

AMENDMENT
OFFERED BY MR. MCDOWELL OF NORTH
CAROLINA

At the end of title X, insert the following:

1 **Subtitle G—Nationally Significant**
2 **Rail Station Modernization Act**
3 **of 2026**

4 **SEC. 10701. SHORT TITLE.**

5 This subtitle may be cited as the “Nationally Signifi-
6 cant Rail Station Modernization Act of 2026”.

7 **SEC. 10702. FINDINGS.**

8 Congress finds the following:

9 (1) Transit-oriented development on and adja-
10 cent to intercity passenger rail stations and facilities
11 is an established and necessary mechanism for gen-
12 erating dedicated revenue to support capital invest-
13 ment in such stations and facilities.

14 (2) State and local taxation, possessory-interest
15 assessments, financing limitations, and local zoning
16 regulation create uncertainty that discourages in-
17 vestment near intercity rail passenger stations, ma-
18 terially impeding the use of transit-oriented develop-

1 ment to support intercity passenger rail stations and
2 infrastructure.

3 (3) It is in the national interest to authorize
4 Amtrak to acquire, develop, and leverage property in
5 the vicinity of intercity passenger rail stations, in-
6 cluding in partnership or other arrangements with
7 the private sector, and to clarify the Federal treat-
8 ment of such property to facilitate and expedite
9 needed private investment that supports passenger
10 facilities including rail stations.

11 (4) The long-term modernization, safety, acces-
12 sibility, and capacity needs of intercity passenger
13 rail stations cannot be met solely through farebox
14 revenue or direct Federal funding.

15 (5) Modernizing the Railroad Rehabilitation
16 and Improvement Financing program is necessary to
17 facilitate and generate private investment that would
18 make the program usable on an expedited basis for
19 station-area and transit-oriented development, par-
20 ticularly including for investments designated by
21 Amtrak as priority initiatives, that support intercity
22 passenger rail facilities.

1 **SEC. 10703. MODERNIZING AMTRAK STATION-AREA PROP-**
2 **ERTY AND DEVELOPMENT AUTHORITY.**

3 Section 24311 of title 49, United States Code, is
4 amended—

5 (1) in subsection (a) by adding at the end the
6 following:

7 “(3) In this section:

8 “(A) The term ‘property necessary for intercity
9 rail passenger transportation’ includes real property
10 and interests in real property located on or adjacent
11 to intercity passenger rail stations or other facilities
12 for purposes of—

13 “(i) station expansion, reconstruction, or
14 modernization; or

15 “(ii) transit-oriented development, includ-
16 ing revenue-generating commercial, office, re-
17 tail, mixed-use, or ancillary development, at lo-
18 cations permitted under section
19 22402(b)(1)(F)(ii), that supports, directly or
20 indirectly, intercity passenger rail stations or
21 facilities.

22 “(B) The term ‘adjacent to’ includes a location
23 where projects can be located under section
24 22402(b)(1)(F)(ii).

25 “(4) Amtrak may own, lease, license, develop,
26 ground-lease, or enter into joint development or other pub-

1 lic-private partnership arrangements with respect to prop-
2 erty acquired or owned pursuant to this subsection and
3 subsection (b). Revenues derived from activities described
4 in the preceding sentence may be used by Amtrak for cap-
5 ital improvements, maintenance, debt service, or other
6 costs related to stations and intercity passenger rail facili-
7 ties.”; and

8 (2) in subsection (b) by adding at the end the
9 following:

10 “(5) Amtrak may include in its declaration accom-
11 panying the complaint a request for final judgment by a
12 specified date accompanied by reasons why final judgment
13 should be issued by that date. The Court shall give careful
14 consideration to such a request.”.

15 **SEC. 10704. LIMITATION ON STATE AND LOCAL TAXATION.**

16 Section 24301 of title 49, United States Code, is
17 amended by adding at the end the following:

18 “(p) TAX TREATMENT OF STATION-AREA DEVELOP-
19 MENT.—

20 “(1) TAX PREEMPTION.—No State, political
21 subdivision, or non-Federal taxing authority may im-
22 pose or collect any tax, assessment, or charge on—

23 “(A) real property owned by Amtrak, alone
24 or with others;

1 “(B) improvements constructed on such
2 property; or

3 “(C) any leasehold, possessory interest,
4 beneficial use, or similar interest arising from
5 an agreement with Amtrak,

6 where such property or interest is used in connection
7 with station-area development or transit-oriented de-
8 velopment authorized under section 24311(d) or at
9 a location eligible for assistance under section
10 22402(b)(1)(F)(ii).

11 “(2) RULE OF CONSTRUCTION.—The prohibi-
12 tion in paragraph (1) applies notwithstanding any
13 State law doctrine or requirements concerning
14 possessory interests, equitable ownership, or bene-
15 ficial use.

16 “(3) NO IMPLIED TAX CONSENT.—Nothing in
17 this subsection shall be construed to consent to
18 State or local property taxation of Amtrak or, with
19 respect to property in partnership or other agree-
20 ment with Amtrak within the scope of this sub-
21 section, its partners or others in agreement with
22 Amtrak.

23 “(4) TAX TREATMENT OF RRIF-TOD
24 PROJECTS.—Any project on Amtrak-owned or Am-
25 trak-acquired property, including property owned in

1 part by others, that is financed in whole or part pur-
2 suant to section 22402(b)(1)(F), or any other
3 project that is the subject of a successful application
4 pursuant to section 22402(b)(1)(F), shall be exempt
5 from State and local property taxation including, for
6 purposes of this section, real estate sales and rec-
7 ordation taxes or fees or charges or any other real
8 estate related tax or fee or charge, and also includ-
9 ing sales taxes on construction materials to be used
10 in building or improving a property subject to this
11 section.

12 “(5) STATION-AREA DEVELOPMENT DE-
13 FINED.—In this subsection, the term ‘station-area
14 development’ means development of real property
15 with physical location that would be eligible for as-
16 sistance under section 22402(b)(1)(F), whether oth-
17 erwise eligible for or receiving assistance under sec-
18 tion 22402.”.

19 **SEC. 10705. PAYMENTS IN LIEU OF TAXES TO AMTRAK.**

20 Title 49, United States Code, is amended by inserting
21 after section 24301 the following:

22 **“§ 24301a. Payments in lieu of taxes for station-area**
23 **development**

24 “(a) AUTHORIZATION.—Amtrak may enter into
25 agreements requiring payments in lieu of taxes, or similar

1 contractual payments, from any person or entity occu-
2 pying, leasing, or developing real property owned by Am-
3 trak in whole or part, at a location eligible for assistance
4 under section 22402(b)(1)(F)(ii).

5 “(b) FEDERAL CHARACTER.—Payments made under
6 this section—

7 “(1) shall not be considered State or local
8 taxes;

9 “(2) shall constitute revenues of Amtrak; and

10 “(3) may be used by Amtrak for improvement
11 or modernization or maintenance of intercity pas-
12 senger rail facilities, including stations.

13 “(c) PREEMPTION.—No State or political subdivision
14 may require or condition any separate payment, assess-
15 ment, or exaction in connection with property subject to
16 this section.

17 “(d) LIMITATION.—From funds received under this
18 section for a project, Amtrak shall remit to the State or
19 local authority, as applicable, funds estimated to be equal
20 to the taxes that would have been paid to the State or
21 local authority with respect to the location of the project,
22 at the amount per year of such payments to the State or
23 local authority prior to any development or improvement
24 of the property subsequent to Amtrak entering into an

1 agreement with respect to that property under this sec-
2 tion.”.

3 **SEC. 10706. MODERNIZATION OF FINANCING FOR TRANSIT-**
4 **ORIENTED DEVELOPMENT, INCLUDING STA-**
5 **TION-AREA DEVELOPMENT.**

6 (a) **ELIGIBLE PROJECTS.**—Section 22402(b)(1)(F)
7 of title 49, United States Code, is amended by striking
8 “commercial and residential development” and inserting
9 “commercial, retail, office, mixed-use, residential and an-
10 cillary development”.

11 (b) **ELIGIBLE BORROWERS.**—Section 22402(a) of
12 title 49, United States Code, is amended—

13 (1) in paragraph (5)—

14 (A) by striking “entities” and inserting
15 “entities, including for-profit and not-for-profit
16 private sector entities,”; and

17 (B) by striking “or (6)” and inserting
18 “(6), or (8), are eligible whether applying as
19 part of a partnership or other arrangement with
20 an entity that is eligible under any of para-
21 graphs (1), (2), (3), (4), (6), or (8) or sepa-
22 rately with respect to the activities in which
23 they are in partnership or other arrangement
24 with such an entity”;

1 (2) in paragraph (6) by striking “and” at the
2 end;

3 (3) in paragraph (7) by striking the period at
4 the end and inserted “; and”; and

5 (4) by adding at the end the following:

6 “(8) the extent, if any, that Amtrak or an Am-
7 trak-controlled entity is not already an eligible bor-
8 rower under paragraph (4) or (5), they are hereby
9 eligible.”.

10 (c) CREDIT RISK PREMIUM REFORM.—Section
11 22402(f)(2) of title 49, United States Code, is amended—

12 (1) by striking “The Secretary” and inserting
13 “Subject to subparagraph (F), the Secretary”;

14 (2) in subparagraph (D) by striking “and” at
15 the end;

16 (3) in subparagraph (E) by striking the period
17 at the end and inserted “; and”; and

18 (4) by adding at the end the following:

19 “(F) with respect to projects eligible under
20 section 22402(b)(1)(F), the Secretary shall per-
21 mit credit risk premiums to be financed and
22 shall not set credit risk premiums too high for
23 the project to be commercially viable.”.

1 (d) LOAN TERMS.—Section 22402(e) of title 49,
2 United States Code, is amended by adding at the end the
3 following:

4 “(3) PARTICULAR CIRCUMSTANCES.—Whether
5 with respect to a direct loan or a loan guarantee,
6 with respect to projects eligible under section
7 22402(b)(1)(F), the Secretary shall—

8 “(A) permit payments of interest only until
9 completion of construction; and

10 “(B) permit a lower interest rate upon
11 completion of construction.”.

12 (e) PRIORITY PROJECTS.—

13 (1) Section 22402(c)(9) of title 49, United
14 States Code, is amended by striking the period at
15 the end and inserting “, *Provided* that the Secretary
16 shall give very high priority to applications for any
17 transit-oriented development project that is des-
18 ignated by Amtrak as a priority project, *Provided*
19 *Further* that, as of the time of application with re-
20 spect to such priority project, Amtrak has already
21 entered into an agreement with the applicant or co-
22 applicant, whether the applicant is a private party or
23 parties with an agreement with Amtrak applying
24 with respect to that agreement, or a joint venture or
25 other arrangement including Amtrak, *Provided*,

1 That such priority project proposes to generate pri-
2 vate sector funds that would at least in part benefit
3 passenger rail stations, passenger facilities, or in-
4 crease transit-oriented development, and *Provided*
5 *Further*, that such applications are to be considered
6 in the public interest if supported by an Amtrak des-
7 ignation as a priority project and if Amtrak has al-
8 ready entered into an agreement with the applicant
9 or coapplicant and, *Provided Further*, that the Sec-
10 retary shall complete review of applications for such
11 projects and reach a decision within 120 days of the
12 filing of the application.”.

13 (2) The Secretary is hereby authorized and di-
14 rected to streamline and waive requirements for ap-
15 plications pursuant to section 22403 of title 49,
16 United States Code, as the Secretary deems appro-
17 priate in order to promptly process applications for
18 projects set forth in section 22402(c) of such title as
19 very high priority and other priority projects set
20 forth in section 22402(c) of such title.

21 (3) With respect to a transit-oriented develop-
22 ment project that is a very high priority project
23 under section 22402(c)(9) of title 49, United States
24 Code,, providing financing towards construction or
25 modification of a building that is not a transpor-

1 tation facility, for purposes of transit-oriented devel-
2 opment, shall be treated as a categorical exclusion,
3 and any review under the National Environmental
4 Policy Act shall be completed within the time dead-
5 lines set forth in section 22402(c)(9) of such title.

6 **SEC. 10707. EXTENSION OF REGULATORY RELIEF TO STA-**
7 **TION-AREA DEVELOPMENT.**

8 Section 24301 of title 49, United States Code, is
9 amended by adding at the end the following:

10 “(q) EXTENSION OF REGULATORY RELIEF TO STA-
11 TION-AREA DEVELOPMENT.—

12 “(1) IN GENERAL.—Amtrak, and any party to
13 an agreement with Amtrak, whether in the form of
14 joint venture, partnership, or other arrangement, is
15 eligible for relief under this subsection with respect
16 to—

17 “(A) real property owned or leased by Am-
18 trak or by Amtrak and the party;

19 “(B) improvements constructed on such
20 property; or

21 “(C) any leasehold, possessory interest,
22 beneficial use, or similar interest arising from
23 an agreement with Amtrak or with Amtrak and
24 the party,

1 where such property or interest is used in connection
2 with development at a location eligible for assistance
3 under section 22402(b)(1)(F)(ii), shall receive ex-
4 emptions described in paragraph (2) and the bene-
5 fits of such exemptions.

6 “(2) EXEMPTIONS.—The exemptions referenced
7 in paragraph (1) are exemptions from State or local
8 building and zoning laws, including rules or other re-
9 quirements pursuant to such laws, and other re-
10 quirements described in section 24902(j), provided
11 that, for the purposes of this subsection, such ex-
12 emptions and benefits from exemptions described in
13 such section are applicable to Amtrak and other par-
14 ties described in paragraph (1) whether or not—

15 “(A) the property or improvement or inter-
16 est is in furtherance of the Northeast Corridor
17 Improvement Project; or

18 “(B) Amtrak receives a Federal operating
19 subsidy in any fiscal year.”.

20 **SEC. 10708. RULEMAKING AND IMPLEMENTATION.**

21 The Secretary of Transportation shall issue guidance
22 or regulations implementing this subtitle within 180 days.

1 **SEC. 10709. SEVERABILITY.**

2 If any provision of this subtitle is held invalid, the
3 remainder shall not be affected.

