

held invalid, the remainder of this chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

(Pub. L. 97-468, title VI, §616, Jan. 14, 1983, 96 Stat. 2578.)

CHAPTER 22—CONRAIL PRIVATIZATION

SUBCHAPTER I—GENERAL PROVISIONS

Sec.	
1301.	Findings.
1302.	Purposes.
1303.	Definitions.

SUBCHAPTER II—CONRAIL

PART A—SALE OF CONRAIL

1311.	Preparation for public offering.
1312.	Public offering.
1313.	Fees.

PART B—OTHER MATTERS RELATING TO SALE

1321.	Rail service obligations.
1322.	Ownership limitations.
1323.	Board of Directors.
1324.	Certain enforcement relief.

PART C—MISCELLANEOUS PROVISIONS

1341.	Abolition of United States Railway Association.
1342.	Exemption from liability.
1343.	Charter amendment.
1344.	Status of Conrail after sale.
1345.	Effect on contracts.
1346.	Resolution of certain issues.
1347.	Tax treatment of Conrail public sale.

SUBCHAPTER I—GENERAL PROVISIONS

§ 1301. Findings

The Congress finds that—

(1) the bankruptcy of the Penn Central and other railroads in the Northeast and Midwest resulted in a transportation emergency which required the intervention of the Federal Government;

(2) the United States Government created the Consolidated Rail Corporation, which provides essential rail service to the Northeast and Midwest;

(3) the future of rail service in the Northeast and Midwest is essential and must be protected through rail service obligations, consistent with the transfer of the Corporation to the private sector;

(4) the Northeast Rail Service Act of 1981 has achieved its purpose in allowing the Corporation to become financially self-sustaining;

(5) the Federal Government has invested over \$7,000,000,000 in providing rail service to the Northeast and Midwest;

(6) the Government, as a result of its ownership and investment of taxpayer dollars in the Corporation, controls substantial assets, including cash of approximately \$1,000,000,000;

(7) the Corporation's viability and sound performance allow it to be sold to the American public for a substantial sum through a public offering;

(8) a public offering of the Corporation's stock will preserve competitive rail service in

the region, provide a reasonable return to the Government, and protect employment;

(9) the Corporation's employees contributed significantly to the turnaround in the Corporation's financial performance and they should share in the Corporation's success through a settlement of their claims for reimbursement for wages below industry standard, and a share in the common equity of the Corporation;

(10) the requirements of section 761(e)¹ of this title are met by this chapter; and

(11) the Secretary of Transportation has discharged the responsibilities of the Department of Transportation under the Northeast Rail Service Act of 1981 with respect to the sale of the Corporation as a single entity.

(Pub. L. 99-509, title IV, §4002, Oct. 21, 1986, 100 Stat. 1893.)

Editorial Notes

REFERENCES IN TEXT

The Northeast Rail Service Act of 1981, referred to in pars. (4) and (11), is subtitle E of title XI of Pub. L. 97-35, §§1131-1169, Aug. 13, 1981, 95 Stat. 643, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 1101 of this title and Tables.

Section 761 of this title, referred to in par. (10), was repealed by Pub. L. 99-509, title IV, §4033(a)(1), Oct. 21, 1986, 100 Stat. 1908.

This chapter, referred to in par. (10), was in the original "this subtitle" meaning subtitle A (§§4001-4052) of title IV of Pub. L. 99-509, Oct. 21, 1986, 100 Stat. 1892, known as the Conrail Privatization Act, which is classified principally to this chapter. For complete classification of subtitle A to the Code, see Short Title note set out below and Tables.

Statutory Notes and Related Subsidiaries

SHORT TITLE

Section 4001(a) of subtitle A (§§4001-4052) of title IV of Pub. L. 99-509 provided that: "This subtitle [enacting this chapter, amending sections 702, 726, 727, 741, 797, 821, 825, 829, 831, 1105, 1115, and 1116 of this title and sections 10362 and 10713 of Title 49, Transportation, repealing sections 761 to 769c, 797l, 825a, 1107, 1110, and 1114 of this title, and enacting provisions set out as a note under section 797 of this title] may be cited as the 'Conrail Privatization Act'."

§ 1302. Purposes

The purposes of this chapter are to transfer the interest of the United States in the common stock of the Corporation to the private sector in a manner that provides for the long-term viability of the Corporation, provides for the continuation by the Corporation of its rail service in the Northeast and Midwest, provides for the protection of the public interest in a sound rail transportation system, and, to the extent not inconsistent with such purposes, secures the maximum proceeds to the United States.

(Pub. L. 99-509, title IV, §4003, Oct. 21, 1986, 100 Stat. 1893.)

§ 1303. Definitions

For the purposes of this chapter—

¹ See References in Text note below.