

**AMENDMENT TO H.R. 2**  
**OFFERED BY MR. SMUCKER OF PENNSYLVANIA**

Add at the end the following:

1           **DIVISION E—INVEST IN**  
2           **AMERICAN RAILROADS**

3   **SEC. \_\_\_\_ . SHORT TITLE.**

4           This division may be cited as the “Invest in American  
5 Railroads Act”.

6   **SEC. \_\_\_\_ . PAYMENT OF CREDIT RISK PREMIUMS FOR**  
7           **LOANS AND LOAN GUARANTEES.**

8           Section 502(f)(4) of the Railroad Revitalization and  
9 Regulatory Reform Act of 1976 (45 U.S.C. 822(f)(4)) is  
10 amended—

11           (1) by striking “Credit risk premiums” and in-  
12 serting the following:

13                   “(A) TIMING OF PAYMENT.—Credit risk  
14 premiums”; and

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

16                   “(B) PAYMENT OF CREDIT RISK PRE-  
17 MIUMS.—

18                           “(i) IN GENERAL.—In granting assist-  
19 ance under this section, the Secretary may  
20 pay credit risk premiums required under

1 paragraph (3), in whole or in part, with re-  
2 spect to a loan or loan guarantee.

3 “(ii) SET-ASIDE.—Of the amounts  
4 made available to carry out this paragraph,  
5 at least \$100,000,000 shall be used for  
6 passenger rail projects for a fiscal year.  
7 Any amounts not obligated in a fiscal year  
8 shall be made available for any project re-  
9 ceiving assistance under this section.

10 “(iii) AUTHORIZATION OF APPROPRIA-  
11 TION.—There are authorized to be appro-  
12 priated \$300,000,000 for each of fiscal  
13 years 2021 through 2026 to carry out this  
14 subparagraph, to remain available until ex-  
15 pended.”.

16 **SEC. \_\_\_\_ . INCREASING FEDERAL SUPPORT FOR FREIGHT**  
17 **RAIL.**

18 Section 502(a) of the Railroad Revitalization and  
19 Regulatory Reform Act of 1976 (45 U.S.C. 822(a)) is  
20 amended—

21 (1) in paragraph (5), by striking “and” at the  
22 end;

23 (2) in paragraph (6), by striking the period and  
24 inserting “; and”; and

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

1           “(7) a private entity with controlling ownership  
2           in one or more freight railroads other than Class I  
3           carriers.”.

4 **SEC. \_\_\_\_ . EXPANDING USES FOR RIFF.**

5           Section 502(b)(1) of the Railroad Revitalization and  
6           Regulatory Reform Act of 1976 (45 U.S.C. 822(b)(1)) is  
7           amended—

8           (1) by striking subparagraph (A) and inserting  
9           the following:

10                   “(A) acquire, improve, or rehabilitate  
11                   intermodal or rail equipment or facilities, in-  
12                   cluding track, components of track, civil works  
13                   such as cuts and fills, stations, tunnels, bridges,  
14                   yards, buildings, and shops, and costs related to  
15                   these activities, including pre-construction  
16                   costs;”; and

17           (2) by striking subparagraph (D) and inserting  
18           the following:

19                   “(D) reimburse planning, permitting, and  
20                   design expenses relating to activities described  
21                   in subparagraph (A) or (C); or”.

22 **SEC. \_\_\_\_ . ELIGIBILITY.**

23           Section 502(f)(3) of the Railroad Revitalization and  
24           Regulatory Reform Act of 1976 (45 U.S.C. 822(f)(3)) is  
25           amended—

1 (1) by amending clause (ii) of subparagraph  
2 (B) to read as follows:

3 “(ii) user fees, including operating or  
4 tenant charges, facility rents or other fees  
5 paid by transportation service providers or  
6 operators for access to or use of infrastruc-  
7 ture including but not limited to rail lines,  
8 bridges tunnels, yards or stations; or”; and

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

10 “(D) A projection of freight or passenger  
11 demand for the project based on regionally de-  
12 veloped economic forecasts, including projec-  
13 tions of any modal diversion resulting from the  
14 project.”.

15 **SEC. \_\_\_\_ . COLLATERAL AND APPRAISAL STANDARDS.**

16 Section 502(f) of the Railroad Revitalization and  
17 Regulatory Reform Act of 1976 (45 U.S.C. 822(f)) is  
18 amended—

19 (1) in paragraph (3), by striking “tangible  
20 asset” and inserting “collateral described in para-  
21 graph (5)”; and

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

23 “(5) COLLATERAL.—

24 “(A) TYPES OF COLLATERAL.—An appli-  
25 cant or infrastructure partner may propose tan-

1           gible and intangible assets as collateral, exclu-  
2           sive of goodwill. The Secretary shall evaluate  
3           each such asset and—

4                   “(i) shall accept a net liquidation  
5           value of collateral; and

6                   “(ii) shall consider and may accept—

7                           “(I) the market value of collat-  
8                   eral; or

9                           “(II) in the case of a blanket  
10           pledge or assignment of an entire op-  
11           erating asset or basket of assets as  
12           collateral, the net liquidation value,  
13           the market value of assets, or, the  
14           market value of the going concern,  
15           considering—

16                           “(aa) inclusion in the pledge  
17                   of all the assets necessary for  
18                   independent operational utility of  
19                   the collateral, including tangible  
20                   assets such as real property,  
21                   track and structure, equipment  
22                   and rolling stock, stations, sys-  
23                   tems and maintenance facilities  
24                   and intangible assets such as  
25                   long-term shipping agreements,

1 easements, leases and access  
2 rights such as for trackage and  
3 haulage;

4 “(bb) interchange commit-  
5 ments; and

6 “(cc) the value of the asset  
7 as determined through the cost  
8 or market approaches, or the  
9 market value of the going con-  
10 cern, with the latter considering  
11 discounted cash flows for a pe-  
12 riod not to exceed the term of the  
13 direct loan or loan guarantee.

14 “(B) APPRAISAL STANDARDS.—In evalua-  
15 tion of appraisals of collateral under subpara-  
16 graph (A), the Secretary shall consider—

17 “(i) adherence to the substance and  
18 principles of the Uniform Standards of  
19 Professional Appraisal Practice, as devel-  
20 oped by the Appraisal Standards Board of  
21 the Appraisal Foundation;

22 “(ii) performance of the appraisal by  
23 licensed or certified appraisers as may be  
24 required by the State of jurisdiction for the  
25 type of asset being appraised; and

1 “(iii) the qualifications of the apprais-  
2 ers to value the type of collateral offered.”.

3 **SEC. \_\_\_\_ . REPAYMENT OF RRIF LOANS.**

4 Section 502(g)(1) of the Railroad Revitalization and  
5 Regulatory Reform Act of 1976 (45 U.S.C. 822(g)(1)) is  
6 amended—

7 (1) in subparagraph (A) by striking “35” and  
8 inserting “50”; and

9 (2) by amending subparagraph (B) to read as  
10 follows:

11 “(B) the estimated useful life of the rail  
12 equipment or facilities to be acquired, rehabili-  
13 tated, improved, developed, or established, in-  
14 cluding civil works such as cuts and fills,  
15 bridges, tunnels, yards, buildings and other  
16 long-lived assets.”.

17 **SEC. \_\_\_\_ . LEVERAGING EXISTING FEDERAL INFRASTRUC-  
18 TURE PROGRAMS.**

19 Section 502 of the Railroad Revitalization and Regu-  
20 latory Reform Act of 1976 (45 U.S.C. 822) is amended  
21 by adding at the end the following:

22 “(n) NON-FEDERAL SHARE.—The proceeds of a se-  
23 cured loan under this title, if such loan is repayable from  
24 non-Federal funds, shall not be considered Federal funds.  
25 Such loan funds shall be accepted for payment of the non-

- 1 Federal share of project costs under law, including for any
- 2 projects receiving funding under title 23 or 49 of the
- 3 United States Code.”.

