
20 tion. Interest and other financing costs of effi-
21 ciently carrying out the work agreement within
22 a reasonable time are a cost of carrying out the
23 agreement, except that eligible costs may not be
24 more than the cost of the most favorable financ-
25 ing terms reasonably available for the project at

1 *the time of borrowing. The applicant shall cer-*
2 *tify, in a way satisfactory to the Secretary, that*
3 *the applicant has shown reasonable diligence in*
4 *seeking the most favorable financing terms. If an*
5 *applicant does not carry out the project for rea-*
6 *sons within the control of the applicant, the ap-*
7 *plicant shall repay all Government payments*
8 *made under the work agreement plus reasonable*
9 *interest and penalty charges the Secretary estab-*
10 *lishes in the agreement.*

11 *“(4) The total estimated amount of future obliga-*
12 *tions of the Government and contingent commitments*
13 *to incur obligations covered by all outstanding letters*
14 *of intent, full funding grant agreements, and early*
15 *systems work agreements may be not more than the*
16 *amount authorized under section 101(c) of Passenger*
17 *Rail Investment and Improvement Act of 2005, less*
18 *an amount the Secretary reasonably estimates is nec-*
19 *essary for grants under this section not covered by a*
20 *letter. The total amount covered by new letters and*
21 *contingent commitments included in full funding*
22 *grant agreements and early systems work agreements*
23 *may be not more than a limitation specified in law.*
24 *“(f) FEDERAL SHARE OF NET PROJECT COST.—*

1 “(1)(A) *Based on engineering studies, studies of*
2 *economic feasibility, and information on the expected*
3 *use of equipment or facilities, the Secretary shall esti-*
4 *mate the net project cost.*

5 “(B) *A grant for the project shall not exceed*
6 *80 percent of the project net capital cost.*

7 “(C) *The Secretary shall give priority in al-*
8 *locating future obligations and contingent com-*
9 *mitments to incur obligations to grant requests*
10 *seeking a lower Federal share of the project net*
11 *capital cost.*

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

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

1 “(4) 50 percent of the average amounts expended
 2 by a State or group of States (including the District
 3 of Columbia) in a fiscal year beginning in 2006 for
 4 capital projects to benefit intercity passenger rail
 5 service or for the operating costs of such service above
 6 the average of expenditures made for such service in
 7 fiscal years 2004 and 2005 shall be credited towards
 8 the matching requirements for grants awarded under
 9 this section. The Secretary may require such informa-
 10 tion as necessary to verify such expenditures.

11 “(g) *UNDERTAKING PROJECTS IN ADVANCE.*—

12 “(1) The Secretary may pay the Federal share of
 13 the net capital project cost to an applicant that car-
 14 ries out any part of a project described in this section
 15 according to all applicable procedures and require-
 16 ments if—

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

18 “(B) the Secretary approves the payment;

19 and

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

24 “(2) The cost of carrying out part of a project
 25 includes the amount of interest earned and payable

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

10 “(3) The Secretary shall consider changes in
 11 capital project cost indices when determining the esti-
 12 mated cost under paragraph (2) of this subsection.

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

21 “(i) PUBLIC-PRIVATE PARTNERSHIPS.—

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

1 *tively 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.—In*
 19 *carrying out this section, the Secretary shall allocate an*
 20 *appropriate portion of the amounts available under this*
 21 *section to provide grants to States—*

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

1 *(as defined in chapter 225) as determined by the Sec-*
 2 *retary; or*

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

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

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

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

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

25 *“(3) a construction schedule for the project;*

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

3 “(5) a change order procedure that includes a
4 documented, systematic approach to handling the con-
5 struction change orders;

6 “(6) organizational structures, management
7 skills, and staffing levels required throughout the con-
8 struction phase;

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

13 “(8) material testing policies and procedures;

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

16 “(10) criteria and procedures to be used for test-
17 ing the operational system or its major components;

18 “(11) periodic updates of the plan, especially re-
19 lated to project budget and project schedule, financ-
20 ing, and ridership estimates; and

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

24 “(b) SECRETARIAL OVERSIGHT.—

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

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

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

13 “(c) *ACCESS TO SITES AND RECORDS.—Each recipi-*
 14 *ent of assistance under this subchapter shall provide the*
 15 *Secretary and a contractor the Secretary chooses under sub-*
 16 *section (c) of this section with access to the construction*
 17 *sites and records of the recipient when reasonably necessary.*

18 **“§24404. Use of capital grants to finance first-dollar**
 19 ***liability of grant project***

20 “*Notwithstanding the requirements of section 24402 of*
 21 *this subchapter, the Secretary of Transportation may ap-*
 22 *prove the use of capital assistance under this subchapter*
 23 *to fund self-insured retention of risk for the first tier of li-*
 24 *ability insurance coverage for rail passenger service associ-*
 25 *ated with the capital assistance grant, but the coverage may*

1 *not exceed \$20,000,000 per occurrence or \$20,000,000 in ag-*
 2 *gregate per year.*

3 **“§ 24405. Grant conditions**

4 “(a) *DOMESTIC BUYING PREFERENCE.*—

5 “(1) *REQUIREMENT.*—

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

10 “(i) *unmanufactured articles, material,*
 11 *and supplies mined or produced in the*
 12 *United States; or*

13 “(ii) *manufactured articles, material,*
 14 *and supplies manufactured in the United*
 15 *States substantially from articles, material,*
 16 *and supplies mined, produced, or manufac-*
 17 *tured in the United States.*

18 “(B) *DE MINIMIS AMOUNT.*—*Subparagraph*
 19 *(1) applies only to a purchase in an total*
 20 *amount that is not less than \$1,000,000.*

21 “(2) *EXEMPTIONS.*—*On application of a recipi-*
 22 *ent, the Secretary may exempt a recipient from the*
 23 *requirements of this subsection if the Secretary de-*
 24 *cides that, for particular articles, material, or sup-*
 25 *plies—*

1 “(A) such requirements are inconsistent
2 with the public interest;

3 “(B) the cost of imposing the requirements
4 is unreasonable; or

5 “(C) the articles, material, or supplies, or
6 the articles, material, or supplies from which
7 they are manufactured, are not mined, produced,
8 or manufactured in the United States in suffi-
9 cient and reasonably available commercial quan-
10 tities and are not of a satisfactory quality.

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

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

20 “(1) shall be considered a rail carrier as defined
21 in section 10102(5) of this title for purposes of this
22 title and any other statute that adopts the that defini-
23 tion or in which that definition applies;

1 “(2) shall be considered an employer for purposes
2 of the Railroad Retirement Act of 1974 (45 U.S.C.
3 231 *et seq.*); and

4 “(3) shall be considered a carrier for purposes of
5 the Railway Labor Act (43 U.S.C. 151 *et seq.*).

6 “(c) GRANT CONDITIONS.—The Secretary shall require
7 as a condition of making any grant under this title that
8 includes the improvement or use of rights-of-way owned by
9 a railroad that—

10 “(1) a written agreement exist between the appli-
11 cant and the railroad regarding such use and owner-
12 ship, including—

13 “(A) any compensation for such use;

14 “(B) assurances regarding the adequacy of
15 infrastructure capacity to accommodate both ex-
16 isting and future freight and passenger oper-
17 ations; and

18 “(C) an assurance by the railroad that col-
19 lective bargaining agreements with the railroad’s
20 employees (including terms regulating the con-
21 tracting of work) will remain in full force and
22 effect according to their terms for work per-
23 formed by the railroad on the railroad transpor-
24 tation corridor; and

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

1 “(A) the standards of section 24312 of this
 2 title, as such section was in effect on September
 3 1, 2003, with respect to the project in the same
 4 manner that the National Railroad Passenger
 5 Corporation is required to comply with those
 6 standards for construction work financed under
 7 an agreement made under section 24308(a) of
 8 this title; and

9 “(B) the protective arrangements established
 10 under section 504 of the Railroad Revitalization
 11 and Regulatory Reform Act of 1976 (45 U.S.C.
 12 836) with respect to employees affected by ac-
 13 tions taken in connection with the project to be
 14 financed in whole or in part by grants under
 15 this subchapter.

16 “(d) *REPLACEMENT OF EXISTING INTERCITY PAS-*
 17 *SENGER RAIL SERVICE.*—

18 “(1) *COLLECTIVE BARGAINING AGREEMENT FOR*
 19 *INTERCITY PASSENGER RAIL PROJECTS.*—Any entity
 20 providing intercity passenger railroad transportation
 21 that begins operations after the date of enactment of
 22 this Act on a project funded in whole or in part by
 23 grants made under this title and replaces intercity
 24 rail passenger service that was provided by Amtrak,
 25 unless such service was provided solely by Amtrak to

1 *another entity, as of such date shall enter into an*
 2 *agreement with the authorized bargaining agent or*
 3 *agents for adversely affected employees of the prede-*
 4 *cessor provider that—*

5 *“(A) gives each such qualified employee of*
 6 *the predecessor provider priority in hiring ac-*
 7 *cording to the employee’s seniority on the prede-*
 8 *cessor provider for each position with the replac-*
 9 *ing entity that is in the employee’s craft or class*
 10 *and is available within 3 years after the termi-*
 11 *nation of the service being replaced;*

12 *“(B) establishes a procedure for notifying*
 13 *such an employee of such positions;*

14 *“(C) establishes a procedure for such an em-*
 15 *ployee to apply for such positions; and*

16 *“(D) establishes rates of pay, rules, and*
 17 *working conditions.*

18 *“(2) IMMEDIATE REPLACEMENT SERVICE.—*

19 *“(A) NEGOTIATIONS.—If the replacement of*
 20 *preexisting intercity rail passenger service occurs*
 21 *concurrent with or within a reasonable time be-*
 22 *fore the commencement of the replacing entity’s*
 23 *rail passenger service, the replacing entity shall*
 24 *give written notice of its plan to replace existing*
 25 *rail passenger service to the authorized collective*

1 *bargaining agent or agents for the potentially*
2 *adversely affected employees of the predecessor*
3 *provider at least 90 days before the date on*
4 *which it plans to commence service. Within 5*
5 *days after the date of receipt of such written no-*
6 *tice, negotiations between the replacing entity*
7 *and the collective bargaining agent or agents for*
8 *the employees of the predecessor provider shall*
9 *commence for the purpose of reaching agreement*
10 *with respect to all matters set forth in subpara-*
11 *graphs (A) through (D) of paragraph (1). The*
12 *negotiations shall continue for 30 days or until*
13 *an agreement is reached, whichever is sooner. If*
14 *at the end of 30 days the parties have not en-*
15 *tered into an agreement with respect to all such*
16 *matters, the unresolved issues shall be submitted*
17 *for arbitration in accordance with the procedure*
18 *set forth in subparagraph (B).*

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

1 *ther or both parties shall notify the National Me-*
2 *diation Board, which shall provide a list of seven*
3 *arbitrators with experience in arbitrating rail*
4 *labor protection disputes. Within 5 days after*
5 *such notification, the parties shall alternately*
6 *strike names from the list until only 1 name re-*
7 *mains, and that person shall serve as the neutral*
8 *arbitrator. Within 45 days after selection of the*
9 *arbitrator, the arbitrator shall conduct a hearing*
10 *on the dispute and shall render a decision with*
11 *respect to the unresolved issues among the mat-*
12 *ters set forth in subparagraphs (A) through (D)*
13 *of paragraph (1). This decision shall be final,*
14 *binding, and conclusive upon the parties. The*
15 *salary and expenses of the arbitrator shall be*
16 *borne equally by the parties; all other expenses*
17 *shall be paid by the party incurring them.*

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

24 “(4) *SUBSEQUENT REPLACEMENT OF SERVICE.*—
25 *If the replacement of existing rail passenger service*

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

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

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

1 *performing services in connection with commuter rail*
 2 *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 amended*
 11 *by inserting the following after the item relating to*
 12 *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 ben-*
 5 *efit’—*

6 *“(i) means a benefit accrued to a per-*
 7 *son or private entity, other than the Na-*
 8 *tional Railroad Passenger Corporation, that*
 9 *directly improves the economic and com-*
 10 *petitive condition of that person or entity*
 11 *through improved assets, cost reductions,*
 12 *service improvements, or any other means*
 13 *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 in*
 19 *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 or*
 26 *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 or*
 6 *infrastructure preservation, and any other*
 7 *positive community effects as defined by the*
 8 *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 in*
 14 *further defining this term.*

15 *“(3) STATE.—The term ‘State’ means any of the*
 16 *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 transpor-
8 tation 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 Sec-
13 retary 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 State
24 rail plan.

25 “(3) To present priorities and strategies to en-
26 hance rail service in the State that benefits the public.

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

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

7 **“§22504. Transparency; coordination; review**

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

15 “(b) *INTERGOVERNMENTAL COORDINATION.—A State*
 16 *shall review the freight and passenger rail service activities*
 17 *and initiatives by regional planning agencies, regional*
 18 *transportation authorities, and municipalities within the*
 19 *State, or in the region in which the State is located, while*
 20 *preparing the plan, and shall include any recommendations*
 21 *made by such agencies, authorities, and municipalities as*
 22 *deemed appropriate by the State.*

23 **“§22505. Content**

24 “(a) *IN GENERAL.—Each State rail plan shall contain*
 25 *the following:*

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

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

9 “(3) *A statement of the State’s passenger rail*
10 *service objectives, including minimum service levels,*
11 *for rail transportation routes in the State.*

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

17 “(5) *A long-range rail investment program for*
18 *current and future freight and passenger infrastruc-*
19 *ture in the State that meets the requirements of sub-*
20 *section (b).*

21 “(6) *A statement of public financing issues for*
22 *rail projects and service in the State, including a list*
23 *of current and prospective public capital and oper-*
24 *ating funding resources, public subsidies, State tax-*

1 *ation, and other financial policies relating to rail in-*
2 *frastructure development.*

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

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

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

16 *“(10) A performance evaluation of passenger rail*
17 *services operating in the State, including possible im-*
18 *provements in those services, and a description of*
19 *strategies to achieve those improvements.*

20 *“(11) A compilation of studies and reports on*
21 *high-speed rail corridor development within the State*
22 *not included in a previous plan under this sub-*
23 *chapter, and a plan for funding any recommended de-*
24 *velopment 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 in-*
 6 *vestment 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 or*
 11 *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, match-*
 5 *ing funds, or other private capital involvement.*

6 *“(B) Rail capacity and congestion effects.*

7 *“(C) Effects to highway, aviation, and mar-*
 8 *itime capacity, congestion, or safety.*

9 *“(D) Regional balance.*

10 *“(E) Environmental impact.*

11 *“(F) Economic and employment impacts.*

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

14 **“§ 22506. Review**

15 *The Secretary shall prescribe procedures for States to*
 16 *submit State rail plans for review under this title, includ-*
 17 *ing standardized format and data requirements.”.*

18 *(b) CONFORMING AMENDMENTS.—*

19 *(1) The table of chapters for the title is amended*
 20 *by inserting the following after the item relating to*
 21 *chapter 223:*

“225. State rail plans 22501”.

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

“225. State rail plans 24401”.

1 **SEC. 303. NEXT GENERATION CORRIDOR TRAIN EQUIPMENT**

2 **POOL.**

3 (a) *IN GENERAL.*—Within 180 days after the date of
4 enactment of this Act, Amtrak shall establish a Next Gen-
5 eration Corridor Equipment Pool Committee, comprised of
6 representatives of Amtrak, the Federal Railroad Adminis-
7 tration, and interested States. The purpose of the Com-
8 mittee shall be to design, develop specifications for, and pro-
9 cure standardized next-generation corridor equipment.

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

11 (1) *determine the number of different types of*
12 *equipment required, taking into account variations in*
13 *operational needs and corridor infrastructure;*

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

16 (3) *subject to agreements between Amtrak and*
17 *States, utilize services provided by Amtrak to design,*
18 *maintain and remanufacture equipment.*

19 (c) *COOPERATIVE AGREEMENTS.*—Amtrak and States
20 participating in the Committee may enter into agreements
21 for the funding, procurement, remanufacture, ownership
22 and management of corridor equipment, including equip-
23 ment currently owned or leased by Amtrak and next-genera-
24 tion corridor equipment acquired as a result of the Commit-
25 tee's actions, and may establish a corporation, which may

1 *be owned or jointly-owned by Amtrak, participating States*
 2 *or other entities, to perform these functions.*

3 *(d) FUNDING.—In addition to the authorization pro-*
 4 *vided in section 105 of this Act, capital projects to carry*
 5 *out the purposes of this section shall be eligible for grants*
 6 *made pursuant to chapter 244 of title 49, United States*
 7 *Code.*

8 **SEC. 304. FEDERAL RAIL POLICY.**

9 *Section 103 is amended—*

10 *(1) by inserting “IN GENERAL.—” before “The*
 11 *Federal” in subsection (a);*

12 *(2) by striking the second and third sentences of*
 13 *subsection (a);*

14 *(3) by inserting “ADMINISTRATOR.—” before*
 15 *“The head” in subsection (b);*

16 *(4) by redesignating subsections (c), (d), and (e)*
 17 *as subsections (d), (e), and (f), respectively and by in-*
 18 *serting after subsection (b) the following:*

19 *“(c) SAFETY.—To carry out all railroad safety laws*
 20 *of the United States, the Administration is divided on a*
 21 *geographical basis into at least 8 safety offices. The Sec-*
 22 *retary of Transportation is responsible for all acts taken*
 23 *under those laws and for ensuring that the laws are uni-*
 24 *formly administered and enforced among the safety of-*
 25 *fices.”;*

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

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

5 (7) by redesignating paragraph (2) of subsection
6 (d), as redesignated, as paragraph (3) and inserting
7 after paragraph (1) the following:

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

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

12 (9) by inserting “*CONTRACTS, GRANTS, LEASES,*
13 *COOPERATIVE AGREEMENTS, AND SIMILAR TRANS-*
14 *ACTIONS.—*” before “*Subject*” in subsection (f), as re-
15 designated;

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

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

19 “(g) *ADDITIONAL DUTIES OF THE ADMINISTRATOR.—*
20 *The Administrator shall—*

21 “(1) provide assistance to States in developing
22 State rail plans prepared under chapter 225 and re-
23 view all State rail plans submitted under that sec-
24 tion;

1 “(2) develop a long range national rail plan that
2 is consistent with approved State rail plans and the
3 rail needs of the Nation, as determined by the Sec-
4 retary in order to promote an integrated, cohesive, ef-
5 ficient, and optimized national rail system for the
6 movement of goods and people;

7 “(3) develop a preliminary national rail plan
8 within a year after the date of enactment of the Pas-
9 senger Rail Investment and Improvement Act of 2005;

10 “(4) develop and enhance partnerships with the
11 freight and passenger railroad industry, States, and
12 the public concerning rail development;

13 “(5) support rail intermodal development and
14 high-speed rail development, including high speed rail
15 planning;

16 “(6) ensure that programs and initiatives devel-
17 oped under this section benefit the public and work
18 toward achieving regional and national transpor-
19 tation goals; and

20 “(7) facilitate and coordinate efforts to assist
21 freight and passenger rail carriers, transit agencies
22 and authorities, municipalities, and States in pas-
23 senger-freight service integration on shared rights of
24 way by providing neutral assistance at the joint re-
25 quest of affected rail service providers and infrastruc-

1 *ture owners relating to operations and capacity anal-*
 2 *ysis, capital requirements, operating costs, and other*
 3 *research and planning related to corridors shared by*
 4 *passenger or commuter rail service and freight rail*
 5 *operations.*

6 *“(h) PERFORMANCE GOALS AND REPORTS.—*

7 *“(1) PERFORMANCE GOALS.—In conjunction*
 8 *with the objectives established and activities under-*
 9 *taken under section 103(e) of this title, the Adminis-*
 10 *trator shall develop a schedule for achieving specific,*
 11 *measurable performance goals.*

12 *“(2) RESOURCE NEEDS.—The strategy and an-*
 13 *ual plans shall include estimates of the funds and*
 14 *staff resources needed to accomplish each goal and the*
 15 *additional duties required under section 103(e).*

16 *“(3) SUBMISSION WITH PRESIDENT’S BUDGET.—*
 17 *Beginning with fiscal year 2007 and each fiscal year*
 18 *thereafter, the Secretary shall submit to Congress, at*
 19 *the same time as the President’s budget submission,*
 20 *the Administration’s performance goals and schedule*
 21 *developed under paragraph (1), including an assess-*
 22 *ment of the progress of the Administration toward*
 23 *achieving its performance goals.”.*

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

2 (a) *ESTABLISHMENT AND CONTENT.*—Chapter 249 is
3 amended by adding at the end the following:

4 **“§ 24910. Rail cooperative research program**

5 “(a) *IN GENERAL.*—The Secretary shall establish and
6 carry out a rail cooperative research program. The program
7 shall—

8 “(1) address, among other matters, intercity rail
9 passenger and freight rail services, including existing
10 rail passenger and freight technologies and speeds, in-
11 crementally enhanced rail systems and infrastructure,
12 and new high-speed wheel-on-rail systems and rail se-
13 curity;

14 “(2) address ways to expand the transportation
15 of international trade traffic by rail, enhance the effi-
16 ciency of intermodal interchange at ports and other
17 intermodal terminals, and increase capacity and
18 availability of rail service for seasonal freight needs;

19 “(3) consider research on the interconnectedness
20 of commuter rail, passenger rail, freight rail, and
21 other rail networks; and

22 “(4) give consideration to regional concerns re-
23 garding rail passenger and freight transportation, in-
24 cluding meeting research needs common to designated
25 high-speed corridors, long-distance rail services, and
26 regional intercity rail corridors, projects, and entities.

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

3 “(1) *to identify the unique aspects and attributes*
4 *of rail passenger and freight service;*

5 “(2) *to develop more accurate models for evalu-*
6 *ating the impact of rail passenger and freight service,*
7 *including the effects on highway and airport and air-*
8 *way congestion, environmental quality, and energy*
9 *consumption;*

10 “(3) *to develop a better understanding of modal*
11 *choice as it affects rail passenger and freight trans-*
12 *portation, including development of better models to*
13 *predict utilization;*

14 “(4) *to recommend priorities for technology dem-*
15 *onstration and development;*

16 “(5) *to meet additional priorities as determined*
17 *by the advisory board established under subsection*
18 *(c), including any recommendations made by the Na-*
19 *tional Research Council;*

20 “(6) *to explore improvements in management, fi-*
21 *nancing, and institutional structures;*

22 “(7) *to address rail capacity constraints that af-*
23 *fect passenger and freight rail service through a wide*
24 *variety of options, ranging from operating improve-*

1 *ments to dedicated new infrastructure, taking into ac-*
 2 *count the impact of such options on operations;*

3 *“(8) to improve maintenance, operations, cus-*
 4 *tomers service, or other aspects of intercity rail pas-*
 5 *senger and freight service;*

6 *“(9) to recommend objective methodologies for de-*
 7 *termining intercity passenger rail routes and services,*
 8 *including the establishment of new routes, the elimi-*
 9 *nation of existing routes, and the contraction or ex-*
 10 *pansion of services or frequencies over such routes;*

11 *“(10) to review the impact of equipment and*
 12 *operational safety standards on the further develop-*
 13 *ment of high speed passenger rail operations con-*
 14 *nected to or integrated with non-high speed freight or*
 15 *passenger rail operations; and*

16 *“(11) to recommend any legislative or regulatory*
 17 *changes necessary to foster further development and*
 18 *implementation of high speed passenger rail oper-*
 19 *ations while ensuring the safety of such operations*
 20 *that are connected to or integrated with non-high*
 21 *speed freight or passenger rail operations.*

22 *“(c) ADVISORY BOARD.—*

23 *“(1) ESTABLISHMENT.—In consultation with the*
 24 *heads of appropriate Federal departments and agen-*
 25 *cies, the Secretary shall establish an advisory board*

1 to recommend research, technology, and technology
 2 transfer activities related to rail passenger and freight
 3 transportation.

4 “(2) *MEMBERSHIP.*—The advisory board shall
 5 include—

6 “(A) representatives of State transportation
 7 agencies;

8 “(B) transportation and environmental
 9 economists, scientists, and engineers; and

10 “(C) representatives of Amtrak, the Alaska
 11 Railroad, freight railroads, transit operating
 12 agencies, intercity rail passenger agencies, rail-
 13 way labor organizations, and environmental or-
 14 ganizations.

15 “(d) *NATIONAL ACADEMY OF SCIENCES.*— The Sec-
 16 retary may make grants to, and enter into cooperative
 17 agreements with, the National Academy of Sciences to carry
 18 out such activities relating to the research, technology, and
 19 technology transfer activities described in subsection (b) as
 20 the Secretary deems appropriate.”.

21 (b) *CLERICAL AMENDMENT.*—The chapter analysis for
 22 chapter 249 is amended by adding at the end the following:

“24910. Rail cooperative research program.”.

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

SEC. 401. SYSTEMWIDE AMTRAK SECURITY UPGRADES.

(a) IN GENERAL—Subject to subsection (c) the Secretary of Homeland Security, in consultation with the Secretary of Transportation, is authorized to make grants to Amtrak—

(1) to secure major tunnel access points and ensure tunnel integrity in New York, Baltimore, and Washington, DC;

(2) to secure Amtrak trains;

(3) to secure Amtrak stations;

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

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

(6) to hire additional police and security officers, including canine units; and

(7) to expand emergency preparedness efforts.

(b) CONDITIONS.—The Secretary of Transportation shall disburse funds to Amtrak provided under subsection (a) for projects contained in a systemwide security plan approved by the Secretary of Homeland Security. The plan shall include appropriate measures to address security

1 awareness, emergency response, and passenger evacuation
2 training.

3 (c) *EQUITABLE GEOGRAPHIC ALLOCATION.*—The Sec-
4 retary shall ensure that, subject to meeting the highest secu-
5 rity needs on Amtrak’s entire system, stations and facilities
6 located outside of the Northeast Corridor receive an equi-
7 table share of the security funds authorized by this section.

8 (d) *AUTHORIZATION OF APPROPRIATIONS.*—There are
9 authorized to be appropriated to the Secretary of Homeland
10 Security to carry out this section—

11 (1) \$63,500,000 for fiscal year 2006;

12 (2) \$30,000,000 for fiscal year 2007; and

13 (3) \$30,000,000 for fiscal year 2008.

14 Amounts appropriated pursuant to this subsection shall re-
15 main available until expended.

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

17 (a) *LIFE-SAFETY NEEDS.*—The Secretary of Trans-
18 portation is authorized to make grants to Amtrak for the
19 purpose of making fire and life-safety improvements to Am-
20 trak tunnels on the Northeast Corridor in New York, NY,
21 Baltimore, MD, and Washington, DC.

22 (b) *AUTHORIZATION OF APPROPRIATIONS.*—There are
23 authorized to be appropriated to the Secretary of Transpor-
24 tation for the purposes of carrying out subsection (a) the
25 following amounts:

1 (1) *For the 6 New York tunnels to provide ven-*
 2 *tilation, electrical, and fire safety technology up-*
 3 *grades, emergency communication and lighting sys-*
 4 *tems, and emergency access and egress for pas-*
 5 *sengers—*

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

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

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

9 (2) *For the Baltimore & Potomac tunnel and the*
 10 *Union tunnel, together, to provide adequate drainage,*
 11 *ventilation, communication, lighting, and passenger*
 12 *egress upgrades—*

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

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

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

16 (3) *For the Washington, DC, Union Station tun-*
 17 *nels to improve ventilation, communication, lighting,*
 18 *and passenger egress upgrades—*

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

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

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

22 (c) *INFRASTRUCTURE UPGRADES.—There are author-*
 23 *ized to be appropriated to the Secretary of Transportation*
 24 *for fiscal year 2006 \$3,000,000 for the preliminary design*

1 *of options for a new tunnel on a different alignment to aug-*
 2 *ment the capacity of the existing Baltimore tunnels.*

3 (d) *AVAILABILITY OF APPROPRIATED FUNDS.—*
 4 *Amounts made available pursuant to this section shall re-*
 5 *main available until expended.*

6 (e) *PLANS REQUIRED.—The Secretary may not make*
 7 *amounts available to Amtrak for obligation or expenditure*
 8 *under subsection (a)—*

9 (1) *until Amtrak has submitted to the Secretary,*
 10 *and the Secretary has approved, an engineering and*
 11 *financial plan for such projects; and*

12 (2) *unless, for each project funded pursuant to*
 13 *this section, the Secretary has approved a project*
 14 *management plan prepared by Amtrak addressing*
 15 *appropriate project budget, construction schedule, re-*
 16 *cipient staff organization, document control and*
 17 *record keeping, change order procedure, quality con-*
 18 *trol and assurance, periodic plan updates, and peri-*
 19 *odic status reports.*

20 (f) *REVIEW OF PLANS.—The Secretary of Transpor-*
 21 *tation shall complete the review of the plans required by*
 22 *paragraphs (1) and (2) of subsection (e) and approve or*
 23 *disapprove the plans within 45 days after the date on which*
 24 *each such plan is submitted by Amtrak. If the Secretary*
 25 *determines that a plan is incomplete or deficient, the Sec-*

1 retary shall notify Amtrak of the incomplete items or defi-
 2 ciencies and Amtrak shall, within 30 days after receiving
 3 the Secretary's notification, submit a modified plan for the
 4 Secretary's review. Within 15 days after receiving addi-
 5 tional information on items previously included in the
 6 plan, and within 45 days after receiving items newly in-
 7 cluded in a modified plan, the Secretary shall either ap-
 8 prove the modified plan, or, if the Secretary finds the plan
 9 is still incomplete or deficient, the Secretary shall identify
 10 in writing to the Senate Committee on Commerce, Science,
 11 and Transportation and the House of Representatives Com-
 12 mittee on Transportation and Infrastructure the portions
 13 of the plan the Secretary finds incomplete or deficient, ap-
 14 prove all other portions of the plan, obligate the funds asso-
 15 ciated with those other portions, and execute an agreement
 16 with Amtrak within 15 days thereafter on a process for re-
 17 solving the remaining portions of the plan.

18 (g) *FINANCIAL CONTRIBUTION FROM OTHER TUNNEL*
 19 *USERS.*—The Secretary shall, taking into account the need
 20 for the timely completion of all portions of the tunnel
 21 projects described in subsection (a)—

22 (1) *consider the extent to which rail carriers*
 23 *other than Amtrak use or plan to use the tunnels;*

1 (2) *consider the feasibility of seeking a financial*
 2 *contribution from those other rail carriers toward the*
 3 *costs of the projects; and*

4 (3) *obtain financial contributions or commit-*
 5 *ments from such other rail carriers at levels reflecting*
 6 *the extent of their use or planned use of the tunnels,*
 7 *if feasible.*

8 **SEC. 403. AMTRAK PLAN TO ASSIST FAMILIES OF PAS-**
 9 **SENGERS INVOLVED IN RAIL PASSENGER AC-**
 10 **CIDENTS.**

11 (a) *IN GENERAL.*—Chapter 243 of title 49, United
 12 *States Code, is amended by adding at the end the following:*

13 **“§24316. Plans to address needs of families of pas-**
 14 **sengers involved in rail passenger acci-**
 15 **dents**

16 “(a) *SUBMISSION OF PLAN.*—Not later than 6 months
 17 *after the date of the enactment of the Passenger Rail Invest-*
 18 *ment and Improvement Act of 2005, Amtrak shall submit*
 19 *to the Chairman of the National Transportation Safety*
 20 *Board and the Secretary of Transportation a plan for ad-*
 21 *ressing the needs of the families of passengers involved in*
 22 *any rail passenger accident involving an Amtrak intercity*
 23 *train and resulting in a loss of life.*

1 “(b) *CONTENTS OF PLANS.*—*The plan to be submitted*
2 *by Amtrak under subsection (a) shall include, at a min-*
3 *imum, the following:*

4 “(1) *A process by which Amtrak will maintain*
5 *and provide to the National Transportation Safety*
6 *Board and the Secretary of Transportation, imme-*
7 *diately upon request, a list (which is based on the best*
8 *available information at the time of the request) of*
9 *the names of the passengers aboard the train (whether*
10 *or not such names have been verified), and will peri-*
11 *odically update the list. The plan shall include a pro-*
12 *cedure, with respect to unreserved trains and pas-*
13 *sengers not holding reservations on other trains, for*
14 *Amtrak to use reasonable efforts to ascertain the num-*
15 *ber and names of passengers aboard a train involved*
16 *in an accident.*

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

21 “(3) *A process for notifying the families of the*
22 *passengers, before providing any public notice of the*
23 *names of the passengers, by suitably trained individ-*
24 *uals.*

1 “(4) A process for providing the notice described
2 in paragraph (2) to the family of a passenger as soon
3 as Amtrak has verified that the passenger was aboard
4 the train (whether or not the names of all of the pas-
5 sengers have been verified).

6 “(5) A process by which the family of each pas-
7 senger will be consulted about the disposition of all
8 remains and personal effects of the passenger within
9 Amtrak’s control; that any possession of the passenger
10 within Amtrak’s control will be returned to the family
11 unless the possession is needed for the accident inves-
12 tigation or any criminal investigation; and that any
13 unclaimed possession of a passenger within Amtrak’s
14 control will be retained by the rail passenger carrier
15 for at least 18 months.

16 “(6) A process by which the treatment of the
17 families of nonrevenue passengers will be the same as
18 the treatment of the families of revenue passengers.

19 “(7) An assurance that Amtrak will provide ade-
20 quate training to its employees and agents to meet the
21 needs of survivors and family members following an
22 accident.

23 “(c) *USE OF INFORMATION.*—The National Transpor-
24 tation Safety Board, the Secretary of Transportation, and
25 Amtrak may not release to any person information on a

1 *list obtained under subsection (b)(1) but may provide infor-*
 2 *mation on the list about a passenger to the family of the*
 3 *passenger to the extent that the Board or Amtrak considers*
 4 *appropriate.*

5 “(d) *LIMITATION ON LIABILITY.*—*Amtrak shall not be*
 6 *liable for damages in any action brought in a Federal or*
 7 *State court arising out of the performance of Amtrak in*
 8 *preparing or providing a passenger list, or in providing*
 9 *information concerning a train reservation, pursuant to a*
 10 *plan submitted by Amtrak under subsection (b), unless such*
 11 *liability was caused by Amtrak’s conduct.*

12 “(e) *LIMITATION ON STATUTORY CONSTRUCTION.*—
 13 *Nothing in this section may be construed as limiting the*
 14 *actions that Amtrak may take, or the obligations that Am-*
 15 *trak may have, in providing assistance to the families of*
 16 *passengers involved in a rail passenger accident.*

17 “(f) *FUNDING.*—*There are authorized to be appro-*
 18 *priated to the Secretary of Transportation for the use of*
 19 *Amtrak \$500,000 for fiscal year 2006 to carry out this sec-*
 20 *tion. Amounts made available pursuant to this subsection*
 21 *shall remain available until expended.”.*

22 “(b) *CONFORMING AMENDMENT.*—*The chapter analysis*
 23 *for chapter 243 of title 49, United States Code, is amended*
 24 *by adding at the end the following:*

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

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

2 *Within 180 days after the date of enactment of this*
3 *Act, the Secretary of Transportation, in consultation with*
4 *the Secretary of Homeland Security, the Assistant Sec-*
5 *retary of Homeland Security (Transportation Security Ad-*
6 *ministration), heads of other appropriate Federal depart-*
7 *ments, and agencies and the National Railroad Passenger*
8 *Corporation, shall transmit a report to the Senate Com-*
9 *mittee on Commerce, Science, and Transportation and the*
10 *House of Representatives Committee on Transportation and*
11 *Infrastructure that contains—*

12 *(1) a description of the current system for*
13 *screening passengers and baggage on passenger rail*
14 *service between the United States and Canada;*

15 *(2) an assessment of the current program to pro-*
16 *vide preclearance of airline passengers between the*
17 *United States and Canada as outlined in “The Agree-*
18 *ment on Air Transport Preclearance between the Gov-*
19 *ernment of Canada and the Government of the United*
20 *States of America”, dated January 18, 2001;*

21 *(3) an assessment of the current program to pro-*
22 *vide preclearance of freight railroad traffic between*
23 *the United States and Canada as outlined in the*
24 *“Declaration of Principle for the Improved Security*
25 *of Rail Shipments by Canadian National Railway*

1 *and Canadian Pacific Railway from Canada to the*
2 *United States”*, dated April 2, 2003;

3 *(4) information on progress by the Department*
4 *of Homeland Security and other Federal agencies to-*
5 *wards finalizing a bilateral protocol with Canada*
6 *that would provide for preclearance of passengers on*
7 *trains operating between the United States and Can-*
8 *ada;*

9 *(5) a description of legislative, regulatory, budg-*
10 *etary, or policy barriers within the United States*
11 *Government to providing pre-screened passenger lists*
12 *for rail passengers traveling between the United*
13 *States and Canada to the Department of Homeland*
14 *Security;*

15 *(6) a description of the position of the Govern-*
16 *ment of Canada and relevant Canadian agencies with*
17 *respect to preclearance of such passengers;*

18 *(7) a draft of any changes in existing Federal*
19 *law necessary to provide for pre-screening of such*
20 *passengers and providing pre-screened passenger lists*
21 *to the Department of Homeland Security; and*

22 *(8) an analysis of the feasibility of reinstating*
23 *United States Customs and Border Patrol rolling in-*
24 *spections onboard international Amtrak trains.*

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

2 (a) *REQUIREMENT FOR STUDY AND REPORT.*—The
3 Secretary of Homeland Security, in cooperation with the
4 Secretary of Transportation through the Assistant Sec-
5 retary of Homeland Security (Transportation Security Ad-
6 ministration) and other appropriate agencies, shall—

7 (1) *study the cost and feasibility of requiring se-*
8 *curity screening for passengers, baggage, and cargo on*
9 *passenger trains including an analysis of any pas-*
10 *senger train screening pilot programs undertaken by*
11 *the Department of Homeland Security; and*

12 (2) *report the results of the study, together with*
13 *any recommendations that the Secretary of Homeland*
14 *Security may have for implementing a rail security*
15 *screening program to the Senate Committee on Com-*
16 *merce, Science, and Transportation and the House of*
17 *Representatives Committee on Transportation and*
18 *Infrastructure within 1 year after the date of enact-*
19 *ment of this Act.*

20 (b) *AUTHORIZATION OF APPROPRIATIONS.*—There are
21 *authorized to be appropriated to the Secretary of Homeland*
22 *Security \$1,000,000 for fiscal year 2006 to carry out this*
23 *section.*

TITLE V—RAIL BOND AUTHORITY

SEC. 501. INTERCITY RAIL FACILITY BONDS.

(a) *IN GENERAL.*—Chapter 261 is amended by adding at the end the following:

“§ 26106. Rail infrastructure bonds

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

“(1) the bonds are to be issued by—

“(A) a State, if the entire railroad passenger transportation corridor containing the infrastructure project to be financed is within the State;

“(B) 1 or more of the States that have entered into an agreement or an interstate compact consented to by Congress under section 410(a) of Public Law 105–134 (49 U.S.C. 24101 note);

“(C) an agreement or an interstate compact described in subparagraph (B); or

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

“(2) the bonds are for the purpose of financing projects that make a substantial contribution to providing the infrastructure and equipment required to

1 *complete or improve a rail transportation corridor*
2 *(including projects for the acquisition, financing, or*
3 *refinancing of equipment and other capital improve-*
4 *ments, including the introduction of new high-speed*
5 *technologies such as magnetic levitation systems, track*
6 *or signal improvements, the elimination of grade*
7 *crossings, development of intermodal facilities, im-*
8 *provement of train speeds or safety, or both, and sta-*
9 *tion rehabilitation or construction), but only if the*
10 *Secretary determines that the projects are part of a*
11 *viable and comprehensive rail transportation corridor*
12 *design for intercity passenger service included in a*
13 *State rail plan under chapter 225 (except for bonds*
14 *issued under paragraph (1)(D)); and*

15 *“(3) for a railroad passenger transportation cor-*
16 *ridor not operated by Amtrak that includes the use of*
17 *rights-of-way owned by a freight railroad, a written*
18 *agreement exists between the applicant and the freight*
19 *railroad regarding such use and ownership, including*
20 *compensation for such use and assurances regarding*
21 *the adequacy of infrastructure capacity to accommo-*
22 *date both existing and future freight and passenger*
23 *operations, and including an assurance by the freight*
24 *railroad that collective bargaining agreements with*
25 *the freight railroad’s employees (including terms reg-*

1 ulating the contracting of work) shall remain in full
2 force and effect according to their terms for work per-
3 formed by the freight railroad on such railroad pas-
4 senger transportation corridor.

5 “(b) *BOND AMOUNT LIMITATION.*—

6 “(1) *IN GENERAL.*—The amount of bonds des-
7 ignated under this section may not exceed in the case
8 of section 54A bonds, \$1,300,000,000 for each of the
9 fiscal years 2006 through 2015.

10 “(2) *CARRYOVER OF UNUSED LIMITATION.*—If
11 for any fiscal year the limitation amount under
12 paragraph (1) exceeds the amount of section 54A
13 bonds issued during such year, the limitation amount
14 under paragraph (1) for the following fiscal year
15 (through fiscal year 2019) shall be increased by the
16 amount of such excess.

17 “(c) *PROJECT SELECTION CRITERIA.*—The Secretary
18 shall give preference to the designation under this section
19 of bonds for projects selected using the criteria in chapter
20 244.

21 “(d) *TIMELY DISPOSITION OF APPLICATION.*—The
22 Secretary shall grant or deny a requested designation with-
23 in 9 months after receipt of an application.

24 “(e) *REFINANCING RULES.*—Bonds designated by the
25 Secretary under subsection (a) may be issued for refi-

1 *ancing projects only if the indebtedness being refinanced*
 2 *(including any obligation directly or indirectly refinanced*
 3 *by such indebtedness) was originally incurred by the*
 4 *issuer—*

5 “(1) *after the date of the enactment of this sec-*
 6 *tion;*

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

8 “(3) *to finance projects described in subsection*
 9 *(a)(2); and*

10 “(4) *in anticipation of being refinanced with*
 11 *proceeds of a bond designated under subsection (a).*

12 “(f) *APPLICATION OF CONDITIONS.—Any entity pro-*
 13 *viding railroad transportation (within the meaning of sec-*
 14 *tion 20102) that begins operations after the date of the en-*
 15 *actment of this section and that uses property acquired pur-*
 16 *suant to this section (except as provided in subsection*
 17 *(a)(2)(B)), shall be subject to the conditions under section*
 18 *24405.*

19 “(g) *ISSUANCE OF REGULATIONS.—Not later than 6*
 20 *months after the date of the enactment of the Passenger Rail*
 21 *Investment and Improvement Act of 2005, the Secretary*
 22 *shall issue regulations for carrying out this section.*

23 “(h) *SECTION 54A BOND DEFINED.—In this section,*
 24 *the term ‘section 54A bond’ means a bond designated by*
 25 *the Secretary under subsection (a) for purposes of section*

1 *54A of the Internal Revenue Code of 1986 (relating to credit*
2 *to holders of qualified rail infrastructure bonds).’’.*

3 **(b) CONFORMING AMENDMENT.**—*The table of sections*
4 *for chapter 261 is amended by adding after the item relat-*
5 *ing to section 26105 the following new item:*

“26106. Rail infrastructure bonds.”.

Calendar No. 235

109TH CONGRESS
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S. 1516

[Report No. 109-143]

A BILL

To reauthorize Amtrak, and for other purposes.

OCTOBER 18, 2005

Reported with an amendment