

tion 22108¹ of this title during that fiscal year to be used—

(1) to establish, update, revise, and modify the State plan required by section 22102 of this title; or

(2) to carry out projects described in section 22101(a)(1), (2), or (3) of this title, as designated by the State, if those projects meet the requirements of section 22101(c)(1)(B) of this title.

(b) APPLICATIONS.—Each State must apply for amounts under this section not later than the first day of the fiscal year for which the amounts are available. However, for any fiscal year for which the authorization of appropriations for financial assistance under this chapter has not been enacted by the first day of the fiscal year, the State must apply for amounts under this section not later than 60 days after the date of enactment of a law authorizing the appropriations for that fiscal year. Not later than 60 days after receiving an application, the Secretary of Transportation shall consider the application and notify the State of the approval or disapproval of the application.

(c) AVAILABILITY OF AMOUNTS.—Amounts provided under this section remain available to a State for obligation for the first 3 months after the end of the fiscal year for which the amounts were made available. Amounts not applied for under this section or that remain unobligated after the first 3 months after the end of the fiscal year for which the amounts were made available are available to the Secretary for projects meeting the requirements of this chapter.

(Pub. L. 103–272, §1(e), July 5, 1994, 108 Stat. 896.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
22104(a)	49 App.:1654(g) (1st sentence).	Oct. 15, 1966, Pub. L. 89–670, 80 Stat. 931, §5(g); added Feb. 5, 1976, Pub. L. 94–210, §803, 90 Stat. 130; Nov. 8, 1978, Pub. L. 95–607, §§102–106(a), 107–109(a), 92 Stat. 3059, 3062; Oct. 12, 1979, Pub. L. 96–86, §115(b), 93 Stat. 662; Aug. 13, 1981, Pub. L. 97–35, §§1191, 1192, 95 Stat. 699; Jan. 14, 1983, Pub. L. 97–468, §501, 96 Stat. 2551; Apr. 7, 1986, Pub. L. 99–272, §4018, 100 Stat. 111; restated Dec. 11, 1989, Pub. L. 101–213, §2(a), (c), 103 Stat. 1843, 1846.
22104(b)	49 App.:1654(g) (2d, 3d sentences).	
22104(c)	49 App.:1654(g) (4th, last sentences).	

In subsection (a)(1), the word “modify” is added for consistency with 49 App.:1654(a), restated in section 22102 of the revised title.

In subsection (b), the words “not later than the first day of the fiscal year for which the amounts are available” are substituted for “on or before the first day of the fiscal year” for clarity.

In subsection (c), the word “timely” is omitted as unnecessary. The words “the first 3 months after the end of the fiscal year for which the amounts were made available” are substituted for “the expiration of the period described in the previous sentence” for clarity.

¹ See References in Text note below.

Editorial Notes

REFERENCES IN TEXT

Section 22108 of this title, referred to in subsec. (a), was repealed by Pub. L. 114–94, div. A, title XI, §11301(c)(4), Dec. 4, 2015, 129 Stat. 1648.

§ 22105. Sharing project costs

(a) GENERAL.—(1) The United States Government’s share of the costs of financial assistance for a project under this chapter is 50 percent, except that for assistance provided under section 22101(a)(2) of this title, the Government’s share is 70 percent. The State may pay its share of the costs in cash or through the following benefits, to the extent that the benefits otherwise would not be provided:

(A) forgiveness of taxes imposed on a rail carrier or its property.

(B) real and tangible personal property (provided by the State or a person for the State) necessary for the safe and efficient operation of rail freight transportation.

(C) track rights secured by the State for a rail carrier.

(D) the cash equivalent of State salaries for State employees working on the State project, except overhead and general administrative costs.

(2) A State may pay more than its required percentage share of the costs of a project under this chapter. When a State, or a person acting for a State, pays more than the State share of the costs of its projects during a fiscal year, the excess amount shall be applied to the State share for the costs of the State projects for later fiscal years.

(b) AGREEMENTS TO COMBINE AMOUNTS.—States may agree to combine any part of the amounts made available under this chapter to carry out a project that is eligible for assistance under this chapter when—

(1) the project will benefit each State making the agreement; and

(2) the agreement is not a violation of State law.

(Pub. L. 103–272, §1(e), July 5, 1994, 108 Stat. 897.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
22105(a)	49 App.:1654(e).	Oct. 15, 1966, Pub. L. 89–670, 80 Stat. 931, §5(e), (j); added Feb. 5, 1976, Pub. L. 94–210, §803, 90 Stat. 130; Nov. 8, 1978, Pub. L. 95–607, §§102–106(a), 107–109(a), 92 Stat. 3059, 3062; Oct. 12, 1979, Pub. L. 96–86, §115(b), 93 Stat. 662; Aug. 13, 1981, Pub. L. 97–35, §§1191, 1192, 95 Stat. 699; Jan. 14, 1983, Pub. L. 97–468, §501, 96 Stat. 2551; Apr. 7, 1986, Pub. L. 99–272, §4018, 100 Stat. 111; restated Dec. 11, 1989, Pub. L. 101–213, §2(a), (c), 103 Stat. 1843, 1845, 1847.
22105(b)	49 App.:1654(j).	

In this section, the words “project” and “projects” are substituted for “program” for clarity and consistency in this section.

In subsection (a)(1), before clause (A), the words “financial assistance for a project under this chapter” are substituted for “rail freight assistance project” for

clarity and consistency in this chapter. In clause (B), the words “for use in its rail freight assistance program” are omitted as unnecessary because of the re-statement. In clause (D), the words “State employees” are substituted for “State public employees” to eliminate an unnecessary word.

In subsection (b), before clause (1), the words “States may agree” are substituted for “Two or more States . . . enter into an agreement” to eliminate unnecessary words.

§ 22106. Limitations on financial assistance

(a) GRANTS AND LOANS.—A State shall use financial assistance for projects under this chapter to make a grant or lend money to the owner of rail property, or a rail carrier providing rail transportation, related to a project being assisted.

(b) STATE USE OF REPAID FUNDS AND CONTINGENT INTEREST RECOVERIES.—The State shall place the United States Government’s share of money that is repaid and any contingent interest that is recovered in an interest-bearing account. The repaid money, contingent interest, and any interest thereon shall be considered to be State funds. The State shall use such funds to make other grants and loans, consistent with the purposes for which financial assistance may be used under subsection (a), as the State considers to be appropriate.

(c) ENCOURAGING PARTICIPATION.—To the maximum extent possible, the State shall encourage the participation of shippers, rail carriers, and local communities in paying the State share of assistance costs.

(Pub. L. 103–272, §1(e), July 5, 1994, 108 Stat. 897; Pub. L. 104–287, §5(55), Oct. 11, 1996, 110 Stat. 3393; Pub. L. 110–432, div. A, title VII, §701(a), Oct. 16, 2008, 122 Stat. 4905; Pub. L. 114–94, div. A, title XI, §11316(k), Dec. 4, 2015, 129 Stat. 1678.)

HISTORICAL AND REVISION NOTES
PUB. L. 103–272

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
22106(a)	49 App.:1654(d)(1), (2).	Oct. 15, 1966, Pub. L. 89–670, 80 Stat. 931, §5(d), (i); added Feb. 5, 1976, Pub. L. 94–210, §803, 90 Stat. 130; Nov. 8, 1978, Pub. L. 95–607, §§102–106(a), 107–109(a), 92 Stat. 3059, 3062; Oct. 12, 1979, Pub. L. 96–86, §115(b), 93 Stat. 662; Aug. 13, 1981, Pub. L. 97–35, §§1191, 1192, 95 Stat. 699; Jan. 14, 1983, Pub. L. 97–468, §501, 96 Stat. 2551; Apr. 7, 1986, Pub. L. 99–272, §4018, 100 Stat. 111; restated Dec. 11, 1989, Pub. L. 101–213, §2(a), (c), 103 Stat. 1843, 1845, 1847.
22106(b)	49 App.:1654(d)(3) (1st, 2d sentences).	
22106(c)	49 App.:1654(d)(3) (3d, last sentences).	
22106(d)	49 App.:1654(d)(4).	
22106(e)	49 App.:1654(i).	

In subsection (a), the words “financial assistance for projects under this chapter” are substituted for “assistance provided under subsection (b) of this section” for clarity. The words “rail carrier providing rail transportation” are substituted for “operator of rail service” for consistency in the revised title. The word “conditions” is omitted as being included in “terms”. The words “Secretary of the Treasury” are substituted for “Department of the Treasury” because of 31:301(b).

In subsection (b), the words “in the same manner and under the same conditions as if they were originally granted to the State by the Secretary” are omitted as unnecessary.

In subsection (e)(2), the words “assistance under this chapter” are substituted for “Federal assistance” for clarity and consistency in this chapter.

PUB. L. 104–287

This amends 49:22106(b) to clarify the restatement of 49 App.:1654(d)(3) by section 1 of the Act of July 5, 1994 (Public Law 103–272, 108 Stat. 897).

Editorial Notes

AMENDMENTS

2015—Subsec. (b). Pub. L. 114–94 substituted “interest thereon” for “interest thereof”.

2008—Subsec. (a). Pub. L. 110–432, §701(a)(1), struck out last sentence which read as follows: “The State shall decide on the financial terms of the grant or loan, except that the time for making grant advances shall comply with regulations of the Secretary of the Treasury.”

Subsec. (b). Pub. L. 110–432, §701(a)(2), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: “The State shall place the United States Government’s share of money that is repaid in an interest-bearing account. However, the Secretary of Transportation may allow a borrower to place that money, for the benefit of the State, in a bank designated by the Secretary of the Treasury under section 10 of the Act of June 11, 1942 (12 U.S.C. 265). The State shall use the money and accumulated interest to make other grants and loans under this chapter in the same manner and under the same conditions as if they were originally granted to the State by the Secretary of Transportation.”

Subsecs. (c), (d). Pub. L. 110–432, §701(a)(3), redesignated subsec. (d) as (c) and struck out former subsec. (c). Text of former subsec. (c) read as follows: “The State may pay the Secretary of Transportation the Government’s share of unused money and accumulated interest at any time. However, the State must pay the unused money and accumulated interest to the Secretary when the State ends its participation under this chapter.”

Subsec. (e). Pub. L. 110–432, §701(a)(3), struck out subsec. (e). Text read as follows: “Each State shall retain a contingent interest (redeemable preference shares) for the Government’s share of amounts in a rail line receiving assistance under this chapter. The State may collect its share of the amounts used for the rail line if—

- “(1) an application for abandonment of the rail line is filed under chapter 109 of this title; or
- “(2) the rail line is sold or disposed of after it has received assistance under this chapter.”

1996—Subsec. (b). Pub. L. 104–287 inserted “in the same manner and under the same conditions as if they were originally granted to the State by the Secretary of Transportation” after “under this chapter”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–94 effective Oct. 1, 2015, see section 1003 of Pub. L. 114–94, set out as a note under section 5313 of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–287 effective July 5, 1994, see section 8(1) of Pub. L. 104–287, set out as a note under section 5303 of this title.

§ 22107. Records, audits, and information

(a) RECORDS.—Each recipient of financial assistance through an arrangement under this