

107TH CONGRESS
1ST SESSION

H. R. 2950

To provide for the financing of high-speed rail infrastructure, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 25, 2001

Mr. YOUNG of Alaska (for himself and Mr. QUINN) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for the financing of high-speed rail infrastructure, 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 “Rail Infrastructure De-
5 velopment and Expansion Act for the 21st Century”.

1 **SEC. 2. HIGH-SPEED INTERCITY RAIL FACILITY BONDS.**

2 (a) AMENDMENT.—Chapter 261 of title 49, United
3 States Code, is amended by adding at the end the fol-
4 lowing new section:

5 **“§ 26106. High-speed rail infrastructure bonds**

6 “(a) DESIGNATION.—The Secretary may designate
7 bonds under this section if—

8 “(1) the bonds are to be issued by—

9 “(A) a State, if the entire railroad pas-
10 senger transportation corridor containing the
11 infrastructure project to be financed is within
12 the State;

13 “(B) 1 or more of the States that have en-
14 tered into an interstate compact under section
15 410 of the Amtrak Reform and Accountability
16 Act of 1997 (49 U.S.C 24101 nt); or

17 “(C) an interstate compact described in
18 subparagraph (B);

19 “(2) the bonds are for the purpose of
20 financing—

21 “(A) projects to provide a major portion of
22 the infrastructure required to complete a rail-
23 road passenger transportation corridor, for
24 transportation described in section
25 20102(1)(A)(ii), designed for sustained cruising
26 speeds of 125 miles per hour or more, but only

1 if the Secretary determines that the projects
2 are part of a viable and comprehensive railroad
3 passenger transportation corridor design for
4 high-speed intercity rail passenger service; or

5 “(B) projects for the Alaska Railroad;

6 “(3) for a railroad passenger transportation
7 corridor design that includes the use of freight rail-
8 road rights-of-way, a written agreement exists be-
9 tween the applicant and the freight railroad regard-
10 ing such use, including compensation for such use
11 and assurances regarding the adequacy of infra-
12 structure capacity to accommodate both existing and
13 future freight and passenger operations;

14 “(4) the corridor design eliminates all existing
15 railroad grade crossings and requires no additional
16 railroad grade crossings to be created; and

17 “(5) the applicant agrees to comply with the
18 standards of section 24312 of this title, as in effect
19 on September 1, 2001, with respect to the project.

20 “(b) BOND AMOUNT LIMITATION.—The Secretary
21 may designate bonds under this section in amounts not
22 to exceed \$3,600,000,000 for each of the fiscal years 2003
23 through 2012. Any amount of the limitation under this
24 subsection not used for a fiscal year may be carried over

1 and used as an additional limitation amount for any sub-
2 sequent fiscal year.

3 “(c) PREFERENCE.—The Secretary shall give pref-
4 erence to the designation under this section of bonds for
5 projects—

6 “(1) with respect to which the State or States
7 will provide State funds, for purposes other than
8 paying the principal or interest on the bonds, that
9 are not derived, directly or indirectly, from transfers
10 from the Highway Trust Fund under section 9503
11 of the Internal Revenue Code of 1986; or

12 “(2) which propose to link rail passenger serv-
13 ice with other modes of transportation.

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

17 “(e) ANNUAL REPORT.—The issuer of bonds des-
18 igned under this section shall report annually to the Sec-
19 retary regarding the terms of outstanding designated
20 bonds and the progress made with respect to the project
21 financed by the bonds.

22 “(f) TAX PROVISIONS.—

23 “(1) EXCLUSION FROM GROSS INCOME.—The
24 interest on a bond designated by the Secretary
25 under subsection (a) shall be excluded from gross in-

1 come under section 103 of the Internal Revenue
2 Code of 1986, notwithstanding section 149(c) of
3 such Code.

4 “(2) EXEMPTION FROM VOLUME CAP.—For
5 purposes of section 146 of such Code, a bond des-
6 ignated by the Secretary under subsection (a) of this
7 section shall be considered to be exempt from the
8 volume cap of the issuing authority in the same
9 manner as bonds listed in subsection (g) of such sec-
10 tion 146.”.

11 (b) TABLE OF SECTIONS AMENDMENT.—The table of
12 sections of chapter 261 of title 49, United States Code,
13 is amended by adding after the item relating to section
14 26105 the following new item:

 “26106. High-speed rail infrastructure bonds.”.

15 **SEC. 3. HIGH-SPEED RAIL CORRIDOR DEVELOPMENT.**

16 (a) CORRIDOR DEVELOPMENT.—

17 (1) AMENDMENTS.—Section 26101 of title 49,
18 United States Code, is amended—

19 (A) in the section heading, by striking
20 “**planning**” and inserting “**development**”;

21 (B) in the heading of subsection (a), by
22 striking “PLANNING” and inserting “DEVELOP-
23 MENT”;

1 (C) by striking “corridor planning” each
2 place it appears and inserting “corridor devel-
3 opment”;

4 (D) in subsection (b)(1)—

5 (i) by inserting “, or if it is an activity
6 described in subparagraph (M)” after
7 “high-speed rail improvements”;

8 (ii) by striking “and” at the end of
9 subparagraph (K);

10 (iii) by striking the period at the end
11 of subparagraph (L) and inserting “; and”;
12 and

13 (iv) by adding at the end the following
14 new subparagraph:

15 “(M) the acquisition of locomotives, rolling
16 stock, track, and signal equipment.”; and

17 (E) in subsection (c)(2), by striking “plan-
18 ning” and inserting “development”.

19 (2) CONFORMING AMENDMENT.—The item re-
20 lating to section 26101 in the table of sections of
21 chapter 261 of title 49, United States Code, is
22 amended by striking “planning” and inserting “de-
23 velopment”.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
2 26104 of title 49, United States Code, is amended to read
3 as follows:

4 **“§ 26104. Authorization of appropriations**

5 “(a) FISCAL YEARS 2002 THROUGH 2009.—There
6 are authorized to be appropriated to the Secretary—

7 “(1) \$25,000,000 for carrying out section
8 26101; and

9 “(2) \$10,000,000 for carrying out section
10 26102,

11 for each of the fiscal years 2002 through 2009.

12 “(b) FUNDS TO REMAIN AVAILABLE.—Funds made
13 available under this section shall remain available until ex-
14 pended.”.

15 **SEC. 4. REHABILITATION AND IMPROVEMENT FINANCING.**

16 (a) DEFINITIONS.—Section 102(7) of the Railroad
17 Revitalization and Regulatory Reform Act of 1976 (45
18 U.S.C. 802(7)) is amended to read as follows:

19 “(7) ‘railroad’ has the meaning given that term
20 in section 20102 of title 49, United States Code;
21 and”.

22 (b) GENERAL AUTHORITY.—Section 502(a) of the
23 Railroad Revitalization and Regulatory Reform Act of
24 1976 (45 U.S.C. 822(a)) is amended by striking “Sec-
25 retary may provide direct loans and loan guarantees to

1 State and local governments,” and inserting “Secretary
2 shall provide direct loans and loan guarantees to State and
3 local governments, interstate compacts entered into under
4 section 410 of the Amtrak Reform and Accountability Act
5 of 1997 (49 U.S.C 24101 nt),”.

6 (c) EXTENT OF AUTHORITY.—Section 502(d) of the
7 Railroad Revitalization and Regulatory Reform Act of
8 1976 (45 U.S.C. 822(d)) is amended—

9 (1) by striking “\$3,500,000,000” and inserting
10 “\$35,000,000,000”;

11 (2) by striking “\$1,000,000,000” and inserting
12 “\$7,000,000,000”; and

13 (3) by adding at the end the following new sen-
14 tence: “The Secretary shall not establish any limit
15 on the proportion of the unused amount authorized
16 under this subsection that may be used for 1 loan
17 or loan guarantee.”.

18 (d) COHORTS OF LOANS.—Section 502(f) of the Rail-
19 road Revitalization and Regulatory Reform Act of 1976
20 (45 U.S.C. 822(f)) is amended—

21 (1) in paragraph (2)—

22 (A) by striking “and” at the end of sub-
23 paragraph (D);

24 (B) by redesignating subparagraph (E) as
25 subparagraph (F); and

1 (C) by adding after subparagraph (D) the
2 following new subparagraph:

3 “(E) the size and characteristics of the co-
4 hort of which the loan or loan guarantee is a
5 member; and”; and

6 (2) by adding at the end of paragraph (4) the
7 following: “A cohort may include loans and loan
8 guarantees. The Secretary shall not establish any
9 limit on the proportion of a cohort that may be used
10 for 1 loan or loan guarantee.”.

11 (e) CONDITIONS OF ASSISTANCE.—Section 502 of the
12 Railroad Revitalization and Regulatory Reform Act of
13 1976 (45 U.S.C. 822) is amended—

14 (1) in subsection (f)(2)(A), by inserting “, if
15 any” after “collateral offered”; and

16 (2) by adding at the end of subsection (h) the
17 following:

18 “The Secretary shall not require an applicant for a direct
19 loan or loan guarantee under this section to provide collat-
20 eral. The Secretary shall not require that an applicant for
21 a direct loan or loan guarantee under this section have
22 previously sought the financial assistance requested from
23 another source. The Secretary shall require recipients of
24 direct loans or loan guarantees under this section to apply
25 the standards of section 26106(a)(5) of title 49, United

1 States Code, to their projects, except for projects primarily
2 benefiting Class III freight railroads.”.

3 (f) TIME LIMIT FOR APPROVAL OR DISAPPROVAL.—
4 Section 502 of the Railroad Revitalization and Regulatory
5 Reform Act of 1976 (45 U.S.C. 822) is amended by add-
6 ing at the end the following new subsection:

7 “(i) TIME LIMIT FOR APPROVAL OR DISAPPROVAL.—
8 Not later than 180 days after receiving a complete appli-
9 cation for a direct loan or loan guarantee under this sec-
10 tion, the Secretary shall approve or disapprove the applica-
11 tion.”.

12 (g) FEES AND CHARGES.—Section 503 of the Rail-
13 road Revitalization and Regulatory Reform Act of 1976
14 (45 U.S.C. 823) is amended by adding at the end the fol-
15 lowing new subsection:

16 “(l) FEES AND CHARGES.—Except as provided in
17 this title, the Secretary may not assess any fees, including
18 user fees, or charges in connection with a direct loan or
19 loan guarantee provided under section 502.”.

20 (h) SUBSTANTIVE CRITERIA AND STANDARDS.—Not
21 later than 30 days after the date of the enactment of this
22 Act, the Secretary of Transportation shall publish in the
23 Federal Register and post on the Department of Trans-
24 portation web site the substantive criteria and standards
25 used by the Secretary to determine whether to approve

1 or disapprove applications submitted under section 502 of
2 the Railroad Revitalization and Regulatory Reform Act of
3 1976 (45 U.S.C. 822).

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