

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1095 Session of  
2006

INTRODUCED BY STOUT AND MADIGAN, MARCH 16, 2006

REFERRED TO TRANSPORTATION, MARCH 16, 2006

AN ACT

1 Amending the act of July 5, 1984 (P.L.587, No.119), entitled "An  
2 act empowering the Department of Transportation to preserve  
3 and improve rail freight service in the Commonwealth by  
4 making grants, loans or other assistance available to  
5 qualified applicants; authorizing a comprehensive rail study;  
6 making an appropriation; and making repeals," further  
7 providing for definitions and for program authority.

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 Section 1. The definition of "capital project" in section 3  
11 of the act of July 5, 1984 (P.L.587, No.119), known as the Rail  
12 Freight Preservation and Improvement Act, is amended and the  
13 section is amended by adding a definition to read:

14 Section 3. Definitions.

15 The following words and phrases when used in this act shall  
16 have the meanings given to them in this section unless the  
17 context clearly indicates otherwise:

18 \* \* \*

19 "Capital project." Acquisition of property, labor and  
20 materials for equipping, furnishing, constructing,

1 reconstructing, rehabilitating or improving rail freight  
2 transportation systems or facilities, but shall not include  
3 accelerated maintenance.

4 \* \* \*

5 "Railroad user." Any person, firm or corporation which is a  
6 direct user or promoter of the development of any rail freight  
7 transportation system, facility or service in this Commonwealth.

8 \* \* \*

9 Section 2. Section 6(a) of the act is amended to read:  
10 Section 6. Program authority.

11 (a) Authority.--The department is hereby authorized, within  
12 the limitation herein provided to:

13 (1) Provide operating subsidy grants to railroad  
14 companies, transportation organizations or municipalities to  
15 defray, or assist in defraying, the net deficit incurred by  
16 such entities in providing essential rail freight  
17 transportation services within the Commonwealth.

18 (2) Provide grants to railroad companies, transportation  
19 organizations, railroad users or municipalities to defray, or  
20 assist in defraying, the cost of accelerated maintenance  
21 projects performed on rail lines within the Commonwealth.

22 (3) Undertake capital projects and to provide and  
23 administer capital project grants to railroad companies,  
24 transportation organizations, railroad users or  
25 municipalities. The department shall not operate or provide  
26 directly rail freight transportation services on its own rail  
27 lines or on lines owned by others, nor shall a capital  
28 project be undertaken in order to enable the department to  
29 provide directly rail freight transportation services.

30 Notwithstanding the provisions of sections 302 and 303 of the

1 act of February 9, 1999 (P.L.1, No.1), known as the Capital  
2 Facilities Debt Enabling Act. The department is authorized to  
3 make grants for capital projects up to \$250,000 without  
4 authorization or itemization in an approved capital budget.

5 (4) Acquire by purchase, lease, eminent domain  
6 proceedings, gift or otherwise, all and any property, in such  
7 estate as determined by the secretary, for promoting the  
8 purposes of this act, including the property of a public  
9 utility. All municipalities and corporations are hereby  
10 authorized to donate property to the department. Eminent  
11 domain proceedings shall be in accordance with the act of  
12 June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent  
13 Domain Code, and the department is empowered to join with any  
14 municipality or transportation organization in obtaining any  
15 property through the eminent domain proceedings.

16 (5) Undertake research, studies, analysis and planning,  
17 to make grants to railroad companies, transportation  
18 organizations and municipalities for research, studies  
19 analysis and planning, relating to any phase of rail freight  
20 transportation services, systems and facilities, including  
21 the management, operation, capital requirements and economic  
22 feasibility thereof, and any preparation of engineering and  
23 architectural surveys, plans and specifications and other  
24 similar activities preliminary to and in preparation for  
25 construction, acquisition or improved operation of rail  
26 freight transportation services, systems and facilities  
27 within the Commonwealth.

28 (6) Undertake demonstration projects and to make grants  
29 to railroad companies, transportation organizations and  
30 municipalities for demonstration projects, including the

1 development, testing and demonstration of new facilities,  
2 equipment, techniques and methods of providing rail freight  
3 transportation services, systems and facilities within the  
4 Commonwealth.

5 (7) Undertake marketing activities and to make grants to  
6 railroad companies, transportation organizations and  
7 municipalities for marketing activities designed to foster  
8 the fullest and most efficient utilization of rail freight  
9 transportation services, systems and facilities within the  
10 Commonwealth. Marketing activities may be undertaken by  
11 contract with the department or by subcontract with a grantee  
12 of the department, upon approval of the subcontract by the  
13 secretary.

14 (8) Undertake audits of any project being financially  
15 assisted by the department. The department may hire outside  
16 auditors to perform such functions or may direct its grantees  
17 to engage such auditors and include the expense thereof as an  
18 eligible program cost.

19 \* \* \*

20 Section 3. This act shall take effect in 60 days.