

Calendar No. 711

111TH CONGRESS
2^D SESSION

S. 2889

To reauthorize the Surface Transportation Board, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 16, 2010

Mr. ROCKEFELLER (for himself, Mrs. HUTCHISON, Mr. LAUTENBERG, Mr. THUNE, and Mr. DORGAN) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

DECEMBER 17, 2010

Reported by Mr. ROCKEFELLER, with an amendment

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

A BILL

To reauthorize the Surface Transportation Board, 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 “Surface Transpor-
5 tation Board Reauthorization Act of 2009”.

1 SEC. 2. TABLE OF CONTENTS.

2 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Amendment of title 49, United States Code.

TITLE I—ADMINISTRATIVE PROVISIONS

- Sec. 101. Authorization of appropriations.
- Sec. 102. Board members.
- Sec. 103. Establishment of Board as independent agency.
- Sec. 104. Filing fees for certain cases.
- Sec. 105. Repeal of expired and obsolete provisions.
- Sec. 106. Department of Transportation Inspector General authority.
- Sec. 107. Railroad-Shipper Transportation Advisory Council.

TITLE II—AUTHORITY IMPROVEMENTS

- Sec. 201. Rail transportation policy update.
- Sec. 202. Office of Public Assistance, Governmental Affairs, and Compliance.
- Sec. 203. Investigative authority.
- Sec. 204. Compilation of complaints.
- Sec. 205. Exempt traffic.
- Sec. 206. Railroad service metrics and performance data.
- Sec. 207. Uniform railroad costing system.
- Sec. 208. Replacement cost study.
- Sec. 209. Rail practices study.
- Sec. 210. Rail car interchange study.
- Sec. 211. Offers of financial assistance.
- Sec. 212. Adverse abandonments.
- Sec. 213. Emergency service orders.
- Sec. 214. Rate agreements.
- Sec. 215. Miscellaneous provisions.

TITLE III—REGULATORY REFORM

- Sec. 301. Paper barriers.
- Sec. 302. Bottleneck and terminal switching rates.
- Sec. 303. Terminal access.
- Sec. 304. Service.
- Sec. 305. Arbitration of certain rail rate, practice, and common carrier service expectation disputes.
- Sec. 306. Maximum relief in certain rate cases.
- Sec. 307. Advance rate challenge.
- Sec. 308. Rate review timelines.
- Sec. 309. Revenue adequacy study.
- Sec. 310. Public usage of abandoned rail properties.
- Sec. 311. Transactions.
- Sec. 312. Considerations in consolidations, mergers, and acquisitions.
- Sec. 313. Railroad development.
- Sec. 314. Regulatory reform review.

TITLE IV—TECHNICAL CORRECTIONS

- Sec. 401. Technical corrections to Public Law 110-432.

TITLE V—MISCELLANEOUS

Sec. 501. Pipeline investigative authority.

Sec. 502. Carbon dioxide pipelines.

Sec. 503. Effective dates; effect on existing rate prescriptions.

1 **SEC. 3. AMENDMENT OF TITLE 49, UNITED STATES CODE.**

2 Except as otherwise expressly provided, whenever in
3 this Act an amendment or repeal is expressed in terms
4 of an amendment to, or a repeal of, a section or other
5 provision, the reference shall be considered to be made to
6 a section or other provision of title 49, United States
7 Code.

8 **TITLE I—ADMINISTRATIVE**
9 **PROVISIONS**

10 **SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

11 Section 705 is amended by striking paragraphs (1)
12 through (3) and inserting the following:

13 “(1) \$37,670,000 for fiscal year 2010;

14 “(2) \$44,683,000 for fiscal year 2011;

15 “(3) \$37,857,000 for fiscal year 2012;

16 “(4) \$41,190,000 for fiscal year 2013; and

17 “(5) \$44,690,000 for fiscal year 2014.”

18 **SEC. 102. BOARD MEMBERS.**

19 (a) MEMBERSHIP.—Section 701(b) is amended—

20 (1) by striking “3 members,” in paragraph (1)
21 and inserting “5 members,”;

22 (2) by striking “2 members” in paragraph (1)
23 and inserting “3 members”; and

1 (3) by striking paragraph (2) and inserting the
2 following:

3 “(2) At any given time, at least 3 members of the
4 Board shall be individuals with professional standing and
5 demonstrated knowledge in the fields of transportation,
6 transportation regulation, or economic regulation, and at
7 least 2 members shall be individuals with professional or
8 business experience (including agriculture or other rail
9 customers) in the private sector.”.

10 (b) REPEAL OF HOLDOVER LIMITATION.—Section
11 701(b) is amended by striking “qualified, but for a period
12 not to exceed one year.” in paragraph (3) and inserting
13 “qualified.”.

14 (c) REPEAL OF OBSOLETE PROVISION.—Section
15 701(b) is amended—

16 (1) by striking paragraph (4) and redesignating
17 paragraphs (5), (6), and (7) as paragraphs (4), (5),
18 and (6), respectively; and

19 (2) by striking “In the case of an individual
20 who becomes a member of the Board pursuant to
21 paragraph (4), or an individual” in paragraph (4),
22 as redesignated, and inserting “An individual”.

1 **SEC. 103. ESTABLISHMENT OF BOARD AS INDEPENDENT**
 2 **AGENCY.**

3 (a) **IN GENERAL.**—Section 701(a) is amended to
 4 read as follows:

5 “(a) **ESTABLISHMENT OF BOARD.**—The Surface
 6 Transportation Board is an independent establishment of
 7 the United States Government.”.

8 (b) **CONFORMING AMENDMENTS.**—

9 (1) **ADMINISTRATIVE PROVISIONS.**—Section 703
 10 is amended—

11 (A) by striking subsections (a), (c), (f),
 12 and (g);

13 (B) by redesignating subsections (b), (d),
 14 and (e) as subsections (a), (b), and (c), respec-
 15 tively; and

16 (C) by adding at the end thereof the following:

17 “(d) **SUBMISSIONS AND TRANSMITTALS.**—Whenever
 18 the Board submits or transmits any budget estimate,
 19 budget request, supplemental budget estimate, or other
 20 budget information, legislative recommendation, prepared
 21 testimony for congressional hearings, or comment on legis-
 22 lation to the President or to the Office of Management
 23 and Budget, it shall concurrently transmit a copy thereof
 24 to the Senate Committee on Commerce, Science, and
 25 Transportation and the House of Representatives Com-
 26 mittee on Transportation and Infrastructure. No officer

1 or agency of the United States shall have any authority
 2 to require the Board to submit its budget requests or esti-
 3 mates, legislative recommendations, prepared testimony
 4 for congressional hearings, or comments on legislation to
 5 any officer or agency of the United States for approval,
 6 comments, or review, prior to the submission of such rec-
 7 ommendations, testimony, or comments to the Congress.”.

8 (2) ADMINISTRATIVE SUPPORT.—

9 (A) Subchapter H of chapter 7 is amended
 10 by striking section 725.

11 (B) The table of contents for chapter 7 is
 12 amended by striking the item relating to section
 13 725.

14 **SEC. 104. FILING FEES FOR CERTAIN CASES.**

15 (a) IN GENERAL.—Subchapter H of chapter 7, as
 16 amended by section 103(b)(2)(A) of this Act, is amended
 17 by inserting after section 724 the following:

18 **“§ 725. Filing fees**

19 “The Board may not require a party to pay a filing
 20 fee to bring a formal complaint before the Board that is
 21 greater than the fee provided by section 1914 of title 28
 22 for bringing a civil action in a district court of the United
 23 States.”.

1 (b) CONFORMING AMENDMENT.—The table of con-
 2 tents for chapter 7 is amended by inserting after the item
 3 relating to section 724 the following:

“725. Filing fees”.

4 **SEC. 105. REPEAL OF EXPIRED AND OBSOLETE PROVI-**
 5 **SIONS.**

6 (a) CONTRACT LIMITATION.—Section 10709 is
 7 amended by striking subsection (h).

8 (b) AGENT IN D.C.—

9 (1) Section 723 is amended—

10 (A) by striking “in the District of Colum-
 11 bia,” in subsection (a); and

12 (B) by striking “in the District of Colum-
 13 bia” in subsection (c).

14 (2) Section 724(a) is amended by striking “in
 15 the District of Columbia” each place it appears.

16 **SEC. 106. DEPARTMENT OF TRANSPORTATION INSPECTOR**
 17 **GENERAL AUTHORITY.**

18 (a) IN GENERAL.—Subchapter II of chapter 7 is
 19 amended—

20 (1) by redesignating section 727 as section 728;

21 and

22 (2) by inserting after section 726 the following:

23 **“§ 727. Authority of the Inspector General**

24 “(a) IN GENERAL.—The Inspector General of the
 25 Department of Transportation, in accordance with the

1 mission of the Inspector General to prevent and detect
2 fraud and abuse, shall have authority to review only the
3 financial management, property management, and busi-
4 ness operations of the Surface Transportation Board, in-
5 cluding internal accounting and administrative control
6 systems, to determine compliance with applicable Federal
7 laws, rules, and regulations.

8 “(b) DUTIES.—In carrying out this section, the In-
9 spector General shall—

10 “(1) keep the Chairman of the Board and the
11 Senate Committee on Commerce, Science, and
12 Transportation and the House of Representatives
13 Committee on Transportation and Infrastructure
14 fully and currently informed about problems relating
15 to administration of the internal accounting and ad-
16 ministrative control systems of the Board;

17 “(2) issue findings and recommendations for
18 actions to address such problems; and

19 “(3) report periodically to the Senate Com-
20 mittee on Commerce, Science, and Transportation
21 and the House of Representatives Committee on
22 Transportation and Infrastructure on any progress
23 made in implementing actions to address such prob-
24 lems.

1 “(c) ACCESS TO INFORMATION.—In carrying out this
 2 section, the Inspector General may exercise authorities
 3 granted to the Inspector General under subsections (a)
 4 and (b) of section 6 of the Inspector General Act of 1978
 5 (5 U.S.C. App.).

6 “(d) AUTHORIZATIONS OF APPROPRIATIONS.—

7 “(1) FUNDING.—There are authorized to be ap-
 8 propriated to the Secretary of Transportation for
 9 use by the Inspector General of the Department of
 10 Transportation such sums as may be necessary to
 11 cover expenses associated with activities pursuant to
 12 the authority exercised under this section.

13 “(2) REIMBURSABLE AGREEMENT.—In the ab-
 14 sence of an appropriation under this subsection for
 15 an expense referred to in paragraph (1), the Inspec-
 16 tor General and the Board shall have a reimbursable
 17 agreement to cover such expense.”.

18 “(b) CONFORMING AMENDMENT.—The table of con-
 19 tents for chapter 7 is amended by striking the item relat-
 20 ing to section 701 and inserting the following:

“727. Authority of the Inspector General
 “728. Definitions”.

21 **SEC. 107. RAILROAD-SHIPPER TRANSPORTATION ADVISORY**
 22 **COUNCIL.**

23 Section 726 is amended—

1 (1) by striking “and” after the semicolon in
2 subsection (a)(2)(A);

3 (2) by striking “railroads.” in subsection
4 (a)(2)(B) and inserting “railroads; and”;

5 (3) by adding at the end of subsection (a)(2)
6 the following:

7 “(C) the ninth voting member shall be a
8 member-at-large, and may be a representative
9 of rail labor, a State or local transportation
10 agency, an academic institution, or other rel-
11 evant entity selected by the Chairman.”;

12 (4) by striking the second sentence of sub-
13 section (a)(4); and

14 (5) by striking the first sentence of subsection
15 (f)(4) and inserting “The Council shall prepare an
16 annual report concerning its activities and the re-
17 sults of Council efforts to resolve railroad and ship-
18 per issues and shall include in the report at least
19 one recommendation to the Board stemming from
20 the Council’s activities and any proposal regarding
21 regulations or legislation it considers appropriate.”.

22 **TITLE II—AUTHORITY** 23 **IMPROVEMENTS**

24 **SEC. 201. RAIL TRANSPORTATION POLICY UPDATE.**

25 Section 10101 is amended to read as follows:

1 **“§ 10101. Rail transportation policy**

2 “In regulating the railroad industry, it is the policy
3 of the United States Government to balance the following
4 objectives:

5 “(1) To promote a safe and efficient rail trans-
6 portation system.

7 “(2) To allow, to the maximum extent possible,
8 competition and the demand for services to establish
9 reasonable rates for transportation by rail.

10 “(3) To protect rail shippers and to maintain
11 reasonable rates where there is an absence of effec-
12 tive competition and where rail rates provide reve-
13 nues that exceed the amount necessary to maintain
14 and expand the rail system and to attract capital.

15 “(4) To foster the continuation and expansion
16 of a sound rail transportation system while also pre-
17 serving effective competition among rail carriers and
18 with other modes to meet the needs of the public
19 and National defense.

20 “(5) To ensure that rail carriers can earn ade-
21 quate revenues to provide and sustain consistent, ef-
22 ficient, and reliable transportation services and to
23 maintain and expand rail infrastructure, equipment,
24 and technology.

1 “(6) To prohibit predatory pricing and prac-
2 tices, avoid undue concentrations of market power,
3 and to prohibit unlawful discrimination.

4 “(7) To provide fair and expeditious regulatory
5 decisions and ensure that the regulatory process is
6 accessible and cost-effective for all affected parties.

7 “(8) To advance the environmental and energy
8 efficiency advantages of rail transportation and en-
9 courage energy conservation and environmentally-re-
10 sponsible practices among rail carriers.

11 “(9) To foster intercity and commuter rail pas-
12 senger service.

13 “(10) To encourage fair wages and safe and
14 suitable working conditions in the railroad indus-
15 try.”.

16 **SEC. 202. OFFICE OF PUBLIC ASSISTANCE, GOVERNMENTAL**
17 **AFFAIRS, AND COMPLIANCE.**

18 (a) **IN GENERAL.**—Subchapter H of chapter 7, as
19 amended by section 106 of this Act, is further amended—

20 (1) redesignating section 728 (as redesignated
21 by section 106 of this Act) as section 729; and

22 (2) by inserting after section 727 the following:

1 **“§ 728. Office of Public Assistance, Governmental Af-**
2 **fairs, and Compliance**

3 “(a) IN GENERAL.—The Board shall maintain an Of-
4 fice of Public Assistance, Governmental Affairs, and Com-
5 pliance with authority over public assistance and outreach,
6 governmental affairs, and compliance. The Office shall—

7 “(1) mediate disputes between affected parties;

8 “(2) monitor rail carrier operations subject to
9 the Board’s jurisdiction to ensure that such oper-
10 ations are in compliance with each rail carrier’s stat-
11 utory and regulatory responsibilities;

12 “(3) act as the Board’s point of contact with
13 government, public and private parties;

14 “(4) facilitate communication among stake-
15 holders subject to the Board’s jurisdiction; and

16 “(5) carry out other duties and powers pre-
17 scribed by the Board.

18 “(b) CUSTOMER ADVOCATE.—The Board shall ap-
19 point a rail customer advocate who shall report directly
20 to the Board. The rail customer advocate—

21 “(1) shall review or investigate rail customer in-
22 quiries and complaints;

23 “(2) shall serve as a technical advisor to a rail
24 customer in any appropriate proceeding of the
25 Board;

1 “(3) shall advise the Board in certain matters,
2 as appropriate;

3 “(4) shall review information regarding the cost
4 and efficiency of rail transportation;

5 “(5) shall carry out other duties and powers
6 prescribed by the Board; and

7 “(6) may participate as a party in a proceeding
8 of the Board, as appropriate.

9 “(e) OMBUDSMAN.—The Board may designate an
10 employee of the Board to serve as an ombudsman of the
11 Board in regional or local matters of Board interest, in-
12 cluding matters related to railroad service, mergers and
13 acquisitions, or any other matter designated by the
14 Board.”.

15 (b) CONFORMING AMENDMENT.—The table of con-
16 tents for chapter 7, as amended by section 106 of this
17 Act, is amended by striking the item relating to section
18 728 and inserting the following:

“728. Office of Public Assistance, Governmental Affairs, and Compliance
“729. Definitions”.

19 **SEC. 203. INVESTIGATIVE AUTHORITY.**

20 (a) AUTHORITY TO INITIATE INVESTIGATION.—Sec-
21 tion 11701(a) is amended by striking “only on complaint.”
22 and inserting “on the Board’s own initiative or on com-
23 plaint.”.

1 (b) RATE PROCEEDINGS.—Section 10704(b) is
 2 amended by striking the first sentence and inserting “The
 3 Board may begin a proceeding under subsection (a)(1) on
 4 its own initiative or upon complaint, except that a pro-
 5 ceeding to determine the reasonableness of the level of a
 6 rate charged by a carrier may only be initiated upon com-
 7 plaint.”.

8 **SEC. 204. COMPILATION OF COMPLAINTS.**

9 (a) IN GENERAL.—Section 704 is amended—

10 (1) by striking the section heading and insert-
 11 ing the following:

12 **“§704. Reports”;**

13 (2) by inserting “(a) ANNUAL REPORT.—” be-
 14 fore “The Board”; and

15 (3) by adding at the end the following:

16 **“(b) COMPLAINTS.—**

17 **“(1) The Board shall establish and maintain a**
 18 **database of complaints received by the Board.**

19 **“(2) The Board shall post a quarterly report of**
 20 **formal and informal service complaints received by**
 21 **the Board during the previous quarter that shall in-**
 22 **clude—**

23 **“(A) a list of the type of each complaint;**

24 **“(B) the geographic region of the com-**
 25 **plaint; and**

1 “(C) the resolution of the complaint, if ap-
2 propriate.

3 “(3) The quarterly report may identify a com-
4 plainant that submitted an informal complaint only
5 upon the written consent of the complainant.

6 “(4) The report shall be posted on the Board’s
7 public website.”.

8 (b) **CONFORMING AMENDMENT.**—The table of con-
9 tents for chapter 7 is amended by striking the item relat-
10 ing to section 704 and inserting the following:

 “704. Reports”.

11 **SEC. 205. EXEMPT TRAFFIC.**

12 (a) **IN GENERAL.**—Section 10502 is amended—

13 (1) by striking “the Board, to the maximum ex-
14 tent consistent with this part, shall” in subsection
15 (a) and inserting “the Board shall”; and

16 (2) by striking “title.” in subsection (d) and in-
17 serting “title or to protect shippers from the abuse
18 of market power.”.

19 (b) **CURRENT CLASS EXEMPTIONS.**—Within 2 years
20 after the date of enactment of this Act, the Surface Trans-
21 portation Board shall conclude a study of class exemptions
22 in effect on the date of enactment of this Act to determine
23 whether any exemptions should be revoked pursuant to
24 section 10502(d) of title 49, United States Code. In con-
25 ducting the study, the Board shall provide public notice

1 and opportunity for comment and conduct 1 or more pub-
2 lic hearings. Upon completion of the study, the Board
3 shall—

4 (1) revise any such exemptions as necessary on
5 the basis of the Board's findings and conclusions
6 from the study; and

7 (2) establish a process for the periodic review,
8 and revision as necessary, of class exemptions.

9 **SEC. 206. RAILROAD SERVICE METRICS AND PERFORM-**
10 **ANCE DATA.**

11 (a) **REPORTING REQUIREMENTS.**—Within 2 years
12 after the date of enactment of this Act, the Surface Trans-
13 portation Board shall require Class I railroad carriers and
14 other railroad carriers, as appropriate, to regularly report
15 railroad service metrics and other performance data as
16 prescribed by the Board. The metrics and data may in-
17 clude transportation cycle times and transit times and
18 variations in such times, average train speed, and terminal
19 dwell time by type of traffic and by geographic area and
20 other metrics, as determined by the Board.

21 (b) **CONFIDENTIALITY.**—The Board shall ensure that
22 metrics submitted pursuant to this section and data and
23 deemed confidential by the Board are appropriately pro-
24 tected.

1 **SEC. 207. UNIFORM RAILROAD COSTING SYSTEM.**

2 (a) **STUDY.**—Within 180 days after the date of enact-
3 ment of this Act, the Surface Transportation Board shall
4 initiate a proceeding to examine the Uniform Railroad
5 Costing System. The examination shall consider matters
6 deemed appropriate by the Board.

7 (b) **UPDATE.**—Within 3 years after the date of enact-
8 ment of this Act, the Board shall update, revise, or replace
9 the System and any related reporting of financial and op-
10 erating information by rail carriers as deemed appropriate
11 by the Board based on the examination required by sub-
12 section (a).

13 (c) **INTERIM REPORT.**—Within 18 months after the
14 date of enactment of this Act, the Board shall submit an
15 interim report on its progress on the proceeding to the
16 Senate Committee on Commerce, Science, and Transpor-
17 tation and the House of Representatives Committee on
18 Transportation and Infrastructure.

19 (d) **MOVEMENT-SPECIFIC ADJUSTMENTS.**—Until the
20 Board updates, revises, or replaces the system pursuant
21 to subsection (b), or thereafter at the discretion of the
22 Board, parties may make reasonable movement-specific
23 adjustments to the variable costs calculated by the System
24 in full stand-alone cost rate challenges.

25 (e) **MATERIAL CHANGE ADJUSTMENTS.**—If the Sys-
26 tem is materially changed pursuant to subsection (b), the

1 Board shall develop a one-time adjustment factor to be
2 used to adjust the variable costs in rate prescriptions de-
3 termined under the changed procedures to equal those
4 that would have been obtained under the prior procedures,
5 and will apply this adjustment factor, upon request, in
6 rate prescriptions that are in effect as of the date of enact-
7 ment of this Act.

8 **SEC. 208. REPLACEMENT COST STUDY.**

9 (a) **STUDY.**—Within 180 days after the date of enact-
10 ment of this Act, the Surface Transportation Board shall
11 initiate a study to review the use of a replacement cost
12 approach to value the assets of rail facilities. The review
13 shall include matters deemed appropriate by the Board,
14 but shall include, at a minimum, consideration of the fea-
15 sibility, effectiveness, and appropriateness of using a re-
16 placement cost approach in Board proceedings where re-
17 placement costs may be relevant. In conducting the study,
18 the Board shall provide public notice and opportunity for
19 comment and conduct one or more public hearings. The
20 Board shall complete the study within 2 years after its
21 initiation.

22 (b) **REPORT TO CONGRESS.**—Within 180 days after
23 completion of the study, the Board shall provide a report
24 to the Senate Committee on Commerce, Science, and
25 Transportation and the House of Representatives Com-

1 mittee on Transportation and Infrastructure on its find-
2 ings.

3 **SEC. 209. RAIL PRACTICES STUDY.**

4 (a) **STUDY.**—Within 180 days after the date of enact-
5 ment of this Act, the Surface Transportation Board shall
6 initiate a study of rail practices, including switching, sur-
7 charges, penalties, demurrage, and accessorial charges. In
8 conducting the study, the Board shall provide public notice
9 and opportunity for comment and conduct one or more
10 public hearings.

11 (b) **REPORT TO CONGRESS.**—Within 180 days after
12 completion of the study, the Board shall provide a report
13 to the Senate Committee on Commerce, Science, and
14 Transportation and the House of Representatives Com-
15 mittee on Transportation and Infrastructure on its find-
16 ings.

17 **SEC. 210. RAIL CAR INTERCHANGE STUDY.**

18 (a) **STUDY.**—Within 180 days after the date of enact-
19 ment of this Act, the Surface Transportation Board shall
20 initiate a study of rail interchange rules, including car
21 service, interchange, and other operating rules adopted
22 and administered by the Association of American Rail-
23 roads and the effect of those rules on the national rail
24 system. In conducting the study, the Board shall provide

1 public notice and opportunity for comment and conduct
 2 one or more public hearings.

3 (b) ~~REPORT TO CONGRESS.~~—Within 180 days after
 4 completion of the study, the Board shall provide a report
 5 to the Senate Committee on Commerce, Science, and
 6 Transportation and the House of Representatives Com-
 7 mittee on Transportation and Infrastructure on its find-
 8 ings.

9 **SEC. 211. OFFERS OF FINANCIAL ASSISTANCE.**

10 Section 10904 is amended—

11 (1) by striking so much of subsection (d) as
 12 precedes paragraph (2) and inserting the following:

13 “(d)(1) Unless the Board, within 15 days after the
 14 expiration of the 4-month period described in subsection
 15 (e), finds that one or more financially responsible persons
 16 (including a governmental authority) have offered finan-
 17 cial assistance and established a reasonable likelihood of
 18 freight rail service, public transportation, or intercity rail
 19 passenger transportation over that part of the railroad line
 20 to be abandoned or over which all rail transportation is
 21 to be discontinued, abandonment or discontinuance may
 22 be carried out in accordance with section 10903.”; and

23 (2) by striking “30 days” in subsection
 24 (f)(1)(A) and inserting “60 days”.

1 **SEC. 212. ADVERSE ABANDONMENTS.**

2 Section 10903 is amended—

3 (1) by striking so much of subsection (a) as
4 precedes paragraph (2) and inserting the following:

5 “(a)(1) An application relating to the abandonment
6 of or discontinuance of operation of all rail transportation
7 over any part of a railroad line shall be filed with the
8 Board. An abandonment or discontinuance may be carried
9 out only as authorized under this chapter.”;

10 (2) by striking “When a rail carrier providing
11 transportation subject to the jurisdiction of the
12 Board under this part files an application; the appli-
13 cation” in subsection (a)(2) and inserting “An appli-
14 cation filed under this section”;

15 (3) by striking “rail carrier’s” in subsection
16 (a)(2)(A);

17 (4) by striking “(C)(i)” in subsection (a)(2)(C)
18 and inserting “(C) if filed by a rail carrier, (i)”;

19 (5) by striking “The rail carrier shall—” in
20 subsection (a)(3) and inserting “The applicant
21 shall—”.

22 **SEC. 213. EMERGENCY SERVICE ORDERS.**

23 Section 11123(c)(1) is amended by striking the sec-
24 ond sentence and inserting “Action by the Board under
25 subsection (a) of this section may be extended in 90-day

1 increments until the Board finds that the emergency has
2 ended.”.

3 **SEC. 214. RATE AGREEMENTS.**

4 (a) IN GENERAL.—Section 10706 is amended to read
5 as follows:

6 “§ 10706. Rate agreements

7 “(a) IN GENERAL.—In any proceeding in which it is
8 alleged that a carrier was a party to an agreement, con-
9 spiracy, or combination in violation of the Sherman Act
10 (15 U.S.C. 1 et seq.), the Clayton Act (15 U.S.C. 12 et
11 seq.), sections 73 and 74 of the Wilson Tariff Act (15
12 U.S.C. 8 and 9), or the Act of June 19, 1936 (15 U.S.C.
13 13, 13a, 13b, and 21a) or of any similar State law, proof
14 of an agreement, conspiracy, or combination may not be
15 inferred from evidence that two or more rail carriers acted
16 together with respect to an interline rate or related matter
17 and that a party to such action took similar action with
18 respect to a rate or related matter on another route or
19 traffic.

20 “(b) INADMISSIBLE EVIDENCE.—In any proceeding
21 in which such a violation is alleged, evidence of a discus-
22 sion or agreement between or among such rail carrier and
23 one or more other rail carriers, or of any rate or other
24 action resulting from such discussion or agreement, shall
25 not be admissible if the discussion or agreement concerned

1 an interline movement of the rail carrier, and the discus-
 2 sion or agreement would not, considered by itself, violate
 3 the laws referred to in subsection (a).

4 “(c) DETERMINATION BY COURT.—In any such pro-
 5 ceeding before a jury, the court shall determine whether
 6 the requirements of subsection (b) are satisfied before al-
 7 lowing the introduction of any such evidence.”.

8 (b) CONFORMING AMENDMENT.—The table of con-
 9 tents for chapter 107 is amended by striking the item re-
 10 lating to section 10706 and inserting the following:

“10706. Rate agreements”.

11 **SEC. 215. MISCELLANEOUS PROVISIONS.**

12 (a) SIMPLIFIED PROCEDURE.—Section 10701(d)(3)
 13 is amended to read as follows:

14 “(3) The Board shall maintain a simplified and expe-
 15 dited method for determining the reasonableness of chal-
 16 lenged rates in those cases in which a full stand-alone cost
 17 presentation is too costly, given the value of the case.”.

18 (b) EXPEDITIOUS HANDLING.—Section 10704(d) is
 19 amended by striking the first sentence and inserting “The
 20 Board shall maintain procedures to ensure expeditious
 21 handling of challenges to the reasonableness of railroad
 22 rates.”.

**TITLE III—REGULATORY
REFORM**

3 SEC. 301. PAPER BARRIERS.

4 (a) INTERCHANGE COMMITMENT DEFINED.—Section
5 10102 is amended—

6 (1) by redesignating paragraphs (4) through
7 (10) as paragraphs (5) through (11), respectively;
8 and

9 (2) by inserting after paragraph (3) the fol-
10 lowing:

11 “(4) ‘interchange commitment’ means a con-
12 tractual agreement between two or more rail carriers
13 subject to the jurisdiction of the Board reached as
14 part of a sale or lease of a rail line for which the
15 approval of the Board is required under chapter 109
16 or 113 of this part, which limits the incentive or the
17 ability of the purchaser or tenant rail carrier to
18 interchange traffic with a rail carrier other than the
19 seller or lessor rail carrier;”.

20 (b) AUTHORIZING AN ACQUISITION OR OPERATION
21 TRANSACTION.—

22 (1) Section 10901(e) is amended by adding at
23 the end thereof “The Board may not issue a certifi-
24 cate authorizing an acquisition or operation trans-
25 action under subsection (a)(4) that includes inter-

1 change commitments or other mechanisms restrict-
 2 ing the purchaser's or tenant's ability to interchange
 3 with any other carrier unless such commitments or
 4 mechanisms are reasonable and in the public inter-
 5 est.".

6 (2) Section 10902(e) is amended by adding at
 7 the end thereof "The Board may not issue a certifi-
 8 cate authorizing an acquisition or operation trans-
 9 action under this section that includes interchange
 10 commitments or other mechanisms restricting the
 11 purchaser's or tenant's ability to interchange with
 12 any other carrier unless such commitments or mech-
 13 anisms are reasonable and in the public interest.".

14 (3) Section 11323 is amended by adding at the
 15 end thereof the following:

16 "(d) The Board may not authorize an acquisition or
 17 operation transaction under this section that includes
 18 interchange commitments or other mechanisms restricting
 19 the purchaser's or tenant's ability to interchange with any
 20 other carrier unless such commitments or mechanisms are
 21 reasonable and in the public interest.".

22 (e) RIGHTS AND REMEDIES OF PERSONS INJURED
 23 BY INTERCHANGE COMMITMENTS.—Chapter 117 is
 24 amended by adding at end thereof the following:

1 **“§ 11708. Interchange commitments: rights and rem-**
 2 **edies**

3 **“(a) IN GENERAL.**—The Board shall maintain a
 4 process to allow persons to challenge existing interchange
 5 commitments as contrary to other provisions of this part.
 6 The Attorney General and the Secretary of Transportation
 7 may participate in such proceedings.

8 **“(b) ACCESS TO INTERCHANGE COMMITMENTS.**—
 9 After the filing of a complaint or petition, the Board shall
 10 provide affected persons access, upon request, to existing
 11 and proposed interchange commitments, subject to condi-
 12 tions protecting the confidentiality of those agreements.

13 **“(c) REDRESS AUTHORITY.**—The Board shall take
 14 appropriate action to address any conflict between an
 15 interchange commitment and the provisions of this part.

16 **“(d) PURCHASE AUTHORITY.**—

17 **“(1) IN GENERAL.**—Except as provided in para-
 18 graph (5), if the Board finds that—

19 **“(A)** an interchange commitment is found
 20 to be in violation of this part, and

21 **“(B)** the purchaser or tenant rail carrier
 22 and the seller or lessor rail carrier cannot bring
 23 the interchange commitment into compliance
 24 with this part within a reasonable period of
 25 time,

1 the Board may require, upon application by the pur-
 2 chaser or tenant rail carrier, the elimination of the
 3 interchange commitment at a price paid by the pur-
 4 chaser or tenant rail carrier not less than the terms
 5 established under paragraph (2).

6 “(2) TERMS.—In the case of an interchange
 7 commitment subject to elimination under paragraph
 8 (1), the Board shall determine the fair market value
 9 of an interchange commitment by considering—

10 “(A) any credits, payments, expenses, or
 11 other income paid and due from the inter-
 12 change commitment to the seller or lessor rail
 13 carrier;

14 “(B) reasonable financial hardships of the
 15 purchaser or tenant rail carrier due to unrea-
 16 sonable terms, if any, of the interchange agree-
 17 ment; and

18 “(C) other relevant factors as determined
 19 by the Board.

20 “(3) EMPLOYEE PROTECTION.—The Board
 21 shall require protections consistent with the require-
 22 ments of section 11326(a) for rail labor employees
 23 who are affected by an action under this subsection.

24 “(4) PURCHASER PRECONDITIONS.—Any pur-
 25 chaser or tenant rail carrier that buys out an inter-

1 change commitment under this subsection may de-
2 termine preconditions, such as payment of a subsidy,
3 which must be met by shippers in order to obtain
4 service over such lines; but such rail carrier must
5 notify the shippers on the line of its intention to im-
6 pose such preconditions.

7 “(5) EXCEPTION.—If the Board requires the
8 elimination of an interchange commitment under
9 paragraph (1), and the purchaser or tenant rail car-
10 rier or the seller or lessor rail carrier demonstrates
11 that the sale or lease agreement containing the
12 interchange commitment that contains a provision
13 governing the manner in which the agreement may
14 be terminated, the Board shall permit the agreement
15 to be terminated in accordance with that provision.

16 “(6) DEFINITIONS.—In this subsection:

17 “(A) PURCHASER OR TENANT RAIL CAR-
18 RIER.—The term ‘purchaser or tenant rail car-
19 rier’ means a Class II or Class III rail carrier
20 that purchases or leases a rail line that is sub-
21 ject to terms of an interchange commitment.

22 “(B) SELLER OR LESSOR RAIL CARRIER.—
23 The term ‘seller or lessor rail carrier’ means a
24 Class I rail carrier that leased or sold a rail line
25 subject to terms of an interchange commitment.

1 “(e) DEADLINE FOR COMPLETION OF PRO-
 2 CEEDING.—The Board shall complete any proceeding
 3 under this section within 180 days after the close of the
 4 administrative record.”.

5 (d) RAILROAD REHABILITATION AND IMPROVEMENT
 6 FINANCING.—

7 (1) Section 502(b)(1) of the Railroad Revital-
 8 ization and Regulatory Reform Act of 1976 (45
 9 U.S.C. 822(b)(1)) is amended—

10 (A) by striking “or” after the semicolon in
 11 subparagraph (B);

12 (B) by striking “facilities.” in subpara-
 13 graph (C) and inserting “facilities; or”; and

14 (C) by inserting after subparagraph (C)
 15 the following:

16 “(D) provide financial assistance to pur-
 17 chase or lease a rail line subject to terms estab-
 18 lished by the Surface Transportation Board
 19 under section 11708(d) of title 49, United
 20 States Code.”.

21 (2) Section 502 of that Act (45 U.S.C. 822) is
 22 amended—

23 (A) by adding at the end of subsection (e)
 24 the following:

1 ~~“(3) INTEREST RATE REDUCTION.—~~Subject to
 2 the availability of funds authorized by subsection
 3 ~~(k)~~, the Secretary may reduce the interest to be paid
 4 on direct loans provided to a Class II or Class III
 5 rail carrier for the purpose of subsection
 6 ~~(b)(1)(D).~~”;

7 ~~(B)~~ in subsection ~~(f)(1)—~~

8 (i) by inserting “or private insurance,
 9 including bond insurance,” after “in part
 10 credit risk”; and

11 (ii) by inserting “or insurance, includ-
 12 ing bond insurance,” after “authority and
 13 credit risk”;

14 ~~(C)~~ by striking “amounts.” in subsection
 15 ~~(f)(3)~~ and inserting “amounts or, at the discre-
 16 tion of the Secretary, in a series of payments
 17 over the term of the loan. If insurance, includ-
 18 ing bond insurance, is used, the policy premium
 19 shall be paid before the loan is disbursed.”; and

20 ~~(D)~~ by adding at the end the following:

21 ~~“(k) AUTHORIZATION OF APPROPRIATIONS.—~~There
 22 are authorized to be appropriated to the Secretary for pur-
 23 poses of carrying out subsection ~~(e)(3)~~ such funds as may
 24 be necessary for fiscal years 2010 through 2014.”.

1 (e) INTERCHANGE COMMITMENT RELIEF GRANTS.—
 2 Chapter 201 is amended by adding at end thereof the fol-
 3 lowing:

4 “§ 20168. **Interchange commitment relief grants**

5 “(a) IN GENERAL.—Upon application, the Secretary
 6 of Transportation, in consultation with the Surface Trans-
 7 portation Board, may make grants available to assist any
 8 Class III rail carrier providing transportation subject to
 9 the jurisdiction of the Surface Transportation Board with
 10 the credit risk premium of a direct loan or loan guarantee
 11 made for the purposes of section 502(b)(1)(D) of the Rail-
 12 road Revitalization and Regulatory Reform Act of 1976
 13 (45 U.S.C. 822(b)(1)(D)).

14 “(b) LIMITATIONS.—The Secretary of Transpor-
 15 tation—

16 “(1) shall award grants only to applicants with
 17 financial need; and

18 “(2) may approve a grant under this section
 19 only as part of an application for a Railroad Reha-
 20 bilitation and Improvement Financing loan or loan
 21 guarantee.

22 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
 23 are authorized to be appropriated to the Secretary of
 24 Transportation for grants under this section \$37,500,000
 25 for fiscal years 2010 through 2014.”

1 (f) CONFORMING AMENDMENTS.—

2 (1) The table of contents for chapter 117 is
3 amended by inserting after the item relating to sec-
4 tion 11707 the following:

“11708. Interchange commitments: rights and remedies”.

5 (2) The table of contents for chapter 201 is
6 amended by inserting after the item relating to sec-
7 tion 20167 the following:

“20168. Interchange commitment relief grants”.

8 **SEC. 302. BOTTLENECK AND TERMINAL SWITCHING RATES.**

9 (a) IN GENERAL.—Subchapter I of chapter 107 is
10 amended by adding at the end thereof the following:

11 **“§ 10710. Bottleneck and terminal switching rates**

12 “(a) A Class I rail carrier, or other rail carrier as
13 deemed appropriate by the Board, that provides a rate for
14 transportation between an origin and destination either as
15 a single line movement or as part of an interline movement
16 and over which the carrier has market dominance pursu-
17 ant to section 10707 shall, upon the reasonable request
18 of a rail customer, establish a bottleneck rate for the pur-
19 pose of providing transportation over a bottleneck segment
20 located between such an origin and destination pursuant
21 to this section. If the rail carrier contends that the trans-
22 portation is not subject to market dominance under that
23 section, the rail carrier shall seek an expedited determina-
24 tion of that issue from the Board.

1 “(b) Such a carrier shall establish such a rate and
2 provide service upon such request without regard to
3 whether the shipper has made arrangements for transpor-
4 tation for any other part of that movement.

5 “(c)(1) If the Board determines, under section 10707
6 of this title, that such a rail carrier has market dominance
7 between the origin and destination, the bottleneck rate es-
8 tablished for transportation pursuant to this section must
9 be reasonable.

10 “(2)(A) Not later than one year after the date of en-
11 actment of the Surface Transportation Board Reauthor-
12 ization Act of 2009, the Board shall establish and main-
13 tain standards for determining whether a bottleneck rate
14 established by a rail carrier is reasonable for purposes of
15 this section and establish a simplified and expedited meth-
16 od for determining the reasonableness of challenged bottle-
17 neck rates. In developing those standards the Board shall
18 consider rail carriers’ need to earn adequate revenues to
19 provide and sustain consistent, efficient, and reliable
20 transportation services and to maintain the national rail
21 system.

22 “(B) In developing the standards, the Board shall in-
23 clude, as part of a reasonable rate— —

1 “(i) operating costs, including any additional
2 labor costs, of providing the requested transpor-
3 tation service over the bottleneck segment;

4 “(ii) maintenance costs associated with pro-
5 viding the requested transportation service;

6 “(iii) additional capital and investment costs re-
7 quired to perform the requested transportation serv-
8 ice over the bottleneck segment;

9 “(iv) a reasonable return on embedded capital
10 used for the requested transportation service over
11 the bottleneck segment sufficient to meet the rail
12 carrier’s cost of capital or, if such cost is not avail-
13 able, the rail industry cost of capital;

14 “(v) a reasonable contribution, to the extent ap-
15 propriate, to that carrier’s network infrastructure
16 costs of the non-bottleneck segment of the route of-
17 fered by the incumbent rail carrier that is sufficient,
18 along with other traffic on the segment, to maintain
19 the non-bottleneck segment; and

20 “(vi) any other contributing factors appropriate
21 to meet the consideration in subparagraph (A).

22 “(d) In any proceeding in which a rail customer chal-
23 lenges a bottleneck rate established under this section as
24 unreasonable, the burden of proof that the rate is reason-
25 able shall be on the rail carrier.

1 “(e) In this section:

2 “(1) The term ‘bottleneck rate’ means a rate
3 for transportation over a bottleneck segment.

4 “(2) The term ‘bottleneck segment’ means the
5 rail facilities, including rail facilities located entirely
6 in terminal areas, between an origin on the carrier’s
7 system and an interchange or between a destination
8 on the carrier’s system and an interchange.

9 “(3) The term ‘interchange’ means an inter-
10 change on such a rail carrier’s system that exists on
11 the date of the shipper’s request for a rate covered
12 by this section that—

13 “(A) is practicable and would not signifi-
14 cantly adversely affect such rail carrier’s net-
15 work efficiency; and

16 “(B) would not significantly impair service
17 to other customers of such rail carrier.”.

18 (b) CONFORMING AMENDMENTS.—

19 (1) The table of contents for chapter 107 is
20 amended by inserting after the item relating to sec-
21 tion 10709 the following:

“10710: Bottleneck and terminal switching rates”.

22 (2) Section 10705(a)(2)(A) is amended by in-
23 serting “10710,” after “under section”.

24 **SEC. 303. TERMINAL ACCESS.**

25 Section 11102 is amended to read as follows:

1 **“§ 11102. Use of terminal facilities**

2 “(a) For a Class I rail carrier, or other rail carrier
3 as deemed appropriate by the Board, providing transpor-
4 tation over which the rail carrier has market dominance
5 pursuant to section 10707 in a terminal area, the Board
6 may require the rail carrier to make its terminal facilities,
7 including mainline tracks for a reasonable distance outside
8 of that terminal, available for use by another rail carrier
9 for such transportation.

10 “(b) The Board may only require that a rail carrier
11 take such action under subsection (a) if the Board finds
12 that such action—

13 “(1) would be practicable and would not signifi-
14 cantly adversely affect the operations of the terminal
15 or facility owned by such rail carrier or rail carriers
16 otherwise entitled to use the terminal or facilities;

17 “(2) would not significantly adversely affect the
18 network efficiency of such rail carrier or rail carriers
19 otherwise entitled to use the terminal or facilities;

20 “(3) would not significantly impair service to
21 other customers of such rail carrier or other rail car-
22 riers entitled to use the terminal or facilities;

23 “(4) is necessary to promote the efficient oper-
24 ation of the railroad system and improve rail service;
25 and

26 “(5) is in the public interest.

1 “(e) The rail carriers required to make facilities avail-
2 able or provide service pursuant to subsection (a) are re-
3 sponsible for establishing reasonable conditions and com-
4 pensation for the use of the facilities. The compensation
5 shall be paid or adequately secured before a rail carrier
6 may begin to use the facilities of another rail carrier.

7 “(d)(1) Not later than one year after the date of en-
8 actment of the Surface Transportation Board Reauthor-
9 ization Act of 2009, the Board shall establish and main-
10 tain standards for determining whether compensation is
11 reasonable for purposes of this section and establish a sim-
12 plified and expedited method for determining the reason-
13 ableness of challenged compensation rates.

14 “(2) In developing such standards, the Board shall
15 consider rail carriers’ need to earn adequate revenues to
16 provide and sustain consistent, efficient, and reliable
17 transportation services and to maintain the national rail
18 system.

19 “(e) In developing the standards required by sub-
20 section (d), the Board shall include, as part of a reason-
21 able compensation— —

22 “(1) operating costs, including any additional
23 labor costs, of providing the requested usage;

24 “(2) maintenance costs associated with pro-
25 viding the requested usage;

1 ~~“(3) additional capital and investment costs re-~~
2 ~~quired to perform the requested usage;~~

3 ~~“(4) a reasonable return on embedded capital~~
4 ~~employed for the requested usage of terminal facili-~~
5 ~~ties sufficient to meet the rail carrier’s cost of cap-~~
6 ~~ital or, if such cost is not available, the rail industry~~
7 ~~cost of capital;~~

8 ~~“(5) a reasonable contribution, to the extent ap-~~
9 ~~propriate, to that carrier’s network infrastructure~~
10 ~~costs of the route beyond the terminal facilities and~~
11 ~~main line tracks made available for the requested~~
12 ~~usage, that is sufficient, along with other traffic on~~
13 ~~the route and mainline track, to maintain the route~~
14 ~~beyond the terminal facilities and mainline tracks~~
15 ~~made available for the requested usage; and~~

16 ~~“(6) any other contributing factors appropriate~~
17 ~~to meet the considerations in subsection (d)(2).~~

18 ~~“(g) A rail carrier whose terminal facilities are re-~~
19 ~~quired to be used by another rail carrier under this section~~
20 ~~is entitled to recover compensation from the other rail ear-~~
21 ~~rier for damages sustained as the result of compliance~~
22 ~~with the requirement in a civil action.~~

23 ~~“(h) In any proceeding in which a rail carrier chal-~~
24 ~~lenges a compensation rate established under this section~~
25 ~~as unreasonable, the burden of proof that the rate is rea-~~

1 sonable shall be on the rail carrier whose terminal facilities
2 are required to be used by the other rail carrier.

3 “(i) If the Board requires that a rail carrier take such
4 an action under subsection (a), the Board shall provide
5 for the protection of the interests of employees affected
6 thereby, consistent with the level of protection under sec-
7 tion 10902 of this title.

8 “(j) The Board shall complete any proceeding under
9 this section within 180 days after the closing of the evi-
10 dentiary record. The Board may extend the deadline in
11 incremental 30-day periods if it issues a decision dem-
12 onstrating why such an extension is necessary.”

13 **SEC. 304. SERVICE.**

14 Section 11101 is amended—

15 (1) by redesignating subsection (f) as sub-
16 section (g); and

17 (2) by inserting after subsection (e) the fol-
18 lowing:

19 “(f) The Board shall, by regulation, require rail car-
20 riers to publish reasonable common carrier service expec-
21 tation ranges. These may include ranges for normal car
22 cycle times, transit times, switching frequency, and other
23 service components as determined by the Board to be ap-
24 propriate.”

1 **SEC. 305. ARBITRATION OF CERTAIN RAIL RATE, PRACTICE,**
 2 **AND COMMON CARRIER SERVICE EXPECTA-**
 3 **TION DISPUTES.**

4 (a) ~~IN GENERAL.~~—Chapter 117, as amended by sec-
 5 tion 301, is further amended by adding at the end the
 6 following:

7 **“§ 11709. Arbitration of certain rail rate, practice,**
 8 **and common carrier service disputes**

9 “(a) ~~IN GENERAL.~~—Not later than one year after en-
 10 actment of the Surface Transportation Board Reauthor-
 11 ization Act of 2009, the Board shall promulgate regula-
 12 tions to establish a binding arbitration process to resolve
 13 rail rate, practice, and common carrier service expectation
 14 complaints subject to the jurisdiction of the Board.

15 “(b) ~~COVERED DISPUTES.~~—The binding arbitration
 16 process—

17 “(1) shall apply to disputes involving rates,
 18 practices, and common carrier service expectations
 19 subject to the jurisdiction of the Board;

20 “(2) shall not apply to disputes to obtain the
 21 grant, denial, stay or revocation of any license, au-
 22 thorization or exemption, to prescribe for the future
 23 any conduct, rules, or results of general, industry-
 24 wide applicability, or to enforce labor protective con-
 25 ditions; and

1 ~~“(3)~~ shall not apply to disputes solely between
2 ~~2~~ or more rail carriers.

3 ~~“(c)~~ ARBITRATION PROCEDURES.—

4 ~~“(1)~~ The Board—

5 ~~“(A)~~ may make the binding arbitration
6 process available only to the relevant parties—

7 ~~“(i)~~ after the filing of a formal com-
8 plaint; or

9 ~~“(ii)~~ upon petition by a party at the
10 conclusion of any informal dispute resolu-
11 tion process provided by the Board for a
12 complaint subject to this section;

13 ~~“(B)~~ with respect to rate disputes, may
14 make the binding arbitration process available
15 only to the relevant parties if the rail carrier
16 has market dominance, as determined under
17 section 10707 of this title; and

18 ~~“(C)~~ shall determine whether to pursue the
19 binding arbitration process no later than 30
20 days after the filing of a petition or formal
21 complaint.

22 ~~“(2)~~ Initiation of the binding arbitration proc-
23 ess shall preclude the Board from separately review-
24 ing a complaint or dispute related to the same rate;

1 practice, or common carrier service expectation in a
2 covered dispute involving the same parties.

3 “(3) In resolving disputes involving the reason-
4 ableness of a rail carrier’s rates, the arbitrator shall
5 consider the Board’s methodologies for setting max-
6 imum lawful rates, giving due consideration to the
7 need for differential pricing to permit a rail carrier
8 to collect adequate revenues within the meaning of
9 section 10704(a)(2) of this title.

10 “(4) In resolving disputes involving common
11 carrier service expectations, the arbitrator shall con-
12 sider service expectations as published pursuant to
13 section 11101(f).

14 “(d) ARBITRATION DECISIONS.—Any decision
15 reached in an arbitration process under this section
16 shall—

17 “(1) be consistent with subtitle IV of this title;

18 “(2) be in writing and shall contain findings of
19 fact and conclusions;

20 “(3) have no precedential effect in any other or
21 subsequent arbitration dispute; and

22 “(4) be binding upon the parties.

23 “(e) TIMELINES.—

1 ~~“(1) The arbitrator shall be selected within 14~~
2 ~~days after the Board’s decision to initiate arbitra-~~
3 ~~tion.~~

4 ~~“(2) The evidentiary process of the arbitration~~
5 ~~process shall be completed within 90 days after the~~
6 ~~date of initiation of the arbitration process, unless a~~
7 ~~party requests an extension and the arbitrator~~
8 ~~grants it.~~

9 ~~“(3) The arbitrator shall issue a decision within~~
10 ~~30 days after the close of the evidentiary record.~~

11 ~~“(4) The Board may extend any of the~~
12 ~~timelines in this subsection upon the agreement of~~
13 ~~all parties in the dispute.~~

14 ~~“(f) ARBITRATORS.—Arbitration under this section~~
15 ~~shall be conducted by an arbitrator selected from a roster,~~
16 ~~maintained by the Board, of persons with transportation,~~
17 ~~economic regulation, professional or business experience,~~
18 ~~including agriculture, in the private sector. If the parties~~
19 ~~cannot mutually agree on an arbitrator, the parties shall~~
20 ~~select an arbitrator from the roster by alternately striking~~
21 ~~names from the roster until only 1 name remains. The~~
22 ~~parties shall share the costs of the arbitration equally.~~

23 ~~“(g) RELIEF.—~~

24 ~~“(1) LIMITATION.—A decision under this sec-~~
25 ~~tion may award the payment of damages or rate pre-~~

1 scriptive relief, but the value of the award may not
 2 exceed \$250,000 per year and the award may not
 3 cover a total time period of more than 2 years.

4 “(2) REVIEW.—The board shall periodically re-
 5 view the amount in paragraph (1) and adjust it as
 6 necessary to reflect inflation.

7 “(h) BOARD REVIEW.—If a party appeals an arbitra-
 8 tor’s decision to the Board, the Board may review the deci-
 9 sion under this section to determine if—

10 “(1) the decision is consistent with subtitle IV
 11 of this title as applied by the Board; or

12 “(2) if the award limitation in subsection (g).”.

13 (b) CONFORMING AMENDMENT.—The table of con-
 14 tents for chapter 117 is amended by adding at the end
 15 following:

“11709. Arbitration of certain rail rate, practice, and common carrier service
 disputes”.

16 **SEC. 306. MAXIMUM RELIEF IN CERTAIN RATE CASES.**

17 (a) IN GENERAL.—The Board shall revise the max-
 18 imum amount of rate relief available to railroad shippers
 19 in cases brought pursuant to the methods developed under
 20 section 10701(d)(3) of title 49, United States Code, as
 21 that section existed as of the date of enactment of this
 22 Act, to be as follows—

23 (1) \$1,500,000 in a rate case brought using the
 24 Board’s “three-benchmark” procedure; and

1 (2) \$10,000,000 in a rate case brought using
2 the Board's "simplified stand-alone cost" procedure.

3 (b) PERIODIC REVIEW.—The Board shall periodically
4 review the amounts established by subsection (a) and re-
5 vise them as appropriate.

6 **SEC. 307. ADVANCE RATE CHALLENGE.**

7 The Surface Transportation Board may consider the
8 reasonableness of a rate quoted by a rail carrier up to
9 1 year before the date on which the rate is to take effect.

10 **SEC. 308. RATE REVIEW TIMELINES.**

11 In stand-alone cost rate challenges, the Surface
12 Transportation Board shall comply with the following
13 timelines unless it extends them, after a request from any
14 party or in the interest of due process:

15 (1) For discovery, 150 days after the date on
16 which the challenge is initiated.

17 (2) For development of the evidentiary record,
18 155 days after that date.

19 (3) For submission of parties' closing briefs, 60
20 days after that date.

21 (4) For a final Board decision, 180 days after
22 the date on which the parties submit closing briefs.

23 **SEC. 309. REVENUE ADEQUACY STUDY.**

24 Within 180 days after the date of enactment of this
25 Act, the Surface Transportation Board shall initiate a

1 study to provide further guidance on how it will apply its
 2 revenue adequacy constraint. In conducting the study the
 3 Board shall provide public notice and opportunity for com-
 4 ment and conduct ~~1~~ or more public hearings.

5 **SEC. 310. PUBLIC USAGE OF ABANDONED RAIL PROP-**
 6 **ERTIES.**

7 Section ~~10905~~ is amended—

8 (1) by striking “other forms of mass transpor-
 9 tation,” and inserting “public transportation,”

10 (2) by striking “the properties may be sold,”
 11 and inserting “the Board may require that the prop-
 12 erties be sold,”;

13 (3) by striking “only under conditions” and in-
 14 serting “pursuant to conditions, including the
 15 amount of compensation,”; and

16 (4) by striking “The conditions may include a
 17 prohibition on any such disposal” and inserting “At
 18 a minimum, the Board shall prohibit any disposal of
 19 such properties”.

20 **SEC. 311. TRANSACTIONS.**

21 Section ~~11325~~ is amended—

22 (1) by inserting “(1)” after “(a)” in subsection
 23 (a) and redesignating paragraphs (1) through (3) as
 24 subparagraphs (A) through (C);

1 (2) by adding at the end of subsection (a) the
2 following:

3 “~~(2)~~ The Board may extend the time limits specified
4 in subsections (b), (c), and (d) of this section when more
5 time is necessary to complete the environmental review
6 process.”; and

7 ~~(3)~~ by striking “a transaction other than the
8 merger or control of at least two Class I railroads,
9 as defined by the Board, which the Board has deter-
10 mined to be of regional or national transportation
11 significance,” in subsection (c) and inserting “the
12 merger or control of one Class I railroad and at
13 least one Class II railroad, as defined by the Board,
14 or if it involves a merger or control transaction,
15 other than a transaction subject to subsection (b),
16 which the Board has determined to be of regional or
17 national transportation significance.”.

18 **SEC. 312. CONSIDERATIONS IN CONSOLIDATIONS, MERG-**
19 **ERS, AND ACQUISITIONS.**

20 Section 11324 is amended—

21 (1) by striking paragraph (5) of subsection (b)
22 and inserting the following:

23 “~~(5)~~ the effect of the proposed transaction on
24 competition among rail carriers in the affected re-
25 gion or in the national rail system.”;

1 (2) by redesignating subsections (e) and (f) as
2 subsections (f) and (g), respectively;

3 (3) by striking “Board,” in subsection (d) and
4 inserting “Board, subject to subsection (e)”; and

5 (4) by inserting after subsection (d) the fol-
6 lowing:

7 “(e) In considering whether to approve, deny, or ap-
8 prove with conditions a transaction covered under sub-
9 sections (b) or (d) of this section, the Board may take
10 into account any potentially significant effects of the
11 transaction on—

12 “(1) public health, safety, and the environment;
13 and

14 “(2) intercity rail passenger transportation and
15 commuter rail passenger transportation, as defined
16 by section 24102 of this title.”.

17 **SEC. 313. RAILROAD DEVELOPMENT.**

18 Section 10907(h) is amended to read as follows:

19 “(h) If a purchasing carrier under this section pro-
20 poses to sell or abandon all or any portion of a purchased
21 railroad line within 5 years after the date of sale under
22 this section, such purchasing carrier shall offer the right
23 of first refusal with respect to such line or portion thereof
24 to the carrier which sold such line under this section. The
25 offer shall be made at a price equal to the sum of the

1 price paid by such purchasing carrier to such selling car-
2 rier for such line or portion thereof and the fair market
3 value (less deterioration) of any improvements made, as
4 adjusted to reflect inflation.”.

5 **SEC. 314. REGULATORY REFORM REVIEW.**

6 (a) REVIEW.—The Comptroller General of the United
7 States shall undertake a review of the regulatory changes
8 made by this Act. The review shall include—

9 (1) a review of the Surface Transportation
10 Board’s progress in implementing the provisions of
11 this Act;

12 (2) an assessment of the impact on the rail
13 transportation system of the regulatory changes
14 made by this Act; and

15 (3) a specific analysis of the impact on railroad
16 operations, rates, competition, service, revenues,
17 maintenance, and investment resulting from the im-
18 plementation of sections 11102 and 10710 of title
19 49, United States Code, as amended and added, re-
20 spectively, by this Act.

21 (b) CONSULTATION.—In conducting this review, the
22 Comptroller General shall solicit input from the railroads,
23 railroad shippers, railroad non-profit employee labor orga-
24 nizations, the Federal Railroad Administration, and other
25 entities, as appropriate.

1 (e) ~~REPORT TO CONGRESS.~~—Not later than Decem-
 2 ber ~~31, 2013~~, the Comptroller General shall transmit a
 3 report to the Senate Committee on Commerce, Science,
 4 and Transportation and the House of Representatives
 5 Committee on Transportation and Infrastructure con-
 6 taining the results of the review required by this section
 7 and any appropriate recommendations.

8 **TITLE IV—TECHNICAL**
 9 **CORRECTIONS.**

10 **SEC. 401. TECHNICAL CORRECTIONS TO PUBLIC LAW 110-**
 11 **432.**

12 (a) The title of Public Law 110–432 is amended by
 13 striking “Federal Railroad Safety Administration” and in-
 14 serting “Federal Railroad Administration”.

15 (b) The table of contents in section 1(b) of the Rail
 16 Safety Improvement Act of 2008 is amended—

17 (1) in the item relating to section 201 by strik-
 18 ing “Pedestrian crossing safety” and inserting “Pe-
 19 destrian safety at or near railroad passenger sta-
 20 tions”; and

21 (2) in the item relating to section 403 by strik-
 22 ing “Track inspection time study” and inserting
 23 “Study and rulemaking on track inspection time;
 24 rulemaking on concrete crossties”.

1 (c) Section 2(a)(1) of the Rail Safety Improvement
 2 Act of 2008 is amended by inserting a comma after “rail-
 3 road tracks at grade”.

4 (d) Section 102(a)(6) of the Rail Safety Improvement
 5 Act of 2008 is amended to read as follows:

6 “(6) Improving the safety of railroad bridges,
 7 tunnels, and related infrastructure to prevent acci-
 8 dents, incidents, injuries, and fatalities caused by
 9 catastrophic and other failures of such infrastruc-
 10 ture.”.

11 (e) Section 108(f)(1) of the Rail Safety Improvement
 12 Act of 2008 is amended by striking “requirements for rec-
 13 ordkeeping and reporting for Hours of Service of Railroad
 14 Employees” and inserting “requirements for record keep-
 15 ing and reporting for hours of service of railroad employ-
 16 ees”.

17 (f) Section 201 of the Rail Safety Improvement Act
 18 of 2008 is amended—

19 (1) in the section heading by striking “**PE-**
 20 **DESTRIAN CROSSING SAFETY**” and in-
 21 serting “**PEDESTRIAN SAFETY AT OR**
 22 **NEAR RAILROAD PASSENGER STA-**
 23 **TIONS**”;

24 (2) by striking “strategies and methods to pre-
 25 vent pedestrian accidents, incidents, injuries, and fa-

1 fatalities at or near passenger stations, including” and
2 inserting “strategies and methods to prevent train-
3 related accidents, incidents, injuries, and fatalities
4 that involve a pedestrian at or near a railroad pas-
5 senger station, including”; and

6 (3) in paragraph (1) by striking “at railroad
7 passenger stations”.

8 (g) Section 206(a) of the Rail Safety Improvement
9 Act of 2008 is amended by striking “Public Service An-
10 nouncements” and inserting “public service announce-
11 ments”.

12 (h) Section 403 of the Rail Safety Improvement Act
13 of 2008 is amended—

14 (1) in the section heading by striking
15 ~~“TRACK INSPECTION TIME STUDY”~~ and
16 inserting ~~“STUDY AND RULEMAKING ON~~
17 ~~TRACK INSPECTION TIME; RULE-~~
18 ~~MAKING ON CONCRETE CROSSTIES”~~;

19 and

20 (2) in subsection (d)—

21 (A) by striking “CROSS TIES” in the sub-
22 section heading and inserting “CROSSTIES”;

23 (B) by striking “cross ties” and inserting
24 “crossties”; and

1 (C) in paragraph (2) by striking “cross
2 tie” and inserting “crosstie”.

3 (i) Section 405 of the Rail Safety Improvement Act
4 of 2008 is amended—

5 (1) in subsection (a) by striking “cell phones”
6 and inserting “cellular telephones”; and

7 (2) in subsection (d) by striking “Secretary of
8 Transportation” and inserting “Secretary”.

9 (j) Section 411(a) of the Rail Safety Improvement
10 Act of 2008 is amended—

11 (1) by striking “5101(a)” and inserting
12 “5105(a)”; and

13 (2) by striking “5101(b)” and inserting
14 “5105(b)”.

15 (k) Section 412 of the Rail Safety Improvement Act
16 of 2008 is amended by striking “Secretary of Transpor-
17 tation” and inserting “Secretary”.

18 (l) Section 414 of the Rail Safety Improvement Act
19 of 2008 is amended—

20 (1) in paragraph (2) by striking “parts 171.8,
21 173.115,” and inserting “sections 171.8, 173.115,”;
22 and

23 (2) by striking “part 1520.5” and inserting
24 “section 1520.5”.

1 (m) Section 416 of the Rail Safety Improvement Act
2 of 2008 is amended—

3 (1) by striking “Secretary of Transportation”
4 and inserting “Secretary”;

5 (2) in paragraphs (3) and (4), by striking
6 “Federal Railroad Administration” and inserting
7 “Secretary”; and

8 (3) in paragraph (4) by striking “subsection”
9 and inserting “section”.

10 (n) Section 417(e) of the Rail Safety Improvement
11 Act of 2008 is amended by striking “each railroad” and
12 inserting “each railroad carrier”.

13 (o) Section 503 of the Rail Safety Improvement Act
14 of 2008 is amended—

15 (1) in subsection (a) by striking “rail acci-
16 dents” and inserting “rail passenger accidents”; and

17 (2) by adding at the end the following:

18 “(d) DEFINITIONS.—In this section, the terms ‘pas-
19 senger’, ‘rail passenger accident’, and ‘rail passenger car-
20 rier’ have the meaning given those terms by section 1139
21 of title 49, United States Code.

22 “(e) FUNDING.—Out of funds appropriated pursuant
23 to section 20117(a)(1)(A) of title 49, United States Code,
24 there shall be made available to the Secretary of Transpor-
25 tation \$500,000 for fiscal year 2009 to carry out this sec-

1 tion. Amounts made available pursuant to this subsection
2 shall remain available until expended.”.

3 (p) Section 206(a) of the Passenger Rail Investment
4 and Improvement Act of 2008 is amended by inserting
5 “of this division” after “302”.

6 (q) Section 211 of the Passenger Rail Investment and
7 Improvement Act of 2008 is amended—

8 (1) by inserting “of this division” after
9 “101(e)” in subsection (d); and

10 (2) by inserting “of this division” after
11 “101(d)” in subsection (e).

12 (r) Section 1139 is amended—

13 (1) in subsection (a)(1) by striking “phone
14 number” and inserting “telephone number”;

15 (2) in subsection (a)(2) by striking “post trau-
16 ma communication with families” and inserting
17 “post-trauma communication with families”;

18 (3) in subsection (h)(1)(A) by striking “inter-
19 state”;

20 (4) in subsection (h)(2)(A)—

21 (A) by striking “interstate or intrastate”;

22 and

23 (B) by striking “26105” and inserting
24 “26106(b)(4)”;

1 (5) in subsection (j)(1) by striking “(other than
2 subsection (g))” and inserting “(other than sub-
3 sections (g) and (k))”; and

4 (6) in paragraphs (1) and (2) of subsection (j)
5 by striking “railroad passenger accident” and insert-
6 ing “rail passenger accident”.

7 (s) Section 10909(b) is amended by striking “Clean
8 Railroad Act of 2008,” and inserting “Clean Railroads
9 Act of 2008,”.

10 (t) Section 20109(c)(1) is amended by striking “the
11 railroad shall promptly arrange” and inserting “the rail-
12 road carrier shall promptly arrange”.

13 (u) Section 20120(a) is amended—

14 (1) in paragraph (2)(G), by inserting “and” at
15 the end; and

16 (2) in paragraph (5)(B) by striking “Adminis-
17 trative Hearing Officer or Administrative Law
18 Judge” and inserting “administrative hearing officer
19 or administrative law judge”.

20 (v) Section 20151(d)(1) is amended by striking “to
21 drive around a grade crossing gate” and inserting “to
22 drive through, around, or under a grade crossing gate”.

23 (w) Section 20152(b) is amended by striking “Class
24 II and Class III rail carriers” and inserting “Class II and
25 III railroad carriers”.

1 (x) Section 20156 is amended—

2 (1) in subsection (e) by inserting a comma after
3 “~~In developing its railroad safety risk reduction pro-~~
4 gram”; and

5 (2) in subsection (g)(1) by striking “non-profit”
6 and inserting “nonprofit”.

7 (y) Section 20157(a)(1) is amended—

8 (1) by striking “Class I railroad carrier” and
9 inserting “Class I railroad”; and

10 (2) by striking “parts 171.8, 173.115, and
11 173.132” and inserting “sections 171.8, 173.115,
12 and 173.132”.

13 (z) Section 20158(b)(3) is amended by striking
14 “20156(e)(2)” and inserting “20156(e)”.

15 (aa) Section 20159 is amended by striking “the Sec-
16 retary” and inserting “the Secretary of Transportation”.

17 (bb) Section 20160 is amended—

18 (1) in subsection (a)(1) by striking “or with re-
19 spect to” and inserting “with respect to”; and

20 (2) in subsection (b)(1)(A) by striking “or with
21 respect to” and inserting “with respect to”.

22 (cc) Section 20162(a)(3) is amended by striking
23 “railroad compliance with Federal standards” and insert-
24 ing “railroad carrier compliance with Federal standards”.

1 (dd) Section 20164(a) is amended by striking “the
2 Railroad Safety Enhancement Act of 2008” and inserting
3 “the Rail Safety Improvement Act of 2008”.

4 (ee) Section 21102(c)(4) is amended by re-desig-
5 nating subparagraphs (C) and (D) as subparagraphs (B)
6 and (C), respectively.

7 (ff) Section 22106(b) is amended by striking “inter-
8 est thereof” and inserting “interest thereon”.

9 (gg) Section 24105(e) of title 49, United States Code,
10 is amended by striking “section 301 of the Passenger Rail
11 Investment and Improvement Act of 2008” and inserting
12 “section 24406”.

13 (hh) Section 24302(a)(3) is amended by striking “5
14 individuals” and inserting “4 individuals”.

15 (ii) Section 24316 is amended by striking subsection
16 (g).

17 (jj) The item relating to section 24316 in the table
18 of contents for chapter 243 is amended by striking “to
19 assist families of passengers” and inserting “to address
20 needs of families of passengers”.

21 (kk) Section 24402 is amended—

22 (1) by striking “22506” in subsection (d) and
23 inserting “22706”;

24 (2) by striking “22504(a)(5)” in subsection (e)
25 and inserting “22705(a)(5)”;

1 (3) by striking subsection (e) and inserting the
2 following:

3 “(e) ~~AMTRAK ELIGIBILITY.~~—Amtrak may be the re-
4 cipient of a grant under this section if Amtrak has entered
5 into a cooperative agreement with 1 or more applicants
6 to carry out 1 or more projects on a State rail plan’s list
7 of rail capital projects developed under section
8 22705(a)(5) of this title. For such a grant, Amtrak may
9 not use Federal funds authorized under section 101(a) or
10 (e) of the Passenger Rail Investment and Improvement
11 Act of 2008 to fulfill the non-Federal share requirements
12 under subsection (g) of this section.”;

13 (4) by striking “AND EARLY SYSTEMS WORK
14 AGREEMENTS” in the heading of subsection (f);

15 (5) by striking “A metropolitan planning orga-
16 nization, State transportation department, or other
17 project sponsor” in subsection (i)(1) and inserting
18 “An applicant”; and

19 (6) by striking subsection (k) and inserting the
20 following:

21 “(k) ~~SMALL CAPITAL PROJECTS.~~—The Secretary
22 shall make not less than 5 percent annually available from
23 the amounts appropriated under section 24406 beginning
24 in fiscal year 2009 for grants for capital projects eligible
25 under this section not exceeding \$2,000,000, including

1 costs eligible under section 209(d) of the Passenger Rail
2 Investment and Improvement Act of 2008. For grants
3 awarded under this subsection, the Secretary may waive
4 requirements of this section, including State rail plan re-
5 quirements, as appropriate.”.

6 (ll) Section 24403(b)(1) is amended by striking
7 “oversee the construction of such projects” and inserting
8 “for activities to award and oversee the implementation
9 of such projects”.

10 (mm) Section 24405(b)(2) is amended by striking
11 “43 16 U.S.C. 151” and inserting “45 U.S.C. 151”.

12 (nn) Section 24702(a) is amended by striking “not
13 included in the national rail passenger transportation sys-
14 tem”.

15 (oo) Section 24706 is amended—

16 (1) by striking “a discontinuance under section
17 24704 or” in subsection (a)(1);

18 (2) by striking “section 24704 or” in subsection
19 (a)(2); and

20 (3) by striking “section 24704 or” under sub-
21 section (b).

22 (pp) Section 24709 is amended by striking “The Sec-
23 retary of the Treasury and the Attorney General,” and
24 inserting “The Secretary of Homeland Security,”.

25 (qq) Section 24905(f)(1) is amended—

1 (1) in subparagraph (C) by striking “freight
2 carriers” and inserting “freight railroad carriers”;
3 and

4 (2) in subparagraph (F) by striking “rail labor”
5 and inserting “representatives of nonprofit employee
6 labor organizations representing railroad employ-
7 ees”.

8 (rr) Section 26106(e)(4) is amended by striking
9 “22506” and inserting “22706”.

10 **TITLE V—MISCELLANEOUS**

11 **SEC. 501. PIPELINE INVESTIGATIVE AUTHORITY.**

12 Section 15901(a) is amended by striking “only on
13 complaint.” and inserting “on the Board’s own initiative
14 or on complaint.”.

15 **SEC. 502. CARBON DIOXIDE PIPELINES.**

16 (a) **IN GENERAL.**—Section 15301(a) is amended by
17 striking “gas, or oil.” and inserting “oil, or natural or arti-
18 ficial gases that are used primarily as a fuel or for other
19 energy purposes.”.

20 (b) **PIPELINE STUDY.**—Not later than 18 months
21 after the date of enactment of this Act, the Comptroller
22 General shall submit a study to the Senate Committee on
23 Commerce, Science, and Transportation and the House of
24 Representatives Committee on Transportation and Infra-
25 structure that analyzes the Federal and State regulatory

1 framework to support the development of pipelines for the
 2 purposes of the capture, transportation, and sequestration
 3 of carbon dioxide. The study shall examine the Federal
 4 permitting process for new carbon dioxide pipelines; the
 5 regulatory process for access, siting, eminent domain, and
 6 rate regulation. In conducting the study, the Comptroller
 7 General shall consult with the Surface Transportation
 8 Board, the Federal Energy Regulatory Commission, and
 9 other entities as appropriate.

10 **SEC. 503. EFFECTIVE DATES; EFFECT ON EXISTING RATE**
 11 **PRESCRIPTONS.**

12 (a) IN GENERAL.—Except as provided in subsection
 13 (b), this Act shall take effect on the date of enactment.

14 (b) SECTION 214.—The amendments made by sec-
 15 tion 214 shall take effect 2 years after the date of enact-
 16 ment of this Act.

17 **SECTION 1. SHORT TITLE.**

18 *This Act may be cited as the “Surface Transportation*
 19 *Board Reauthorization Act of 2009”.*

20 **SEC. 2. TABLE OF CONTENTS.**

21 *The table of contents for this Act is as follows:*

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. Amendment of title 49, United States Code.

TITLE I—ADMINISTRATIVE PROVISIONS

Sec. 101. Authorization of appropriations.

Sec. 102. Board members.

Sec. 103. Establishment of Board as independent agency.

Sec. 104. Filing fees for certain cases.

- Sec. 105. Repeal of expired and obsolete provisions.*
Sec. 106. Department of Transportation Inspector General authority.
Sec. 107. Railroad-Shipper Transportation Advisory Council.

TITLE II—AUTHORITY IMPROVEMENTS

- Sec. 201. Rail transportation policy update.*
Sec. 202. Office of Public Assistance, Governmental Affairs, and Compliance.
Sec. 203. Investigative authority.
Sec. 204. Compilation of complaints.
Sec. 205. Exempt traffic.
Sec. 206. Railroad service metrics and performance data.
Sec. 207. Uniform railroad costing system.
Sec. 208. Replacement cost study.
Sec. 209. Rail practices study.
Sec. 210. Rail car interchange study.
Sec. 211. Offers of financial assistance.
Sec. 212. Adverse abandonments.
Sec. 213. Emergency service orders.
Sec. 214. Rate agreements.
Sec. 215. Miscellaneous provisions.

TITLE III—REGULATORY REFORM

- Sec. 301. Paper barriers.*
Sec. 302. Bottleneck and terminal switching rates.
Sec. 303. Terminal access.
Sec. 304. Service.
Sec. 305. Arbitration of certain rail rate, practice, and common carrier service expectation disputes.
Sec. 306. Maximum relief in certain rate cases.
Sec. 307. Advance rate challenge.
Sec. 308. Rate review timelines.
Sec. 309. Revenue adequacy study.
Sec. 310. Public usage of abandoned rail properties.
Sec. 311. Transactions.
Sec. 312. Considerations in consolidations, mergers, and acquisitions.
Sec. 313. Railroad development.
Sec. 314. Regulatory reform review.

TITLE IV—TECHNICAL CORRECTIONS

- Sec. 401. Technical corrections to Public Law 110–432.*

TITLE V—MISCELLANEOUS

- Sec. 501. Pipeline investigative authority.*
Sec. 502. Carbon dioxide pipelines.
Sec. 503. Effective dates.

1 SEC. 3. AMENDMENT OF TITLE 49, UNITED STATES CODE.

2 *Except as otherwise expressly provided, whenever in*

3 *this Act an amendment or repeal is expressed in terms of*

1 *an amendment to, or a repeal of, a section or other provi-*
 2 *sion, the reference shall be considered to be made to a section*
 3 *or other provision of title 49, United States Code.*

4 **TITLE I—ADMINISTRATIVE**
 5 **PROVISIONS**

6 **SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

7 *Section 705 is amended by striking paragraphs (1)*
 8 *through (3) and inserting the following:*

9 “(1) \$40,370,000 for fiscal year 2010;

10 “(2) \$47,518,000 for fiscal year 2011;

11 “(3) \$40,834,000 for fiscal year 2012;

12 “(4) \$44,315,000 for fiscal year 2013; and

13 “(5) \$47,971,000 for fiscal year 2014.”.

14 **SEC. 102. BOARD MEMBERS.**

15 *(a) MEMBERSHIP.—Section 701(b) is amended—*

16 *(1) by striking “3 members,” in paragraph (1)*
 17 *and inserting “5 members,”;*

18 *(2) by striking “2 members” in paragraph (1)*
 19 *and inserting “3 members”; and*

20 *(3) by striking paragraph (2) and inserting the*
 21 *following:*

22 “(2) *At any given time, at least 3 members of the*
 23 *Board shall be individuals with professional standing and*
 24 *demonstrated knowledge in the fields of transportation,*
 25 *transportation regulation, or economic regulation, and at*

1 *least 2 members shall be individuals with professional or*
 2 *business experience (including agriculture or other rail cus-*
 3 *tomers) in the private sector.”.*

4 (b) *REPEAL OF HOLDOVER LIMITATION.*—Section
 5 701(b) is amended by striking “qualified, but for a period
 6 not to exceed one year.” in paragraph (3) and inserting
 7 “qualified.”.

8 (c) *REPEAL OF OBSOLETE PROVISION.*—Section
 9 701(b) is amended—

10 (1) *by striking paragraph (4) and redesignating*
 11 *paragraphs (5), (6), and (7) as paragraphs (4), (5),*
 12 *and (6), respectively; and*

13 (2) *by striking “In the case of an individual who*
 14 *becomes a member of the Board pursuant to para-*
 15 *graph (4), or an individual” in paragraph (4), as re-*
 16 *designated, and inserting “An individual”.*

17 **SEC. 103. ESTABLISHMENT OF BOARD AS INDEPENDENT**
 18 **AGENCY.**

19 (a) *IN GENERAL.*—Section 701(a) is amended to read
 20 *as follows:*

21 “(a) *ESTABLISHMENT OF BOARD.*—The Surface
 22 *Transportation Board is an independent establishment of*
 23 *the United States Government.”.*

24 (b) *CONFORMING AMENDMENTS.*—

1 (1) *ADMINISTRATIVE PROVISIONS.—Section 703*
2 *is amended—*

3 (A) *by striking subsections (a), (c), (f), and*
4 (i);

5 (B) *by redesignating subsections (b), (d),*
6 *and (e) as subsections (a), (b), and (c), respec-*
7 *tively; and*

8 (C) *by adding at the end thereof the following:*

9 “(d) *SUBMISSIONS AND TRANSMITTALS.—Whenever*
10 *the Board submits or transmits any budget estimate, budget*
11 *request, supplemental budget estimate, or other budget in-*
12 *formation, legislative recommendation, prepared testimony*
13 *for congressional hearings, or comment on legislation to the*
14 *President or to the Office of Management and Budget, it*
15 *shall concurrently transmit a copy thereof to the Senate*
16 *Committee on Commerce, Science, and Transportation and*
17 *the House of Representatives Committee on Transportation*
18 *and Infrastructure. No officer or agency of the United*
19 *States shall have any authority to require the Board to sub-*
20 *mit its budget requests or estimates, legislative rec-*
21 *ommendations, prepared testimony for congressional hear-*
22 *ings, or comments on legislation to any officer or agency*
23 *of the United States for approval, comments, or review,*
24 *prior to the submission of such recommendations, testi-*
25 *mony, or comments to the Congress.”.*

1 (2) *ADMINISTRATIVE SUPPORT.*—

2 (A) *Subchapter II of chapter 7 is amended*
3 *by striking section 725.*

4 (B) *The table of contents for chapter 7 is*
5 *amended by striking the item relating to section*
6 *725.*

7 **SEC. 104. FILING FEES FOR CERTAIN CASES.**

8 (a) *IN GENERAL.*—*Subchapter II of chapter 7, as*
9 *amended by section 103(b)(2)(A) of this Act, is amended*
10 *by inserting after section 724 the following:*

11 **“§ 725. Filing fees**

12 *“The Board may not require a party to pay a filing*
13 *fee to bring a formal complaint before the Board that is*
14 *greater than the fee provided by section 1914 of title 28*
15 *for bringing a civil action in a district court of the United*
16 *States.”.*

17 (b) *CONFORMING AMENDMENT.*—*The table of contents*
18 *for chapter 7 is amended by inserting after the item relating*
19 *to section 724 the following:*

“725. Filing fees”.

20 **SEC. 105. REPEAL OF EXPIRED AND OBSOLETE PROVI-**
21 **SIONS.**

22 (a) *CONTRACT LIMITATION.*—*Section 10709 is amend-*
23 *ed by striking subsection (h).*

24 (b) *AGENT IN D.C.*—

25 (1) *Section 723 is amended—*

1 (A) by striking “in the District of Colum-
2 bia,” in subsection (a); and

3 (B) by striking “in the District of Colum-
4 bia” in subsection (c).

5 (2) Section 724(a) is amended by striking “in
6 the District of Columbia” each place it appears.

7 **SEC. 106. DEPARTMENT OF TRANSPORTATION INSPECTOR**

8 **GENERAL AUTHORITY.**

9 (a) *IN GENERAL.*—Subchapter II of chapter 7 is
10 amended—

11 (1) by redesignating section 727 as section 728;

12 and

13 (2) by inserting after section 726 the following:

14 **“§ 727. Authority of the Inspector General**

15 “(a) *IN GENERAL.*—The Inspector General of the De-
16 partment of Transportation, in accordance with the mission
17 of the Inspector General to prevent and detect fraud and
18 abuse, shall have authority to review only the financial
19 management, property management, and business oper-
20 ations of the Surface Transportation Board, including in-
21 ternal accounting and administrative control systems, to
22 determine compliance with applicable Federal laws, rules,
23 and regulations.

24 “(b) *DUTIES.*—In carrying out this section, the In-
25 spector General shall—

1 “(1) *keep the Chairman of the Board and the*
2 *Senate Committee on Commerce, Science, and Trans-*
3 *portation and the House of Representatives Com-*
4 *mittee on Transportation and Infrastructure fully*
5 *and currently informed about problems relating to*
6 *administration of the internal accounting and ad-*
7 *ministrative control systems of the Board;*

8 “(2) *issue findings and recommendations for ac-*
9 *tions to address such problems; and*

10 “(3) *report periodically to the Senate Committee*
11 *on Commerce, Science, and Transportation and the*
12 *House of Representatives Committee on Transpor-*
13 *tation and Infrastructure on any progress made in*
14 *implementing actions to address such problems.*

15 “(c) *ACCESS TO INFORMATION.—In carrying out this*
16 *section, the Inspector General may exercise authorities*
17 *granted to the Inspector General under subsections (a) and*
18 *(b) of section 6 of the Inspector General Act of 1978 (5*
19 *U.S.C. App.).*

20 “(d) *AUTHORIZATIONS OF APPROPRIATIONS.—*

21 “(1) *FUNDING.—There are authorized to be ap-*
22 *propriated to the Secretary of Transportation for use*
23 *by the Inspector General of the Department of Trans-*
24 *portation such sums as may be necessary to cover ex-*

1 *penses associated with activities pursuant to the au-*
 2 *thority exercised under this section.*

3 *“(2) REIMBURSABLE AGREEMENT.—In the ab-*
 4 *sence of an appropriation under this subsection for*
 5 *an expense referred to in paragraph (1), the Inspector*
 6 *General and the Board shall have a reimbursable*
 7 *agreement to cover such expense.”.*

8 *(b) CONFORMING AMENDMENT.—The table of contents*
 9 *for chapter 7 is amended by striking the item relating to*
 10 *section 701 and inserting the following:*

“727. Authority of the Inspector General
728. Definitions”.

11 **SEC. 107. RAILROAD-SHIPPER TRANSPORTATION ADVISORY**
 12 **COUNCIL.**

13 *Section 726 is amended—*

14 *(1) by striking “and” after the semicolon in sub-*
 15 *section (a)(2)(A);*

16 *(2) by striking “railroads.” in subsection*
 17 *(a)(2)(B) and inserting “railroads; and”;*

18 *(3) by adding at the end of subsection (a)(2) the*
 19 *following:*

20 *“(C) the ninth voting member shall be a*
 21 *member-at-large, and may be a representative of*
 22 *rail labor, a State or local transportation agen-*
 23 *cy, an academic institution, or other relevant en-*
 24 *tity selected by the Chairman.”;*

1 (4) *by striking the second sentence of subsection*
 2 *(a)(4); and*

3 (5) *by striking the first sentence of subsection*
 4 *(f)(4) and inserting “The Council shall prepare an*
 5 *annual report concerning its activities and the results*
 6 *of Council efforts to resolve railroad and shipper*
 7 *issues and shall include in the report at least one rec-*
 8 *ommendation to the Board stemming from the Coun-*
 9 *cil’s activities and any proposal regarding regula-*
 10 *tions or legislation it considers appropriate.”.*

11 **TITLE II—AUTHORITY**
 12 **IMPROVEMENTS**

13 **SEC. 201. RAIL TRANSPORTATION POLICY UPDATE.**

14 *Section 10101 is amended to read as follows:*

15 **“§ 10101. Rail transportation policy**

16 *“In regulating the railroad industry, it is the policy*
 17 *of the United States Government to balance the following*
 18 *objectives:*

19 (1) *To promote a safe and efficient rail trans-*
 20 *portation system.*

21 (2) *To allow, to the maximum extent possible,*
 22 *competition and the demand for services to establish*
 23 *reasonable rates for transportation by rail.*

24 (3) *To protect rail shippers and to maintain*
 25 *reasonable rates where there is an absence of effective*

1 *competition and where rail rates provide revenues*
2 *that exceed the amount necessary to maintain and ex-*
3 *pend the rail system and to attract capital.*

4 *“(4) To foster the continuation and expansion of*
5 *a sound rail transportation system while also pre-*
6 *serving effective competition among rail carriers and*
7 *with other modes to meet the needs of the public and*
8 *National defense.*

9 *“(5) To ensure that rail carriers can earn ade-*
10 *quate revenues to provide and sustain consistent, effi-*
11 *cient, and reliable transportation services and to*
12 *maintain and expand rail infrastructure, equipment,*
13 *and technology.*

14 *“(6) To prohibit predatory pricing and prac-*
15 *tices, avoid undue concentrations of market power,*
16 *and to prohibit unlawful discrimination.*

17 *“(7) To provide fair and expeditious regulatory*
18 *decisions and ensure that the regulatory process is ac-*
19 *cessible and cost-effective for all affected parties.*

20 *“(8) To advance the environmental and energy*
21 *efficiency advantages of rail transportation and en-*
22 *courage energy conservation and environmentally-re-*
23 *sponsible practices among rail carriers.*

24 *“(9) To foster intercity and commuter rail pas-*
25 *senger service.*

1 “(10) *To encourage fair wages and safe and suit-*
2 *able working conditions in the railroad industry.*”.

3 **SEC. 202. OFFICE OF PUBLIC ASSISTANCE, GOVERNMENTAL**
4 **AFFAIRS, AND COMPLIANCE.**

5 (a) *IN GENERAL.*—*Subchapter II of chapter 7, as*
6 *amended by section 106 of this Act, is further amended—*

7 (1) *redesignating section 728 (as redesignated by*
8 *section 106 of this Act) as section 729; and*

9 (2) *by inserting after section 727 the following:*

10 **“§ 728. Office of Public Assistance, Governmental Af-**
11 **fairs, and Compliance**

12 “(a) *IN GENERAL.*—*The Board shall maintain an Of-*
13 *fice of Public Assistance, Governmental Affairs, and Com-*
14 *pliance with authority over public assistance and outreach,*
15 *governmental affairs, and compliance. The Office shall—*

16 “(1) *mediate disputes between affected parties;*

17 “(2) *monitor rail carrier operations subject to*
18 *the Board’s jurisdiction to ensure that such oper-*
19 *ations are in compliance with each rail carrier’s stat-*
20 *utory and regulatory responsibilities;*

21 “(3) *act as the Board’s point of contact with gov-*
22 *ernment, public and private parties;*

23 “(4) *facilitate communication among stake-*
24 *holders subject to the Board’s jurisdiction; and*

1 “(5) carry out other duties and powers pre-
2 scribed by the Board.

3 “(b) *CUSTOMER ADVOCATE*.—The Board shall appoint
4 a rail customer advocate who shall report directly to the
5 Board. The rail customer advocate—

6 “(1) shall review or investigate rail customer in-
7 quiries and complaints;

8 “(2) shall serve as a technical advisor to a rail
9 customer in any appropriate proceeding of the Board;

10 “(3) shall advise the Board in certain matters,
11 as appropriate;

12 “(4) shall review information regarding the cost
13 and efficiency of rail transportation;

14 “(5) shall carry out other duties and powers pre-
15 scribed by the Board; and

16 “(6) may participate as a party in a proceeding
17 of the Board, as appropriate.

18 “(c) *OMBUDSMAN*.—The Board may designate an em-
19 ployee of the Board to serve as an ombudsman of the Board
20 in regional or local matters of Board interest, including
21 matters related to railroad service, mergers and acquisi-
22 tions, or any other matter designated by the Board.”.

23 “(b) *CONFORMING AMENDMENT*.—The table of contents
24 for chapter 7, as amended by section 106 of this Act, is

1 *amended by striking the item relating to section 728 and*
 2 *inserting the following:*

“728. Office of Public Assistance, Governmental Affairs, and Compliance
“729. Definitions”.

3 **SEC. 203. INVESTIGATIVE AUTHORITY.**

4 (a) *AUTHORITY TO INITIATE INVESTIGATION.*—*Sec-*
 5 *tion 11701(a) is amended by striking “only on complaint.”*
 6 *and inserting “on the Board’s own initiative or on com-*
 7 *plaint.”.*

8 (b) *RATE PROCEEDINGS.*—*Section 10704(b) is amend-*
 9 *ed by striking the first sentence and inserting “The Board*
 10 *may begin a proceeding under subsection (a)(1) on its own*
 11 *initiative or upon complaint, except that a proceeding to*
 12 *determine the reasonableness of the level of a rate charged*
 13 *by a carrier may only be initiated upon complaint.”.*

14 **SEC. 204. COMPILATION OF COMPLAINTS.**

15 (a) *IN GENERAL.*—*Section 704 is amended—*

16 (1) *by striking the section heading and inserting*
 17 *the following:*

18 **“§704. Reports ”;**

19 (2) *by inserting “(a) ANNUAL REPORT.—” before*
 20 *“The Board”;* and

21 (3) *by adding at the end the following:*

22 **“(b) COMPLAINTS.—**

23 *“(1) The Board shall establish and maintain a*
 24 *database of complaints received by the Board.*

1 “(2) *The Board shall post a quarterly report of*
 2 *formal and informal service complaints received by*
 3 *the Board during the previous quarter that shall in-*
 4 *clude—*

5 “(A) *a list of the type of each complaint;*

6 “(B) *the geographic region of the complaint;*

7 *and*

8 “(C) *the resolution of the complaint, if ap-*
 9 *propriate.*

10 “(3) *The quarterly report may identify a com-*
 11 *plainant that submitted an informal complaint only*
 12 *upon the written consent of the complainant.*

13 “(4) *The report shall be posted on the Board’s*
 14 *public website.”.*

15 (b) **CONFORMING AMENDMENT.**—*The table of contents*
 16 *for chapter 7 is amended by striking the item relating to*
 17 *section 704 and inserting the following:*

 “704. *Reports*”.

18 **SEC. 205. EXEMPT TRAFFIC.**

19 (a) **IN GENERAL.**—*Section 10502 is amended—*

20 (1) *by striking “the Board, to the maximum ex-*
 21 *tent consistent with this part, shall” in subsection (a)*
 22 *and inserting “the Board shall”; and*

23 (2) *by striking “title.” in subsection (d) and in-*
 24 *serting “title or to protect shippers from the abuse of*
 25 *market power.”.*

1 (b) *CURRENT CLASS EXEMPTIONS.*—Within 2 years
 2 after the date of enactment of this Act, the Surface Trans-
 3 portation Board shall conclude a study of class exemptions
 4 in effect on the date of enactment of this Act to determine
 5 whether any exemptions should be revoked pursuant to sec-
 6 tion 10502(d) of title 49, United States Code. In conducting
 7 the study, the Board shall provide public notice and oppor-
 8 tunity for comment and conduct 1 or more public hearings.
 9 Upon completion of the study, the Board shall—

10 (1) revise any such exemptions as necessary on
 11 the basis of the Board’s findings and conclusions from
 12 the study; and

13 (2) establish a process for the periodic review,
 14 and revision as necessary, of class exemptions.

15 **SEC. 206. RAILROAD SERVICE METRICS AND PERFORMANCE**

16 **DATA.**

17 (a) *REPORTING REQUIREMENTS.*—Within 2 years
 18 after the date of enactment of this Act, the Surface Trans-
 19 portation Board shall require Class I railroad carriers and
 20 other railroad carriers, as appropriate, to regularly report
 21 railroad service metrics and other performance data as pre-
 22 scribed by the Board. The metrics and data may include
 23 transportation cycle times and transit times and variations
 24 in such times, average train speed, and terminal dwell time

1 *by type of traffic and by geographic area and other metrics,*
2 *as determined by the Board.*

3 (b) *CONFIDENTIALITY.*—*The Board shall ensure that*
4 *metrics and other performance data submitted pursuant to*
5 *this section and deemed confidential by the Board are ap-*
6 *propriately protected.*

7 **SEC. 207. UNIFORM RAILROAD COSTING SYSTEM.**

8 (a) *STUDY.*—*Within 180 days after the date of enact-*
9 *ment of this Act, the Surface Transportation Board shall*
10 *initiate a proceeding to examine the Uniform Railroad*
11 *Costing System. The examination shall consider matters*
12 *deemed appropriate by the Board.*

13 (b) *UPDATE.*—*Within 3 years after the date of enact-*
14 *ment of this Act, the Board shall update, revise, or replace*
15 *the System and any related reporting of financial and oper-*
16 *ating information by rail carriers as deemed appropriate*
17 *by the Board based on the examination required by sub-*
18 *section (a).*

19 (c) *INTERIM REPORT.*—*Within 18 months after the*
20 *date of enactment of this Act, the Board shall submit an*
21 *interim report on its progress on the proceeding to the Sen-*
22 *ate Committee on Commerce, Science, and Transportation*
23 *and the House of Representatives Committee on Transpor-*
24 *tation and Infrastructure.*

1 (d) *MOVEMENT-SPECIFIC ADJUSTMENTS.*—Until the
2 Board updates, revises, or replaces the system pursuant to
3 subsection (b), or thereafter at the discretion of the Board,
4 parties may make reasonable movement-specific adjust-
5 ments to the variable costs calculated by the System in full
6 stand-alone cost rate challenges.

7 (e) *MATERIAL CHANGE ADJUSTMENTS.*—If the System
8 is materially changed pursuant to subsection (b), the Board
9 shall develop a one-time adjustment factor to be used to ad-
10 just the variable costs in rate prescriptions determined
11 under the changed procedures to equal those that would have
12 been obtained under the prior procedures, and will apply
13 this adjustment factor, upon request, in rate prescriptions
14 that are in effect as of the date of enactment of this Act.

15 **SEC. 208. REPLACEMENT COST STUDY.**

16 (a) *STUDY.*—Within 180 days after the date of enact-
17 ment of this Act, the Surface Transportation Board shall
18 initiate a study to review the use of a replacement cost ap-
19 proach to value the assets of rail facilities. The review shall
20 include matters deemed appropriate by the Board, but shall
21 include, at a minimum, consideration of the feasibility, ef-
22 fectiveness, and appropriateness of using a replacement cost
23 approach in Board proceedings where replacement costs
24 may be relevant. In conducting the study, the Board shall
25 provide public notice and opportunity for comment and

1 *conduct 1 or more public hearings. The Board shall com-*
2 *plete the study within 2 years after its initiation.*

3 (b) *REPORT TO CONGRESS.*—*Within 180 days after*
4 *completion of the study, the Board shall provide a report*
5 *to the Senate Committee on Commerce, Science, and Trans-*
6 *portation and the House of Representatives Committee on*
7 *Transportation and Infrastructure on its findings.*

8 **SEC. 209. RAIL PRACTICES STUDY.**

9 (a) *STUDY.*—*Within 180 days after the date of enact-*
10 *ment of this Act, the Surface Transportation Board shall*
11 *initiate a study of rail practices, including switching, sur-*
12 *charges, penalties, demurrage, and accessorial charges. In*
13 *conducting the study, the Board shall provide public notice*
14 *and opportunity for comment and conduct 1 or more public*
15 *hearings.*

16 (b) *REPORT TO CONGRESS.*—*Within 180 days after*
17 *completion of the study, the Board shall provide a report*
18 *to the Senate Committee on Commerce, Science, and Trans-*
19 *portation and the House of Representatives Committee on*
20 *Transportation and Infrastructure on its findings.*

21 **SEC. 210. RAIL CAR INTERCHANGE STUDY.**

22 (a) *STUDY.*—*Within 180 days after the date of enact-*
23 *ment of this Act, the Surface Transportation Board shall*
24 *initiate a study of rail interchange rules, including car*
25 *service, interchange, and other operating rules adopted and*

1 *administered by the Association of American Railroads and*
2 *the effect of those rules on the national rail system. In con-*
3 *ducting the study, the Board shall provide public notice and*
4 *opportunity for comment and conduct one or more public*
5 *hearings.*

6 (b) *REPORT TO CONGRESS.*—*Within 180 days after*
7 *completion of the study, the Board shall provide a report*
8 *to the Senate Committee on Commerce, Science, and Trans-*
9 *portation and the House of Representatives Committee on*
10 *Transportation and Infrastructure on its findings.*

11 **SEC. 211. OFFERS OF FINANCIAL ASSISTANCE.**

12 *Section 10904 is amended—*

13 (1) *by striking so much of subsection (d) as pre-*
14 *cedes paragraph (2) and inserting the following:*

15 “(d)(1) *Unless the Board, within 15 days after the ex-*
16 *piration of the 4-month period described in subsection (c),*
17 *finds that one or more financially responsible persons (in-*
18 *cluding a governmental authority) have offered financial*
19 *assistance and established a reasonable likelihood of freight*
20 *rail service, public transportation, or intercity rail pas-*
21 *senger transportation over that part of the railroad line to*
22 *be abandoned or over which all rail transportation is to*
23 *be discontinued, abandonment or discontinuance may be*
24 *carried out in accordance with section 10903.”; and*

1 (2) by striking “30 days” in subsection (f)(1)(A)
2 and inserting “60 days”.

3 **SEC. 212. ADVERSE ABANDONMENTS.**

4 Section 10903 is amended—

5 (1) by striking so much of subsection (a) as pre-
6 cedes paragraph (2) and inserting the following:

7 “(a)(1) An application relating to the abandonment
8 of or discontinuance of operation of all rail transportation
9 over any part of a railroad line shall be filed with the
10 Board. An abandonment or discontinuance may be carried
11 out only as authorized under this chapter.”;

12 (2) by striking “When a rail carrier providing
13 transportation subject to the jurisdiction of the Board
14 under this part files an application, the application”
15 in subsection (a) (2) and inserting “An application
16 filed under this section”;

17 (3) by striking “rail carrier’s” in subsection
18 (a)(2)(A);

19 (4) by striking “(C)(i)” in subsection (a)(2)(C)
20 and inserting “(C) if filed by a rail carrier, (i)”;

21 (5) by striking “The rail carrier shall—” in sub-
22 section (a)(3) and inserting “The applicant shall—”.

23 **SEC. 213. EMERGENCY SERVICE ORDERS.**

24 Section 11123(c)(1) is amended by striking the second
25 sentence and inserting “Action by the Board under sub-

1 *section (a) of this section may be extended in 90-day incre-*
 2 *ments until the Board finds that the emergency has ended.”.*

3 **SEC. 214. RATE AGREEMENTS.**

4 *(a) IN GENERAL.—Section 10706 is amended to read*
 5 *as follows:*

6 **“§ 10706. Rate agreements**

7 *“(a) IN GENERAL.—In any proceeding in which it is*
 8 *alleged that a carrier was a party to an agreement, con-*
 9 *spiracy, or combination in violation of the Sherman Act*
 10 *(15 U.S.C. 1 et seq.), the Clayton Act (15 U.S.C. 12 et seq.),*
 11 *sections 73 and 74 of the Wilson Tariff Act (15 U.S.C. 8*
 12 *and 9), or the Act of June 19, 1936 (15 U.S.C. 13, 13a,*
 13 *13b, 21a) or of any similar State law, proof of an agree-*
 14 *ment, conspiracy, or combination may not be inferred from*
 15 *evidence that two or more rail carriers acted together with*
 16 *respect to an interline rate or related matter and that a*
 17 *party to such action took similar action with respect to a*
 18 *rate or related matter on another route or traffic.*

19 *“(b) INADMISSIBLE EVIDENCE.—In any proceeding in*
 20 *which such a violation is alleged, evidence of a discussion*
 21 *or agreement between or among such rail carrier and one*
 22 *or more other rail carriers, or of any rate or other action*
 23 *resulting from such discussion or agreement, shall not be*
 24 *admissible if the discussion or agreement concerned an*
 25 *interline movement of the rail carrier, and the discussion*

1 *or agreement would not, considered by itself, violate the*
 2 *laws referred to in subsection (a).*

3 “(c) *DETERMINATION BY COURT.*—*In any such pro-*
 4 *ceeding before a jury, the court shall determine whether the*
 5 *requirements of subsection (b) are satisfied before allowing*
 6 *the introduction of any such evidence.”.*

7 (b) *CONFORMING AMENDMENT.*—*The table of contents*
 8 *for chapter 107 is amended by striking the item relating*
 9 *to section 10706 and inserting the following:*

“10706. Rate agreements”.

10 **SEC. 215. MISCELLANEOUS PROVISIONS.**

11 (a) *SIMPLIFIED PROCEDURE.*—*Section 10701(d)(3) is*
 12 *amended to read as follows:*

13 “(3) *The Board shall maintain a simplified and expe-*
 14 *dited method for determining the reasonableness of chal-*
 15 *lenged rates in those cases in which a full stand-alone cost*
 16 *presentation is too costly, given the value of the case.”.*

17 (b) *EXPEDITIOUS HANDLING.*—*Section 10704(d) is*
 18 *amended by striking the first sentence and inserting “The*
 19 *Board shall maintain procedures to ensure expeditious han-*
 20 *dling of challenges to the reasonableness of railroad rates.”.*

21 **TITLE III—REGULATORY**
 22 **REFORM**

23 **SEC. 301. PAPER BARRIERS.**

24 (a) *INTERCHANGE COMMITMENT DEFINED.*—*Section*
 25 *10102 is amended—*

1 (1) by redesignating paragraphs (4) through (10)
2 as paragraphs (5) through (11), respectively; and

3 (2) by inserting after paragraph (3) the fol-
4 lowing:

5 “(4) ‘interchange commitment’ means a contrac-
6 tual agreement between two or more rail carriers sub-
7 ject to the jurisdiction of the Board reached as part
8 of a sale or lease of a rail line for which the approval
9 of the Board is required under chapter 109 or 113 of
10 this part, which limits the incentive or the ability of
11 the purchaser or tenant rail carrier to interchange
12 traffic with a rail carrier other than the seller or les-
13 sor rail carrier;”.

14 (b) *AUTHORIZING AN ACQUISITION OR OPERATION*
15 *TRANSACTION.*—

16 (1) Section 10901(c) is amended by adding at
17 the end thereof “The Board may not issue a certificate
18 authorizing an acquisition or operation transaction
19 under subsection (a)(4) that includes interchange
20 commitments or other mechanisms restricting the
21 purchaser’s or tenant’s ability to interchange with
22 any other carrier unless such commitments or mecha-
23 nisms are reasonable and in the public interest.”.

24 (2) Section 10902(c) is amended by adding at
25 the end thereof “The Board may not issue a certificate

1 *authorizing an acquisition or operation transaction*
 2 *under this section that includes interchange commit-*
 3 *ments or other mechanisms restricting the purchaser's*
 4 *or tenant's ability to interchange with any other car-*
 5 *rier unless such commitments or mechanisms are rea-*
 6 *sonable and in the public interest."*

7 *(3) Section 11323 is amended by adding at the*
 8 *end thereof the following:*

9 *"(d) The Board may not authorize an acquisition or*
 10 *operation transaction under this section that includes inter-*
 11 *change commitments or other mechanisms restricting the*
 12 *purchaser's or tenant's ability to interchange with any*
 13 *other carrier unless such commitments or mechanisms are*
 14 *reasonable and in the public interest."*

15 *(c) RIGHTS AND REMEDIES FOR INTERCHANGE COM-*
 16 *MITMENTS.—Chapter 117 is amended by adding at end*
 17 *thereof the following:*

18 **"§ 11708. Interchange commitments: rights and rem-**
 19 **edies**

20 *"(a) IN GENERAL.—The Board shall maintain a proc-*
 21 *ess to allow affected persons to challenge existing inter-*
 22 *change commitments as contrary to other provisions of this*
 23 *part. The Attorney General and the Secretary of Transpor-*
 24 *tation may participate in such proceedings.*

1 “(b) *ACCESS TO INTERCHANGE COMMITMENTS.*—After
 2 *the filing of a complaint or petition, the Board shall pro-*
 3 *vide affected persons access, upon request, to existing and*
 4 *proposed interchange commitments, subject to conditions*
 5 *protecting the confidentiality of those agreements.*

6 “(c) *REDRESS AUTHORITY.*—The Board shall take ap-
 7 *propriate action to address any conflict between an inter-*
 8 *change commitment and the provisions of this part.*

9 “(d) *PURCHASE AUTHORITY.*—

10 “(1) *IN GENERAL.*—Except as provided in para-
 11 *graph (5), if the Board finds that—*

12 “(A) *an interchange commitment is found*
 13 *to be in violation of this part, and*

14 “(B) *the purchaser or tenant rail carrier*
 15 *and the seller or lessor rail carrier cannot bring*
 16 *the interchange commitment into compliance*
 17 *with this part within a reasonable period of*
 18 *time,*

19 *the Board may require, upon application by the pur-*
 20 *chaser or tenant rail carrier, the elimination of the*
 21 *interchange commitment at a price paid by the pur-*
 22 *chaser or tenant rail carrier not less than the terms*
 23 *established under paragraph (2).*

24 “(2) *TERMS.*—In the case of an interchange com-
 25 *mitment subject to elimination under paragraph (1),*

1 *the Board shall determine the fair market value of an*
2 *interchange commitment by considering—*

3 “(A) *any credits, payments, expenses, or*
4 *other income paid and due from the interchange*
5 *commitment to the seller or lessor rail carrier;*

6 “(B) *reasonable financial hardships of the*
7 *purchaser or tenant rail carrier due to unreason-*
8 *able terms, if any, of the interchange agreement;*
9 *and*

10 “(C) *other relevant factors as determined by*
11 *the Board.*

12 “(3) *EMPLOYEE PROTECTION.—The Board shall*
13 *require protections consistent with the requirements of*
14 *section 11326(a) for rail labor employees who are af-*
15 *ected by an action under this subsection.*

16 “(4) *PURCHASER PRECONDITIONS.—Any pur-*
17 *chaser or tenant rail carrier that buys out an inter-*
18 *change commitment under this subsection may deter-*
19 *mine preconditions, such as payment of a subsidy,*
20 *which must be met by shippers in order to obtain*
21 *service over such lines, but such rail carrier must no-*
22 *tify the shippers on the line of its intention to impose*
23 *such preconditions.*

24 “(5) *EXCEPTION.—If the Board requires the*
25 *elimination of an interchange commitment under*

1 paragraph (1), and the purchaser or tenant rail car-
2 rier or the seller or lessor rail carrier demonstrates
3 that the sale or lease agreement containing the inter-
4 change commitment contains a provision governing
5 the manner in which the agreement may be termi-
6 nated, the Board shall permit the agreement to be ter-
7 minated in accordance with that provision.

8 “(6) *DEFINITIONS.*—*In this subsection:*

9 “(A) *PURCHASER OR TENANT RAIL CAR-*
10 *RIER.*—*The term ‘purchaser or tenant rail car-*
11 *rier’ means a Class II or Class III rail carrier*
12 *that purchases or leases a rail line that is subject*
13 *to terms of an interchange commitment.*

14 “(B) *SELLER OR LESSOR RAIL CARRIER.*—
15 *The term ‘seller or lessor rail carrier’ means a*
16 *Class I rail carrier that leased or sold a rail line*
17 *subject to terms of an interchange commitment.*

18 “(e) *DEADLINE FOR COMPLETION OF PROCEEDING.*—
19 *The Board shall complete any proceeding under this section*
20 *within 180 days after the close of the administrative*
21 *record.”.*

22 (d) *RAILROAD REHABILITATION AND IMPROVEMENT*
23 *FINANCING.*—

1 (1) *Section 502(b)(1) of the Railroad Revitaliza-*
2 *tion and Regulatory Reform Act of 1976 (45 U.S.C.*
3 *822(b)(1)) is amended—*

4 (A) *by striking “or” after the semicolon in*
5 *subparagraph (B);*

6 (B) *by striking “facilities.” in subpara-*
7 *graph (C) and inserting “facilities; or”; and*

8 (C) *by inserting after subparagraph (C) the*
9 *following:*

10 *“(D) provide financial assistance to pur-*
11 *chase or lease a rail line subject to terms estab-*
12 *lished by the Surface Transportation Board*
13 *under section 11708(d) of title 49, United States*
14 *Code.”.*

15 (2) *Section 502 of that Act (45 U.S.C. 822) is*
16 *amended—*

17 (A) *by adding at the end of subsection (e)*
18 *the following:*

19 *“(3) INTEREST RATE REDUCTION.—Subject to*
20 *the availability of funds authorized by subsection (k),*
21 *the Secretary may reduce the interest to be paid on*
22 *direct loans provided to a Class II or Class III rail*
23 *carrier for the purpose of subsection (b)(1)(D).”;*

24 (B) *in subsection (f)(1)—*

1 (i) by inserting “or private insurance,
2 including bond insurance,” after “in part
3 credit risk”; and

4 (ii) by inserting “or insurance, includ-
5 ing bond insurance,” after “authority and
6 credit risk”;

7 (C) by striking “amounts.” in subsection
8 (f)(3) and inserting “amounts or, at the discre-
9 tion of the Secretary, in a series of payments
10 over the term of the loan. If insurance, including
11 bond insurance, is used, the policy premium
12 shall be paid before the loan is disbursed.”; and

13 (D) by adding at the end the following:

14 “(k) *AUTHORIZATION OF APPROPRIATIONS.*—There
15 are authorized to be appropriated to the Secretary for pur-
16 poses of carrying out subsection (e)(3) such funds as may
17 be necessary for fiscal years 2010 through 2014.”.

18 (e) *INTERCHANGE COMMITMENT RELIEF GRANTS.*—
19 Chapter 201 is amended by adding at end thereof the fol-
20 lowing:

21 “§ 20168. **Interchange commitment relief grants**

22 “(a) *IN GENERAL.*—Upon application, the Secretary
23 of Transportation, in consultation with the Surface Trans-
24 portation Board, may make grants available to assist any
25 Class III rail carrier providing transportation subject to

1 *the jurisdiction of the Surface Transportation Board with*
 2 *the credit risk premium of a direct loan or loan guarantee*
 3 *made for the purposes of section 502(b)(1)(D) of the Rail-*
 4 *road Revitalization and Regulatory Reform Act of 1976 (45*
 5 *U.S.C. 822(b)(1)(D)).*

6 “(b) *LIMITATIONS.—The Secretary of Transpor-*
 7 *tation—*

8 “(1) *shall award grants only to applicants with*
 9 *financial need; and*

10 “(2) *may approve a grant under this section*
 11 *only as part of an application for a Railroad Reha-*
 12 *bilitation and Improvement Financing loan or loan*
 13 *guarantee.*

14 “(c) *AUTHORIZATION OF APPROPRIATIONS.—There are*
 15 *authorized to be appropriated to the Secretary of Transpor-*
 16 *tation for grants under this section \$7,500,000 for fiscal*
 17 *years 2010 through 2014.”*

18 (f) *CONFORMING AMENDMENTS.—*

19 (1) *The table of contents for chapter 117 is*
 20 *amended by inserting after the item relating to sec-*
 21 *tion 11707 the following:*

“11708. *Interchange commitments: rights and remedies”.*

22 (2) *The table of contents for chapter 201 is*
 23 *amended by inserting after the item relating to sec-*
 24 *tion 20167 the following:*

“20168. *Interchange commitment relief grants”.*

1 **SEC. 302. BOTTLENECK AND TERMINAL SWITCHING RATES.**

2 (a) *IN GENERAL.*—Subchapter I of chapter 107 is
3 amended by adding at the end thereof the following:

4 **“§ 10710. Bottleneck and terminal switching rates**

5 “(a) *A Class I rail carrier, or other rail carrier as*
6 *deemed appropriate by the Board, that provides a rate for*
7 *transportation between an origin and destination either as*
8 *a single line movement or as part of an interline movement*
9 *and over which the carrier has market dominance pursuant*
10 *to section 10707 shall, upon the reasonable request of a rail*
11 *customer, establish a bottleneck rate for the purpose of pro-*
12 *viding transportation over a bottleneck segment located be-*
13 *tween such an origin and destination pursuant to this sec-*
14 *tion. If the rail carrier contends that the transportation is*
15 *not subject to market dominance under that section, the rail*
16 *carrier shall seek an expedited determination of that issue*
17 *from the Board.*

18 “(b) *Such a carrier shall establish such a rate and pro-*
19 *vide service upon such request without regard to whether*
20 *the shipper has made arrangements for transportation for*
21 *any other part of that movement.*

22 “(c)(1) *If the Board determines, under section 10707*
23 *of this title, that such a rail carrier has market dominance*
24 *between the origin and destination, the bottleneck rate es-*
25 *tablished for transportation pursuant to this section must*
26 *be reasonable.*

1 “(2)(A) Not later than one year after the date of enact-
2 ment of the Surface Transportation Board Reauthorization
3 Act of 2009, the Board shall establish and maintain stand-
4 ards for determining whether a bottleneck rate established
5 by a rail carrier is reasonable for purposes of this section
6 and establish a simplified and expedited method for deter-
7 mining the reasonableness of challenged bottleneck rates. In
8 developing those standards the Board shall consider rail
9 carriers’ need to earn adequate revenues to provide and sus-
10 tain consistent, efficient, and reliable transportation serv-
11 ices and to maintain the national rail system.

12 “(B) In developing the standards, the Board shall in-
13 clude, as part of a reasonable rate—

14 “(i) operating costs, including any additional
15 labor costs, of providing the requested transportation
16 service over the bottleneck segment;

17 “(ii) maintenance costs associated with pro-
18 viding the requested transportation service;

19 “(iii) additional capital and investment costs re-
20 quired to perform the requested transportation service
21 over the bottleneck segment;

22 “(iv) a reasonable return on embedded capital
23 used for the requested transportation service over the
24 bottleneck segment sufficient to meet the rail carrier’s

1 *cost of capital or, if such cost is not available, the rail*
2 *industry cost of capital;*

3 *“(v) a reasonable contribution, to the extent ap-*
4 *propriate, to that carrier’s network infrastructure*
5 *costs of the non-bottleneck segment of the route offered*
6 *by the incumbent rail carrier that is sufficient, along*
7 *with other traffic on the segment, to maintain the*
8 *non-bottleneck segment; and*

9 *“(vi) any other contributing factors appropriate*
10 *to meet the consideration in subparagraph (A).*

11 *“(d) In any proceeding in which a rail customer chal-*
12 *lenges a bottleneck rate established under this section as un-*
13 *reasonable, the burden of proof that the rate is reasonable*
14 *shall be on the rail carrier.*

15 *“(e) In this section:*

16 *“(1) The term ‘bottleneck rate’ means a rate for*
17 *transportation over a bottleneck segment.*

18 *“(2) The term ‘bottleneck segment’ means the rail*
19 *facilities, including rail facilities located entirely in*
20 *terminal areas, between an origin on the carrier’s sys-*
21 *tem and an interchange or between a destination on*
22 *the carrier’s system and an interchange.*

23 *“(3) The term ‘interchange’ means an inter-*
24 *change on such a rail carrier’s system that exists on*

1 *the date of the shipper's request for a rate covered by*
 2 *this section that—*

3 “(A) is practicable and would not signifi-
 4 cantly adversely affect such rail carrier's net-
 5 work efficiency; and

6 “(B) would not significantly impair service
 7 to other customers of such rail carrier.”.

8 **(b) CONFORMING AMENDMENTS.—**

9 (1) *The table of contents for chapter 107 is*
 10 *amended by inserting after the item relating to sec-*
 11 *tion 10709 the following:*

 “10710. *Bottleneck and terminal switching rates*”.

12 (2) *Section 10705(a)(2)(A) is amended by insert-*
 13 *ing “10710,” after “under section”.*

14 **SEC. 303. TERMINAL ACCESS.**

15 *Section 11102 is amended to read as follows:*

16 **“§ 11102. Use of terminal facilities**

17 “(a) *For a Class I rail carrier, or other rail carrier*
 18 *as deemed appropriate by the Board, providing transpor-*
 19 *tation over which the rail carrier has market dominance*
 20 *pursuant to section 10707 in a terminal area, the Board*
 21 *may require the rail carrier to make its terminal facilities,*
 22 *including mainline tracks for a reasonable distance outside*
 23 *of that terminal, available for use by another rail carrier*
 24 *for such transportation.*

1 “(b) *The Board may only require that a rail carrier*
2 *take such action under subsection (a) if the Board finds*
3 *that such action—*

4 “(1) *would be practicable and would not signifi-*
5 *cantly adversely affect the operations of the terminal*
6 *or facility owned by such rail carrier or rail carriers*
7 *otherwise entitled to use the terminal or facilities;*

8 “(2) *would not significantly adversely affect the*
9 *network efficiency of such rail carrier or rail carriers*
10 *otherwise entitled to use the terminal or facilities;*

11 “(3) *would not significantly impair service to*
12 *other customers of such rail carrier or other rail car-*
13 *riers entitled to use the terminal or facilities;*

14 “(4) *is necessary to promote the efficient oper-*
15 *ation of the railroad system and improve rail service;*
16 *and*

17 “(5) *is in the public interest.*

18 “(c) *The rail carriers required to make facilities avail-*
19 *able or provide service pursuant to subsection (a) are re-*
20 *sponsible for establishing reasonable conditions and com-*
21 *ensation for the use of the facilities. The compensation*
22 *shall be paid or adequately secured before a rail carrier*
23 *may begin to use the facilities of another rail carrier.*

24 “(d)(1) *Not later than one year after the date of enact-*
25 *ment of the Surface Transportation Board Reauthorization*

1 *Act of 2009, the Board shall establish and maintain stand-*
2 *ards for determining whether compensation is reasonable*
3 *for purposes of this section and establish a simplified and*
4 *expedited method for determining the reasonableness of*
5 *challenged compensation rates.*

6 “(2) *In developing such standards, the Board shall*
7 *consider rail carriers’ need to earn adequate revenues to*
8 *provide and sustain consistent, efficient, and reliable trans-*
9 *portation services and to maintain the national rail system.*

10 “(e) *In developing the standards required by subsection*
11 *(d), the Board shall include, as part of a reasonable com-*
12 *pensation—*

13 “(1) *operating costs, including any additional*
14 *labor costs, of providing the requested usage;*

15 “(2) *maintenance costs associated with providing*
16 *the requested usage;*

17 “(3) *additional capital and investment costs re-*
18 *quired to perform the requested usage;*

19 “(4) *a reasonable return on embedded capital*
20 *employed for the requested usage of terminal facilities*
21 *sufficient to meet the rail carrier’s cost of capital or,*
22 *if such cost is not available, the rail industry cost of*
23 *capital;*

24 “(5) *a reasonable contribution, to the extent ap-*
25 *propriate, to that carrier’s network infrastructure*

1 *costs of the route beyond the terminal facilities and*
2 *main line tracks made available for the requested*
3 *usage, that is sufficient, along with other traffic on*
4 *the route and mainline track, to maintain the route*
5 *beyond the terminal facilities and mainline tracks*
6 *made available for the requested usage; and*

7 *“(6) any other contributing factors appropriate*
8 *to meet the considerations in subsection (d)(2).*

9 *“(g) A rail carrier whose terminal facilities are re-*
10 *quired to be used by another rail carrier under this section*
11 *is entitled to recover compensation from the other rail car-*
12 *rier for damages sustained as the result of compliance with*
13 *the requirement in a civil action.*

14 *“(h) In any proceeding in which a rail carrier chal-*
15 *lenges a compensation rate established under this section*
16 *as unreasonable, the burden of proof that the rate is reason-*
17 *able shall be on the rail carrier whose terminal facilities*
18 *are required to be used by the other rail carrier.*

19 *“(i) If the Board requires that a rail carrier take such*
20 *an action under subsection (a), the Board shall provide for*
21 *the protection of the interests of employees affected thereby,*
22 *consistent with the level of protection under section 10902*
23 *of this title.*

24 *“(j) The Board shall complete any proceeding under*
25 *this section within 180 days after the closing of the evi-*

1 *dentiary record. The Board may extend the deadline in in-*
 2 *cremental 30-day periods if it issues a decision dem-*
 3 *onstrating why such an extension is necessary.”.*

4 **SEC. 304. SERVICE.**

5 *Section 11101 is amended—*

6 *(1) by redesignating subsection (f) as subsection*
 7 *(g); and*

8 *(2) by inserting after subsection (e) the following:*

9 *“(f) The Board shall, by regulation, require rail car-*
 10 *riers to publish reasonable common carrier service expecta-*
 11 *tion ranges. These may include ranges for normal car cycle*
 12 *times, transit times, switching frequency, and other service*
 13 *components as determined by the Board to be appropriate.”.*

14 **SEC. 305. ARBITRATION OF CERTAIN RAIL RATE, PRACTICE,**
 15 **AND COMMON CARRIER SERVICE EXPECTA-**
 16 **TION DISPUTES.**

17 *(a) IN GENERAL.—Chapter 117, as amended by sec-*
 18 *tion 301, is further amended by adding at the end the fol-*
 19 *lowing:*

20 **“§ 11709. Arbitration of certain rail rate, practice,**
 21 **and common carrier service disputes**

22 *“(a) IN GENERAL.—Not later than one year after en-*
 23 *actment of the Surface Transportation Board Reauthoriza-*
 24 *tion Act of 2009, the Board shall promulgate regulations*
 25 *to establish a binding arbitration process to resolve rail*

1 *rate, practice, and common carrier service expectation com-*
 2 *plaints subject to the jurisdiction of the Board.*

3 “(b) *COVERED DISPUTES.—The binding arbitration*
 4 *process—*

5 “(1) *shall apply to disputes involving rates,*
 6 *practices, and common carrier service expectations*
 7 *subject to the jurisdiction of the Board;*

8 “(2) *shall not apply to disputes to obtain the*
 9 *grant, denial, stay or revocation of any license, au-*
 10 *thorization or exemption, to prescribe for the future*
 11 *any conduct, rules, or results of general, industry-*
 12 *wide applicability, or to enforce labor protective con-*
 13 *ditions; and*

14 “(3) *shall not apply to disputes solely between 2*
 15 *or more rail carriers.*

16 “(c) *ARBITRATION PROCEDURES.—*

17 “(1) *The Board—*

18 “(A) *may make the binding arbitration*
 19 *process available only to the relevant parties—*

20 “(i) *after the filing of a formal com-*
 21 *plaint; or*

22 “(ii) *upon petition by a party at the*
 23 *conclusion of any informal dispute resolu-*
 24 *tion process provided by the Board for a*
 25 *complaint subject to this section;*

1 “(B) with respect to rate disputes, may
2 make the binding arbitration process available
3 only to the relevant parties if the rail carrier has
4 market dominance, as determined under section
5 10707 of this title; and

6 “(C) shall determine whether to pursue the
7 binding arbitration process no later than 30
8 days after the filing of a petition or formal com-
9 plaint.

10 “(2) Initiation of the binding arbitration process
11 shall preclude the Board from separately reviewing a
12 complaint or dispute related to the same rate, prac-
13 tice, or common carrier service expectation in a cov-
14 ered dispute involving the same parties.

15 “(3) In resolving disputes involving the reason-
16 ableness of a rail carrier’s rates, the arbitrator shall
17 consider the Board’s methodologies for setting max-
18 imum lawful rates, giving due consideration to the
19 need for differential pricing to permit a rail carrier
20 to collect adequate revenues within the meaning of
21 section 10704(a)(2) of this title.

22 “(4) In resolving disputes involving common
23 carrier service expectations, the arbitrator shall con-
24 sider service expectations as published pursuant to
25 section 11101(f).

1 “(d) *ARBITRATION DECISIONS.*—Any decision reached
2 in an arbitration process under this section shall—

3 “(1) be consistent with subtitle IV of this title;

4 “(2) be in writing and shall contain findings of
5 fact and conclusions;

6 “(3) have no precedential effect in any other or
7 subsequent arbitration dispute; and

8 “(4) be binding upon the parties.

9 “(e) *TIMELINES.*—

10 “(1) The arbitrator shall be selected within 14
11 days after the Board’s decision to initiate arbitration.

12 “(2) The evidentiary process of the arbitration
13 process shall be completed within 90 days after the
14 date of initiation of the arbitration process, unless a
15 party requests an extension and the arbitrator grants
16 it.

17 “(3) The arbitrator shall issue a decision within
18 30 days after the close of the evidentiary record.

19 “(4) The Board may extend any of the timelines
20 in this subsection upon the agreement of all parties
21 in the dispute.

22 “(f) *ARBITRATORS.*—Arbitration under this section
23 shall be conducted by an arbitrator selected from a roster,
24 maintained by the Board, of persons with transportation,
25 economic regulation, professional or business experience, in-

1 *cluding agriculture, in the private sector. If the parties can-*
 2 *not mutually agree on an arbitrator, the parties shall select*
 3 *an arbitrator from the roster by alternately striking names*
 4 *from the roster until only 1 name remains. The parties shall*
 5 *share the costs of the arbitration equally.*

6 “(g) *RELIEF.*—

7 “(1) *LIMITATION.*—*A decision under this section*
 8 *may award the payment of damages or rate prescrip-*
 9 *tive relief, but the value of the award may not exceed*
 10 *\$250,000 per year and the award may not cover a*
 11 *total time period of more than 2 years.*

12 “(2) *REVIEW.*—*The board shall periodically re-*
 13 *view the amount in paragraph (1) and adjust it as*
 14 *necessary to reflect inflation.*

15 “(h) *BOARD REVIEW.*—*If a party appeals an arbitra-*
 16 *tor’s decision to the Board, the Board may review the deci-*
 17 *sion under this section to determine if—*

18 “(1) *the decision is consistent with subtitle IV of*
 19 *this title as applied by the Board; or*

20 “(2) *if the award limitation in subsection (g).”.*

21 (b) *CONFORMING AMENDMENT.*—*The table of contents*
 22 *for chapter 117 is amended by adding at the end following:*

“11709. *Arbitration of certain rail rate, practice, and common carrier service dis-*
putes”.

1 **SEC. 306. MAXIMUM RELIEF IN CERTAIN RATE CASES.**

2 (a) *IN GENERAL.*—*The Board shall revise the maximum amount of rate relief available to railroad shippers*
3 *in cases brought pursuant to the methods developed under*
4 *section 10701(d)(3) of title 49, United States Code, as that*
5 *section existed as of the date of enactment of this Act, to*
6 *be as follows—*

8 (1) *\$1,500,000 in a rate case brought using the*
9 *Board’s “three-benchmark” procedure; and*

10 (2) *\$10,000,000 in a rate case brought using the*
11 *Board’s “simplified stand-alone cost” procedure.*

12 (b) *PERIODIC REVIEW.*—*The Board shall periodically*
13 *review the amounts established by subsection (a) and revise*
14 *them as appropriate.*

15 **SEC. 307. ADVANCE RATE CHALLENGE.**

16 *The Surface Transportation Board may consider the*
17 *reasonableness of a rate quoted by a rail carrier up to 1*
18 *year before the date on which the rate is to take effect.*

19 **SEC. 308. RATE REVIEW TIMELINES.**

20 *In stand-alone cost rate challenges, the Surface Trans-*
21 *portation Board shall comply with the following timelines*
22 *unless it extends them, after a request from any party or*
23 *in the interest of due process:*

24 (1) *For discovery, 150 days after the date on*
25 *which the challenge is initiated.*

1 (2) *For development of the evidentiary record,*
2 *155 days after that date.*

3 (3) *For submission of parties' closing briefs, 60*
4 *days after that date.*

5 (4) *For a final Board decision, 180 days after*
6 *the date on which the parties submit closing briefs.*

7 **SEC. 309. REVENUE ADEQUACY STUDY.**

8 *Within 180 days after the date of enactment of this*
9 *Act, the Surface Transportation Board shall initiate a*
10 *study to provide further guidance on how it will apply its*
11 *revenue adequacy constraint. In conducting the study the*
12 *Board shall provide public notice and opportunity for com-*
13 *ment and conduct 1 or more public hearings.*

14 **SEC. 310. PUBLIC USAGE OF ABANDONED RAIL PROP-**
15 **ERTIES.**

16 *Section 10905 is amended—*

17 (1) *by striking “other forms of mass transpor-*
18 *tation,” and inserting “public transportation,”;*

19 (2) *by striking “the properties may be sold,” and*
20 *inserting “the Board may require that the properties*
21 *be sold,”;*

22 (3) *by striking “only under conditions” and in-*
23 *serting “pursuant to conditions, including the*
24 *amount of compensation,”; and*

1 (4) by striking “The conditions may include a
2 prohibition on any such disposal” and inserting “At
3 a minimum, the Board shall prohibit any disposal of
4 such properties”.

5 **SEC. 311. TRANSACTIONS.**

6 Section 11325 is amended—

7 (1) by inserting “(1)” after “(a)” in subsection
8 (a) and redesignating paragraphs (1) through (3) as
9 subparagraphs (A) through (C);

10 (2) by adding at the end of subsection (a) the fol-
11 lowing:

12 “(2) The Board may extend the time limits specified
13 in subsections (b), (c), and (d) of this section when more
14 time is necessary to complete the environmental review
15 process.”; and

16 (3) by striking “a transaction other than the
17 merger or control of at least two Class I railroads, as
18 defined by the Board, which the Board has deter-
19 mined to be of regional or national transportation
20 significance,” in subsection (c) and inserting “the
21 merger or control of one Class I railroad and at least
22 one Class II railroad, as defined by the Board, or if
23 it involves a merger or control transaction, other than
24 a transaction subject to subsection (b), which the

1 *Board has determined to be of regional or national*
2 *transportation significance.”.*

3 **SEC. 312. CONSIDERATIONS IN CONSOLIDATIONS, MERG-**
4 **ERS, AND ACQUISITIONS.**

5 *Section 11324 is amended—*

6 *(1) by striking paragraph (5) of subsection (b)*
7 *and inserting the following:*

8 *“(5) the effect of the proposed transaction on*
9 *competition among rail carriers in the affected region*
10 *or in the national rail system.”;*

11 *(2) by redesignating subsections (e) and (f) as*
12 *subsections (f) and (g), respectively;*

13 *(3) by striking “Board,” in subsection (d) and*
14 *inserting “Board, subject to subsection (e)”;* and

15 *(4) by inserting after subsection (d) the fol-*
16 *lowing:*

17 *“(e) In considering whether to approve, deny, or ap-*
18 *prove with conditions a transaction covered under sub-*
19 *sections (b) or (d) of this section, the Board may take into*
20 *account any potentially significant effects of the transaction*
21 *on—*

22 *“(1) public health, safety, and the environment;*
23 *and*

1 “(2) *intercity rail passenger transportation and*
2 *commuter rail passenger transportation, as defined by*
3 *section 24102 of this title.*”.

4 **SEC. 313. RAILROAD DEVELOPMENT.**

5 *Section 10907(h) is amended to read as follows:*

6 “(h) *If a purchasing carrier under this section pro-*
7 *poses to sell or abandon all or any portion of a purchased*
8 *railroad line within 5 years after the date of sale under*
9 *this section, such purchasing carrier shall offer the right*
10 *of first refusal with respect to such line or portion thereof*
11 *to the carrier which sold such line under this section. The*
12 *offer shall be made at a price equal to the sum of the price*
13 *paid by such purchasing carrier to such selling carrier for*
14 *such line or portion thereof and the fair market value (less*
15 *deterioration) of any improvements made, as adjusted to*
16 *reflect inflation.*”.

17 **SEC. 314. REGULATORY REFORM REVIEW.**

18 (a) *REVIEW.*—*The Comptroller General of the United*
19 *States shall undertake a review of the regulatory changes*
20 *made by this Act. The review shall include—*

21 (1) *a review of the Surface Transportation*
22 *Board’s progress in implementing the provisions of*
23 *this Act;*

1 (2) *an assessment of the impact on the rail*
2 *transportation system of the regulatory changes made*
3 *by this Act; and*

4 (3) *a specific analysis of the impact on railroad*
5 *operations, rates, competition, service, revenues,*
6 *maintenance, and investment resulting from the im-*
7 *plementation of sections 11102 and 10710 of title 49,*
8 *United States Code, as amended and added, respec-*
9 *tively, by this Act.*

10 (b) *CONSULTATION.*—*In conducting this review, the*
11 *Comptroller General shall solicit input from the railroads,*
12 *railroad shippers, railroad non-profit employee labor orga-*
13 *nizations, the Federal Railroad Administration, and other*
14 *entities, as appropriate.*

15 (c) *REPORT TO CONGRESS.*—*Not later than December*
16 *31, 2013, the Comptroller General shall transmit a report*
17 *to the Senate Committee on Commerce, Science, and Trans-*
18 *portation and the House of Representatives Committee on*
19 *Transportation and Infrastructure containing the results of*
20 *the review required by this section and any appropriate rec-*
21 *ommendations.*

1 **TITLE IV—TECHNICAL**
2 **CORRECTIONS.**

3 **SEC. 401. TECHNICAL CORRECTIONS TO PUBLIC LAW 110-**
4 **432.**

5 (a) *The title of Public Law 110–432 is amended by*
6 *striking “Federal Railroad Safety Administration” and in-*
7 *serting “Federal Railroad Administration”.*

8 (b) *The table of contents in section 1(b) of the Rail*
9 *Safety Improvement Act of 2008 is amended—*

10 (1) *in the item relating to section 201 by strik-*
11 *ing “Pedestrian crossing safety” and inserting “Pe-*
12 *destrian safety at or near railroad passenger sta-*
13 *tions”;* and

14 (2) *in the item relating to section 403 by strik-*
15 *ing “Track inspection time study” and inserting*
16 *“Study and rulemaking on track inspection time;*
17 *rulemaking on concrete crossties”.*

18 (c) *Section 2(a)(1) of the Rail Safety Improvement Act*
19 *of 2008 is amended by inserting a comma after “railroad*
20 *tracks at grade”.*

21 (d) *Section 102(a)(6) of the Rail Safety Improvement*
22 *Act of 2008 is amended to read as follows:*

23 “(6) *Improving the safety of railroad bridges,*
24 *tunnels, and related infrastructure to prevent acci-*

1 *dents, incidents, injuries, and fatalities caused by cat-*
 2 *astrophic and other failures of such infrastructure.”.*

3 *(e) Section 108(f)(1) of the Rail Safety Improvement*
 4 *Act of 2008 is amended by striking “requirements for rec-*
 5 *ordkeeping and reporting for Hours of Service of Railroad*
 6 *Employees” and inserting “requirements for record keeping*
 7 *and reporting for hours of service of railroad employees”.*

8 *(f) Section 201 of the Rail Safety Improvement Act*
 9 *of 2008 is amended—*

10 *(1) in the section heading by striking “**PEDES-***
 11 ***TRIAN CROSSING SAFETY.” and inserting***
 12 ***“PEDESTRIAN SAFETY AT OR NEAR***
 13 ***RAILROAD PASSENGER STATIONS.”;***

14 *(2) by striking “strategies and methods to pre-*
 15 *vent pedestrian accidents, incidents, injuries, and fa-*
 16 *talities at or near passenger stations, including—”*
 17 *and inserting “strategies and methods to prevent*
 18 *train-related accidents, incidents, injuries, and fatali-*
 19 *ties that involve a pedestrian at or near a railroad*
 20 *passenger station, including—”; and*

21 *(3) in paragraph (1) by striking “at railroad*
 22 *passenger stations”.*

23 *(g) Section 206(a) of the Rail Safety Improvement Act*
 24 *of 2008 is amended by striking “Public Service Announce-*
 25 *ments” and inserting “public service announcements”.*

1 (h) Section 403 of the Rail Safety Improvement Act
2 of 2008 is amended—

3 (1) in the section heading by striking “**TRACK**
4 **INSPECTION TIME STUDY.**” and inserting
5 “**STUDY AND RULEMAKING ON TRACK**
6 **INSPECTION TIME; RULEMAKING ON**
7 **CONCRETE CROSSTIES.**”; and

8 (2) in subsection (d)—

9 (A) by striking “CROSS TIES” in the sub-
10 section heading and inserting “CROSSTIES”;

11 (B) by striking “cross ties” and inserting
12 “crossties”; and

13 (C) in paragraph (2) by striking “cross tie”
14 and inserting “crosstie”.

15 (i) Section 405 of the Rail Safety Improvement Act
16 of 2008 is amended—

17 (1) in subsection (a) by striking “cell phones,”
18 and inserting “cellular telephones,”; and

19 (2) in subsection (d) by striking “of Transpor-
20 tation”.

21 (j) Section 411(a) of the Rail Safety Improvement Act
22 of 2008 is amended—

23 (1) by striking “5101(a)” and inserting
24 “5105(a)”; and

1 (2) by striking “5101(b)” and inserting
2 “5105(b)”.

3 (k) Section 412 of the Rail Safety Improvement Act
4 of 2008 is amended by striking “of Transportation”.

5 (l) Section 414 of the Rail Safety Improvement Act
6 of 2008 is amended—

7 (1) in paragraph (2) by striking “parts” and in-
8 serting “sections”; and

9 (2) by striking “part 1520.5” and inserting “sec-
10 tion 1520.5”.

11 (m) Section 416 of the Rail Safety Improvement Act
12 of 2008 is amended—

13 (1) by striking “of Transportation”;

14 (2) in paragraphs (3) and (4), by striking “Fed-
15 eral Railroad Administration” and inserting “Sec-
16 retary”; and

17 (3) in paragraph (4) by striking “subsection”
18 and inserting “section”.

19 (n) Section 417(c) of the Rail Safety Improvement Act
20 of 2008 is amended by striking “each railroad” and insert-
21 ing “each railroad carrier”.

22 (o) Section 503 of the Rail Safety Improvement Act
23 of 2008 is amended—

24 (1) in subsection (a) by striking “rail accidents,”
25 and inserting “rail passenger accidents,”; and

1 (2) *by adding at the end the following:*

2 “(d) *DEFINITIONS.—In this section, the terms ‘pas-*
3 *senger’, ‘rail passenger accident’, and ‘rail passenger car-*
4 *rier’ have the meaning given those terms by section 1139*
5 *of title 49, United States Code.*”

6 “(e) *FUNDING.—Out of funds appropriated pursuant*
7 *to section 20117(a)(1)(A) of title 49, United States Code,*
8 *there shall be made available to the Secretary of Transpor-*
9 *tation \$500,000 for fiscal year 2009 to carry out this sec-*
10 *tion. Amounts made available pursuant to this subsection*
11 *shall remain available until expended.”.*

12 (p) *Section 206(a) of the Passenger Rail Investment*
13 *and Improvement Act of 2008 is amended by inserting “of*
14 *this division” after “302”.*

15 (q) *Section 211 of the Passenger Rail Investment and*
16 *Improvement Act of 2008 is amended—*

17 (1) *by inserting “of this division” after “101(c)”*
18 *in subsection (d); and*

19 (2) *by inserting “of this division” after “101(d)”*
20 *in subsection (e).*

21 (r) *Section 1139 is amended—*

22 (1) *in subsection (a)(1) by striking “phone num-*
23 *ber” and inserting “telephone number”;*

24 (2) *in subsection (a)(2) by striking “post trau-*
25 *ma” and inserting “post-trauma”;*

1 (3) in subsections (h)(1)(A) and (h)(2)(A) by
2 striking “interstate”;

3 (4) in subsections (h)(1)(B) and (h)(2)(B)—
4 (A) by striking “interstate or intrastate”;
5 and

6 (B) by striking “26105” and inserting
7 “26106(b)(4)”;

8 (5) in subsection (j)(1) by striking “(other than
9 subsection (g))” and inserting “(other than sub-
10 sections (g) and (k))”; and

11 (6) in paragraphs (1) and (2) of subsection (j)
12 by striking “railroad passenger accident” and insert-
13 ing “rail passenger accident”.

14 (s) Section 10909(b) is amended by striking “Rail-
15 road” and inserting “Railroads”.

16 (t) Section 20109 is amended—

17 (1) by striking “the railroad shall promptly ar-
18 range” in subsection (c)(1) and inserting “the rail-
19 road carrier shall promptly arrange”;

20 (2) by inserting “subsection” after “under” in
21 subsection (d)(2)(A)(i); and

22 (3) by inserting “section” after “set forth in” in
23 subsection (d)(2)(A)(iii).

24 (u) Section 20120(a) is amended—

1 (1) in paragraph (2)(G), by inserting “and” at
2 the end; and

3 (2) in paragraph (5)(B) by striking “Adminis-
4 trative Hearing Officer or Administrative Law
5 Judge” and inserting “administrative hearing officer
6 or administrative law judge”.

7 (v) Section 20151(d)(1) is amended by striking “to
8 drive around a grade crossing gate” and inserting “to drive
9 through, around, or under a grade crossing gate”.

10 (w) Section 20152(b) is amended by striking “rail car-
11 riers” and inserting “railroad carriers”.

12 (x) Section 20156 is amended—

13 (1) in subsection (c) by inserting a comma after
14 “In developing its railroad safety risk reduction pro-
15 gram”; and

16 (2) in subsection (g)(1) by striking “non-profit”
17 and inserting “nonprofit”.

18 (y) Section 20157(a)(1) is amended—

19 (1) by striking “Class I railroad carrier” and
20 inserting “Class I railroad”; and

21 (2) by striking “parts” and inserting “sections”.

22 (z) Section 20158(b)(3) is amended by striking
23 “20156(e)(2)” and inserting “20156(e)”.

24 (aa) Section 20159 is amended by inserting “of Trans-
25 portation” after “the Secretary”.

1 (bb) Section 20160 is amended—

2 (1) in subsection (a)(1) by striking “or with re-
3 spect to” and inserting “with respect to”; and

4 (2) in subsection (b)(1)(A) by striking “or with
5 respect to” and inserting “with respect to”.

6 (cc) Section 20162(a)(3) is amended by striking “rail-
7 road compliance with Federal standards” and inserting
8 “railroad carrier compliance with Federal standards”.

9 (dd) Section 20164(a) is amended by striking “Rail-
10 road Safety Enhancement Act of 2008,” and inserting
11 “Rail Safety Improvement Act of 2008,”.

12 (ee) Section 21102(c)(4) is amended by re-designating
13 subparagraphs (C) and (D) as subparagraphs (B) and (C),
14 respectively.

15 (ff) Section 22106(b) is amended by striking “interest
16 thereof” and inserting “interest thereon”.

17 (gg) Section 24105(e) of title 49, United States Code,
18 is amended by striking “section 301 of the Passenger Rail
19 Investment and Improvement Act of 2008” and inserting
20 “section 24406”.

21 (hh) Section 24302(a)(3) is amended by striking “5
22 individuals” and inserting “4 individuals”.

23 (ii) Section 24316 is amended by striking subsection
24 (g).

1 (jj) *The item relating to section 24316 in the table of*
2 *contents for chapter 243 is amended by striking “to assist*
3 *families of passengers” and inserting “to address needs of*
4 *families of passengers”.*

5 (kk) *Section 24402 is amended—*

6 (1) *by striking “22506” in subsection (d) and*
7 *inserting “22706”;*

8 (2) *by striking subsection (e) and inserting the*
9 *following:*

10 “*(e) AMTRAK ELIGIBILITY.—Amtrak may be the re-*
11 *cipient of a grant under this section if Amtrak has entered*
12 *into a cooperative agreement with 1 or more applicants to*
13 *carry out 1 or more projects on a State rail plan’s list of*
14 *rail capital projects developed under section 22705(a)(5) of*
15 *this title. For such a grant, Amtrak may not use Federal*
16 *funds authorized under section 101(a) or (c) of the Pas-*
17 *senger Rail Investment and Improvement Act of 2008 to*
18 *fulfill the non-Federal share requirements under subsection*
19 *(g) of this section.”;*

20 (4) *by striking “AND EARLY SYSTEMS WORK*
21 *AGREEMENTS” in the heading of subsection (f);*

22 (5) *by striking “A metropolitan planning orga-*
23 *nization, State transportation department, or other*
24 *project sponsor” in subsection (i)(1) and inserting*
25 *“An applicant”; and*

1 (6) by striking subsection (k) and inserting the
2 following:

3 “(k) *SMALL CAPITAL PROJECTS.*—The Secretary shall
4 make not less than 5 percent annually available from the
5 amounts appropriated under section 24406 beginning in
6 fiscal year 2009 for grants for capital projects eligible under
7 this section not exceeding \$2,000,000, including costs eligi-
8 ble under section 209(d) of the *Passenger Rail Investment*
9 *and Improvement Act of 2008.* For grants awarded under
10 this subsection, the Secretary may waive requirements of
11 this section, including State rail plan requirements, as ap-
12 propriate.”.

13 (ll) Section 24403(b)(1) is amended by striking “over-
14 see the construction of such projects.” and inserting “for
15 activities to award and oversee the implementation of such
16 projects.”.

17 (mm) Section 24702(a) is amended by striking “not
18 included in the national rail passenger transportation sys-
19 tem”.

20 (nn) Section 24706 is amended—

21 (1) by striking “a discontinuance under section
22 24704 or or” in subsection (a)(1);

23 (2) by striking “section 24704 or” in subsection
24 (a)(2); and

1 (3) by striking “section 24704 or” in subsection
2 (b).

3 (oo) Section 24709 is amended by striking “The Sec-
4 retary of the Treasury and the Attorney General,” and in-
5 serting “The Secretary of Homeland Security.”

6 (pp) Section 24905(f)(1) is amended—

7 (1) in subparagraph (C) by striking “freight car-
8 riers” and inserting “freight railroad carriers”; and

9 (2) in subparagraph (F) by striking “rail
10 labor;” and inserting “representatives of nonprofit
11 employee labor organizations representing railroad
12 employees;”.

13 (rr) Section 26106(e)(4) is amended by striking
14 “22506” and inserting “22706”.

15 **TITLE V—MISCELLANEOUS**

16 **SEC. 501. PIPELINE INVESTIGATIVE AUTHORITY.**

17 Section 15901(a) is amended by striking “only on
18 complaint.” and inserting “on the Board’s own initiative
19 or on complaint.”.

20 **SEC. 502. CARBON DIOXIDE PIPELINES.**

21 (a) *IN GENERAL.*—Section 15301(a) is amended by
22 striking “gas, or oil.” and inserting “oil, or natural or arti-
23 ficial gases that are used primarily as a fuel or for other
24 energy purposes.”.

1 **(b) PIPELINE STUDY.**—Not later than 18 months after
2 the date of enactment of this Act, the Comptroller General
3 shall submit a study to the Senate Committee on Commerce,
4 Science, and Transportation and the House of Representa-
5 tives Committee on Transportation and Infrastructure that
6 analyzes the Federal and State regulatory framework to
7 support the development of pipelines for the purposes of the
8 capture, transportation, and sequestration of carbon diox-
9 ide. The study shall examine the Federal permitting process
10 for new carbon dioxide pipelines, the regulatory process for
11 access, siting, eminent domain, and rate regulation. In con-
12 ducting the study, the Comptroller General shall consult
13 with the Surface Transportation Board, the Federal Energy
14 Regulatory Commission, and other entities as appropriate.

15 **SEC. 503. EFFECTIVE DATES.**

16 **(a) IN GENERAL.**—Except as provided in subsection
17 **(b)**, this Act shall take effect on the date of enactment.

18 **(b) SECTION 214.**—The amendments made by section
19 214 shall take effect 2 years after the date of enactment of
20 this Act.

Calendar No. 711

11TH CONGRESS
2^D Session

S. 2889

A BILL

To reauthorize the Surface Transportation Board,
and for other purposes

DECEMBER 17, 2010

Reported with an amendment