

(5) since holding Conrail liable for employee protection payments would destroy its prospects of becoming a profitable carrier and further injure its employees, an alternative employee protection system must be developed and funded.

(Pub. L. 97-35, title XI, §1132, Aug. 13, 1981, 95 Stat. 644.)

REFERENCES IN TEXT

The Regional Rail Reorganization Act of 1973, referred to in pars. (1) and (4), is Pub. L. 93-236, Jan. 2, 1974, 87 Stat. 985, as amended, which is classified principally to chapter 16 (§701 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 701 of this title and Tables.

EFFECTIVE DATE

Section 1169 of subtitle E (§§1131-1169) of title XI of Pub. L. 97-35 provided that: "Except as otherwise provided, the provisions of and the amendments made by this subtitle [see Short Title note set out below] shall take effect on the date of the enactment of this subtitle [Aug. 13, 1981]."

SHORT TITLE

Section 1131 of subtitle E (§§1131-1169) of title XI of Pub. L. 97-35 provided that: "This subtitle [enacting this chapter, and sections 159a, 581 to 590, 727 to 729, 744a, 748, 761 to 769c, and 797 to 797m of this title, amending sections 601, 702, 711 to 713, 724, 741, 743, 745, 821, 825, and 829 of this title, repealing sections 771 to 780, 910, and 1006 of this title, and enacting provisions set out as notes under sections 744a, 771, and 1101 of this title] may be cited as the 'Northeast Rail Service Act of 1981'."

ACT REFERRED TO IN OTHER SECTIONS

The Northeast Rail Service Act of 1981 is referred to in section 797d of this title.

§ 1102. Statement of purpose

It is therefore declared to be the purpose of the Congress in this subtitle to provide for—

- (1) the removal by a date certain of the Federal Government's obligation to subsidize the freight operations of Conrail;
- (2) transfer of Conrail commuter service responsibilities to one or more entities whose principal purpose is the provision of commuter service; and
- (3) an orderly return of Conrail freight service to the private sector.

(Pub. L. 97-35, title XI, §1133, Aug. 13, 1981, 95 Stat. 644.)

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.

§ 1103. Goals and objectives

It is the goal of this subtitle to provide Conrail the opportunity to become profitable through the achievement of the following objectives:

(1) Nonagreement personnel

(A) Employees who are not subject to collective bargaining agreements (hereafter in this

section referred to as "nonagreement personnel") should forego wage increases and benefits in an amount proportionately equivalent to the amount foregone by agreement employees pursuant to paragraph (4) of this section, adjusted annually to reflect inflation.

(B) After May 1, 1981, the number of non-agreement personnel should be reduced proportionately to any reduction in agreement employees (excluding reductions pursuant to the termination program under section 797a of this title).

(2) Shippers

To facilitate the orderly movement of goods in interstate commerce, materials and services should continue to be available to Conrail, under normal business practices, including the provision of credit and normal financing arrangements.

(3) Shippers

Conrail should utilize the revenue opportunities available to it under the Staggers Rail Act of 1980 and subtitle IV of title 49.

(4) Agreement employees

(A) Conrail should enter into collective bargaining agreements with its employees which would reduce Conrail's costs in an amount equal to \$200,000,000 a year, beginning April 1, 1981, adjusted annually to reflect inflation.

(B) Agreements under this subparagraph may provide for reductions in wage increases and for changes in fringe benefits common to agreement employees, including vacations and holidays.

(C) The cost reductions required under this subparagraph in the first year of the agreement may be deferred, but the aggregate cost reductions should be no less than an average of \$200,000,000 per year for each of the first three one-year periods beginning April 1, 1981.

(D) The amount of cost reductions provided under this paragraph shall be calculated by subtracting the cost of an agreement entered into under this paragraph from (i) the cost that would otherwise result from the application of the national agreement reached by railroad industry and its employees, or (ii) until such national agreement is reached, the cost which the United States Railway Association estimates would result from the application of such a national agreement.

(Pub. L. 97-35, title XI, §1134, Aug. 13, 1981, 95 Stat. 645.)

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.

The Staggers Rail Act of 1980, referred to in par. (3), is Pub. L. 96-448, Oct. 14, 1980, 94 Stat. 1895, as amended. For complete classification of this Act to the Code, see Short Title of 1980 Amendment note set out under section 10101 of Title 49, Transportation, and Tables.

ABOLITION OF UNITED STATES RAILWAY ASSOCIATION AND TRANSFER OF FUNCTIONS AND SECURITIES

See section 1341 of this title.