

**§ 1106. Exemption from transfer taxes and fees; recordation**

(a)(1) All transfers or conveyances of any interest in rail property (whether real, personal, or mixed) which are made under any provision of or amendment made by this subtitle shall be exempt from any taxes, imposts, or levies now or hereby imposed, by the United States or by any State or any political subdivision of a State, on or in connection with such transfers or conveyances or on the recording of deeds, bills of sale, liens, encumbrances, easements, or other instruments evidencing, effectuating, or incident to any such transfers or conveyances, whether imposed on the transferor or on the transferee. Such transferors and transferees shall be entitled to record any such deeds, bills of sale, liens, encumbrances,<sup>1</sup> easements, or other instruments, and to record the release or removal of any preexisting liens or encumbrances of record with respect to properties so transferred or conveyed, upon payment of any appropriate and generally applicable charges to compensate for the cost of the service performed.

(2) This section shall not apply to Federal income tax laws.

(b) Transfer of designated real property (including any interest in real property) authorized by the amendments made by part 2 of this subtitle shall have the same effect for purposes of rights and priorities with respect to such property as recordation on the transfer date of appropriate deeds, or other appropriate instruments, in offices appointed under State law for such recordation, except that acquiring rail carriers and other entities shall proffer such deeds or other instruments for recordation within 36 months after the transfer date as a condition of preserving such rights and priorities beyond the expiration of that period. Conrail shall cooperate in effecting the timely preparation, execution, and proffering for recordation of such deeds and other instruments.

(Pub. L. 97-35, title XI, §1153, Aug. 13, 1981, 95 Stat. 677.)

REFERENCES IN TEXT

This subtitle, referred to in subsecs. (a)(1) and (b), is subtitle E (§§1131-1169) of title XI of Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 643, as amended, known as the Northeast Rail Service Act of 1981. Part 2 (§§1136-1142) of subtitle E enacted sections 581 to 587, 727, 744a, and 761 to 769a of this title, amended sections 601 and 741 of this title, and enacted provisions set out as a note under section 744a of this title. For complete classification of this subtitle to the Code, see Short Title note set out under section 1101 of this title and Tables.

**§ 1107. Repealed. Pub. L. 99-509, title IV, §4033(c)(1)(C)(i)(I), Oct. 21, 1986, 100 Stat. 1908**

Section, Pub. L. 97-35, title XI, §1154, Aug. 13, 1981, 95 Stat. 677, provided that no distribution of assets of Conrail could be made with respect to any claims of United States until all other valid claims against Conrail were satisfied or until arrangements had been made for their satisfaction.

<sup>1</sup> So in original. Probably should be "encumbrances."

**§ 1108. Concerted economic action**

**(a) Strikes interfering with rail freight service of Conrail**

Any person engaging in concerted economic action over disputes with Amtrak Commuter or any commuter authority shall not be entitled to engage in any strike against, or otherwise to induce any employee of, Conrail, where an effect thereof is to interfere with rail freight service provided by Conrail.

**(b) Strikes interfering with Amtrak Commuter's rail passenger service**

Any person engaging in concerted economic action over disputes arising out of freight operations provided by Conrail shall not be entitled to engage in any strike against, or otherwise to induce any employee of, Amtrak Commuter or any commuter authority, where an effect thereof is to interfere with rail passenger service.

**(c) Railway Labor Act deemed violated**

Any concerted action in violation of this section shall be deemed to be a violation of the Railway Labor Act [45 U.S.C. 151 et seq.].

(Pub. L. 97-35, title XI, §1158, Aug. 13, 1981, 95 Stat. 682.)

REFERENCES IN TEXT

The Railway Labor Act, referred to in subsec. (c), is act May 20, 1926, ch. 347, 44 Stat. 577, as amended, which is classified principally to chapter 8 (§151 et seq.) of this title. For complete classification of this Act to the Code, see section 151 of this title and Tables.

**§ 1109. Effectuation of cost reductions**

Any cost reductions resulting from the provisions of or the amendments made by this subtitle shall not be used to limit the maximum level of any rate charged by Conrail for the provision of rail service, to limit the amount of any increase in any such rate (including rates maintained jointly by Conrail and other rail carriers), or to limit a surcharge or cancellation otherwise lawful under chapter 107<sup>1</sup> of title 49.

(Pub. L. 97-35, title XI, §1159, Aug. 13, 1981, 95 Stat. 682.)

REFERENCES IN TEXT

This subtitle, referred to in text, is subtitle E (§§1131-1169) of title XI of Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 643, as amended, known as the Northeast Rail Service Act of 1981. For complete classification of this subtitle to the Code, see Short Title note set out under section 1101 of this title and Tables.

Chapter 107 of title 49, referred to in text, was omitted and a new chapter 107 enacted in the general amendment of subtitle IV of Title 49, Transportation, by Pub. L. 104-88, title I, §102(a), Dec. 29, 1995, 109 Stat. 804, 809.

**§ 1110. Repealed. Pub. L. 99-509, title IV, §4033(c)(1)(C)(i)(II), Oct. 21, 1986, 100 Stat. 1908**

Section, Pub. L. 97-35, title XI, §1161, Aug. 13, 1981, 95 Stat. 682, related to transfer of Conrail light density rail service lines.

<sup>1</sup> See References in Text note below.

**§ 1111. Repealed. Pub. L. 105-134, title IV, § 408, Dec. 2, 1997, 111 Stat. 2586**

Section, Pub. L. 97-35, title XI, §1163, Aug. 13, 1981, 95 Stat. 685; Pub. L. 99-272, title IV, §4017(a)(1), Apr. 7, 1986, 100 Stat. 110, related to Northeast Corridor cost dispute.

**§ 1112. Interstate Commerce Commission proceedings**

**(a) Final decisions involving railroads in bankruptcy**

Notwithstanding any other provision of subtitle IV of title 49, in any proceeding before the Commission under section 11324 or 11325 of title 49 involving a railroad in the Region, as defined in section 702 of this title, which was in a bankruptcy proceeding under section 77 of the Bankruptcy Act on November 4, 1979, the Commission shall, with or without a hearing, issue a final decision within a period not to exceed 180 days after receipt of an application under either such section.

**(b) Final decisions involving profitable railroads**

Notwithstanding any other provision of subtitle IV of title 49, in any proceeding before the Commission under section 11324 or 11325 of title 49 involving a profitable railroad in the Region, as defined in section 702 of this title, which received a loan under section 721(a) of this title, the Commission shall, with or without a hearing, issue a final decision within a period not to exceed 180 days after receipt of an application under either such section.

**(c) Interest of United States attaching in bankruptcy, liquidation, abandonment, etc.**

(1) If the Secretary determines under subsection (b) that there is an agreement between a profitable railroad in the Region (as defined in section 702 of this title) which received a loan under section 721(a) of this title and a prospective purchaser for the sale of such railroad, the Secretary shall limit the interest of the United States in any debt of such a railroad to an interest which attaches to such debt in the event of bankruptcy or substantial sale or liquidation of the assets of the railroad. The Secretary may substitute for the evidence of such debt contingency notes payable solely from the railroad operating assets then securing such debt, including reinvestments thereof, or such other contingency notes as the Secretary deems appropriate and which conform to the terms set forth in this subsection.

(2) If the interest of the United States is limited under paragraph (1), any new debt issued by such a railroad subsequent to the issuance of the debt described in paragraph (1) may have such higher priority in the event of bankruptcy, liquidation, or abandonment of the assets of such a railroad than the debt described in such paragraph as the Secretary and the railroad may agree.

(3) In carrying out the duties under this subsection, the Secretary may (A) enter into such agreements, (B) in accordance with any such agreements, cancel or cause to be cancelled or amend or cause to be amended any notes or securities currently held by agencies or instrumentalities of the United States, and (C) accept

in exchange as substitution therefor such instruments evidencing the indebtedness owed to such agencies or instrumentalities as, in the Secretary's judgment, will effectuate the purposes of this subsection.

(Pub. L. 97-35, title XI, §1164, Aug. 13, 1981, 95 Stat. 685; Pub. L. 97-468, title V, §510, Jan. 14, 1983, 96 Stat. 2554; Pub. L. 104-88, title III, §331, Dec. 29, 1995, 109 Stat. 953.)

REFERENCES IN TEXT

Section 77 of the Bankruptcy Act, referred to in subsec. (a), was classified to section 205 of former Title 11, Bankruptcy. The Bankruptcy Act (act July 1, 1898, ch. 541, 30 Stat. 544, as amended) was repealed effective Oct. 1, 1979, by Pub. L. 95-598, §§ 401(a), 402(a), Nov. 6, 1978, 92 Stat. 2682, section 101 of which enacted revised Title 11. For current provisions relating to railroad reorganization, see subchapter IV (§1161 et seq.) of chapter 11 of Title 11.

AMENDMENTS

1995—Subsecs. (a), (b). Pub. L. 104-88 substituted "section 11324 or 11325" for "section 11344 or 11345".

1983—Subsec. (c)(1). Pub. L. 97-468, §510(1), substituted "bankruptcy or substantial sale" for "bankruptcy, substantial sale," after "in the event of", and in last sentence substituted permission for the Secretary to substitute contingency notes for evidence of the debt for the requirement that the Secretary substitute contingency notes for evidence of the debt and inserted provision that the contingency notes be payable solely from the railroad operating assets then securing such debt, including reinvestments thereof, or be other contingency notes as the Secretary deems appropriate.

Subsec. (c)(2). Pub. L. 97-468, §510(2), substituted permission that new debt may have such higher priority in the event of bankruptcy, liquidation, or abandonment of the assets of such a railroad than the debt described in par. (1) as the Secretary and the railroad may agree for the requirement that such debt have higher priority in the event of bankruptcy, liquidation, or abandonment of the assets of Conrail than the debt described in par. (1).

Subsec. (c)(3). Pub. L. 97-468, §510(3), added par. (3).

EFFECTIVE DATE OF 1995 AMENDMENT

Amendment by Pub. L. 104-88 effective Jan. 1, 1996, see section 2 of Pub. L. 104-88, set out as an Effective Date note under section 1301 of Title 49, Transportation.

ABOLITION OF INTERSTATE COMMERCE COMMISSION AND TRANSFER OF FUNCTIONS

Interstate Commerce Commission abolished and functions of Commission transferred, except as otherwise provided in Pub. L. 104-88, to Surface Transportation Board effective Jan. 1, 1996, by section 1302 of Title 49, Transportation, and section 101 of Pub. L. 104-88, set out as a note under section 1301 of Title 49. References to Interstate Commerce Commission deemed to refer to Surface Transportation Board, a member or employee of the Board, or Secretary of Transportation, as appropriate, see section 205 of Pub. L. 104-88, set out as a note under section 1301 of Title 49.

**§ 1113. Intercity passenger service**

**(a) Responsibility of Conrail to provide crews terminated; negotiations for employee transfers**

After January 1, 1983, Conrail shall be relieved of the responsibility to provide crews for intercity passenger service on the Northeast Corridor. Amtrak, Amtrak Commuter, and Conrail, and the employees with seniority in both freight