

High Speed Rail Bill

PHOTOCOPY
PRESERVATION

High Speed Rail Briefing 11-4

Has come out of Energy/Commerce?

House Bill Has been reported
Senate Markup (?)

Date for House floor action by Tuesday
Senate Markup on Tuesday? Maybe

Senate Language OK w/ ~~DOT~~ DOT, OK w/ Brotherhoods

House side - DOT Active Role
Senate side - DOT Technical Advisor

Issues Outstanding bet House & Senate

Labor Protection

Liability

Grade-Crossing

Administration Position Key in Conference

House bill has Davis Bacon issues in it
Senate does not

Modified open rule in House

Administration Requested Davis Bacon be added
to House Bill

DOT Thinks all 3 outstanding issues are conferenceable

SOP/letter at Conference time

Should be sub-creating Bill - Davis-Bacon
only comes in in rare ~~the~~ cases where
people are displaced -- not a big program

Senate bill - 13c programs - Cost?
Transit Industry Model

Amtrak experience $\Rightarrow$ Retains them
from closing routes + laying off workers

- Personally - cost concerns

- Political Question - In shadow of NAFTA, do we want to side against unions?
again?

Recession Memo - What's our Policy
- What our Strategy

COMPARISON OF HIGH-SPEED RAIL BILLS

ISSUE: LABOR PROTECTION (1 of 4)

TOPIC	H.R. 1919 (\$1006)	S. 839 (\$1006)	RECOMMEND- ATION FOR COMPROMISE
Protected Employees	Non-management R.R. employees: (1) on HSR corridor who lose R.R. employment as a result of \$1003 assistance; (2) off-corridor employees who are "bumped" by an adversely affected corridor employee; ¹ / and (3) who must relocate to obtain or retain active employment are eligible for benefits.	All R.R. employees who are placed in a worse position with respect to total compensation or working conditions as a result of \$1003 assistance, are considered adversely affected and eligible for benefits.	
Executive Agency Guidelines	DOT within 60 days after consulting with labor unions, R.R.s & States	DOL within 90 days	
Contracting Restrictions	DOT to establish contracting and subcontracting restrictions	DOL to establish subcontracting restrictions	
Payment of labor pro- tection	No party assigned responsibility; to be covered in implementing arrangement	Recipieint to arrange for entity to pay costs	

¹ An employee is deprived of employment if he or she is: (A) working on a corridor and is furloughed or separated and unable to obtain a position with reasonably comparable duties; or (B)(i) furloughed or separated as a result of an employee described in (A) exercising their seniority rights, and (ii) unable to obtain a position with any railroad through the exercise of seniority rights.

ISSUE: LABOR PROTECTION (2 of 4)

TOPIC	H.R. 1919 (\$1006)	S. 839 (\$1006)	RECOMMEND- ATION FOR COMPROMISE
Type and Duration of Benefits	* in lieu of other benefits, at the employee's option, up to 1 year's salary as a separation allowance; or * Priority hiring consideration for all furloughed employees on corridor; * 18 months transitional assistance (or employee's length of service, if less than 18 months), based on the employee's salary, consisting of: subsistence allowances; health and welfare benefits; moving expenses (employees who move to obtain or retain employment are also eligible); and any other payment approved by DOT. 2/	* in lieu of other benefits, at the employee's option, up to 1 year's salary as a separation allowance; or * priority of reemployment of employees terminated or laid off; * guarantee of pre-transaction earnings (including overtime) and fringe benefits for 6 years (or employee's length of service, if less than 6 years), escalated by general wage increases and adjustments to fringe benefits costs; 2/ * moving expenses for employee required to move; and * training and retraining for employees terminated or laid off. 3/	

2/ Benefits under both bills would be reduced by any earnings or unemployment compensation received.

3/ DOL imposed protections must be as protective as
(Continued)

3/ (Cont'd)

requirements of §405(b) of the Rail Passenger Service Act, which requires that protective arrangements shall include "such protections as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) to such employees under existing collective bargaining agreements or otherwise; (2) the continuation of collective-bargaining rights; (3) the protection of such individual employees against a worsening of their positions with respect to their employment; (4) assurances of priority of reemployment of employees terminated or laid off; and (5) paid training or retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to section 5(2)(f) of the Interstate Commerce Act [49 U.S.C. §11347]."

ISSUE: **LABOR PROTECTION (4 of 4)**

TOPIC	H.R. 1919 (§§1006 & 1008)	S. 839 (§§1006 & 1007)	RECOMMEND- ATION FOR COMPROMISE
Election Among Protection Plans	Employees pro- tected under other plans must choose to be covered under such plans or under the benefit schedule.	No duplication or pyramiding of benefits.	
Implementat- ion arrange- ments	DOT to approve plans consistent with DOT guidelines after consulting with R.R.s and unions	DOT to approve plans that include DOL guidelines	
Applicabil- ity of Other Laws	<u>No provision</u> ; operator is automatically subject to Federal railroad safety statutes; if operator is engaged in interstate commerce, then operator is automatically covered by other statutes referenced in S. 839.	Operator operating in interstate commerce or over a R.R. line operated in interstate commerce within any designated corridor shall, with respect to such service, be deemed a common carrier engaged in interstate commerce and subject to laws governing such carriers (Rail- way Labor Act, R.R. retirement acts, & FELA).	
Davis-Bacon	Applies to con- tractors & sub- contractors	<u>No provision</u>	

- Any estimates on the likely
displaced workers?

- Any estimates on cost?

- Why included (who? Politics?)

- Political Ramifications of opposition

- how will this be paid for?

- Why not traditional UI system

↳ logic similar to Base Closing, Forest Int. ~~part~~
"if fed policy puts you out of work,
fed govt should help you get another job
(thru training, relocation, etc)"

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**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503**

October 15, 1993

LEGISLATIVE REFERRAL MEMORANDUM

LRM #I-1456

TO: Legislative Liaison Officer -

COMMERCE - Michael A. Levitt - (202)482-3086 - 324
JUSTICE - Sheila F. Anthony - (202)514-2141 - 217
LABOR - Robert A. Shapiro - (202)219-8201 - 330
STATE - Julia C. Norton - (202)647-4463 - 225
TRANSPORTATION - Tom Herlihy - (202)366-4687 - 226
TREASURY - Richard S. Carro - (202)622-1146 - 228
CEA - Francine Obermiller - (202)395-5036 - 242
NEC - Sonia Mathews - (202)456-6722 - 429
USTR - Fred Montgomery - (202)395-3475 - 223
NLRB - John E. Higgins, Jr. - (202)273-2910 - 282
FMCS - Ted Chaskelson - (202)653-5270 - 298

FROM: JAMES J. JUKES (for) *JJ*
Assistant Director for Legislative Reference

OMB CONTACT: Jim BROWN (395-3473)
Secretary's line (for simple responses): 395-3454
Alice DAVIS (395-3101)

SUBJECT: OMB Request for Views RE: HR 1919,
High-Speed Rail Development Act of 1993

DEADLINE: 5:00 P.M. FRIDAY October 22, 1993

COMMENTS: Your views are needed by the deadline so that we may be prepared to produce a Statement of Administration Policy on this bill. Please note that this bill contains "Buy America" and labor protection provisions. A copy of the bill as reported is attached.

OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or receipts for purposes of the the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

Alice Davis
Roger Adkins
Michael Deich
Mike Schmidt
Cookie Walden
Chris Edley
Ellen Seidman
Sally Katzen
Isabel Sawhill
Larry Matlack
Bonnie Dean
Bob Damus
Ken Schwartz

Clarissa Cerda
Bernie Martin
Tom Arthur
Howard Paster
Ed Clarke

RESPONSE TO LEGISLATIVE REFERRAL MEMORANDUM

If your response to this request for views is simple (e.g., concur/no comment) we prefer that you respond by **faxing** us this response sheet. If the response is simple and you prefer to call, please **call the branch-wide line** shown below (NOT the analyst's line) to leave a message with a secretary.

You may **also respond** by (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); (2) sending us a memo or letter; or (3) if you are an OASIS user in the Executive Office of the President, sending an E-mail message. Please **include** the LRM number shown above, and the **subject** shown below.

TO: Jim BROWN
Office of Management and Budget
Fax Number: (202) 395-3109
Analyst/Attorney's Direct Number: (202) 395-3473
Branch-Wide Line (to reach secretary): (202) 395-3454

FROM: _____ (Date)
 _____ (Name)
 _____ (Agency)
 _____ (Telephone)

**SUBJECT: OMB OMB Request for Views RE: HR 1919,
High-Speed Rail Development Act of 1993**

The following is the response of our agency to your request for views on the above-captioned subject:

_____ Concur

_____ No objection

_____ No comment

_____ See proposed edits on pages _____

_____ Other: _____

_____ FAX RETURN of _____ pages, attached to this
_____ response sheet

Union Calendar No. 146

103D CONGRESS
1ST SESSION**H. R. 1919****[Report No. 103-258]**

To establish a program to facilitate development of high-speed rail transportation in the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1993

Mr. DINGELL (for himself, Mr. SWIFT, Ms. SCHENK, Mr. MOORHEAD, Mr. UPTON, Mrs. COLLINS of Illinois, Mr. WYDEN, Mr. ROWLAND, Mr. MANTON, Mr. CARR, Mr. DURBIN, Mr. FOGLIETTA, Mrs. UNSOELD, and Ms. CANTWELL) introduced the following bill; which was referred to the Committee on Energy and Commerce

SEPTEMBER 28, 1993

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on April 29, 1993]

A BILL

To establish a program to facilitate development of high-speed rail transportation in the United States, 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,*

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the "High-Speed Rail Devel-*
3 *opment Act of 1993".*

4 **SEC. 2. FINDINGS.**

5 *The Congress finds that—*

6 *(1) high-speed rail may offer a safe and efficient*
7 *alternative to aviation and motor vehicle travel for*
8 *intercity transportation in certain corridors linking*
9 *major metropolitan areas in the United States;*

10 *(2) high-speed rail may have environmental ad-*
11 *vantages over certain other forms of intercity trans-*
12 *portation;*

13 *(3) Amtrak's Metroliner service between Wash-*
14 *ington, District of Columbia, and New York, New*
15 *York, the United States premier high-speed rail serv-*
16 *ice, has shown that Americans will use high-speed*
17 *rail when that transportation option is available;*

18 *(4) high-speed rail may help relieve congestion*
19 *experienced in densely travelled corridors;*

20 *(5) high-speed rail should be developed in those*
21 *intercity corridors where such service is appropriate;*

22 *(6) new high-speed rail service should not receive*
23 *Federal subsidies for operating and maintenance ex-*
24 *penses;*

1 (7) *State and local governments should take the*
2 *prime responsibility for the implementation of high-*
3 *speed rail service;*

4 (8) *the private sector should participate in fund-*
5 *ing the development of high-speed rail systems;*

6 (9) *in some intercity corridors, Federal financial*
7 *capital assistance is required to supplement the fi-*
8 *nancial commitments of State and local governments*
9 *and the private sector to ensure the development of the*
10 *infrastructure required for high-speed rail systems;*

11 (10) *new technologies can facilitate the develop-*
12 *ment of high-speed rail in the United States;*

13 (11) *the development of these technologies can ex-*
14 *pand the competitiveness of United States industry in*
15 *this country and overseas; and*

16 (12) *Federal assistance is required for research*
17 *and development of high-speed rail technologies for*
18 *commercial application in high-speed rail service in*
19 *the United States.*

1 **TITLE I—HIGH-SPEED RAIL**
2 **DEVELOPMENT**

3 **SEC. 101. NATIONAL HIGH-SPEED RAIL ASSISTANCE PRO-**
4 **GRAM.**

5 (a) *AMENDMENT.*—*The Railroad Revitalization and*
6 *Regulatory Reform Act of 1976 (45 U.S.C. 801 et seq.) is*
7 *amended by adding at the end the following new title:*

8 **“TITLE X—HIGH-SPEED RAIL**
9 **ASSISTANCE**

10 **“SEC. 1001. DESIGNATION OF CORRIDORS.**

11 “(a) *PETITION.*—*The Governor or Governors of a State*
12 *or States that substantially encompass a proposed corridor*
13 *may petition the Secretary for designation under this sec-*
14 *tion.*

15 “(b) *CONTENTS.*—*Any petition submitted pursuant to*
16 *subsection (a) shall include such information as the Sec-*
17 *retary determines by regulation to be necessary to evaluate*
18 *the merits of that corridor. Any such petition shall also des-*
19 *ignate a public agency, for each petitioning State, that is*
20 *authorized by the State to be responsible for coordination*
21 *of activities under the proposed high-speed rail program,*
22 *and authorized to receive financial assistance under sec-*
23 *tions 1002 or 1003.*

24 “(c) *CRITERIA FOR DESIGNATION.*—*The Secretary is*
25 *authorized to designate as a designated corridor any cor-*

1 *ridor where the Secretary determines that high-speed rail*
2 *offers the potential for cost-effective intercity passenger*
3 *transportation as part of the Nation's transportation sys-*
4 *tem. Such designation shall be based on such criteria as*
5 *the Secretary considers appropriate, including—*

6 *“(1) the integration of the designated corridor*
7 *into Statewide and metropolitan area transportation*
8 *planning undertaken pursuant to sections 134 and*
9 *135 of title 23, United States Code;*

10 *“(2) the interconnection of the proposed high-*
11 *speed rail service with other parts of the Nation's*
12 *transportation system, including the relationship of*
13 *the proposed service to intermodal terminals;*

14 *“(3) the effect of the proposed high-speed rail*
15 *service on the congestion of other modes of transpor-*
16 *tation;*

17 *“(4) the effect of the proposed service on State*
18 *and local governments' efforts to attain compliance*
19 *with the Clean Air Act;*

20 *“(5) the past and proposed financial commit-*
21 *ments and other support of State and local govern-*
22 *ments and the private sector to the proposed high-*
23 *speed rail program, including the acquisition of roll-*
24 *ing stock;*

25 *“(6) the estimated level of ridership;*

1 “(7) the estimated capital cost of the proposal;

2 “(8) the expected ability of the projected revenues
3 of the proposed service, along with any financial com-
4 mitments of State or local governments and the pri-
5 vate sector, to cover capital costs and operating and
6 maintenance expenses;

7 “(9) the support and cooperation of any owners
8 and operators of existing rail facilities proposed for
9 improvement in developing the high-speed rail service;
10 and

11 “(10) the effect of the proposed high-speed rail
12 service on other transportation services in operation
13 or under development.

14 “(d) *ADDITIONAL DESIGNATIONS.*—(1) The Secretary
15 shall, upon the written request of the Governor or Governors
16 of the State or States that substantially encompass the pro-
17 posed corridor, designate as a designated corridor—

18 “(A) any intercity rail corridor designated as a
19 high-speed rail corridor by the Secretary under sec-
20 tion 104(d)(2) of title 23, United States Code; or

21 “(B) any discrete portion of such a corridor.

22 “(2) The Secretary shall, upon the written request of
23 the Governor or Governors of the State or States that sub-
24 stantially encompass the proposed corridor, designate as a
25 designated corridor any intercity rail corridor, other than

1 *the main line of the Northeast Corridor between Washing-*
2 *ton, District of Columbia, and Boston, Massachusetts, that*
3 *includes a substantial segment where regularly scheduled*
4 *rail passenger service operates at speeds in excess of 100*
5 *miles per hour as of the date of enactment of the High-*
6 *Speed Rail Development Act of 1993.*

7 “(3) *Any request under this subsection shall include*
8 *the designation of a public agency, for each requesting*
9 *State, that is authorized by the State to be responsible for*
10 *coordination of activities under the proposed high-speed rail*
11 *program, and authorized to receive financial assistance*
12 *under sections 1002 or 1003.*

13 “(e) *ADMINISTRATIVE EXPENSES.—The Secretary*
14 *may provide financial assistance to a public agency des-*
15 *ignated under subsection (b) for up to 80 percent of the*
16 *administrative expenses incurred by such agency, and de-*
17 *termined eligible by the Secretary, in carrying out its re-*
18 *sponsibilities in connection with the development of a des-*
19 *ignated corridor. The Secretary shall establish a formula*
20 *for the allocation of assistance under this subsection.*

21 “**SEC. 1002. CORRIDOR MASTER PLANS.**

22 “(a) *REQUIREMENT.—An applicant shall prepare and*
23 *submit to the Secretary, and may periodically amend, a*
24 *corridor master plan for a corridor, subject to the approval*
25 *of the Secretary.*

1 “(b) *CONTENTS.*—A corridor master plan prepared
2 under subsection (a) shall identify a coordinated program
3 of improvements to advance the establishment of high-speed
4 rail service in the corridor, including those improvements
5 not eligible for financial assistance under this title. Such
6 plan shall include—

7 “(1) identification of how the proposed high-
8 speed rail service relates to State and metropolitan
9 area transportation plans of the affected States and
10 metropolitan areas;

11 “(2) identification of the specific elements that
12 comprise the program to achieve the high-speed rail
13 service, including their estimated costs, schedules,
14 timing, and relationship with other transportation
15 projects;

16 “(3) identification of the transportation benefits
17 expected to be derived from each element, including
18 reductions in trip times and increases in speeds;

19 “(4) identification of specific improvements that
20 comprise each element, a representation of the extent
21 to which such improvements are eligible for financial
22 assistance under this title, and an identification of all
23 proposed sources of funding for such specific improve-
24 ments;

1 “(5) identification of anticipated levels of rider-
2 ship and projections of revenues and expenses associ-
3 ated with the proposed high-speed rail service when
4 completed and for each element undertaken to achieve
5 high-speed service, including estimates of any operat-
6 ing subsidies that would be required and the sources
7 of such subsidies;

8 “(6) an operating plan identifying the proposed
9 schedule and frequency of the high-speed rail service
10 and the coordination of such service with any other
11 rail operations on the corridor; and

12 “(7) such other information as may be required
13 by the Secretary.

14 “(c) *PLAN PREPARATION ASSISTANCE.*—The Sec-
15 retary, by regulation and to the extent the Secretary consid-
16 ers reasonable, may provide financial assistance to an ap-
17 plicant preparing a corridor master plan for up to 50 per-
18 cent of the costs associated with preparation of such plan
19 incurred after the date of enactment of the High-Speed Rail
20 Development Act of 1993, including the costs of design, en-
21 vironmental and route selection analysis, and preliminary
22 engineering necessary to support such analyses. The Sec-
23 retary shall not provide financial assistance under this sub-
24 section in an amount that exceeds the amount provided by
25 State and local governments for such preparation costs.

1 **"SEC. 1003. FINANCIAL ASSISTANCE FOR DESIGNATED COR-**
2 **RIDORS.**

3 “(a) *AUTHORITY.*—*The Secretary may provide finan-*
4 *cial assistance to an applicant to fund improvements eligi-*
5 *ble under subsection (c) of this section. No financial assist-*
6 *ance shall be provided under this section—*

7 “(1) *for improvements to the main line of the*
8 *Northeast Corridor, between Washington, District of*
9 *Columbia, and Boston, Massachusetts; or*

10 “(2) *for improvements relating to a designated*
11 *corridor in a State where the State prohibits the ex-*
12 *penditure of State funds for such improvements.*

13 “(b) *TERMS, CONDITIONS, AND PROCEDURES.*—*The*
14 *Secretary shall establish appropriate terms, conditions, and*
15 *procedures for the provision of financial assistance under*
16 *this section.*

17 “(c) *ELIGIBLE IMPROVEMENTS.*—*Improvements eligi-*
18 *ble for financial assistance under subsection (a) shall be*
19 *those improvements, other than the acquisition of rolling*
20 *stock, that are necessary to facilitate the development of*
21 *high-speed rail service, including—*

22 “(1) *final engineering and design;*

23 “(2) *site specific environmental analyses and en-*
24 *vironmental mitigation;*

25 “(3) *acquisition of right-of-way and related*
26 *property; and*

1 “(4) acquisition, construction, rehabilitation, up-
2 grading, or replacement of roadbed, structures, track,
3 signal and communications systems, electric traction
4 systems, maintenance-of-way facilities, maintenance-
5 of-equipment facilities, private highway-rail grade
6 crossings (including payments to property owners to
7 close such crossings where appropriate), and those
8 portions of terminals and stations directly related to
9 the operation of the high-speed rail service.

10 Improvements that are eligible for funding under other Fed-
11 eral transportation programs shall not be eligible for finan-
12 cial assistance under subsection (a).

13 “(d) *MINIMUM FUNDING.*—Financial assistance may
14 not be provided under subsection (a) unless such assistance
15 enables the completion of at least one full element of a pro-
16 gram to achieve high-speed rail service.

17 “(e) *PRIVATE FUNDING.*—In providing financial as-
18 sistance under subsection (a), the Secretary shall ensure
19 that the element or elements for which such assistance is
20 provided include the maximum practicable private funding.

21 “(f) *FUNDING PROPORTIONS.*—(1) In providing finan-
22 cial assistance under subsection (a), the Secretary may pro-
23 vide financial assistance for up to 80 percent of the cost
24 of specific eligible improvements. No less than 20 percent

1 of the costs of such improvements shall be provided by State
2 or local funds.

3 “(2) Notwithstanding paragraph (1), the Secretary
4 shall not provide financial assistance under subsection (a)
5 relating to a designated corridor in an amount which, in
6 combination with any amounts previously provided under
7 subsection (a) with respect to such designated corridor, ex-
8 ceeds the aggregate amount provided, after April 29, 1993,
9 for the development of the designated corridor by State and
10 local governments, and other Federal transportation pro-
11 grams.

12 “(g) CRITERIA.—In determining whether to provide fi-
13 nancial assistance to fund an element under subsection (a),
14 the Secretary shall consider how the element meets the cri-
15 teria identified in section 1001(c), the information con-
16 tained in the relevant corridor master plan, commitments
17 by State and local governments to fund any increases in
18 the operating deficit of the National Railroad Passenger
19 Corporation with respect to that Corporation’s operation
20 over the designated corridor that result from the completion
21 of the element, and such other information as the Secretary
22 considers appropriate.

23 “(h) EARLY ASSISTANCE.—The Secretary may provide
24 financial assistance under subsection (a) for an element not
25 contained in a corridor master plan prepared under section

1 1002 only if such financial assistance is provided, with re-
2 spect to a designated corridor, before the expiration of 30
3 months after the date of enactment of the High-Speed Rail
4 Development Act of 1993.

5 **"SEC. 1004. HIGH-SPEED RAIL TECHNOLOGY DEVELOP-**
6 **MENT.**

7 “(a) *AUTHORITY.*—The Secretary is authorized to un-
8 dertake research and development of high-speed rail tech-
9 nologies for commercial application in high-speed rail serv-
10 ice in the United States.

11 “(b) *ELIGIBLE RECIPIENTS.*—In carrying out activi-
12 ties authorized by subsection (a), the Secretary may provide
13 financial assistance to any United States private business,
14 educational institution located in the United States, State
15 or local government or public authority, or agency of the
16 Federal Government.

17 **"SEC. 1005. BUY AMERICA REQUIREMENTS.**

18 “(a) *GENERAL RULE.*—Except as provided in sub-
19 section (b), an applicant receiving financial assistance
20 under section 1003 shall ensure that the articles, materials,
21 and supplies purchased with such financial assistance are
22 substantially all of United States manufacture or produc-
23 tion. An applicant that fails to meet the requirement of this
24 section may not receive further assistance under section
25 1003.

1 “(b) *EXEMPTION.*—*The Secretary may grant an ex-*
2 *emption from this section to an applicant with respect to*
3 *the purchase of articles, materials, or supplies, or may*
4 *grant an exemption for any improvement incorporating*
5 *such articles, materials, or supplies, if the Secretary deter-*
6 *mines that—*

7 “(1) *the application of this section is inconsis-*
8 *ent with the public interest;*

9 “(2) *the cost of imposing such requirements with*
10 *respect to such articles, materials, or supplies is un-*
11 *reasonable;*

12 “(3) *such articles, materials, or supplies are not*
13 *produced or manufactured in the United States in*
14 *sufficient and reasonably available quantities or of a*
15 *satisfactory quality;*

16 “(4) *such articles, materials, or supplies cannot*
17 *be purchased and delivered in the United States with-*
18 *in a reasonable time; or*

19 “(5) *such articles, materials, or supplies are pro-*
20 *duced or manufactured in a country that the Presi-*
21 *dent has determined, in its government procurement*
22 *contracts, extends national treatment to articles, ma-*
23 *terials, or supplies produced or manufactured in the*
24 *United States.*

1 “(c) *EXCEPTION.*—*This section shall not apply with*
2 *respect to an element in any case in which the total cost*
3 *of the articles, materials, or supplies purchased in connec-*
4 *tion with such element with financial assistance provided*
5 *under section 1003 is less than \$1,000,000.*

6 “**SEC. 1006. EMPLOYEE PROTECTION.**

7 “(a) *ESTABLISHMENT OF PROTECTIVE CONDITIONS.*—
8 *The Secretary shall, within 60 days after the date of enact-*
9 *ment of this title, and after consulting with representatives*
10 *of rail unions, railroads, and States, issue and publish in*
11 *the Federal Register a list of conditions to be imposed to*
12 *protect the interests of railroad employees who may be ad-*
13 *versely affected as a result of financial assistance provided*
14 *under section 1003. Such protective conditions shall*
15 *include—*

16 “(1) *a benefit schedule for such employees;*

17 “(2) *contracting and subcontracting restrictions*
18 *that the Secretary determines are appropriate with*
19 *respect to any person that performs work that is tra-*
20 *ditionally performed by railroad employees on a des-*
21 *ignated corridor and that is funded by financial as-*
22 *istance provided under section 1003; and*

23 “(3) *with respect to those tasks traditionally per-*
24 *formed by railroad employees on a designated cor-*
25 *ridor, a requirement that railroad employees who are*

1 *furloughed or separated (other than for cause) shall,*
2 *to the maximum extent feasible, and unless found to*
3 *be unqualified, have the first right of hire with—*

4 *“(A) any person that will be operating*
5 *high-speed rail service on that corridor or per-*
6 *forming maintenance, dispatching, or signaling*
7 *work in conjunction with such service; and*

8 *“(B) any contractor for construction work*
9 *that is funded by financial assistance under sec-*
10 *tion 1003.*

11 *For purposes of this paragraph, a railroad shall not*
12 *be considered to be hiring new employees when it re-*
13 *calls any of its own furloughed employees.*

14 *“(b) DEPRIVED OF EMPLOYMENT.—A railroad em-*
15 *ployee shall be considered deprived of employment if the*
16 *employee—*

17 *“(1) was working on a designated corridor prior*
18 *to the provision of financial assistance under section*
19 *1003 and is—*

20 *“(A) furloughed or separated as a result of*
21 *such financial assistance; and*

22 *“(B) unable to obtain a position with rea-*
23 *sonably comparable duties to that which the em-*
24 *ployee has performed in the preceding 12*

1 months, and for which the employee is qualified,
2 with—

3 “(i) any person that will be operating
4 high-speed rail service on that corridor or
5 performing maintenance, dispatching, or
6 signaling work in conjunction with such
7 service;

8 “(ii) any railroad through the normal
9 exercise of seniority rights; or

10 “(iii) in the case of a subordinate offi-
11 cial, in addition to clauses (i) and (ii), any
12 railroad operating in the corridor; or

13 “(2)(A) is furloughed or separated as a result of
14 an employee described in paragraph (1)(A) exercising
15 normal seniority rights to obtain or retain railroad
16 employment; and

17 “(B) is unable to obtain a position with any
18 railroad through the normal exercise of seniority
19 rights.

20 “(c) *BENEFIT SCHEDULE*.—(1) The benefit schedule
21 under this section shall provide for the payment to employ-
22 ees deprived of employment of—

23 “(A) subsistence allowances;

24 “(B) moving expenses for employees who must
25 make a change in residence;

1 “(C) separation allowances described in para-
2 graph (2)(C);

3 “(D) health and welfare insurance premiums;
4 and

5 “(E) any other payment the Secretary considers
6 appropriate.

7 “(2) The benefit schedule under this section shall limit
8 the payments under paragraph (1) to—

9 “(A) a maximum period of 18 months for any
10 employee, whether consecutive or intermittent, or for
11 a period equal to the employee's length of service, if
12 less than 18 months;

13 “(B) except as provided in subparagraph (C), a
14 maximum amount of 18 months' pay, or monthly pay
15 for a period equal to the employee's length of service,
16 if less than 18 months, reduced by—

17 “(i) compensation earned from employment
18 during the period referred to in subparagraph
19 (A); and

20 “(ii) any benefits received under any unem-
21 ployment insurance law during the period re-
22 ferred to in subparagraph (A); and

23 “(C) a lump sum separation allowance, com-
24 puted as follows, in the event the employee chooses to
25 resign and accept such lump sum settlement in lieu

1 of all other benefits and protection provided under
2 this section:

<i>Years of Service</i>	<i>Separation Allowance</i>
<i>Less than 1</i>	<i>5 days' pay for each month worked</i>
<i>At least 1 and less than 2</i>	<i>3 months' pay.</i>
<i>At least 2 and less than 3</i>	<i>6 months' pay</i>
<i>At least 3 and less than 5</i>	<i>9 months' pay</i>
<i>5 and over</i>	<i>12 months' pay</i>

3 “(3) One month’s pay for purposes of—

4 “(A) paragraph (2)(B), shall be the equivalent of
5 1/12th of the total compensation received by the em-
6 ployee in the last 12 months of employment in which
7 the employee earned compensation prior to the date
8 on which the employee was deprived of employment,
9 with the monthly amount adjusted to reflect subse-
10 quent general wage adjustments, including cost of liv-
11 ing adjustments where provided for; and

12 “(B) paragraph (2)(C) shall be computed by
13 multiplying by 30 the appropriate daily rate of the
14 position last occupied.

15 “(d) **SPECIAL MOVING EXPENSES RULE.**—A railroad
16 employee who would be considered to be deprived of employ-
17 ment but for paragraph (1)(B) or (2)(B) of subsection (b),
18 and who must make a change of residence in order to obtain
19 or retain active employment shall be eligible to receive mov-
20 ing expenses under the benefit schedule under this section,
21 to the extent that such expenses are not payable to or for

1 *the employee under applicable collective bargaining agree-*
2 *ments or their employer's corporate policy.*

3 “(e) *ELECTION.—(1) Any employee who receives any*
4 *payment under the benefit schedule under this section shall*
5 *be deemed to waive any employee protection benefits other-*
6 *wise available to such employee under—*

7 “(A) *any other provision of law;*

8 “(B) *any applicable contract or agreement; or*

9 “(C) *any decision or order of the Interstate Com-*
10 *merce Commission.*

11 “(2) *Any employee electing and claiming benefits*
12 *under the benefit schedule under this section shall be re-*
13 *quired to execute a form of release acknowledging and con-*
14 *senting to the waiver described in paragraph (1). Nothing*
15 *in this section shall be deemed to determine or otherwise*
16 *affect the priority, status, or timing of payment of, or the*
17 *liability for any claim for, employee protection which might*
18 *have existed in the absence of this section for any employee*
19 *who elects not to receive benefits under the benefit schedule.*

20 “(f) *IMPLEMENTING PLAN.—(1) Applicants for finan-*
21 *cial assistance under section 1003 shall submit to the Sec-*
22 *retary, with a copy to affected railroads and the authorized*
23 *representatives of the employees on the designated corridors*
24 *of such railroads, a proposed implementing plan to imple-*
25 *ment the employee protective conditions established under*

1 *this section. The plan shall include a procedure to identify*
2 *reductions in the work force related to the financial assist-*
3 *ance, and an arbitration process for resolving disputed*
4 *labor protection claims, including the burden of proof of*
5 *the claimant and the party disputing the claim.*

6 “(2) *The Secretary shall consult with the affected rail-*
7 *roads and the authorized representatives of the employees*
8 *on the designated corridors of such railroads prior to ap-*
9 *proving any proposed implementing plan under paragraph*
10 *(1). The Secretary may not approve the plan unless the*
11 *plan ensures that the employee protective conditions estab-*
12 *lished under this section will be fully implemented on the*
13 *designated corridor.*

14 “(3) *In providing financial assistance under section*
15 *1003, the Secretary shall include as a condition of such as-*
16 *sistance a requirement that the plan approved under this*
17 *section be implemented.*

18 “(4) *Not less than annually, the Secretary shall pub-*
19 *lish in the Federal Register a list of implementing plans*
20 *that have been approved under this section.*

21 “(g) *DEFINITION.—As used in this section, the term*
22 *‘a change in residence’ means change of place of residence*
23 *occasioned by a change in work location to a place that*
24 *is more than 30 normal highway route miles from the em-*

1 *ployee's residence and also farther from the residence than*
2 *was the employee's former work location.*

3 **"SEC. 1007. DEFINITIONS.**

4 *"For purposes of this title—*

5 *"(1) the term 'applicant' means a public agency*
6 *designated under section 1001(b) or (d)(3), or a group*
7 *of such public agencies, seeking financial assistance*
8 *under this title for development of a designated cor-*
9 *ridor;*

10 *"(2) the term 'corridor' means an existing or*
11 *proposed route for high-speed rail serving two or more*
12 *major metropolitan areas in the United States;*

13 *"(3) the term 'designated corridor' means a cor-*
14 *ridor designated by the Secretary under section 1001;*

15 *"(4) the term 'element' means a discrete portion*
16 *of a program to develop a designated corridor that*
17 *has a demonstrable intercity ground transportation*
18 *benefit independent of other improvements to such*
19 *corridor;*

20 *"(5) the term 'financial assistance' includes*
21 *grants, contracts, and cooperative agreements;*

22 *"(6) the term 'high-speed rail' has the meaning*
23 *given such term under section 511(n) of this Act;*

1 “(7) the term ‘improvement’ means a discrete ac-
2 tivity that contributes to the development of the infra-
3 structure of a designated corridor;

4 “(8) the term ‘railroad employee’ means a
5 nonmanagement railroad employee, including a sub-
6 ordinate railroad official, who is entitled to union
7 representation;

8 “(9) the term ‘rolling stock’ means locomotives
9 and rail passenger cars;

10 “(10) the term ‘State’ means each of the several
11 States, the District of Columbia, the Commonwealth
12 of Puerto Rico, the Virgin Islands, Guam, American
13 Samoa, the Commonwealth of the Northern Mariana
14 Islands, and any other territory or possession of the
15 United States;

16 “(11) the term ‘State or local funds’ does not in-
17 clude funds provided by private sector entities specifi-
18 cally for the purpose of developing a designated cor-
19 ridor; and

20 “(12) the term ‘United States private business’
21 means a business entity organized under the laws of
22 the United States, or of a State, and conducting sub-
23 stantial business operations in the United States.”.

24 (b) TABLE OF CONTENTS AMENDMENT.—The table of
25 contents of the Railroad Revitalization and Regulatory Re-

1 form Act of 1976 is amended by adding at the end the fol-
 2 lowing:

"TITLE X—HIGH-SPEED RAIL ASSISTANCE

"Sec. 1001. Designation of corridors.

"Sec. 1002. Corridor master plans.

"Sec. 1003. Financial assistance for designated corridors.

"Sec. 1004. High-speed rail technology development.

"Sec. 1005. Buy America requirements.

"Sec. 1006. Employee protection.

"Sec. 1007. Definitions.

"Sec. 1008. Labor standards."

3 SEC. 102. AUTHORIZATION OF APPROPRIATIONS.

4 (a) *HIGH-SPEED RAIL ASSISTANCE.*—There are au-
 5 thorized to be appropriated to the Secretary of Transpor-
 6 tation for the National High-Speed Rail Assistance Pro-
 7 gram authorized under sections 1001, 1002, 1003, and 1006
 8 of the Railroad Revitalization and Regulatory Reform Act
 9 of 1976—

10 (1) \$125,000,000 for fiscal year 1994;

11 (2) \$215,000,000 for fiscal year 1995;

12 (3) \$240,000,000 for fiscal year 1996;

13 (4) \$290,000,000 for fiscal year 1997; and

14 (5) \$340,000,000 for fiscal year 1998.

15 (b) *TECHNOLOGY DEVELOPMENT.*—There are author-
 16 ized to be appropriated to the Secretary of Transportation
 17 for high-speed rail technology development authorized under
 18 section 1004 of the Railroad Revitalization and Regulatory
 19 Reform Act of 1976—

20 (1) \$15,000,000 for fiscal year 1994;

21 (2) \$15,000,000 for fiscal year 1995;

1 (3) \$15,000,000 for fiscal year 1996;

2 (4) \$15,000,000 for fiscal year 1997; and

3 (5) \$15,000,000 for fiscal year 1998.

4 (c) *ADMINISTRATIVE EXPENSES OF SECRETARY.*—Of
5 the amounts authorized to be appropriated under sub-
6 sections (a) and (b), the Secretary of Transportation may
7 reserve the funds necessary for payment of the administra-
8 tive expenses incurred by the Secretary in carrying out the
9 Secretary's responsibilities under title X of the Railroad Re-
10 vitalization and Regulatory Reform Act of 1976.

11 (d) *ADMINISTRATIVE EXPENSES OF PUBLIC AGEN-*
12 *CIES.*—Of the amounts authorized to be appropriated under
13 subsection (a) of this section, the Secretary of Transpor-
14 tation may reserve up to 1 percent for the purpose of pro-
15 viding financial assistance under section 1001(e).

16 (e) *FUNDS TO REMAIN AVAILABLE.*—Funds made
17 available under this section shall remain available until ex-
18 pended.

19 (f) *NORTHEAST CORRIDOR.*—Section 601(a)(1)(B) of
20 the Rail Passenger Service Act (45 U.S.C. 601(a)(1)(B)) is
21 amended to read as follows:

22 “(B) \$205,000,000 for fiscal year 1994, and
23 \$210,000,000 for fiscal year 1995.”.

1 **TITLE II—LABOR PROTECTION**

2 **SEC. 201. LABOR PROTECTION.**

3 *Title X of the Railroad Revitalization and Regulatory*
4 *Reform Act of 1976, as added by title I of this Act, is further*
5 *amended by adding at the end the following new section:*

6 **“SEC. 1008. LABOR STANDARDS.**

7 *“The Secretary shall take such action as may be nec-*
8 *essary to ensure that all laborers and mechanics employed*
9 *by contractors or subcontractors in the performance of con-*
10 *struction work undertaken with financial assistance pro-*
11 *vided under this title shall be paid wages at rates not less*
12 *than those prevailing on similar construction in the locality*
13 *as determined by the Secretary of Labor in accordance with*
14 *the Davis-Bacon Act (40 U.S.C. 276a et seq.). The Secretary*
15 *shall not approve any such financial assistance without*
16 *first obtaining adequate assurance that required labor*
17 *standards will be maintained on the construction work.*
18 *Wages rates provided for in collective bargaining agree-*
19 *ments negotiated under and pursuant to the Railway Labor*
20 *Act shall be considered in compliance with the Davis-Bacon*
21 *Act.”.*