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CHALLENGES AND OPPORTUNITIES FOR COMMUTER RAILROADS

(116–32)

HEARING

BEFORE THE

SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS

OF THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE HOUSE OF REPRESENTATIVES

ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

SEPTEMBER 24, 2019

Printed for the use of the
Committee on Transportation and Infrastructure

Available online at: https://www.govinfo.gov/committee/house-transportation?path=/browsecommittee/chamber/house/committee/transportation

U.S. GOVERNMENT PUBLISHING OFFICE

41–444 PDF WASHINGTON : 2020

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U.S. House of Representatives
Washington, DC 20515

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SEPTEMBER 20, 2019

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Railroads, Pipelines, and Hazardous Materials
FROM: Staff, Subcommittee on Railroads, Pipelines, and Hazardous Materials
RE: Subcommittee Hearing on "Challenges and Opportunities for Commuter Railroads."

PURPOSE

The Subcommittee on Railroads, Pipelines, and Hazardous Materials will meet on Tuesday, September 24, 2019, at 4:00 p.m. in 2167 Rayburn House Office Building to hold a hearing titled, "Challenges and Opportunities for Commuter Railroads." The hearing will explore the state of the commuter rail industry, challenges these commuter rail service providers face, and opportunities to address issues through legislation. The Subcommittee will hear testimony from American Public Transportation Association (APTA), Metra, Sound Transit, and Metrolink.

BACKGROUND

I. COMMUTER RAIL BASICS

Rail transportation modes split into transit rail (heavy rail, light rail, and streetcar) and commuter rail. Typically, transit rail passengers use these services for shorter trips and on closed rail systems; commuter rail services carry passengers for longer trips on the Federal Railroad Administration-regulated general railroad system, connected to the broader interstate railroad network. As such, commuter rail is designed to provide a longer-distance, regional service that connects riders from suburban areas to city centers. Commuter rail typically operates with higher-speed, higher-capacity trains and less-frequent stops, and often operates on freight railroad right-of-way. Whereas heavy rail systems (often called "subways" or "metros") typically do not interact with other rail traffic, given the closed nature of their systems. For example, in 2017, the average trip length on commuter rail measured 24.6 miles, compared to 4.6 miles and 5.2 miles on heavy and light rail, respectively.[1]

While the most heavily traveled commuter rail systems are in the Northeast region of the United States, there are 29 agencies operating commuter rail that service 21 states across the country, according to APTA's 2017 data.[2] In recent years, commuter rail ridership has increased substantially. During 2016–2017, 510 million

[1] American Public Transportation Association, *2019 Fact Book*, page 14. Available at: https://www.apta.com/wp-content/uploads/APTA__Fact-Book-2019__FINAL.pdf.

[2] *Id*. at 39. Note that, while APTA considers the Alaska Railroad to be a commuter railroad in this count, the FRA generally does not consider the Alaska Railroad to be a commuter railroad.

trips were taken on commuter rail—an increase of 23 percent from 2000 levels.[3] In 2017 alone, riders traveled more than 12.3 billion passenger miles by commuter rail. As ridership grows, the footprint of commuter rail has also increased, with a 13 percent growth in directional route mileage from 2007 to 2017.[4] In 2017, commuter rail also directly employed nearly 64,000 workers who are responsible for operations, maintenance, capital, and general administration, and help make this transportation mode possible.[5]

II. Federal Oversight and Funding of Commuter Rail

FRA Safety Oversight; FTA Formula Funds

Ensuring the safety of commuter rail is the responsibility of the Federal Railroad Administration (FRA), which establishes minimum acceptable levels of railroad safety equipment and operating practices. While FRA regulates safety, federal funding for commuter rail transportation is provided by the Federal Transit Administration (FTA). Commuter rail agencies are eligible to receive FTA formula funds, including funding under 49 U.S.C. Sections 5307 (Urbanized Area Formula Grants); 5337 (State of Good Repair Grants); and 5340 (High Density States Formula funds). These formula funds typically go to a regional transportation agency (designated recipient) and are allocated by regional agreements to various transit agencies operating commuter rail, heavy and light rail, streetcars, ferries, and bus transit in the same urban area. The most recent surface transportation reauthorization bill, the *Fixing America's Surface Transportation Act* (FAST), authorized approximately $38 billion for these programs from fiscal year 2016 through fiscal year 2020. Additionally, commuter railroads may compete for discretionary grants under FTA's Capital Investment Grant (CIG) program, which funds capital investments in commuter rail as well as heavy and light rail, street cars, and bus rapid transit projects. The FAST Act authorized $11.5 billion for the CIG program over five years.

Discretionary Grants

In recent years, commuter rail has also been eligible for certain federal discretionary grant programs to support positive train control (PTC) systems implementation. For example, in fiscal year 2018, Congress made $250 million available for PTC installation under the FRA's Consolidated Rail Infrastructure and Safety Improvements (CRISI) program. Of these funds, commuter railroads received $187 million, according to FRA.[6] In the FAST Act, Congress also authorized $199 million in fiscal year 2017 FTA funds to assist financing the installation of PTC.

Railroad Rehabilitation and Improvement Financing Program

The Railroad Rehabilitation and Improvement Financing (RRIF) program was originally established by Congress in Title V of the *Railroad Revitalization and Regulatory Reform Act of 1976* and later amended in the *Transportation Equity Act for the 21st Century* ("TEA–21"). RRIF offers long-term, low-interest loans for improving rail infrastructure. Eligible recipients include railroads, state and local governments, government-sponsored corporations, and joint ventures that include at least one railroad. RRIF-eligible projects include the following: acquiring, improving, and rehabilitating track, bridges, rail yards, buildings, and shops; preconstruction activities; PTC; transit-oriented development projects; and new rail or intermodal activities. Under this program the Department of Transportation is authorized to provide direct loans and loan guarantees up to $35 billion to finance development of railroad infrastructure. To date the RRIF program has provided $6.286 billion in financing since 2002. There is currently about $30.2 billion available in loan authority under the RRIF program.

RRIF loans can cover up to 100 percent of a project's cost, with repayment periods of up to 35 years. Applicants are charged 0.5 percent of the amount requested to cover the cost of processing their applications. Borrowers also pay another fee—the credit risk premium (CRP)—at the time the loan is issued to cover the potential cost to the government should the loan default. The CRP is calculated for each loan, based primarily on the financial soundness of the borrower and the amount of collateral the borrower pledges. While 22 RRIF loans have been fully repaid, DOT has not returned any CRP to those borrowers. As required by the Continuing Appropriations Act of 2019 and the Save Our Seas Act of 2018, DOT, in consultation with

[3] *Id.* at 14.
[4] *Id.* at 20.
[5] *Id.* at 6–7.
[6] In determining this figure, the FRA does not consider the Alaska Railroad to be a commuter railroad. Alaska Railroad received $12.9 million under the program.

the Office of Management and Budget, has defined the term "cohorts of loans" as applicable to RRIF loans executed prior to the enactment of the FAST Act. Under that law, when all obligations attached to a cohort of loans has been satisfied, the Secretary shall return to the original source the CRP paid for the loans in the cohort. One loan, issued in 2005 to the Montreal, Maine, & Atlantic Railway Ltd., defaulted.

III. Operations

Operating Commuter Rail

While commuter rail is characterized as providing regional passenger rail service, how the service is provided varies. For instance, some commuter rail agencies operate their own service over track the agency owns, and others contract with freight railroads for access to their track and dispatching services. Several commuter agencies also partner with Amtrak for various services. Others contract out their operations and/or other services to private sector providers of those services. All shared use of rail corridors is based on voluntary agreements negotiated on a case-by-case basis to address corridor- and service-specific issues. While Amtrak has statutory right of access to freight railroad infrastructure, this right does not extend to commuter railroads.

Amtrak operates three commuter train services for state and regional authorities, including Maryland Area Regional Commuter (MARC) Penn Line; Southern California Regional Rail Authority (Metrolink); and Shore Line East (Connecticut). Amtrak also provides maintenance-of-equipment services for Central Florida Commuter Rail Commission (SunRail); CT*rail* (Connecticut); MARC; Shore Line East; and Sound Transit (Washington), as well as maintenance-of-way and dispatching services for Massachusetts Bay Transportation Authority (MBTA). Amtrak also provides access to its tracks (and in some cases, other services) for 10 agencies, including: CT*rail*; Long Island Rail Road; MARC Penn Line; NJ TRANSIT; Southeastern Pennsylvania Transportation Authority (SEPTA); Delaware DOT; Rhode Island DOT; Shore Line East; Virginia Railway Express (VRE); and Metra (Chicago area).

Various private sector companies operate commuter train services for state and regional authorities, including Peninsula Corridor Joint Powers Board (Caltrain); San Joaquin Regional Rail Commission (Altamont Corridor Express); South Florida Regional Transportation Authority (Tri-Rail); Trinity Railway Express; Trinity Metro (TEXRail); Capital Metropolitan Transportation Authority (MetroRail); Denton County Transit Authority (Texas); Rio Metro RTD (New Mexico Rail Runner Express); Massachusetts Bay Transportation Authority; Virginia Railway Express (VRE); and Connecticut DOT (CT*rail* Hartford Line). Additional rail services provided by the private sector include maintenance, engineering, PTC hosting, and railcar repair services.

Positive Train Control

Positive Train Control (PTC) are technologies designed to automatically stop or slow a train to prevent train-to-train collisions, over-speed derailments, incursions into established work zones, and the movement of a train through a switch left in the wrong position. Congress enacted the *Rail Safety Improvement Act of 2008* (RSIA, P.L. 110–432) in October 2008, requiring each Class I railroad and each entity providing intercity or commuter rail passenger transportation to implement a PTC system governing certain operations by December 31, 2015.[7] That deadline was extended to December 31, 2018, and the Secretary of Transportation was authorized to provide each railroad, on a case-by-case basis, with an additional extension of up to 24 months as long as the railroad met the requirements specified in statute.[8]

According to the FRA's 2019 second quarter reporting, of the 28 commuter railroads required to install PTC, six have fully implemented their systems, with the

[7] Railroads were required to install PTC systems on: (1) main lines over which intercity rail passenger transportation or commuter rail passenger transportation is regularly scheduled; (2) main lines over which poison- or toxic-by-inhalation hazardous materials are transported; and (3) such other tracks as the Secretary of Transportation may prescribe by regulation or order.

[8] These requirements include having: installed all PTC system hardware; acquired all spectrum; in the case of a Class I railroad carrier or Amtrak, implemented PTC or initiated revenue service demonstration on 50 percent of its territories; in the case of a commuter railroad, initiated revenue service demonstration on at least one territory; and completed employee training required under the applicable regulations. *See Surface Transportation Extension Act of 2015* (P.L. 114–73).

remaining 22 expecting to complete implementation in 2020.[9] In sum, 89.7 percent of commuter railroads' locomotives are equipped and operable with PTC; 91.3 percent of the required track segments have PTC installed; and 91.5 percent of the required employee training is complete. FRA also reports that 36.7 percent, or 1,141 of the 3,111, commuter route miles required to have PTC are complete.

The statutory mandate requires that PTC systems be interoperable between railroad hosts and tenants, meaning that the railroads' PTC systems must be able to communicate and respond to each other, thereby allowing uninterrupted movements over property boundaries. Configuring the interoperability of PTC systems between host and tenant railroads remains a challenge, with only 22 percent interoperability in host-tenant relationships achieved as of June 30, 2019.[10] Additional PTC implementation challenges that commuter railroads have highlighted include diagnosing and resolving ongoing software issues and securing adequate time and access to track and locomotives for installation and testing. APTA estimates that commuter railroads will spend $4.1 billion implementing PTC technology and approximately $160 million annually in operations and maintenance of these systems, though as indicated above, some federal grant funding exists to alleviate implementation costs.

IV. Liability

Commuter agencies are tasked with planning for and insuring against potential liabilities. Most commuter rail agencies self-insure against risks in the range of $1 million to $10 million in losses, according to a survey of APTA members.[11] These costs are only paid in the event of an incursion of liability, are typically kept as a reserve, and can be thought of as a deductible. In order to insure against larger losses, commuter rail agencies purchase policies from the private markets. The same APTA survey found that premiums for these policies, which must be paid annually regardless of whether the policies are used, range from $1 million to $8 million.

In 1997, Congress enacted the *Amtrak Reform and Accountability Act*, which limited overall damages from all passenger claims arising from a single accident to $200 million, including punitive damages.[12] Congress amended this provision in the FAST Act by requiring the Secretary of Transportation to adjust the limitation ceiling based upon the change in Consumer Price Index, with revisions required every five years.[13] The Secretary adjusted the rail passenger liability cap to approximately $295 million in February of 2016.[14]

Commuter rail agencies are not required to obtain an insurance policy that covers a loss up to that ceiling; however, they often are required to maintain a minimum level of liability insurance as a result of contractual obligations with freight railroads to operate on their track. Host freight railroads may require commuter rail agencies to indemnify and defend the freight railroad for any and all incidents that would not have occurred but for the presence of the passenger service, regardless of fault. State laws may also influence commuter rail agencies' contractual abilities.

WITNESS LIST

- Mr. Paul P. Skoutelas, President and CEO, American Public Transportation Association
- Mr. Jim Derwinski, CEO/Executive Director, Metra
- Mr. Peter Rogoff, CEO, Sound Transit
- Ms. Stephanie Wiggins, CEO, Metrolink

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[9] These six commuter railroads include: Northstar Commuter Railroad; Port Authority Trans-Hudson (PATH); Metrolink; Sounder Commuter Rail; North Country Transit District; and Virginia Railway Express (VRE).

[10] The FRA describes an interoperability relationship as a relationship between one host railroad and one tenant. A railroad can be a host in one relationship and be a tenant in a different relationship. Of the 232 relationships subject to the December 31, 2020 operational deadline, only 50 host-tenant relationships have achieved PTC system interoperability.

[11] Available at: https://www.apta.com/wp-content/uploads/Resources/resources/reportsandpublications/Documents/APTA-Commuter-Rail-Liability-2015.pdf.

[12] P. L. 105–134. *See* Section 28103.

[13] P. L. No. 114–97. *See* Section 11415.

[14] 81 FR 1289.

CHALLENGES AND OPPORTUNITIES FOR COMMUTER RAILROADS

TUESDAY, SEPTEMBER 24, 2019

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to notice, at 4:01 p.m. in room 2167, Rayburn House Office Building, Hon. Daniel Lipinski (Chairman of the subcommittee) presiding.

Mr. LIPINSKI. The subcommittee will come to order.

I ask unanimous consent that the chair be authorized to declare a recess during today's hearing.

With no objection, so ordered.

I also ask unanimous consent that Members not on the subcommittee be permitted to sit with the subcommittee at today's hearing and ask questions.

And without objection, so ordered.

Good afternoon. I will start by recognizing myself for 5 minutes. I want to welcome everyone to today's hearing with the Railroads, Pipelines, and Hazardous Materials Subcommittee to learn more about the challenges facing commuter railroads.

And before I begin, let me just thank everyone, all the witnesses, for being flexible with the cancellation of votes yesterday. We moved this hearing back, so thank you for your flexibility here. There is a lot going on right now on Capitol Hill, as we all know. But I think one thing people really are concerned about all the time is their local transportation. So we are here to learn more about the challenges facing commuter railroads.

Since this committee has not held a hearing solely on commuter rail in a decade, I thought it was important to convene this hearing. After all, these railroads play a vital role in the daily lives of tens of millions of Americans. In 2017, 29 commuter railroads provided an estimated 510 million passenger trips.

It is critical to remember that almost every person on commuter rail means one less car on our congested roads. And we certainly have a lot of congestion in the Chicago area.

In addition to reducing traffic, reliable commuter rail also contributes to the cleaner environment and lower greenhouse gas emissions.

Metra Rail is Chicagoland's commuter rail agency, and I am an occasional rider of Metra's busiest line, the BNSF. So I know personally both its benefits and frustrations. When Metra passengers

get safe, reliable service, it is one of the best systems in the country. But, like many legacy commuter railroads, Metra faces tight budgets year after year, and has limited resources to address ongoing problems with old equipment and infrastructure that have created more and more headaches for riders.

Today I look forward to hearing from our witnesses about what we can do to minimize these headaches, and give Americans reliable commuter rail service. The timing of this hearing is critical because, as we begin to draft next year's reauthorization of surface transportation programs, we will have an opportunity to address commuter rail funding concerns that we will hear about today.

In the FAST Act, passenger rail was explicitly part of this reauthorization bill for the first time. It is a top priority of mine to do that again. I have heard from numerous stakeholders about the success of the Consolidated Rail Infrastructure and Safety Improvements Program, known as CRISI, which was established in the FAST Act. And there is the desire to replicate such a program to provide dedicated Federal funding for commuter railroads. I look forward to hearing from our witnesses about the potential benefits of creating such a program.

Another key funding issue for commuter railroads involves Positive Train Control. I want to be clear that I and this committee fully expect all railroads to meet the 2020 deadline. As commuter rail agencies turn their attention to ensuring that PTC is maintained and functions as intended, I know that they are facing additional expenses. As a result, money has been taken from projected capital programs to cover these costs, and important projects to address the state-of-good-repair backlog have been delayed or canceled.

As surface reauthorization moves forward, this area will be one the subcommittee will focus on. I hope to hear from Metrolink, who has been a leader in PTC implementation, and others on this panel about their PTC challenges.

It is also imperative that commuter railroads have strong partnerships with freight railroads and Amtrak in order to provide reliable service. Unfortunately, in Chicago and other regions of the country, these partnerships are not always working as well as they should.

Amtrak, in particular, has fallen short. At Chicago Union Station, which Amtrak owns, infrastructure failures have repeatedly caused serious delays and cancellations for Metra. Amtrak is also demanding that commuter railroads pay significantly more to use hubs like Chicago Union Station, 30th Street Station in Philadelphia, and Union Station, here in DC. I have heard numerous questions raised about these increases, and I would like to hear more about this today.

The relationship between commuter and freight railroads is better, but not without its own issues. As the demand for commuter rail grows, there is a need to expand service. But as a Member and any other Members who have been involved in discussions between commuter and freight railroads over service expansion, I can tell you it is an arduous process that can take many years to add even a single additional train on some lines.

While I am understanding of the need to ensure freight operations aren't significantly impacted by additional commuter trains, the current process to work out service expansion can and should be better.

Finally, I look forward to discussion about innovation and how Congress and U.S. DOT can help advance research and deployment by commuter railroads of the latest technologies within the industry, like new technologies that help reduce rail grade crossing fatalities and trespassing death. The Federal Railroad Administration has a research and development program that receives around $35 million annually, and I am interested in ideas from our witnesses on whether the program is functioning well, and how we can improve on it in the upcoming surface reauthorization.

This is the first hearing of this subcommittee as we begin to look at reauthorization of the FAST Act. I look forward to using this hearing and others this fall to look at important rail topics, and working with my colleagues on practical solutions to the challenges ahead.

And with that, I will now recognize Mr. Stauber, who is sitting in for Mr. Crawford, as the ranking member, who is back home because he had some knee issues, messed up his knee pretty badly last week. So fortunately, from what I have heard, it is not as bad as he originally feared, and he will be back soon, I believe.

But I will begin here by recognizing Mr. Stauber for 5 minutes.

Mr. STAUBER. Thank you, Chair Lipinski, for holding this hearing. And I want to thank our witnesses for attending.

Today we are going to learn about some of the challenges and opportunities faced by our Nation's commuter railroads. Commuter rail systems throughout the country provide critical access to our job centers, and help relieve congestion on our roads. At the Federal level, the Federal Transit Administration funds commuter rail transportation through formula funds and competitive grants. And the Federal Railroad Administration makes available discretionary grants, direct loans, and loan guarantees. State and local funding also is available.

As this committee prepares to reauthorize surface transportation programs, it is critically important for commuter rail agencies to continue to look for ways to improve service while reducing costs. Several commuter rail agencies have implemented competitive contracting for commuter rail operations and other services as a way to provide the highest level of service at the lowest cost. Doing so ultimately drives increase in ridership and more mileage out of the taxpayer dollar.

Thank you again to all our witnesses, and I look forward to our discussion.

[Mr. Stauber's prepared statement follows:]

Prepared Statement of Hon. Pete Stauber, a Representative in Congress from the State of Minnesota

I want to thank Chairman Lipinski for holding this hearing, and I want to thank our witnesses for attending.

Today, we are going to learn about some of the challenges and opportunities faced by our nation's commuter railroads.

Commuter rail systems throughout the country provide critical access to our jobs centers and help relieve congestion on our roads.

At the federal level, the Federal Transit Administration funds commuter rail transportation through formula funds and competitive grants, and the Federal Railroad Administration makes available discretionary grants, direct loans, and loan guarantees. State and local funding also is available.

As this Committee prepares to reauthorize surface transportation programs, it is critically important for commuter rail agencies to continue to look for ways to improve service while reducing costs.

Several commuter rail agencies have implemented competitive contracting for commuter rail operations and other services as a way to provide the highest level of service at the lowest costs.

Doing so ultimately drives increases in ridership and more mileage out of the taxpayer dollar.

Thank you again to our witnesses, and I look forward to our discussion.

Mr. STAUBER. Back to you, Mr. Chair.

Mr. LIPINSKI. And I would now like to welcome our panel of witnesses: Mr. Paul P. Skoutelas, president and CEO of the American Public Transportation Association; Mr. Jim Derwinski, CEO and executive director of Metra; Mr. Peter Rogoff, CEO of Sound Transit; and Ms. Stephanie Wiggins, CEO of Metrolink. Thank you for being here today. I look forward to your testimony.

Before we begin—and I am going to give an additional opportunity to introduce a couple of the witnesses—I would also like to welcome a couple of other transportation leaders who are here, constituents of mine, in the audience.

Steve Palmer, who is here today with Mr. Derwinski, and he is a Metra board member, and also Rick Kwasneski, who is chairman of the board of Pace, who is also a constituent of mine. So good to have the two of you here today.

Mr. Derwinski was selected as the next CEO/executive director of Metra Commuter Rail Agency by the Metra board of directors in August of 2017. In his role as Metra CEO and executive director, Jim has focused on making Metra more customer-friendly and service-oriented.

Jim has a long career in Metra's mechanical department, most recently serving as its chief mechanical officer. In that role he oversaw 650 employees responsible for the repair, inspection, cleaning, and maintenance of nearly 1,200 railcars and locomotives. He was also in charge of Metra's in-house railcar locomotive rehabilitation programs, a contract for local remanufacturing, and the installation of Positive Train Control on cab cars and engines.

After a 6-year stint in the U.S. Navy as an electrician on nuclear submarines, Jim began his railroad career as a locomotive electrician with the Chicago and North Western Railroad in 1993. He joined Metra as an electrician in 1997, and steadily rose through the ranks, serving as a foreman, general foreman, shop superintendent, director of systems maintenance, locomotive superintendent, Rock Island division director, and Milwaukee division director, and then senior director of mechanical operations. He was named chief mechanical officer in September 2013. So Jim has a long, long history in railroads.

Jim is a member of the American Public Transportation Association board of directors, along with serving on several other APTA committees. He is also on the Safety Operations and Management

Committee of the Association of American Railroads, and the Transportation Technology Center board of directors.

And I will now recognize Mr. Larsen to introduce Mr. Peter Rogoff.

Mr. LARSEN. Thank you, Chair Lipinski, for inviting me to be here today, and for calling this hearing on the importance of commuter rail in our Nation's transportation system.

I always say you can't have a big league economy with little league infrastructure, and robust Federal transportation investment is critical to improving the access to reliable commuting options and ensuring the safety of these systems, which is why I am very pleased to introduce one of today's witnesses, Peter Rogoff, the CEO of Sound Transit.

I have worked with Peter for many years to expand efficient commuter transit options for the Puget Sound region. His leadership and public service as a Federal Transit Administrator and Under Secretary of Transportation for Policy in the Obama administration were instrumental to improving transit service across the country. And he has, of course, since joined Sound Transit.

Earlier this month I joined Peter, local elected officials, and community members at the groundbreaking of the Lynnwood Link extension station in my district, the Washington State Second Congressional District. The Lynnwood Link extension is a critical part of Sound Transit's efforts to build rail transit all the way from Tacoma through Seattle to Everett, my hometown. This project will help with traffic congestion and provide a reliable commuting option for up to 55,000 more daily riders throughout northwest Washington.

And last year the FTA signed a $1.2 billion full funding grant agreement to get this project across the finish line. The expansion of safe, accessible, and efficient commuter transit nationwide must remain a priority. Peter's team at Sound Transit is part of that.

I want to thank Peter for testifying here today. And with that, thank you for allowing me to participate, and I yield back.

Mr. LIPINSKI. Thank you, Representative Larsen. Without objection, our witnesses' full statements will be included in the record. And since your written testimony has been made part of the record, the subcommittee requests that you limit your oral testimony to 5 minutes.

And with that, I will recognize Mr. Skoutelas.

TESTIMONY OF PAUL P. SKOUTELAS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, AMERICAN PUBLIC TRANSPORTATION ASSOCIATION; JAMES DERWINSKI, CHIEF EXECUTIVE OFFICER/EXECUTIVE DIRECTOR, METRA COMMUTER RAILROAD; PETER M. ROGOFF, CHIEF EXECUTIVE OFFICER, SOUND TRANSIT; AND STEPHANIE N. WIGGINS, CHIEF EXECUTIVE OFFICER, SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY (SCRRA)–METROLINK

Mr. SKOUTELAS. Thank you, Chairman Lipinski, Ranking Member Crawford, Chairman DeFazio, Ranking Member Graves, Representative Babin, and members of the subcommittee, we thank you for the opportunity to testify today on commuter rail challenges

and opportunities. I am Paul Skoutelas, president and CEO of the American Public Transportation Association, also known as APTA.

We represent 1,500 public and private sector organizations throughout North America, and we are the voice of public transportation modes for all of the modes of public transit, including commuter rail.

Commuter rail today is a $10 billion industry which creates and supports over 200,000 jobs. The overwhelming majority of commuter rail funding, some 63 percent, flows through the public funding avenues to the private sector. Today 32 agencies operating commuter rail safely carry more than 500 million passengers each year. Over the past decade commuter rail ridership has grown by over 9 percent.

For commuter rail operators and the entire public transportation industry, safety is a core value, a nonnegotiable operating principle, and a promise to our riders. As a result, public transportation today is the safest form of surface transportation.

In fact, traveling by commuter and intercity passenger rail is 18 times safer than traveling by car. Over the last few years commuter railroads have been working to make commuter rail even safer by installing and implementing Positive Train Control. And they are making great progress. One-fifth of all commuter rail agencies have fully implemented PTC, including Metrolink and Sound Transit. And, of course, Metra is well on its way, as well, to fully meeting the deadline by 2020.

To date, the cost of full implementation of PTC is estimated to be approximately $4.1 billion for the commuter railroad agencies. And while we greatly appreciate Congress' support for commuter railroads by providing some Federal funding for PTC implementation under the FAST Act and the CRISI grants, nearly 90 percent of PTC costs are being borne by State and local governments and agencies.

Moreover, these very significant investments do not include the ongoing operating and maintenance costs associated with PTC implementation, which are currently estimated to be $160 million per year. APTA urges the committee to expand commuter rail eligibility under CRISI, and to provide a total of $1 billion over 6 years—that is $160 million per year—specifically to provide grants to publicly funded commuter railroads to operate and maintain PTC.

Although great progress has been made on PTC, many commuter rail agencies have had to defer other important infrastructure safety projects to focus on this mandate. For instance, highway-rail grade crossing safety and trespassing remain significant issues. Over the last 5 years, 96 percent of railroad fatalities were attributable to trespassers or highway-rail grade crossing users. We urge the committee to authorize a total of $1.5 billion over 6 years—$225 million per year—from CRISI grant funds to commuter and other passenger railroads for highway-rail grade crossing safety initiatives. These funds would be in addition to the Federal highway-rail grade crossing set-aside, known as the section 130 program.

Federal investment in public transportation, including commuter rail, is an investment in American jobs and economic competitive-

ness. The Federal, State, and local partnership remains essential to ensuring that critical infrastructure investments are made. Commuter rail receives funding from three separate Federal sources: urbanized formula area grants, state-of-good-repair grants, and the Capital Investment Grants known as CIG.

The economic benefits of investing in commuter rail are wide ranging. In addition to the critical local economic benefits of these projects, there are vehicles, parts, supplies that are made all over America and across the Nation that really do contribute to the economy.

In the next surface transportation bill APTA strongly urges the committee to continue that Federal partnership by investing $145 billion over 6 years in public transportation to fund critical projects that will repair, maintain, and improve our public transit systems, including commuter rail, both today and well into the future. Our proposal would address the entire state-of-good-repair backlog, and would fund all the CIG projects in the pipeline for the next 6-year period.

Finally, given the critical need for investment in public transportation, we are deeply concerned about proposed cuts to public transportation funding in the Senate's fiscal year 2020 transportation appropriations, or the THUD bill. The bill cuts CIG funding by $575 million, and state-of-good-repair grants by another $178 million. These cuts would directly impact investment in new commuter rail projects, and limit the ability of public transit systems, including commuter rail, to address state-of-good-repair needs.

We strongly urge the committee to work with us to restore these critical investments for public transportation in conference with the Senate. And this year is critically important. The final fiscal year 2020 THUD funding levels will reset the budget baseline as you begin developing the next surface transportation authorization act.

Thank you again for giving me the opportunity to testify and share our thoughts on commuter rail. We certainly look forward to working with the committee as it writes the surface transportation authorization act. I look forward to any questions you may have.

[Mr. Skoutelas' prepared statement follows:]

Prepared Statement of Paul P. Skoutelas, President and Chief Executive Officer, American Public Transportation Association

INTRODUCTION

Chairman Lipinski, Ranking Member Crawford, and Members of the Subcommittee on Railroads, Pipelines, and Hazardous Materials, on behalf of the American Public Transportation Association (APTA) and its 1,500 public- and private-sector member organizations, thank you for the opportunity to testify on "*Challenges and Opportunities for Commuter Railroads*".

My name is Paul Skoutelas, and I am the President and Chief Executive Officer (CEO) of APTA, an international association representing a $71 billion industry that employs 430,000 people and supports millions of private-sector jobs. We are the only association in North America that represents all modes of public transportation—

bus, paratransit, light rail, commuter rail, subways, waterborne services, and high-performance intercity passenger rail.[1]

Public transportation not only spurs economic growth, but reduces congestion, improves air quality, saves time and money, and advances an equitable and better quality of life for our communities.

COMMUTER RAIL

Nearly 40 years ago, Congress enacted the Northeast Rail Services Act of 1981 (P.L. 97–35) to salvage commuter rail operations from Conrail and created six commuter rail authorities.[2] The state of commuter rail at that time suffered from low and declining ridership and equipment long beyond its useful life. These agencies and the many others across the nation that existed then or have started anew have transformed commuter rail into an essential, reliable, growing, safe, and affordable mobility option carrying hundreds of millions of travelers each year.

Today, commuter rail is a $9.9 billion industry, creating and supporting over 200,000 public- and private-sector jobs. Moreover, the overwhelming majority (63 percent) of this funding flows through the private sector.

32 Commuter Rail Agencies

Today, there are 32 agencies operating commuter railroads,[3] safely carrying passengers on more than *500 million* trips each year. Commuter rail services are higher-speed, higher capacity trains with less frequent stops. They are traditionally used to connect people from suburban areas to city centers. In the last decade, nine new commuter rail systems[4] have begun operation, with the latest—TexRail in Fort Worth, Texas—starting up earlier this year.

COMMUTER RAIL AGENCIES IN THE UNITED STATES

[1] APTA members include public transportation systems; planning, design, construction, and finance firms; product and service providers; academic institutions; state transit associations; and state departments of transportation.

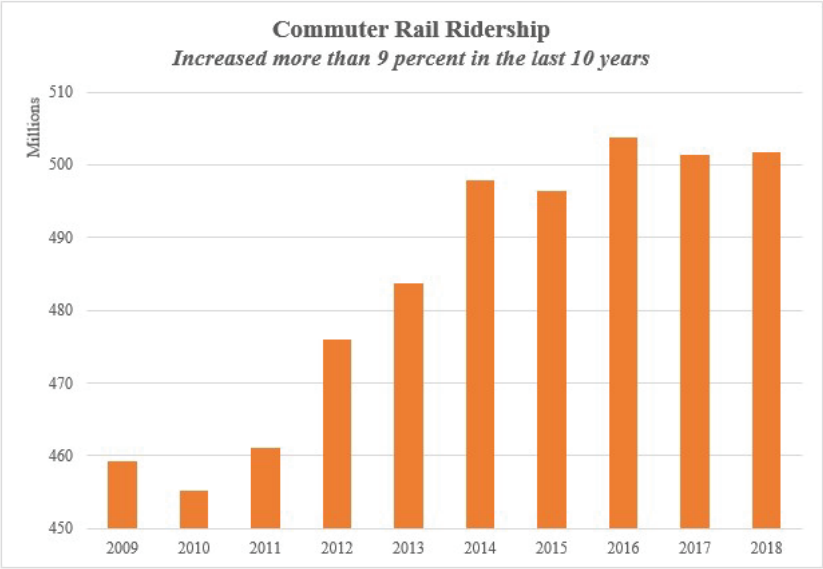
[2] The six commuter rail authorities are the: Metropolitan Transportation Authority; Connecticut Department of Transportation; Maryland Department of Transportation; Southeastern Pennsylvania Transportation Authority; New Jersey Transit Corporation; and Massachusetts Bay Transportation Authority.

[3] A list of commuter railroad agencies can be found in Appendix A. APTA's list includes all commuter and hybrid rail agencies that receive funding from the Federal Transit Administration (FTA) and report data to the National Transit Database.

[4] The nine new systems are Portland, OR (Westside Express, 2009); Minneapolis, MN (Northstar, 2009); Austin, TX (Capital MetroRail, 2010); Denton, TX (A Train, 2011); Orlando, FL (SunRail, 2014); Denver, CO (A Line, 2016); Marin County, CA (SMART, 2017); Antioch, CA (eBART, 2018); and Fort Worth, TX (TEXRail, 2019).

Increased Ridership and Fare Recovery

Commuter rail has enjoyed nearly constant annual ridership growth—growing by more than 42 million passenger trips (9.2 percent) over the last decade. Commuter rail has also increased fare recovery (fare revenue as a percent of operating costs) in the last decade. On average, fares recover more than one-half (52 percent) of the operating costs of commuter railroads.



SAFETY IS A CORE VALUE

For commuter rail operators and the entire public transportation industry, safety is a core value—a non-negotiable operating principle and promise to our riders. The men and women responsible for managing and operating public transportation systems are fully committed to the safety of their systems, passengers, employees, and the general public.

As a result of this overriding and sustained commitment to safety, public transportation is the safest form of surface transportation. Every year, 32 commuter railroads across America safely carry passengers on more than *500 million* trips. And, traveling by commuter and intercity passenger rail is *18 times safer* than traveling by car.

POSITIVE TRAIN CONTROL

Implementation Status

APTA commuter rail members are working to make commuter rail even safer by installing and implementing Positive Train Control (PTC), a complex signaling and communications technology that provides a critical safety overlay on top of already safe commuter rail systems. All of our commuter railroads met the five statutory milestones required to be implemented by December 31, 2018, including acquiring spectrum, installing wayside equipment, installing on-board equipment, back office control set up and workforce training.

Commuter railroads are now focused on PTC implementation and are making great progress. *One-fifth* of all commuter rail agencies have fully implemented PTC, including Southern California Regional Rail Authority/Metrolink (Los Angeles, CA) and Sound Transit (Seattle, WA), who are testifying before the Subcommittee today.[5] Four additional commuter rail agencies have implemented PTC on their rail-

[5] The six commuter rail agencies that have fully implemented PTC are Southern California Regional Rail Authority (SCRRA) (Metrolink); North San Diego County Transit District (NCTD) (Coaster); Metro Transit Northstar Commuter Rail (Northstar); Tri-County Metropolitan Transit

Continued

roads but are awaiting final actions from other railroads operating in the territory. The remaining commuter railroads are in revenue service demonstration or field testing and aggressively working to complete PTC implementation by the December 2020 deadline.[6]

PTC Costs

PTC will cost commuter rail operators approximately $4.1 billion to implement, and almost 90 percent of these costs are being borne by state and local governments and agencies. In addition, PTC will cost an estimated $160 million each year to operate and maintain. For publicly-funded agencies that rely on federal, state, and local funding, as well as passenger fares to operate their service, these costs are staggering.

Moreover, these costs are in addition to the existing $90 billion backlog needed to bring the current public transportation system, including commuter railroads, into a state of good repair, as estimated by the U.S. Department of Transportation. A recent survey of commuter railroad agencies found that many commuter railroads have state-of-good-repair needs that far outweigh their capital budgets, even before including the additional costs associated with implementing PTC. As a result, to fund PTC, commuter railroads have had to divert funds from other critical infrastructure and safety projects, such as replacing bridges (some of which that are more than 100 years old), rehabilitating outdated locomotives, and upgrading tracks and other safety systems.

Although we greatly appreciate Congress' support for commuter railroads by allowing these railroads to be eligible for Consolidated Rail Infrastructure and Safety Improvements (CRISI) grants for PTC implementation, more investment is needed to ensure that commuter rail agencies can pay for ongoing operation and maintenance costs of PTC, and other critical infrastructure needs.

> *APTA urges Congress to authorize a total of $1 billion over six years ($160 million per year) under the CRISI program specifically to provide grants to publicly-funded commuter railroads to implement, operate, and maintain PTC.*

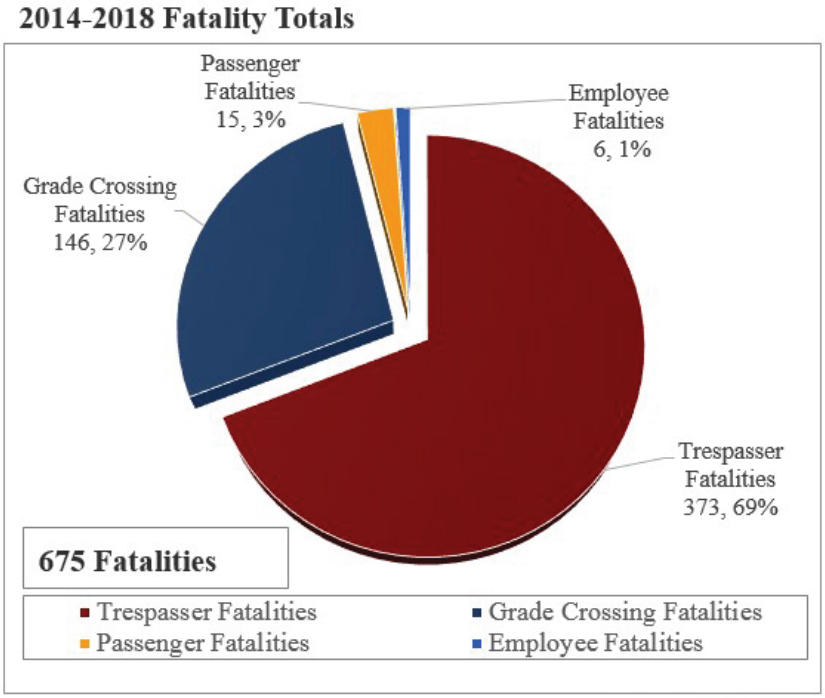
HIGHWAY-RAIL GRADE-CROSSING SAFETY AND TRESPASSING ISSUES

Grade-Crossing Safety

Although great progress has been made on PTC, highway-rail grade-crossing safety and trespassing remain significant issues. Over the last five years (2014–2018), 96 percent of commuter railroad fatalities were attributable to trespassers or highway-rail grade-crossing users.

District of Oregon (TriMet) (Westside Express); Virginia Railway Express (VRE); and Central Puget Sound Regional Transit Authority (Sounder).

[6] TexRail began operation in 2019 and is committed to installing and implementing PTC by the December 2020 deadline; New Mexico received a temporary exemption to the PTC requirement from the Federal Railroad Administration but is committed to installing and implementing PTC by the December 2020 deadline.



Our commuter railroads have been working hard to mitigate these incidents, often involving unlawful entry to the railroad's right of way. These incidents cost lives, cause serious injuries and property losses, and result in delays to the traveling public. To address highway-rail grade-crossing hazards, commuter rail agencies are using myriad treatments and technologies, including creating pedestrian crossings, constructing corridor fencing, installing delineators, and placing cameras at crossings and in rail cars. Education is key and many commuter rail agencies have participated in specific campaigns to reduce highway-rail grade-crossing incidents. Engineered solutions are very expensive to construct.

Private sector mapping technology is also critical to combating this significant safety issue. For example, the Metropolitan Transportation Authority, on behalf of the Long Island Rail Road (LIRR) and Metro-North, has partnered with Waze to integrate a railroad crossing warning into its GPS application. The application warns drivers that they are approaching a grade crossing and whether the turn is before or after the crossing along with other traffic and highway information. LIRR and Metro-North upload the grade-crossing data daily to be used in the application.

APTA is encouraged by these individual partnerships with technology companies and welcomes other map navigation developers to work with our industry to add automatic notifications of railroad grade crossings to their maps. There are too many senseless incidents and deaths because cars do not stop at grade crossings or bypass the gates. Navigation developers have created powerful tools for helping us find our way and drive more safely. With their support, we can provide an important tool to warn drivers and prevent needless accidents and deaths.

It will take a collective effort to reduce these grade-crossing incidents. Although we are grateful for Congress' continued funding of grade-crossing measures under the railway-highway crossings set-aside (23 U.S.C. §130), more needs to be done.

APTA urges Congress to authorize a total of $1.5 billion over six years ($225 million per year) under the CRISI program to provide grants to commuter and other high-performance passenger railroads for highway-rail grade-crossing safety initiatives.

Trespassing on Railroad Properties

Commuter railroads are also addressing the long-standing, critical issue of trespassing on railroad tracks. APTA's most recent analysis of commuter rail data over the last five years indicate that trespassing remains a major contributing factor to railroad fatalities—nearly 70 percent of rail-related fatalities were as a result of trespassing. Causal factors for trespassing-related fatalities include suicide, direct-route crossing, and general distraction.[7] Trespassing issues are complex. Our commuter railroads have partnered with their local communities, mental health care providers, law enforcement, and national organizations to launch educational campaigns about the dangers of trespassing and to develop ways to mitigate these incidents.

APTA and its commuter rail members will continue to be leading advocates to improve railroad and public safety. We urge Congress to do its part by providing the funding that is needed to assist commuter rail in making these important safety investments. In addition, we urge Congress to ensure that the rail statutes and regulations, which are often very prescriptive, do not prevent railroads from introducing new technologies to make our railroads safer.

FEDERAL INVESTMENT IN COMMUTER RAIL IS CRITICALLY NEEDED

We strongly urge Congress to increase federal funding for public transportation, including commuter rail. The federal, state, and local partnership is essential to ensure that critical investments are made to our public transportation systems.

Federal funding through FTA, namely Section 5307 Urbanized Area Formula grants and Section 5337 State of Good Repair grants, provides commuter rail agencies with some assistance but falls short of the federal investment needed. Commuter railroads are also eligible for FTA's Section 5309 Capital Investment Grants (CIG) program. Since 2000, 16 commuter rail projects have received Full Funding Grant Agreements under the CIG program. In addition, five commuter rail projects, requesting $8 billion, are in the CIG pipeline.[8]

The economic benefits of these projects reach far beyond the railroad's specific region. For example, a commuter rail project in Florida may include parts, materials, or equipment from a supplier in Alabama, Arkansas, Georgia, or Wisconsin. These commuter rail projects also represent thousands of construction jobs, manufacturing jobs, and other jobs generated by multiplier effects associated with spending on parts and materials. Appendix C illustrates the jobs created across America in rail car manufacturing.

A good example of the far-reaching economic benefits of investing in commuter rail is the project that the Peninsula Corridor Joint Powers Board is undertaking to modernize its CalTrain commuter rail system. In the San Jose-San Francisco corridor, the Joint Powers Board is investing $1.9 billion (including $647 million of CIG funds) to electrify approximately 51 miles, providing increased service and performance improvements to the communities along this commuter route.[9] However, the benefits of this project are felt nationwide. For instance, the electric train manufacturer (Stadler Rail) constructed a new facility with 350 employees in Utah to build the train sets and components and parts are being manufactured in 12 different states.

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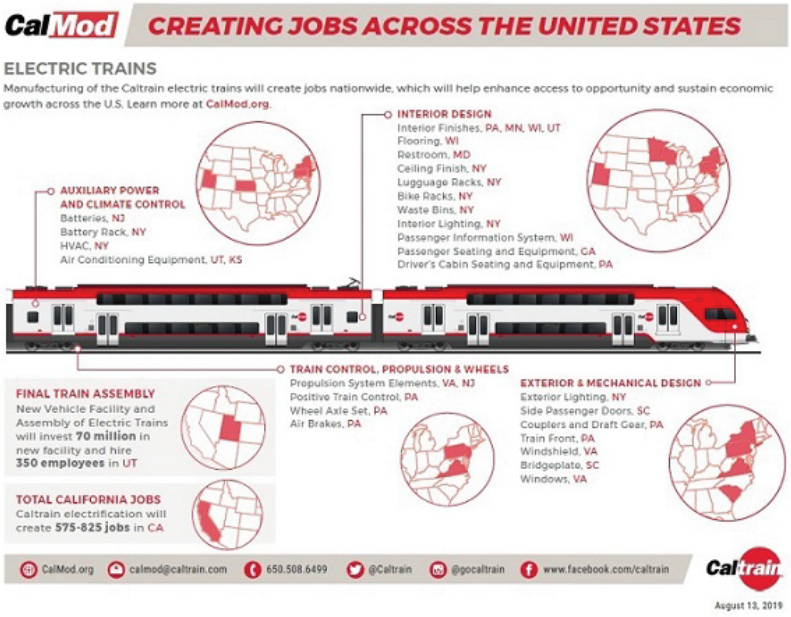
[7] Federal Railroad Administration, Report to Congress: National Strategy to Prevent Trespassing on Railroad Property (October 2018), at 11.

[8] A list of the CIG projects with Full Funding Grant Agreements and those in the CIG pipeline is in Appendix B.

[9] *See* Caltrain Modernization Project at http://www.caltrain.com/projectsplans/CaltrainModernization.html



Moreover, after a new commuter line is constructed and operational, there are ongoing, permanent economic growth and development impacts enabled by the transportation improvements and associated economic productivity gains. Investment in commuter rail is critical to ensuring that it can continue to spur economic growth, reduce congestion, and connect people to their jobs and communities.

Surface Transportation Authorization Recommendations

Over the past 18 months, APTA has solicited input from our diverse membership on priorities for the Surface Transportation Authorization Act. At our Legislative Committee meeting on June 23, 2019, members *unanimously* approved APTA's surface transportation authorization recommendations, which include proposals for commuter and high-performance intercity passenger rail. In October, APTA's Board of Directors will consider these recommendations for final approval.

APTA strongly urges the Committee to invest $145 billion over six years in public transportation and fund critical projects that will repair, maintain, and improve our public transit systems (including commuter rail) today and in the future. Our proposal, which includes $112 billion for Urbanized Area Formula, State of Good Repair, and CIG grants, would address the entire state-of-good-repair backlog and fund all CIG projects in the pipeline in the next six years.

Along with this increased funding, APTA recommends that the Committee conduct a zero-based review of the CIG program to assess *all* statutory, regulatory, and other administrative requirements. We have previously testified that the bureaucratic maze that project sponsors, including commuter railroads, must adhere to is costly and burdensome.

Finally, APTA calls on the Committee to create a Passenger Rail Trust Fund funded in part with new, long-term, dedicated revenues to significantly increase passenger rail investment to $32 billion over six years. This investment would include $7.1 billion for CRISI grants.

As noted above, more investment is needed to ensure that commuter rail agencies can pay for ongoing operation and maintenance costs of PTC and mitigate grade-crossing incidents. APTA urges the Committee to expand the eligibility of the CRISI grant program to commuter rail to provide funding for:

- Operations and maintenance of PTC ($160 million per year/$1 billion over six years); and

- Passenger Rail-Highway Grade Crossing Grants ($250 million per year/$1.5 billion over six years).

Congress must provide the necessary, dedicated funding to ensure safe, reliable, and efficient commuter rail systems.

CONCLUSION

On behalf of APTA, thank you for giving me the opportunity to testify and share our thoughts on "*Challenges and Opportunities for Commuter Railroads*". We look forward to working with the Committee on Transportation and Infrastructure as it writes the next Surface Transportation Authorization Act. It is imperative that we make meaningful investments in commuter rail to enable these critical services to continue to grow, serve our communities, and contribute to the national economy.

Appendix A

32 Commuter Rail Agencies

State	Primary City Name	Urbanized Area	Agency	Year Opened	Ridership 2018 (Unlinked Passenger Trips)
Alaska	Anchorage	Anchorage	Alaska Railroad Corporation (ARRC)	1923	199,666
California	Los Angeles	Los Angeles	Southern California Regional Rail Authority (SCRRA) (Metrolink).	1991	12,523,337
California	San Diego	San Diego	North San Diego County Transit District (NCTD) (Coaster & Sprinter).	1995	3,838,002
California	San Francisco	San Francisco	Peninsula Corridor Joint Powers Board (PCJPB) (CalTrain).	1992	18,562,763
California	San Francisco	San Francisco	San Francisco Bay Area Rapid Transit District (Bart) (eBART).	2018	1,316,134
California	San Rafael	San Francisco	Sonoma Marin Area Rail Transit District (SMART).	2017	714,653
California	Stockton	San Jose	Altamont Commuter Express (ACE) (ACE Rail)	1998	1,479,150
Colorado	Denver	Denver	Regional Transportation District (Denver RTD)	2016	7,619,589
Connecticut	New Haven	New Haven	Connecticut Department of Transportation Shore Line East (SLE).	1990	597,616
Florida	Miami	Miami	South Florida Regional Transportation Authority (Tri-Rail).	1989	4,414,030
Florida	Orlando	Orlando	SunRail	2014	1,114,859
Illinois	Chicago	Chicago	Northeast Illinois Regional Commuter Railroad Corp (Metra).	1856	68,446,239
Indiana	Chicago	Chicago	Northern Indiana Commuter Transportation District (NICTD) (South Shore Line).	1908	3,400,197
Maine	Portland	Portland	Northern New England Passenger Rail Authority (NNEPRA).	2001	534,058
Maryland	Baltimore	Baltimore	Maryland Area Regional Commuter (MARC)	1830	9,387,801
Massachusetts	Boston	Boston	Massachusetts Bay Transportation Authority (MBTA).	1931	32,143,251
Minnesota	Minneapolis	Minneapolis	Metro Transit Northstar Commuter Rail (Northstar).	2009	787,327
New Jersey	New York	New York	New Jersey Transit Corporation (NJ TRANSIT) (Rail & River Line).	1839	91,170,160
New Mexico	Albuquerque	Albuquerque	New Mexico (Rail Runner)	2006	771,602
New York	New York	New York	Metro-North Commuter Railroad Company (Metro-North).	1832	91,873,366
New York	New York	New York	MTA Long Island Rail Road (LIRR)	1844	105,538,101
Oregon	Portland	Portland	Tri-County Metropolitan Transportation District of Oregon (TriMet)(Westside Express).	2009	394,708
Pennsylvania	Harrisburg	Philadelphia	Pennsylvania Department of Transportation Keystone Line (Keystone).	1980	1,533,055
Pennsylvania	Philadelphia	Philadelphia	Southeastern Pennsylvania Transportation Authority (SEPTA).	1834	33,318,746
Tennessee	Nashville	Nashville	Regional Transportation Authority (Music City Star).	2006	298,765
Texas	Austin	Austin	Capital Metropolitan Transportation Authority (Metro Rail).	2010	807,869
Texas	Dallas	Dallas	Trinity Railway Express (TRE)	1990	2,039,990
Texas	Denton	Denton	Denton County Transportation Authority (A Train).	2011	409,667
Texas	Fort Worth	Dallas	TEXRail	2019	N/A
Utah	Salt Lake City	Salt Lake City	Utah Transit Authority (Front Runner)	2008	5,082,168
Virginia	Washington	Washington	Virginia Railway Express (VRE)	1992	4,529,091
Washington	Seattle	Seattle	Central Puget Sound Regional Transit Authority (Sounder).	2000	4,631,525

APTA's list includes all commuter and hybrid rail agencies that receive funding from the Federal Transit Administration and report data to the National Transit Database.

NNEPRA and Keystone are operated by Amtrak and are counted in the FTA National Transit Database.

TexRail opened in 2019 and therefore does not have any 2018 ridership.

APPENDIX B

Commuter Rail Capital Investment Grant Projects (Since 2000)

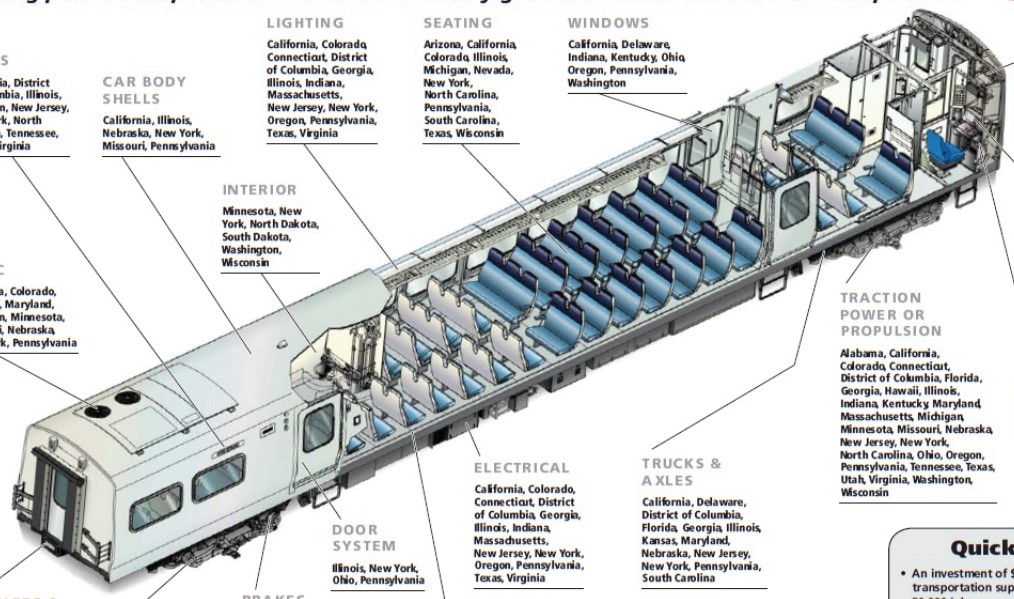
(in millions)

State	Project Sponsor	Project	Total Project Cost	CIG Funding
Projects with FFGAs				
CA	Joint Powers Board (Caltrain)	Caltrain Peninsula Corridor Electrification Project.	$1,931	$647
CA	Riverside County Transportation Commission	Riverside-Perris Valley Line	$248	$75
CA	Sonoma-Marin Area Rail Transit District	SMART-San Raphael to Larkspur Regional Connection.	$55	$23
CO	Denver Regional Transportation District	Denver - RTD Eagle	$2,043	$1,030
FL	South Florida Regional Transportation Authority.	Fort Lauderdale-Tri-Rail Commuter Rail Upgrade.	$334	$111
FL	Florida Department of Transportation	Orlando, Central Florida Commuter Rail Transit.	$357	$179
FL	Florida Department of Transportation	Orlando, Central Florida Commuter Rail Transit Phase 2 South.	$187	$93
IL	Regional Transportation Authority	Chicago-Metra Southwest Corridor Commuter Rail.	$198	$103
IL	Regional Transportation Authority	Chicago-North Central	$226	$135
IL	Regional Transportation Authority	Chicago-UP West Line Extension	$135	$81
IL	Chicago Transit Authority	Chicago-Ravenswood	$530	$246
MN	Metropolitan Council	Minneapolis-Northstar Corridor Rail	$317	$156
NY	New York Metropolitan Transportation Authority.	New York-East Side Access (LIRR)	$7,386	$2,632
OR	Tri-County Metropolitan Transportation District of Oregon.	Wilsonville to Beaverton, Oregon Commuter Rail.	$117	$59
TX	Fort Worth Transportation Authority	Fort Worth TEXRail	$1,034	$499
UT	Utah Transit Authority	Salt Lake-Weber County to Salt Lake City	$612	$489
Subtotal for Commuter Rail FFGA Projects			$15,710	$6,557
Projects in the CIG Pipeline				
FL	Florida Department of Transportation	SunRail Connector to the Orlando International Airport.	$175-$225	TBD
FL	Florida Department of Transportation	SunRail Phase II North	$69	$34
IL	Northern Indiana Commuter Transportation District.	West Lake Corridor Project	$891	$440
NJ	Gateway Program Development Corporation	Portal North Bridge Project	$1,642	$811
NY/NJ	Gateway Program Development Corporation	Hudson Tunnel Project	$13,702	$6,769
Subtotal for Commuter Rail CIG Pipeline Projects			$16,529	$8,054
Total Funding for Commuter Rail CIG Projects			**$32,239**	**$14,612**

Rail Manufacturing = Jobs Across America

Strong public transportation makes our economy grow and makes the U.S. more competitive

AMERICAN PUBLIC TRANSPORTATION ASSOCIATION



SIGNS
California, District of Columbia, Illinois, Michigan, New Jersey, New York, North Carolina, Tennessee, Texas, Virginia

CAR BODY SHELLS
California, Illinois, Nebraska, New York, Missouri, Pennsylvania

LIGHTING
California, Colorado, Connecticut, District of Columbia, Georgia, Illinois, Indiana, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Texas, Virginia

SEATING
Arizona, California, Colorado, Illinois, Michigan, Nevada, New York, North Carolina, Pennsylvania, South Carolina, Texas, Wisconsin

WINDOWS
California, Delaware, Indiana, Kentucky, Ohio, Oregon, Pennsylvania, Washington

EVENT RECORDERS
California, Delaware, Georgia, New York, Pennsylvania, South Carolina

INTERIOR
Minnesota, New York, North Dakota, South Dakota, Washington, Wisconsin

MONITORING & DIAGNOSTIC SYSTEMS
California, District of Columbia, Florida, Maryland, New Jersey, New York, Pennsylvania

HVAC
Alabama, Colorado, Georgia, Maryland, Michigan, Minnesota, Missouri, Nebraska, New York, Pennsylvania

TRACTION POWER OR PROPULSION
Alabama, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Hawaii, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin

COMMUNICATIONS
Arizona, California, Delaware, District of Columbia, Florida, Georgia, Illinois, Minnesota, New York, Pennsylvania, South Carolina, Washington

ELECTRICAL
California, Colorado, Connecticut, District of Columbia, Georgia, Illinois, Indiana, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Texas, Virginia

TRUCKS & AXLES
California, Delaware, District of Columbia, Florida, Georgia, Illinois, Kansas, Maryland, Nebraska, New Jersey, New York, Pennsylvania, South Carolina

DOOR SYSTEM
Illinois, New York, Ohio, Pennsylvania

COUPLERS & DRAFT GEAR
California, Delaware, Georgia, New York, North Carolina, Pennsylvania, South Carolina

WHEELS
Connecticut, Florida, Illinois, New York, Pennsylvania, Texas, Virginia

BRAKES
California, Delaware, Georgia, Maryland, New York, Pennsylvania, South Carolina

FLOORING
Alabama, California, Massachusetts, Wisconsin

FINAL ASSEMBLY
California, Florida, Illinois, Massachusetts, New York, Pennsylvania, Utah

Quick Facts

- An investment of $1 billion in public transportation supports and creates 50,000 jobs.
- Public transportation is a $71 billion industry that directly employs 420,000 people and supports millions of private sector jobs.

Mr. LIPINSKI. Thank you, Mr. Skoutelas.

I now recognize Mr. Derwinski for 5 minutes.

Mr. DERWINSKI. Good afternoon, Chairman Lipinski, Ranking Member Crawford, members of this esteemed committee. My name is Jim Derwinski, executive director and CEO of Metra in Chicago. In addition, I also represent APTA on their board of directors and the Commuter Rail CEO Committee, and I am also chairman of the recently formed Commuter Rail Coalition. I am pleased to have this opportunity to be here today.

Let me first begin by commending the leadership that Chairman Lipinski and Congressman García have brought in advancing transportation infrastructure needs in our region and in the Nation. On behalf of Metra and its 280,000 daily commuters, we thank you for all that you do for us.

Broadly, Metra and the commuter rail industry face two major challenges: a lack of sustainable, consistent Federal funding for operations and capital projects, and constraints on our ability to grow. Throughout the United States, commuter rail systems receive a combination of Federal, State, and local government funds. Not all receive Federal.

Metra was created in 1983 by the Illinois General Assembly, and since then has invested over $6 billion into our network. Yet our own regional transportation association estimates we will still need to spend $1.2 billion a year over the next 10 years just to achieve and maintain a state of good repair. Growth is not in that equation.

Our estimate to complete PTC installation will cost Metra over $400 million, which equates currently to 2½ years of our Federal formula funding. It also will put a burden on our operating expenses of $20 million annually. All commuter railroads have the same ongoing operating costs, as Mr. Skoutelas pointed out.

I wanted to take the opportunity to thank Congress and the FRA for allowing commuter railroads, including Metra, to utilize the CRISI grant program for PTC projects. However, this source of funding is not sustainable, and we strongly believe more needs to be done by Congress. Creating a new dedicated commuter rail grant program would provide some relief to public agencies to address PTC operations and maintenance costs and associated capital costs. It would also help to ensure that many commuter rail systems across the country are no longer forced to rely on sporadic discretionary grants, and can effectively plan for both safety and capital expenditures.

Our second major challenge has been the constrained growth of our system in the face of increased demand. Recent studies have shown that more than 80 percent of the U.S. population lives in urban areas. That is up from 64 percent in 1950. The number is projected to grow to 90 percent by 2050. This rapid pace of change in the commuter rail industry reflects these facts.

For example, when Congress created Amtrak in 1970, there was one public commuter rail agency. As Mr. Skoutelas just pointed out, today there are 32. This rapid growth has placed an incredible demand on the railroad infrastructure capacity.

The convenience and necessity of moving people and passenger trains can create friction with our freight rail partners and Am-

trak. These issues are particularly acute in high-density areas. These situations can cause tension and unfortunate delays for both commuter, intercity passenger, and freight.

Commuter rail desires a relationship with Amtrak that is fair and transparent. In 2016, the GAO conducted a study to review Amtrak's efforts to reorganize and reform. The report found that several material weaknesses and significant deficiencies have hindered Amtrak's ability to create consistent and timely accounting documents and financial information. Amtrak's accounting and transparency issues have led to challenges in commuter railroad relationships. We encourage this committee to implement the GAO report's recommendations.

Lastly, despite the intention of past Congresses to give preference to passenger trains over freight, recently, the concept of public convenience and necessity has been focused on the interests of freight railroads and their customers, and less on the interests of publicly funded commuter railroads. Under Federal law, certain preferences have been given to Amtrak. However, those preferences have not been extended to the publicly funded commuter railroads, even though many run on the same tracks with Amtrak and the freight railroads.

This Chamber has already begun to consider these types of issues in a thoughtful manner. Chairman Lipinski constructively worked with the appropriators in the 2020 THUD bill to improve on-time performance to Chicago. Metra is proud that we have maintained a 93-percent or higher on-time performance since 1983.

To be clear, Metra and the 13 freight railroads in Chicago work closely daily to move passengers and goods through the most complicated network in the country. Our freight partners demonstrate their commitment to this vital public asset daily.

We also applaud the chairman's and this committee's leadership on the CREATE program. It continues to be a positive example of Federal Government, rail operators, and local and State governments coming together to tackle major challenges like Chicago's congested rail network. Increasing investment in programs like CREATE are clear solutions to relieving congestion on railroad infrastructure that benefit all rail operators, public and private, by increasing movement of trains, not increasing the parking of trains in communities.

Metra thanks Congress for its continued support of public transportation systems like ours, and appreciates the opportunity to update this committee on our challenges, and I look forward to your questions. Thank you.

[Mr. Derwinski's prepared statement follows:]

Prepared Statement of James Derwinski, Chief Executive Officer/Executive Director, Metra Commuter Railroad

Good morning, Chairman Lipinski, Ranking Member Crawford, and Members of this esteemed Subcommittee. My name is Jim Derwinski and I am CEO/Executive Director of Metra, the Chicago-area's commuter rail agency. I am also here representing the commuter rail industry as a member of the APTA Board of Directors and Commuter Rail CEO Committee, and as Chairman of the newly formed Commuter Rail Coalition. I am pleased to have this opportunity to speak to you today.

Let me first begin by commending the tremendous leadership that Chairman Lipinski and Congressman Garcia have brought in advancing transportation and infrastructure in our region and in our nation. On behalf of Metra and the 300,000 daily commuters, we thank you for all that you do and will continue to do for us and the Chicago region.

As background, Metra was created to run Chicago's commuter rail system by the Illinois General Assembly in 1983. Our creation followed a tumultuous period in which the private railroads that had been operating the service experienced major financial problems and bankruptcies.

Over the years, Metra has grown to be the largest commuter railroad in the country based on track miles, and the fourth largest based on ridership. The Metra system has 11 separate lines with 242 stations and nearly 1,200 miles of track throughout the northeastern Illinois region. Metra owns and operates four of those lines, has trackage-rights or lease agreements to operate Metra trains over freight railroads on three lines, and has purchase of service agreements with two freight railroads, which operate commuter service on four other Metra lines.

Metra's primary business is to serve people traveling to downtown Chicago to work. Approximately half of all work trips made from suburban Chicago to downtown are on Metra. Our riders, whose trips average 22 miles in length, come from all parts of our region's 3,700 square miles.

Broadly, Metra, and the commuter rail industry, face two broad challenges: a lack of sustainable and consistent federal funding for operations and capital projects and a legacy passenger rail system that must grow its service to meet increased demand but is constrained by several external forces.

Throughout the United States, commuter rail systems receive a combination of funding from federal, state, and local government sources, though not all receive federal funds. Our industry has been working diligently to install and implement Positive Train Control (PTC), but the federal safety mandate has put great strain on our limited dollars for state of good repair and capital projects. I am pleased to report that Metra will meet its 2020 Alternative Schedule deadline for PTC implementation. Further, legacy commuter railroads, like Metra, face unique capital challenges as we work to maintain and upgrade aging track infrastructure and rolling stock.

Since 1985, Metra has invested more than $6 billion to rebuild, maintain and expand Chicagoland's passenger rail network. Operating funding is provided through system-generated revenues—primarily fares—and subsidized in large part through a regional sales tax. Capital funding is provided through a variety of federal programs, state and local funding sources, and a small amount of fare revenue. Metra's total budget for 2018 was $994 million. That includes $797 million for operations and $197 million for capital.

Capital funding to maintain and improve our aging system remains a constant challenge. Metra's capital program is mostly funded through federal formula funds (Sec. 5307 and 5337) totaling $173.6 million for Fiscal Year (FY) 2019. However, our needs far exceed the level of funding available. In fact, the Regional Transportation Authority (RTA), our region's transit funding and oversight agency, estimates that Metra needs to invest $1.2 billion annually over the next decade to achieve and maintain a state of good repair.

While we must reinvest in our network to continue to safely and efficiently move our customers, our complete PTC system is expected to cost Metra more than $400 million, equal to the amount of federal formula funding Metra receives every 2½ years. Further, based on our own estimates and discussions with our freight railroad partners, PTC operation and maintenance costs are expected to be between 5–10% of the total installation cost per year, or $15–$20 million with no current federal financial assistance available.

I wanted to take this opportunity to thank Congress and the Federal Railroad Administration (FRA) for allowing commuter railroads, including Metra, to utilize the Consolidated Rail Infrastructure and Safety Improvement (CRISI) grant program for PTC projects. However, this source of funding is not sustainable, and we strongly believe more needs to be done by Congress to financially help commuter rail agencies with the ongoing costs of PTC, especially those agencies that will meet their statutory PTC deadlines.

There is no doubt that the federal PTC mandate has added to the pressure on our capital and state of good repair needs and the expected PTC operations and maintenance costs will continue to add pressure for years to come. While the State of Illinois recently passed a much-needed state capital bill, which will help address some of our needs, we believe the federal government has a role to play in recognizing and supporting the unique challenges faced by commuter railroads resulting from the dual mandate of PTC implementation and safely maintaining aging cap-

ital-intensive infrastructure. Creating a new grant program specifically for commuter railroads would provide some relief to these public agencies struggling the most to address PTC operations and maintenance costs and associated capital costs.

The federal formula funding that Metra receives annually is the bedrock of our capital program. However, because our needs are great and state funding has been inconsistent, it has been nearly impossible to effectively budget and plan a capital renewal program. One area that Metra is struggling to meet demands is in its bridge infrastructure. Many of the bridges Metra operates over are aging and are expensive pieces of infrastructure to maintain. Congress may help us remedy this situation by increasing Section 5307 Urban Area Formula Grants and Section 5337 State of Good Repair transit formula funding. Further, we believe Congress should also consider creating a dedicated formula funding stream for commuter railroads to ensure the numerous commuter rail systems across the country are no longer forced to rely on sporadic discretionary grants and can effectively plan for both safety and capital expenditures.

Metra, like other publicly funded railroads, is a highly regulated, capital-intensive entity. It requires a substantial annual investment to maintain its own rights-of-way and track structure. Metra's capital assets are diverse and extensive: locomotives, passenger cars, track signal and communications equipment, yard and maintenance facilities, station buildings, platforms, parking lots and headquarters. Each day, the delivery of safe, reliable, efficient train service depends on these assets. Constant maintenance, rehabilitation and replacement, and significant funding, are required to keep Metra's, and other commuter rail, facilities and equipment in working order.

Our second major challenge has been constrained growth. Recent studies have shown that more than 80 percent of the U.S. populations live in urban areas, up from 64 percent in 1950. That number is projected to grow to 90 percent by 2050. The rapid pace of change in the passenger rail industry reflects this fact. For example, since this Congress created Amtrak as the nation's preeminent intercity and long-distance passenger rail carrier in 1970, the growth of commuter rail services has been stunning. At the time of Amtrak's creation, there was one publicly owned commuter railroad. Today, there are now approximately 30 active commuter rail systems in the United States that deliver over 490 million passenger trips annually and provide the safest form of surface transportation for commuters. By comparison, in FY 2018, Amtrak served approximately 32 million passengers.

However, publicly funded passenger rail, particularly old "legacy" systems have struggled to keep up with this population growth and increased demand for service. In the metropolitan regions that we serve, our critical services support economic development, tax base growth, and livability. Additionally, many commuter rail agencies, like us, are now working directly with private employers to ensure new offices, factories, and facilities are accessible to our services.

This rapid growth has placed an incredible demand on our limited railroad infrastructure capacity. Commuter rail agencies must coordinate with both the freight railroads and Amtrak in order to operate, especially in Chicago where we must deal with more than 700 freight and Amtrak trains each weekday. While in general, we all work collaboratively in trying to solve issues and move goods and people in a capacity constrained system, like in all partnerships, there are sometimes challenges.

The public convenience and necessity of moving people and passenger trains can create friction with our freight rail partners and Amtrak, particularly in high-density areas. Commuter railroads and Amtrak operate with one another over some of the most congested and complex areas in the United States, including the Northeast Corridor (NEC) and the greater Chicagoland region. Since we operate together in some of the most congested regions with limited available trackage for passenger rail operations, commuter railroads, Amtrak, and other passenger transportation services often share rail terminals, yard, and stations. While Amtrak often owns many of the rail assets and stations, it is no longer, necessarily, the only major passenger operator in the area. In fact, in certain instances, there are stations in which commuter railroad operations are responsible for over 50%, in some cases even 60%, or 70%, of the train movements, but do not own the underlying assets or infrastructure.

Much in contrast to past history, recently the concept of public convenience and necessity has been focused on the interests of the freight railroads and their customers and less on the interests of publicly funded commuter railroads. Under federal law certain preferences have been given to Amtrak; however, those preferences have not been extended to publicly funded commuter railroads even though, in many cases, Amtrak, freight railroads and commuter railroads share the same tracks. While the free flow of interstate commerce is of great concern to the eco-

nomic interest of the United States' economy, the flow of interstate commerce is for the benefit of the people of the United States. From their involvement in logistics operations to the actual operation of transportation vehicles, people are significantly involved in the flow of interstate commerce as well as being the beneficiaries of that flow of commerce. With the incredible growth of publicly funded commuter railroads perhaps the time has come to reconsider commuter rail's legislative standing regarding the essential public needs as expressed in the terms of public convenience and necessity of people verses the considerations of public convenience and necessity for freight railroads.

In 2016, the Government Accountability Office (GAO) conducted a study to review Amtrak's efforts to reorganize and implement certain Passenger Rail Investment and Improvement Act (PRIIA) provisions intended to reform Amtrak. The report found that "Amtrak has not developed clear information detailing the specific costs and activities," of its state-supported routes segment and that "several material weaknesses and significant deficiencies" have hindered Amtrak's ability to create consistent and timely accounting documents and financial information.[1] Amtrak's accounting and transparency issues have led to challenges in commuter railroad relationships. While Metra does not operate a state-supported route, we have encountered similar issues with Amtrak's cost methodology formulas for shared station services—like security personnel—and infrastructure. While Metra, and other commuter railroads, are committed to paying our fair share for shared services and infrastructure, a lack of standard financial information and a transparency in cost methodology has led to frustration on both sides.

Clearly, further improvements could be made to enhance Amtrak's accountability for improving operational and financial performance. The GAO report made several such recommendations including the standardization of Amtrak financial reports, greater transparency in Amtrak's cost allocation formulas, and for Amtrak to adopt a strategic management system to improve performance across all of its business segments.[2] Considering the importance of shared stations and state-supported routes to commuter and intercity passengers, we encourage this Subcommittee to consider measures that improve transparency at Amtrak.

Our current passenger rail system has not kept up with the pace of growth in commuter rail operations. Short-trip and commuter passenger services have increased dramatically, yet lack parity with our intercity and long-distance passenger rail counterparts. We believe the federal government should consider mechanisms that level the playing field between Amtrak and publicly-owned commuter rail agencies.

The House of Representatives has already begun to consider these issues in a thoughtful manner. Chairman Lipinski constructively worked with the THUD Appropriators in the FY 2020 bill to improve on-time performance in Chicago. The Chairman has suggested a collaborative process, led by the FRA, in which Amtrak, commuter railroads, and freight railroads all play a part in working together to improve on-time performance in Chicago and develop recommendations to present to Congress. Metra is particularly proud that it has maintained an onime performance of 93 percent or better in each year since 1984, the year after Metra was created. This has been achieved despite operating one of the oldest fleets in the country. We appreciate the continued leadership of the House and the Chairman, on these matters, and hope to continue to provide a high on-time performance rate for our customers.

As many of you know, Chicago's railroad network is very complex. About 500 freight trains and 760 passenger trains pass through the region each day. Freight trains from six Class I railroads, passenger trains from Amtrak, and commuter trains frequently interact and use the same tracks. Because of this, Metra has developed strong working relationships with freight railroads as we work together to effectively move passengers and freight across Chicagoland. Our partnerships are further enhanced by the landmark Chicago Region Environmental & Transportation Efficiency (CREATE) program led by Chairman Lipinski and others in our congressional delegation. This program continues to be a positive example of the federal government, rail operators, and local and state governments coming together to tackle a major challenge. Expanding capacity in Chicago, removing bottlenecks, and bringing the network to a state-of- good-repair will enhance passenger train speeds and ensure our freight partners can continue to effectively serve their customers.

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[1] U.S. Government Accountability Office. (2016, January). *Amtrak: Better Reporting, Planning and Improved Financial Information Could Enhance Decision Making*. (Publication No. GAO–16–67). Retrieved from GAO Reports Main Page via GPO Access database: http://www.gpoaccess.gov/gaoreports/index.html.

[2] Ibid.

We continue to appreciate the Chairman's leadership on CREATE and would strongly support Congress and this Subcommittee as it considers other changes to ensure we have a modern passenger rail system that provides for a level playing field amongst all passenger rail operators.

Congress will soon have several upcoming opportunities to address the unique needs of commuter railroads as its debates reauthorizing the Fixing America's Surface Transportation (FAST) Act. Metra looks forward to working with Congress as its debates authorizing new surface transportation programs. Our current funding situation is unsustainable and threatens the future viability of the important service Metra, and commuter railroads across the country, provide regionally and nationally. Additionally, we would support federal efforts to modernize the passenger rail system, improve accountability at Amtrak, and create a more level playing field between all passenger rail operators.

Metra thanks Congress for its continued support of public transportation and systems like ours and appreciates the opportunity to update this committee on our operations and challenges. Federal support has provided a significant amount of the funding for our capital and safety needs over the last decade, and Metra will continue to depend on it while working with all our funding partners to secure additional assistance.

Thank you for inviting me to testify and I look forward to answering any questions you may have.

Mr. LIPINSKI. Thank you.

Mr. Rogoff?

Mr. ROGOFF. Thank you, Mr. Chairman, Representatives Babin and Weber, members of the subcommittee.

Sound Transit provides commuter rail, light rail, and express bus service throughout our 3-county region, which includes some 51 cities, including Seattle, Tacoma, and Everett. The unprecedented population growth in our region has caused highway congestion to more than double in just the last 6 years. As such, our voters in 2016 approved and funded a $54 billion ballot measure, which, when combined with our prior ballot measures, has launched us into the largest transit expansion program in the United States.

I am going to focus my remarks this afternoon on the challenges we face in expanding commuter rail, specifically expanding our busiest Sounder South route, which has grown more than 30 percent just since 2014. The line is an extraordinarily great value, especially for the riders of Pierce County and cities like Lakewood, Tacoma, Sumner, Puyallup, and Auburn, who, for just about $5, can bypass the punishing congestion that is a daily occurrence on State Route 167, Interstate 405, and I–5.

The challenges we face in expanding Sounder commuter rail directly relate to many of the unique challenges that the commuter rail industry faces writ large, which you are hearing about from my colleagues. Unlike our expanding light rail system, which we build and control ourselves, on Sounder we run along BNSF's main line, which also serves the Ports of Seattle and Tacoma. Together these two ports represent the Nation's second largest gateway to Asia.

So we have one long segment of mainline track that must accommodate freight trains to these busy ports, Sound Transit commuter trains, State-funded Amtrak trains, federally funded Amtrak trains, and military deliveries to Joint Base Lewis-McChord. We are trying to do a great deal over very constrained infrastructure.

This is not a unique challenge for commuter railroads, but it may be especially acute in our region. It certainly presents challenges when we, the commuter railroad, are trying to deliver our passengers to their destination on time. As a transit provider, our

service is only desirable if it is reliable, and nothing undermines the reliability of our Sounder trains more than interference with Amtrak or freight trains that are not running on time.

It is in this congested environment in which we are now challenged to introduce additional commuter rail service to meet growing demand. Commuter rail is an expensive enterprise because of the operating and capital costs inherent in putting the service on the street every day. Unlike our light rail systems, for commuter rail we must negotiate for track access with BNSF, paying millions for each track easement.

That said, the return on investment for commuter rail is tremendous for the working families who ride it. With our rapidly growing regional economy, to the extent that there is affordable housing to be found anywhere in our region, it is to be found in cities like Everett and Tacoma and the cities in east Pierce County that are served by Sounder commuter rail. As is the case for many growing cities around the country, it is not just middle-class families that are being pushed to the suburbs. The transit-dependent working poor are also being pushed farther and farther out of town in search of affordable housing.

And we, as the federally funded regional transit agency, are both obliged and determined to serve them. Adequate Federal funding and streamlined Federal processes are essential in helping us to do so. When it comes to Federal funding, the taxpayers of the Puget Sound region are already financing 84 percent of our overall system expansion, but we rely on Federal partnerships to finance the remainder. As such, we strongly support the expansion of Federal programs that help us meet the demands of our passengers. We participate in the Federal Transit Administration's Capital Investment Grants program and look forward to applying in the next few weeks under the FRA's CRISI Program.

Going forward, as we expand our Sounder commuter rail service, we are very interested in investigating a partnership with the FTA's Core Capacity program, perhaps combining our local taxpayer investments with a combination of FTA Core Capacity funds and an FRA RRIF loan.

Sound Transit is also the Nation's largest TIFIA borrower. We are the only recipient to date of a TIFIA master credit agreement. TIFIA has been an incredibly powerful tool in helping us borrow funds affordably to deliver improved service to our region.

In the years I worked for the Federal Government both in Congress and at the U.S. DOT, I have had the privilege of having some level of involvement in each of the surface transit reauthorization bills going back to ISTEA in 1990. I have included in my written testimony 10 concrete recommendations that I would encourage you to consider for the next one. These recommendations are all about streamlining and harmonizing Federal programs and processes to make them more effective and less bureaucratic so we and our Federal partners could get improved service to our taxpayers more quickly. MAP–21 and the FAST Act made good progress in these areas. More remains to be done. So thank you for holding this hearing today. I look forward to your questions.

[Mr. Rogoff's prepared statement follows:]

Prepared Statement of Peter M. Rogoff, Chief Executive Officer, Sound Transit

Chairman Lipinski, Ranking Member Crawford, Members of the Subcommittee, my name is Peter Rogoff. I have the privilege of serving as Chief Executive Officer of Sound Transit, the regional transit agency in Washington state's Puget Sound region.

Sound Transit provides commuter rail, light rail, and express bus service throughout our three-county region, which includes some 51 cities including Seattle, Tacoma and Everett. Our region is undergoing unprecedented population growth causing highway congestion to more than double in just the last six years. As such, our voters in 2016 approved and funded a $54 billion ballot measure which, when combined with our prior ballot measures, has launched us into the largest transit expansion program in the United States.

While commuter rail from a ridership perspective is the smallest of the three services Sound Transit provides, it is also one of our fastest growing and we are currently in the planning stage to expand it. So I want to thank the subcommittee for holding this hearing on the unique challenges and opportunities for commuter rail. The issues and potential solutions certainly merit the Committee's attention.

Our Sounder commuter rail consists of two lines on an 83-mile, 12-station system. Sounder North runs between Everett and Seattle, and Sounder South runs between Lakewood, through Tacoma, and onto Seattle. Today, Sounder South is the most popular route and runs 13 round trips per weekday, along with occasional extra trains for weekend events. At the busiest times, trains carry as many as 1,000 riders each. The Sounder system has average weekday ridership of 16,000, up more than 30% since 2014. Sound South is an extraordinary great value, especially for the riders of Pierce County in cities like Tacoma, Sumner, Puyallup and Auburn who can bypass the punishing congestion that is a daily occurrence on State Route 167, I–405, and I–5.

We are currently in the early planning stages for a mix of investments to expand this service, both by expanding the capacity of the trains themselves and exploring the opportunity to operate a greater frequency of service during more hours of the day. In 2025, we will begin planning to expand Sounder South by 8 miles, with two new stations, including one near Joint Base Lewis-McChord—a major Pierce County employer with surrounding roadway congestion that is worsening each year

The challenges we face in expanding Sounder commuter rail directly relate to the many unique challenges that the commuter rail industry faces.

Unlike the 116-mile light rail system we are building—where we construct new right of way that we own, control, and manage as sole operators—on Sounder we own less than 10% of the tracks, with the majority owned by BNSF and shared with other operators such as Amtrak. We run along BNSF's mainline which also serves the critical employment centers of the Ports of Seattle and Tacoma. Together, they represent the nation's second largest gateway to Asia and fourth largest container port. As partners, we at Sound Transit are invested in the ports' continued growth just as we are invested in minimizing area highway congestion so their truck traffic can move. We have one mainline that must serve these busy Ports, Sound Transit commuter trains, state-funded Amtrak trains, federally funded Amtrak trains, and military rail deliveries to Joint Base Lewis-McChord. We are trying to accomplish a lot with one very busy but constrained segment of track. That is not a unique challenge for commuter railroads but it may be especially acute in our region. It certainly presents challenges when we, the commuter railroad, are trying to maintain the on-time performance for our current trains as well as introduce additional trains into service to meet growing passenger demand.

Commuter rail is an expensive enterprise because of the operating and capital costs inherent in putting the service out each day. On a per-rider basis, our taxpayer subsidy per Sounder passenger is 50% higher than express buses and nearly triple the per-rider subsidy for our light rail passengers. Unlike our light rail system, where we construct new right-of-way we control, with commuter rail we must negotiate for track access with host railroads such as BNSF, paying millions for each track easement. Other factors driving up operating costs include the strong one-way peak demand from regional cities to central cities, which makes labor shifts inefficient to schedule and requires lots of mid-day storage space for trains as they wait for the next rush hour.

That said, the ROI for commuter rail is tremendous for the working families that ride it. Unlike the late 20th-century paradigm where cities were poorer due to divestment and suburbs were wealthy due to urban flight, our region has joined many

others in seeing the reverse: the suburbanization of working class families and the renaissance of wealthy metropolitan cities. Our central cities such as Seattle and Bellevue are booming job centers attracting global talent at companies such as Amazon, Microsoft, Boeing, Facebook, Google, Starbucks and REI. Even though our region has done better than some of our peer regions when it comes to housing production, we still are facing an affordable housing crisis. The average home price is more than $700,000 in Seattle and is nearly $1 million in Bellevue. To the extent that there is affordable housing to be found anywhere in our region, it is to be found in cities like Everett and Tacoma and the cities in East Pierce County that are served by Sounder Commuter Rail. These are outstanding communities in which to raise families. That suburban lifestyle in combination with more affordable housing is why residential growth has been particularly strong in Pierce and Snohomish counties, with growth rates that in recent years have outpaced that of neighboring King County, home to Seattle. That pattern is expected to continue in the future where households are expected to grow in Seattle 27% by 2040, 58% in Everett and 56% in Puyallup.

Without Sounder South, there would be no way a worker in a city such as Puyallup could get to Seattle in under an hour. The State Route 167 corridor Sounder South serves has seen its traffic congestion increase by a staggering 27% recently. Traveling up to 79mph, Sounder South trains reach communities such as Puyallup and Sumner in half the time it takes a car or bus.

The story is similar in Snohomish County to the north. The Everett-Seattle corridor has some of the worst traffic in the country, and Sounder North provides traffic-free access to Seattle from Edmonds, Mukilteo and Everett.

In 2016 our voters committed more than $1 billion to expand Sounder service, lengthen trains, and improve parking, walking and biking access. It is important to note that our region's voters are financing 84% of our overall system expansion, but we rely on federal partnerships to finance the remainder.

As such, we strongly support the expansion of Federal programs that help us meet the demands of our passengers. We serve as project sponsors in the Federal Transit Administration's Capital Investment Grants (CIG) program. We are currently constructing a light rail expansion to Lynnwood in Snohomish County, with 38 percent of the project cost coming from the CIG program. By the end of this year, we are hoping to receive a Full Funding Grant Agreement to extend our light rail network south to the City of Federal Way with 25 percent of the project cost coming from the CIG program. We also look forward to applying in the next few weeks under the Federal Railroad Administration's Consolidated Rail Infrastructure and Safety Improvements (CRISI) program. Our application will seek funds to double track sections of rail in Tacoma to remove chokepoints for Amtrak, Sounder and freight trains including military trains serving Joint Base Lewis-McChord. Going forward, as we expand our Sounder commuter rail service, we are very interested in investigating federal partnership with the FTA's Core Capacity program, perhaps combining our own investments with a combination of FTA Core Capacity funds and an FRA RRIF loan.

Sound Transit has made extensive use of the TIFIA program as we have expanded our transit services throughout the region. We have a sizeable TIFIA loan but no CIG grant funding in our East Link project—a 10-station light rail expansion across Lake Washington connecting the cities of Seattle, Bellevue, and Redmond that opens in 2023. We are also the only recipient to date of a TIFIA Master Credit Agreement (MCA) with the USDOT's Build America Bureau. By grouping four separate TIFIA loans together under this MCA, we have collectively saved our region's taxpayers between $200 and $300 million in borrowing costs. We have closed three of the four loans to date with the final closing expected this December. Two of these loans have been paired with FTA CIG funding to help us meet project costs. We look forward to the day where we might be able to combine FTA Core Capacity funding with either TIFIA or RRIF borrowings to expand Sounder commuter rail services.

The remainder of my testimony goes into further detail about reforms we would recommend as you consider your authorization and funding decisions in the upcoming reauthorization cycle.

One area I would encourage the Committee to pursue is the opportunity for further environmental streamlining to speed the delivery of Federally funded or permitted projects. In the Pacific Northwest, we are intensely focused on the environment, believing it is elemental to both our quality of life and our commercial success. It is, however, a frustration when the federal environmental and permitting process actually slows our ability to get projects delivered that are inherently beneficial to the environment. The sooner we can deliver viable high-capacity transit services to new communities, the sooner we can reduce greenhouse gas emissions along with other pollutants.

I would encourage the Committee to consider approaches that would provide preferences and incentives to expedite approvals for projects that provide such substantial environmental benefits.

Implement One Federal Decision when using two or more funding programs

When commuter railroads seek to combine FTA funds with RRIF loans, the Department of Transportation should create one process that streamlines the approval processes for the two federal decisions. This would be an extension of the "One Federal Decision" policy the Administration is implementing relative to environmental clearance. While separate approvals would still be required for the grant and the loan, the FTA and the Build America Bureau could jointly conduct much of the evaluation of the project in question. This would streamline the process and provide better coordination on the timing of decisions.

Ensure adequate federal agency staffing to reduce processing times

Adequately staffed Federal agencies are essential to the prompt processing of permits, grant or loan funding, and environmental clearances. Having served as the Federal Transit Administrator during the Obama Administration, I am acutely aware of the challenges faced by a very thin staff as they process a very daunting workload. Sound Transit currently pays for additional staff at FTA Region X—who are prohibited from working on Sound Transit projects—as well as additional consultants to the FTA so that the agency has additional capacity to deal with our expanding capital program. While we are proud to partner with the FTA in this way, it is not the kind of solution that can be replicated nationwide. I would strongly encourage the committee to review the staffing levels of the FTA and FRA and authorize funding for increased staffing commensurate with what we find in other grant-making modal Administrations. It is also essential that attention be paid to the staffing levels at the natural resource agencies that are charged with conducting environmental clearances and permits, including the EPA, NOAA, the Army Corps, the Fish and Wildlife Service, the Coast Guard, the National Marine Fisheries Service, the National Parks and the Forest Service. It is not reasonable to think that these agencies can engage in project reviews early and process permits more quickly if their staffing is continually shrinking.

Though costing federal agencies more up front, ensuring adequate staffing will result in net taxpayer savings due to faster project delivery, lower borrowing costs and a shorter inflation time window.

Harmonize RRIF and TIFIA procedures

We believe the FRA's RRIF loan should work more like the DOT's TIFIA loan program. Under TIFIA, the Treasury pays the Credit Risk Premium out of funds appropriated by Congress, so that the borrower does not have to draw on loan proceeds to pay it. The RRIF program, on the other hand, does not have a similar mechanism and borrowers are required to pay the premium up front.

Extend RRIF TOD authority expiring December 4, 2019

RRIF is available to support Transit Oriented Development loans so that transit agencies can support the development of commercial and residential buildings that support the transportation network. That authority will expire on December 4, 2019, before the rest of the FAST Act programs expire. Extending the TOD authority so that it aligns with the rest of the programs in the FAST Act, or eliminating the expiration date altogether, would ensure this authority remains available.

Streamline TIFIA loan compliance procedures

Sound Transit has combined TIFIA loans with CIG funding for light rail extensions included in Sound Transit's TIFIA Master Credit Agreement (MCA). Despite the fact that TIFIA is a loan fully repaid with interest, some TIFIA requirements are more onerous than for CIG grants. For example, TIFIA requires FTA or PMOC review for *all* physical invoices—on $3+ billion projects—which creates substantial workload for the grantee, FTA, and/or PMOC. For TIFIA recipients with low credit risk such as Sound Transit, we ask that drawdowns be able to occur with oversight provided by the annual single audit, FTA triennial review or other existing grant oversight reviews.

Improve CIG Core Capacity definitions

Under current core capacity requirements, commuter rail projects need to show that they will be "at capacity" today or in five years to be eligible. But since the CIG process itself can take five or more years, qualifying projects will be over capacity before beginning construction. Expanding the timeframe from five years to ten

years, for example, could streamline the process and get core capacity projects approved and built faster.

Provide more clarity on FRA's System Safety Rule

FRA's System Safety Rule is an opportunity for commuter railroads to take a holistic safety approach that considers local conditions and takes advantage of the benefits of various engineering, technical, and system management approaches. Commuter rail agencies would benefit from having clearer FRA direction on approval standards for System Safety plans. The absence of clear standards for plans creates a more interactive role for the FRA in plan development, and exposes agencies to risk by creating an iterative approval process where conditions may change unpredictably. Sound Transit welcomes the implementation of the new System Safety rule, but we would ask for more clarity up front on what the FRA will require for approval. Though we are pleased to have met the FRA's deadline for implementation of Positive Train Control (PTC), we have not forgotten the PTC-avoidable Amtrak derailment in 2017 that claimed three lives on tracks owned by Sound Transit. We believe it is more important than ever that we work closely together on shared safety standards.

Expand the use of Categorical Exclusions (CEs) for work on existing transit projects

We believe transit agencies should be able to accelerate project delivery by being empowered to assume the responsibility and risk for approving routine projects under NEPA. State DOTs currently have programmatic CE agreements with FHWA and Section 1318 of MAP–21 sought to expand their application. Unlike state DOTs, local and regional transit agencies have not enjoyed this same flexibility. We believe Congress should authorize a pilot program enabling qualifying transit agencies to enter into programmatic CE agreements with FTA. We also believe that projects that can show an inherent environmental *benefit*, such as reducing greenhouse gases, should benefit from streamlined environmental procedures.

Modernize historic preservation laws

We believe it is time to reconsider how to better harmonize the multiple environmental laws governing similar resources. A prime example is the treatment of historic resources protected by Section 4(f) of the 1966 Transportation Act and Section 106 of the 1966 National Historic Preservation Act. We need not diminish the requirements to consider and mitigate the impacts to our historic resources, but it is worth exploring how we can better harmonize the processes.

Align level boarding standards across agencies

Sound Transit is fully committed to ensuring equal access for our riders with disabilities. We have been endeavoring to implement level boarding at station platforms to comply with regulations. However, BNSF, Amtrak Cascades, long-distance Amtrak trains and Sounder each have distinct rolling stock with a variety of track clearances, precluding a single "level boarding" platform. Although federal guidance suggests ways to accommodate these complexities, there are inherent challenges faced by commuter rail agencies that make achieving true level boarding nearly impossible. Sound Transit requests that regulators work together with us to identify and provide practical options that would help us achieve true level boarding.

Thank you for the opportunity to share our insights as both a commuter rail operating agency and as federal grantee making use of several financing programs. We appreciate the attention you are devoting to these issues and we look forward to working with you to provide the efficient transportation system the American people rightly expect.

Thank you.

Mr. LIPINSKI. Thank you.

And finally, I recognize Ms. Wiggins for 5 minutes.

Ms. WIGGINS. Good afternoon, Chairman Lipinski, Congressman Babin, and members of the subcommittee. Thank you for inviting me to participate on this panel to discuss the challenges and opportunities facing our Nation's commuter railroads. I am Stephanie Wiggins, and I assumed the chief executive officer position at Metrolink in January 2019. Since then I have been focused on how our rail service can help improve the lives of the 21 million people in southern California. A detailed written testimony has been submitted. I would like to highlight a few points.

Metrolink began operating in 1992 with the idea to serve southern California. Today, Metrolink is literally and figuratively connecting southern California communities, and even into the northern portion of San Diego County. This is a vast 538-route-mile network. Last fiscal year, a record 11.9 million trips were taken on Metrolink, the highest in our 26-year history. This is equivalent to removing 9.3 million vehicles from our congested southern California roads. Even more significant, this is the fifth consecutive year we have seen growth in ridership.

Commuter railroads give people more: more freedom, more connections to economic opportunity, and more time. In an era of escalating housing costs around the country, commuter railroads allow Americans to avoid having to choose between where they live and where they work. Riders avoid the stress associated with sitting in traffic for hours each day. We enable them to make a more environmentally friendly decision and to choose an overall healthier lifestyle.

Why is commuter rail important? Southern California is notorious for soul-crushing traffic 24/7, and Metrolink is the alternative. Even half of our staff take it to work every day. My goal is to leverage our recent successes and unlock the great potential of Metrolink to double the ridership in the next 5 years. We want to be the premier regional rail system by the time southern California and the Nation are on the world stage again for the 2028 Olympic and Paralympic Games.

Some 300 passenger and freight trains are dispatched on the Metrolink network every day. That is more than 50,000 trains each year. The freight trains carry the cargo that drives our economy, like shipments to and from the Ports of Los Angeles and Long Beach, which together serve as the entry point for 40 percent of the Nation's goods.

None of this would be possible without ensuring safety is at the core of what we do. Metrolink is proud to be one of the four railroads in the country to have PTC installed and fully interoperable by the congressionally mandated deadline.

To acknowledge and appreciate this milestone, Metrolink hosted a rail safety summit as part of California's Rail Safety Month. We were honored to have National Transportation Safety Board Member Jennifer Homendy as our keynote speaker. Since this week is National Safety Week, I would be remiss if I did not highlight other safety initiatives on which Metrolink has sought to lead the way.

We installed precursor technologies to PTC. We installed inward- and outward-facing cameras on locomotives and cab cars a decade prior to the proposed rules by the FRA. And we designed crash energy management into our newest rolling stock. We will continue to operate with safety as our core value.

Another part of the vision is to have a zero incident railroad for grade crossing and trespasser strikes. The large geographic region serviced by Metrolink includes intercity passenger and freight rail that are all growing. And with 456 at-grade crossings in the network, these are the most common interface points with railroads, and often the most precarious.

And we must also ensure infrastructure is in a state of good repair, and our facilities and customer-facing technologies all provide the type of experience that will keep our customers coming back, and will entice new riders. To do so we need your help. Our State and region have stepped up to provide significant funding for infrastructure over the next decade. To make the best use of these funds we need to leverage Federal dollars.

With that in mind we have the following requests: provide full eligibility to commuter rail for FRA-administered discretionary programs; provide substantially more funding for critical railroad crossing and right-of-way improvements; and include dedicated new funding for commuter rail that does not supplant existing funding sources.

I thank you again for the opportunity to speak to the subcommittee today, and I look forward to today's dialogue.

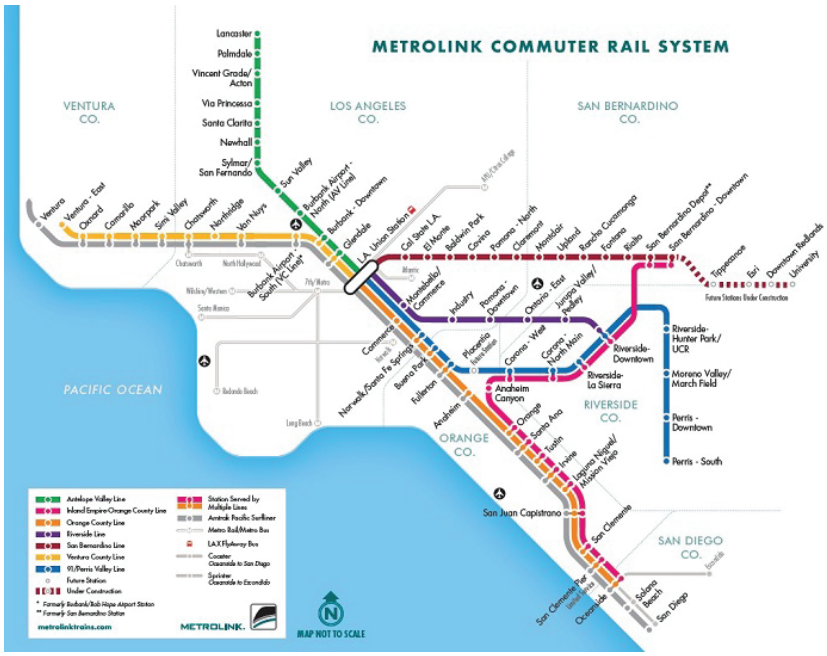
[Ms. Wiggins' prepared statement follows:]

Prepared Statement of Stephanie N. Wiggins, Chief Executive Officer, Southern California Regional Rail Authority (SCRRA)–Metrolink

INTRODUCTION

Thank you Chairman Lipinski, Ranking Member Crawford and Subcommittee Members for the invitation to testify today on the many challenges and opportunities facing our nation's commuter railroads. I appreciate the opportunity to provide Metrolink's perspective as the largest commuter rail operator in California and the third largest in the Country.

My name is Stephanie Wiggins, Chief Executive Officer of Metrolink (Southern California Regional Rail Authority). Metrolink began service in October 1992 with the ideal to serve the Southern California region with safe, efficient, dependable and on-time rail transportation service that offers outstanding customer experience and enhances quality of life. Today, Metrolink—a Joint Powers Authority—governed by an 11-member Board of Directors representing Los Angeles, Orange, Riverside, San Bernardino and Ventura counties, is literally and figuratively connecting Southern California communities. Metrolink's 538 route miles also extend into the northern portion of San Diego County.



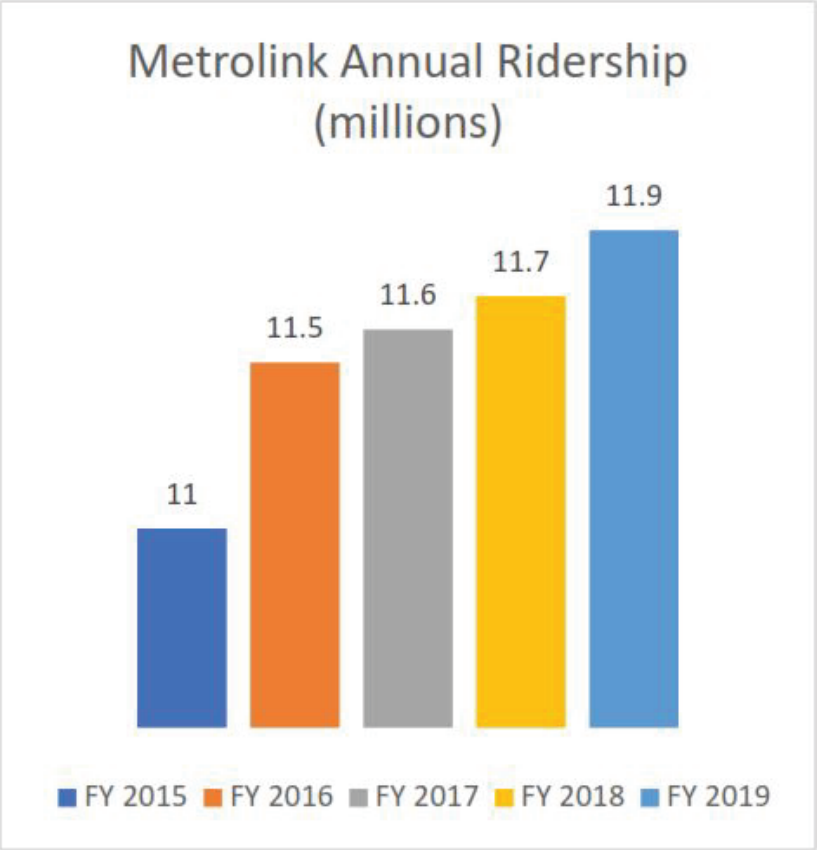
The Metrolink system connects Southern California with a convenient, reliable alternative to increasingly congested roadways.

THE METROLINK SYSTEM

Southern California is a region with some of the most notoriously congested highways in the nation. For those commuting to work, Metrolink provides the freedom to live in almost any portion of the region with the option to hop on one of our trains to get to work. Every day, riders leave their personal vehicles at home and bypass the traffic and unpredictable highway commute in favor of a more relaxing and environmentally conscious ride. We connect multiple commercial markets, along with urban and rural areas, to major job centers all over Southern California—the largest of which is downtown Los Angeles where most of our lines converge at historic Los Angeles Union Station.

The population of the six Southern California counties served by Metrolink is now 21.5 million people, more than half of California's total population. Over the next 15 years, these counties are forecasted to add one million people, while still striving to meet the State's ambitious goals to reduce Greenhouse Gas (GHG) emissions and make housing more affordable to all.

Over the last five years, Metrolink has experienced sustained annual ridership growth, culminating in the highest ridership in our 26-year history for Fiscal Year 2019, which ended on June 30, 2019. The 11.9 million annual riders who chose Metrolink in Fiscal Year 2019 represent a reduction of peak travel volume on parallel highways of up to 28%, as well as annual reductions of 335 million vehicle miles traveled (VMT) and 130,000 metric tons of GHG emissions—the equivalent of 9.3 million fewer car trips.



The Metrolink system is the economic engine of our region. We share more than half of our system with our railroad partners. The Southern California rail system not only carries an average of 173 Metrolink commuter trains per day, but also up to 30 daily Amtrak intercity trains on the San Luis Obispo-Los Angeles-San Diego (LOSSAN) Corridor, as well as hundreds of Union Pacific Railroad (UPRR) and Burlington-Northern Santa Fe (BNSF) Class I freight trains. UPRR and BNSF are hauling freight along these nationally significant corridors from the ports of Los Angeles and Long Beach, the nation's largest cargo gateway.

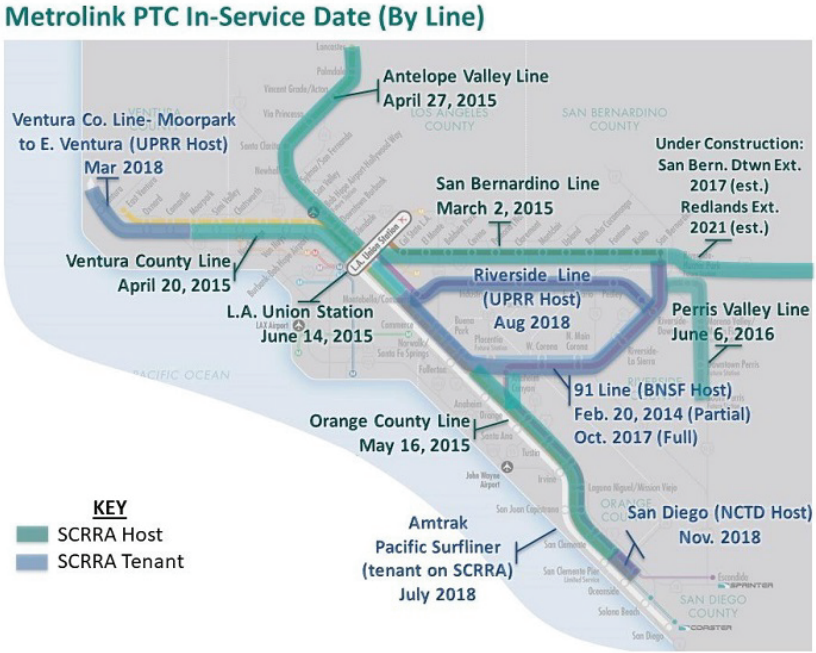
SAFETY

September 22 through 28 marks National Rail Safety Week. Therefore, it is timely to emphasize that safety is a foundational value at Metrolink, and we are proud to lead the nation in the innovation, collaboration, piloting and implementation of critical safety technologies—as well as providing thought leadership and studying lessons learned related to safety. Just two weeks ago, in support of Rail Safety Month in California, Metrolink hosted a national Rail Safety Summit to spur discussion and collaboration around improving rail safety across the region. The event featured a keynote by National Transportation Safety Board (NTSB) Member Jennifer Homendy, as well as discussions where panelists shared perspectives on ways to solve critical safety issues including evolving safety technologies, trespasser strikes, and the role of mental health and homelessness in the rise of fatal incidents across our region. Ultimately, the summit galvanized attendees to find creative solutions that will help our industry pursue a zero-incident future.

Metrolink was the first commuter rail operator in the nation to bring Positive Train Control (PTC) technology online. PTC is a GPS-based safety technology that

can stop a train and prevent train-to-train collisions, over-speed derailments and unauthorized train movement. This technology ensures the safety of our passengers and employees by acting as a safeguard against human errors and other potential hazards. Since 2009, Metrolink has committed approximately $250 million to develop and install PTC and advanced train control systems. Our agency has always been committed to the timely deployment of PTC. We have worked collaboratively with stakeholders, operators and regulatory agencies as an incubator for best practices and industry standards.

Our systems are now interoperable with PTC on all host and tenant tracks with UPRR, BNSF and Amtrak. Metrolink continues to advance safety through projects like nearside crossing technology that can minimize the impacts to vehicular traffic at crossings that are adjacent to train stations. The technology keeps the gates from activating while the train is in the station until it is ready to depart and proceed through the crossing. This reduces the gate down times that impact cross-traffic and can lead to driver frustration and attempts to beat or go around the crossing gates.



As these technologies continue to evolve, there will continue to be new operations and maintenance costs associated with PTC technology. Our agency continues to budget between $8–$10 million annually for recurring costs associated with PTC. This commitment equates to an approximate 7.5% increase in Metrolink's total operations budget. In addition, we anticipate an additional $50 million is necessary over the next 10 years for the continued evolution of the PTC system. Safety is a core value you cannot put a price tag on. Nevertheless, for Metrolink to continuously build upon its successes, we will need the support of the federal government by making the waiver for technology applications under the Consolidated Rail Infrastructure and Safety Improvement (CRISI) Program permanent, as an example.

PTC is just one part of the safety platform at Metrolink. We have gone beyond PTC to include additional technologies as part of Metrolink's commitment to the safety of our passengers, employees and the traveling public. These technologies include:

Automatic Train Stop (ATS)

Prior to the instillation of PTC, Metrolink implemented ATS technology. In 2009, we expanded the use of ATS and have since kept the system as a redundant safety backstop during the installation of PTC. ATS includes magnetic inductors that are placed next to the track at locations where the train is approaching a curve or speed

change. The ATS system includes an audible alarm and flashing alert on the engineer's control panel. The train brakes are then automatically applied if the engineer does not push a button acknowledging the alert within approximately eight seconds. Now that PTC has been installed, the older ATS technology will ultimately be phased out.

Inward and Outward Facing Cameras

In 2009, Metrolink installed inward and outward facing cameras in all locomotives and cab cars. The observation of the operator and the right-of-way provides an additional layer of safety for our crews and passengers. This technology is recommended by the NTSB and was deployed a decade before the Federal Railroad Administration (FRA) published proposed rules. Today, all 62 locomotives and 73 cab cars have inward and outward facing cameras on board.

Crash Energy Management (CEM) Technology

In 2010, Metrolink became the first passenger train service in the nation to debut the next generation of cab and passenger rail cars equipped with CEM technology. This safety feature is included in 117 of our passenger cars. CEM technology provides a unique collision-absorption function with redesigned seats and work tables and advanced crumble zones at each end of the cars. This technology is analogous to the crumple zones found in private automobiles meant to dissipate the energy from a crash before the driver feels it.

Automated External Defibrillators (AEDs)

In February 2019, Metrolink installed AEDs on all train cars, a critical safety resource to help those experiencing sudden cardiac arrest. The medical device can analyze the heart's rhythm and, if necessary, deliver an electronic shock, or defibrillation, to help the heart re-establish an effective rhythm. This technology provides a critical resource to passengers and train crews, just like they do to airports, sports venues and many workplaces around the country. Metrolink began the installation of AEDs prior to the introduction of state legislation requiring them and completed the installations more than a year ahead of a July 2020 deadline.

Surveillance Detection System

Metrolink piloted a real time video software to monitor rail rights-of-way and detect pedestrians entering sensitive areas. We have tested the technology along the perimeter and entrance of our Central Maintenance Facility (CMF). The pilot allowed for an improved monitoring and response for unauthorized access into a determined area. We continue to test and refine the technology, which we intend to expand along the rights-of-way to provide notification to Metrolink's Security Operations Center (SOC) and Dispatch Operations Center (DOC) to stop train movement or reduce speeds in an area to reduce the risk and allow the opportunity to remove an individual.

OPPORTUNITIES & CHALLENGES

Our region provides many opportunities to further the successes experienced by commuter rail operators across the country. Southern California relies on commuter rail to provide a convenient, viable alternative to driving severely congested roadways. In fact, Metrolink just recorded its highest ridership ever in its 26-year history—11.9 million boardings. This record is also supported by five years of consecutive ridership increases on the Metrolink system. But it's more than that. We know that taking public transit contributes to our riders' physical health and overall better quality of life. According to the American Heart Association, taking public transportation results in people walking more, which contributes to cardiovascular health. In recognition of our complementary missions, Metrolink and the American Heart Association have started a new partnership that can better inform new audiences about the benefits and virtues Metrolink has to offer.

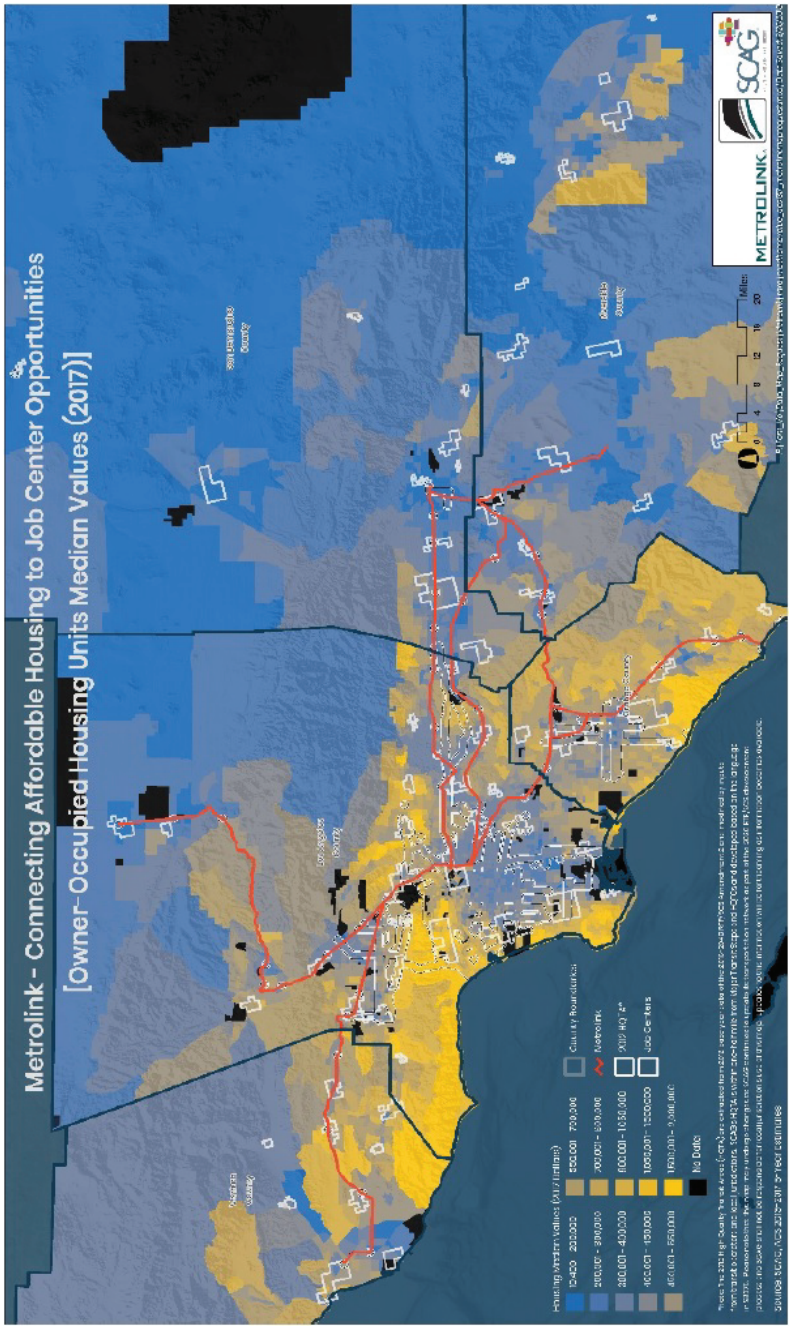
What we do is important to the overall health of Southern California residents. According to the American Association of Retired Persons (AARP), it is projected that 8.7 million Americans will be age 85 or older by 2030, and a substantial portion of them will no longer drive. Plus, as more millennials between the age of 20 and 37 express a willingness to take public transportation, despite having access to a car, Metrolink provides a vital transportation alternative for our region. 60% of Metrolink riders travel across county lines. More than 85% of our riders own a car, and their average ride is 36 miles long.

My customer-focused vision for the future is to double ridership in the next five years and to provide service no less than every 30 minutes throughout the day. We will do this by tapping into the peoples' desires to leave their personal vehicles at

home most of the time, be environmentally conscious, and by removing key barriers like infrequent or nonexistent mid-day service that can leave people feeling stranded.

Metrolink is also a leader in the zero-emission future of rail transportation as Southern California sets aggressive targets to reduce mobile source emissions. The United States Environmental Protection Agency (EPA) has set standards for railway locomotive emissions that are designated by a tiered status, with Tier 4 being the highest achieved indicating the greatest reduction in pollutant emissions. Metrolink has received more than half of its purchased Tier 4 locomotives, the remainder of which are scheduled to be delivered by summer 2020. These locomotives reduce emissions between 65% and 85% compared to legacy Tier 2 and Tier 0 locomotives. Metrolink was the first commuter rail operator in the State of California to deploy this technology. As part of a recent state grant award, Metrolink is now embarking on a fleet modernization study to further research opportunities accelerate deployment of a zero-emission operations strategy.

We are at an important juncture for the future of commuter rail, which provides such a critical alternative to suffering through crushing traffic in our personal automobiles to connect us to each other, affordable housing to jobs, and to leisure travel opportunities as illustrated in the map below. As the House of Representative Transportation and Infrastructure (T&I) Committee considers future funding opportunities—either through a surface transportation authorization bill, formula funds or discretionary grant opportunities, we respectfully request that the following policy recommendations be considered.



(Source: Southern California Association of Governments)

Surface Transportation Authorization Bill

The Fixing America's Surface Transportation (FAST) Act authorizes transit programs through September 30, 2020. The reauthorization process provides an opportunity to provide new, long-term dedicated revenues to significantly increase commuter rail investments.

The Consolidated Rail Infrastructure and Safety Improvement (CRISI) Program

The CRISI Program was authorized in the FAST Act in 2015. The program consolidated five existing FRA funding programs into one safety and infrastructure funding source. Despite being regulated by the FRA, there are provisions within the CRISI Program that limit project eligibility to corridors that provide intercity rail service. With this provision, only half of the Metrolink system qualifies to receive program funding.

The Metrolink system is critically important to maintaining national economic competitiveness. Our proximity to the ports of Los Angeles, Long Beach, Hueneme and San Diego contribute to over 62 million metric tons of freight shipments carried over shared tracks annually. To ensure the safety and resilience of rail corridors for passenger and freight service, we request that Congress consider including full eligibility for commuter rail to be a qualified applicant for capital projects. We also request that the current waiver for technology applications be made permanent for further PTC developments.

Railroad Crossing Improvement Funding

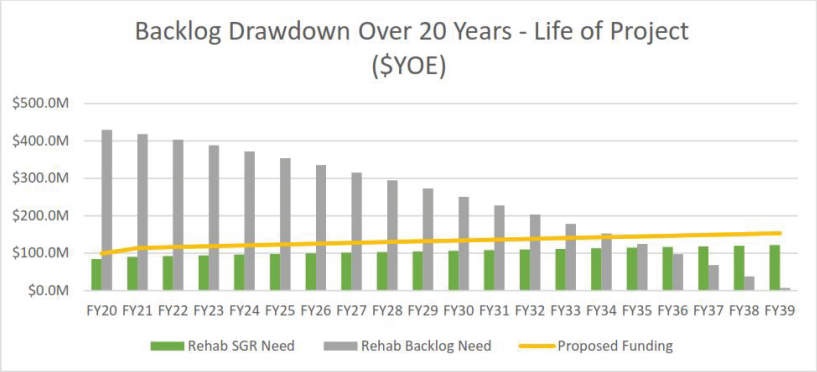
The Federal Highway Administration (FHWA) Railway-Highway Crossings (Section 130) Program provides funds to mitigate hazards at railway-highway crossings. According to the FRA, in 2017, there were 274 fatalities across the U.S and 38 deaths and 57 injuries in the State of California related to railway-highway crossings. Across urban and rural centers, the Metrolink service area includes 456 at-grade crossings. The large geographic region serviced by Metrolink includes intercity passenger and freight services that are all growing. Unfortunately, existing Section 130 funding does not meet national demand. These are the most common interface points with railroads, and often the most precarious. More funding is needed here for us to realize our continuous safety improvements that drive us to minimize risk and move towards a zero-incident future.

There are further opportunities for commuter rail operators to incorporate innovative technologies into crossings. We encourage the FRA to consider support for new pilot programs and technologies that could revolutionize railroad crossing infrastructure. Metrolink is already leading the industry in crossing design standards with active pedestrian gates and vehicular and pedestrian channelization. We appreciate the opportunity to discuss new and emerging technologies. The passenger and freight service supported by railroad crossings are simply too important not to invest in.

Without additional resources to reinforce Metrolink's 538 route miles of track, our system also remains vulnerable for trespassing. Metrolink has partnered with Operation Lifesaver to implement best practices to encourage safe behavior around the right-of-way through engineering, enforcement and education to deter trespassing. The FRA recently submitted a report to Congress on a national strategy to prevent trespassing on railroad property. We support the FRA's approach, which includes identifying new funding for trespasser mitigation.

State of Good Repair

In an environment of limited resources, the focus on installation of PTC meant an increase in the state of good repair backlog. When compounded with constrained funding, Metrolink's maintenance and rehabilitation program includes a $444 million backlog of unfunded state-of-good-repair projects. These projects put Metrolink service at risk of delays and reduced speeds to ensure the safety of our operations. Our system requires $85 million annually in funding to maintain current rehabilitation conditions. Metrolink receives approximately $50–$60 million annually for maintenance and rehabilitation projects, which is below the funding amount to maintain current conditions. We require approximately $100 million annually in Fiscal Year 2020 to draw down the backlog over 20 years.



Deferred maintenance can also have cascading impacts on delays for Metrolink, Amtrak and freight trains operating in the Southern California region. Conditions of rolling stock, equipment, track, signals and structures all impact our on-time performance. In FY 2019, track and signal related maintenance resulted in approximately 702 Metrolink trains impacted by delays averaging 13 minutes, resulting in over 9,000 minutes in delays systemwide. Nevertheless, we have still realized improvements in on-time performance through better operating approaches. To keep this up, we must be able to address the backlog more quickly.

For example, a tunnel on our Antelope Valley Line (AVL) support Metrolink and freight service through north Los Angeles County. Each weekday, 30 Metrolink AVL trains and five UPRR freight trains enter the tunnel between Newhall Station and Sylmar/San Fernando Stations. The tunnel has 4,300 wood ties and 69 pumps that remove water that is continually seeping into the tunnel, even in dry weather. The tunnel was originally built in 1876, reinforced with a concrete liner in 1924 and received some improvements in the mid-1990s after the Northridge Earthquake. The tunnel recently received maintenance in 2015 and 2018; however, the maintenance performed was temporary and designed to keep this asset in service until a more permanent solution could be funded. A $12 million rehabilitation project in the tunnel would avoid nearly $58 million in life-cycle costs associated with additional inspection, emergency repairs and temporary fixes, as well as slow orders and bus bridges. Delays associated with the deferred maintenance are expected to cause a loss of 265,954 riders per year on the AVL, approximately 16% of the line's total annual ridership—more than 1.8 million in Fiscal Year 2019.

Constrained Funding

There are not enough resources to maintain a state of good repair and provide the necessary capacity projects to improve service. Metrolink is primarily funded through fare revenue, grants and JPA member agency subsidies. Our infrastructure needs further improvements and investments to meet regional demand for Metrolink service.

Metrolink is working to leverage state and local grant programs to secure federal funding through programs like the US DOT Core Capacity, Infrastructure for Rebuilding America (INFRA) and Better Utilizing Investments to Leverage Development (BUILD) discretionary grant programs. We already have secured approximately $2 billion in state and local funding to deliver our Southern California Optimized Rail Expansion (SCORE) Program, which is a 10-year plan to improve railroad safety, efficiency, reliability and enable more railroad service throughout the Southern California region in time for the 2028 Olympic and Paralympic Games. According to Los Angeles County Economic Development Corporation analysis, the SCORE Program is expected to generate over 1.4 million jobs throughout the region and add $684 billion to Southern California's regional gross product through 2050, defined as all finished goods and services produced in the region as a result of the SCORE Program. With additional federal funding, we believe Southern California can even unlock private investment in at least one of its key corridors over the course of the next decade.

CONCLUSION

In my role as Chief Executive Officer, I am committed to delivering the transportation service of choice. Safety is our foundational value from which we will always build. With improved customer service and increased frequency and reliability, commuter rail will become an even more viable alternative to our nation's most congested roadways. The future for our region—and the health of its population—depend on an integrated transportation system that connects all modes across Southern California, especially all rail and transit modes in a seamless system to the customer. This transportation renaissance begins with commuter rail. We are modernizing our business practices and delivering services for future generations.

To achieve the vision for improved commuter rail service across the country, we respectfully request that the following policies be considered:

1. Provide full eligibility to the CRISI Program for commuter rail as a qualified applicant;
2. Provide substantially more funding for critical railroad crossing and right-of-way improvements to deter trespassing and reduce railroad crossing incidents to keep people safe;
3. Include dedicated new funding for commuter rail in the surface transportation authorization bill that does not supplant existing funding sources.

Chairman Lipinski, Ranking Member Crawford and Subcommittee Members, thank you for the opportunity to testify before you today. I look forward to working with you as we deliver on the vision of transformative commuter rail service across the nation.

Mr. LIPINSKI. Thank you, Ms. Wiggins. Now I am going to recognize Members for 5 minutes of question time, and I am going to begin by recognizing Mr. García for 5 minutes.

Mr. García?

Mr. GARCÍA. Thank you, Mr. Chairman and Ranking Member Crawford, for hosting this hearing on the challenges our commuter rail systems are facing. I especially want to thank, of course, Mr. Jim Derwinski, CEO of Metra in Illinois, the largest commuter rail system in the U.S. That is no small job, and I am thankful that you could join us today. And I want to thank all the panelists, of course.

Jim was so kind as to take 2 hours of his busy day this past March to personally give my staff and I a tour of a major metro locomotive rehabilitation facility. So I thank you for your leadership, Jim.

My district hugs the Chicago downtown area. It serves as that sweet spot served by both the CTA train system and by the Metra system. In fact, there are at least five major commuter rail lines that run through my district, the Fourth Congressional District, about 15 Metra stations. The BNSF to Aurora, Union Pacific Northwest to McHenry, Milwaukee District North to Fox Lake, North Central Service to Antioch, and Union Pacific West to Elburn. These lines run through the communities of Cicero, Berwyn, Riverside, Brookfield, Berkeley, Melrose Park, Elmwood Park, and the Northwest Side of Chicago, including Logan Square and Humboldt Park, all of which I represent.

As Chairman Lipinski and Metra CEO Jim Derwinski noted, commuter rail is an essential component of what makes Chicago run, by connecting people to jobs and taking cars off the congested roads.

But Metra and our commuter rail systems face significant challenges. Ridership has gone up 23 percent since the year 2000, yet, as I understand it, commuter rail systems continue to face significant restraints on growth, and continue to struggle with uncertain

and inadequate funding streams. So I would like to ask some questions.

Mr. Derwinski, we have challenges relating to affordable housing and urban sprawl in Chicago. Smart planning and transit-oriented development are vital to ensuring that we are building diverse, affordable, and inclusive communities, and that Metra plays a key role in connecting our communities to jobs and educational opportunities.

So my question is how can Congress support Metra and commuter railroads in the upcoming FAST Act reauthorization, especially in regards to helping urban areas plan sustainable communities?

Mr. DERWINSKI. Thank you for that question, Congressman.

Clearly, as all of my colleagues have pointed out today, commuter rail plays an integral part of all communities that they serve. As Congress looks toward the reauthorization of the FAST Act, increased dedicated funding to commuter is exactly what is needed.

I believe we can show, on a normal basis, that the return on investment is immense. Where we go, the community really grows. You talk about the transit-oriented developments, they are occurring all over the place, and a lot of them are occurring naturally. It is just building around the train station, and that is what people want to be able to do. They want to live where they want to live, but they know where they have to work. And the commuter is that one way to get there.

As other colleagues talk about, congestion on the west coast is horrible, it is no different than in Chicago. It may just not last 24 hours. So I think increased funding is what we need.

Mr. GARCÍA. And does a dedicated funding stream or expanded eligibility for existing discretionary grants have a role in the solution?

Mr. DERWINSKI. Absolutely. We definitely need that type of—the competitive system right now doesn't really work for us because, as we have grown from 1 publicly funded commuter rail to now 32, there is such a big demand out there, and the competitive system doesn't work. We need some dedicated funding.

Mr. GARCÍA. OK. Let's talk about safety, briefly. I know both commuter and freight have diligently worked to implement Positive Train Control, PTC, by the 2020 deadline. I share the views of my counterpart in the Senate, Ranking Member Duckworth, that PTC is not implemented until every stakeholder is fully implemented, interoperability being the key.

On July 31st, a few weeks ago, you testified before the Senate about the ongoing financial and technological challenges of completing interoperability in major urban areas like Chicago. Can you comment on any ongoing challenges there have been with technology companies working on interoperability like Wabtec, and implementing the full PTC?

Mr. DERWINSKI. Yes, I can. And I thank the Senate for inviting me to testify there. As I checked on PTC status even this week, I have heard—and I will use their terms—there is an army of people from Wabtec right now currently serving Chicago. So the message got through to Wabtec, they are certainly helping.

But the challenges for interoperability are still in front of us. As we begin testing with all the 13 railroads, we are going to have to test within Chicago. It is time, and it is eventually sometimes those software patches. But currently, right now, Wabtec has increased their manpower in Chicago, and it is really trying to help us.

Mr. GARCÍA. Thank you very much, Mr. Chairman. Thank you, I yield back.

Mr. LIPINSKI. Thank you. I recognize Mr. Babin for 5 minutes.

Dr. BABIN. Thank you, Mr. Chairman. And we appreciate the witnesses coming today. Thank you all for being here.

A question for all of you. In the implementation process of the Positive Train Control mandate, have you experienced or do you see concerns with interoperability?

We will go to you first, Mr. Skoutelas.

Mr. SKOUTELAS. Sure, thank you. Yes, indeed. As we have had our many meetings and technical workshops over the past couple of years, there is no doubt that the complexity of installing Positive Train Control really comes down to the final stages, which means the interoperability between the railroads and how they operate their various systems. They need to be able to talk to one another. And that is where you are putting together different systems, different technologies, and protocols that need to be adapted.

So it has been one of the challenges that our commuter rail agencies have faced. They are working through it. There is great progress being made, but there is no question it remains a challenge as they look to complete this by the 2020 deadline.

Dr. BABIN. Thank you very much. And Mr. Derwinski?

Mr. DERWINSKI. Yes, in Chicago here Metra is not yet interoperable with any of its freight partners. However, next month, October, we will be testing with five of those railroads, and we have plans to finish up those five railroads by the end of the year, beginning to work with the other railroads in the beginning of the year.

The good news is that the technologies that we are using and the software we are using were already developed and refined in L.A., and so we believe that there will just be some refinements in Chicago.

Dr. BABIN. OK, thank you. Mr. Rogoff?

Mr. ROGOFF. I would just add we at Sound Transit were up and running fully on PTC in October of 2018, ahead of the 2019 deadline. But we had multiple railroads, obviously, as I said earlier, running on one main line, and not everyone was at the same level of development. So Amtrak was progressing on at one pace, BNSF and we and, for that matter, Tacoma Rail, was progressing on another.

So I will say this. I think Administrator Batory at the FRA did a good job as we were approaching that deadline of convening all the commuter railroads and having us not suffer in silence as we were all trying to figure out these implementation challenges, but actually learning from each other on what the industrywide challenges were, and helping us work through those.

But that is going to be one of the challenges, is when you put a mandate of multiple railroads sharing the same track, getting them all to progress at precisely the same pace, it just doesn't always come together.

Dr. BABIN. And then Ms. Wiggins, real quickly, if you don't mind.

Ms. WIGGINS. Yes. It was very complex and difficult, but interoperability was achieved, principally because our Class I partners, BNSF and UP, along with Amtrak and Coaster, we all got in a room together and figured it out.

Dr. BABIN. Excellent. Thank you. Many commuter agencies across the country now contract for services, including operations and maintenance. Certainly Amtrak is one competitor, but there are many others.

And what are your thoughts on both your current experience working with contractors, and the future of competition between private providers in the commuter arena?

Mr. Skoutelas?

Mr. SKOUTELAS. Well, what we find in the commuter rail arena—but we also find it in other modes of transit, as well, particularly on the bus side, but even light rail—there is a mix.

Certainly our agencies, I believe, are really looking at what makes the most sense for their local circumstances, the requirements that they have to operate. But we have seen with many of the new commuter rail lines that have opened up in the past decade, they are privately contracted by choice by the agencies. And I think that is the right approach. In every circumstance, not one solution or approach is going to be the correct one. It has to be adaptable to what makes sense, locally. And that is what we are seeing, really, in our experience, in looking at the agencies and how they are approaching this issue.

Dr. BABIN. And one more question for you, if you don't mind, sir. How would you balance the funding needs of our highway network with the needs of commuter agencies?

Mr. SKOUTELAS. Well, we have a very robust and comprehensive authorization proposal that our association has been working on for the past 18 months. We think it is critically important that the issue of the Highway Trust Fund solvency be addressed. Obviously, the FAST Act expires at the end of September of next year.

Dr. BABIN. Right.

Mr. SKOUTELAS. We have a detailed set of proposals that move forward with the highway mode, because we think it is important to address surface transportation together, not separately. And so our proposal moves in that fashion.

We are part of a unified approach that our coalition partners, including AASHTO and ARTBA and the U.S. Chamber, all support, and that is, for our purposes, increasing the gasoline tax in the medium term. That would raise more money not only for highways, but for public transit, as well. And we have other proposals, as well, that go into the fine details of how we would accomplish that, and we would be happy to share that detail with this committee at any time.

Dr. BABIN. Right. And I have run out of time, Mr. Chairman, so I yield back. Thank you.

Mr. LIPINSKI. Thank you. The Chair will now recognize Mrs. Napolitano for 5 minutes.

Mrs. NAPOLITANO. Thank you, Mr. Chair, for holding this important meeting. And I welcome Ms. Stephanie Wiggins, the new CEO of Metrolink to testify, and I am glad to see you.

It is a major transportation provider for residents and business in my district. It has two routes, San Bernardino–Riverside, four stations, and I am very pleased the board appointed Ms. Wiggins last December as the new CEO. She has a long track record of effective transportation leadership in southern California, having worked three out of the five of the Metrolink member agencies, including San Bernardino County Transportation Authority, Riverside County Transportation Commission, and most recently deputy CEO at L.A. County Metro. We need more women in transportation, ma'am.

I read your testimony with much interest, and you briefly discuss innovative technologies in grade crossing safety, and request that Congress and FRA support such programs. I am concerned with the suicides and pedestrian accidents on the railroad, and also the homeless situation in the area. Could you expand a little on that?

Ms. WIGGINS. Sure. One of the challenges of operating a system that covers over 500 route-miles is that we also have over 400 at-grade crossings in the network. And it is not just Metrolink operating, as I shared in my testimony. We have the freight railroads operating, Amtrak operating, so it is 300 trains a day. And we are operating through communities. This issue of trespasser strikes and grade crossing conflicts is of deep concern to all of us in the industry. It was reiterated by FRA's report just last fall.

While every area is unique, geographically, we have been challenged with homeless encampments in some of our rail right-of-way that have contributed to trespasser strikes, and generally, I think all of us would attest to just pedestrian distraction. Right?

So we are working, looking at innovative technologies, we are working with Operation Lifesaver. We are working with the vendor community to come up with different ways to help educate people to stay off the tracks, but also looking at engineering and law enforcement resources.

Inevitably, though, it goes down to what the FRA report highlighted. There is not enough funding to address the needs. And we are just 456. I am sure my colleagues can talk about more, but we know that grade separations make a difference, and additional Federal funding would be needed.

Mrs. NAPOLITANO. Well, I know the quad gates were rather expensive, because I know several of my cities wanted to put them in, and they shuddered when they saw the price on them.

The Operation Lifesaver, is it still volunteer?

Ms. WIGGINS. I am sorry, Congresswoman, I didn't hear the question.

Mrs. NAPOLITANO. Operation Lifesaver. The Operation Lifesaver, is it still a volunteer operation for employees?

Ms. WIGGINS. Yes, it is.

Mrs. NAPOLITANO. And is there any funding for that, so they can get more information out to the general public?

Ms. WIGGINS. We would appreciate and support additional funding for Operation Lifesaver. We were fortunate to just receive a grant, again, to help with education and outreach on railroads—crossing safety. But yes, Operation Lifesaver is a voluntary nonprofit organization that seeks to partner with railroads across the country for safety.

Mrs. NAPOLITANO. Well, those are very important things in my area. The other area that our region both benefits from and is burdened by is the private and public railroad sharing the same rail lines. What is the current state of your relationship with the freight railroads?

Ms. WIGGINS. We are fortunate in southern California to have a positive relationship with the freight railroads. Forty-eight percent of our network is made possible because we share the corridor with the Class I railroads.

While just as with any family, there can be challenges at times, the opportunities are we are able to add more frequency of service, we are able to, when our goals align, advocate for additional funding, both at the State level and the local level.

Mrs. NAPOLITANO. Well, you have increased ridership. Will that interfere with the railroads doing their job?

Ms. WIGGINS. I think the challenge is that we are all trying to grow. But I am fortunate that our railroad partners, particularly, right now, BNSF and Metrolink, are talking about how we can jointly grow and not conflict with each other. Fundamentally, that means identifying the capital projects that are needed and the Federal funding that is needed to help support them.

Mrs. NAPOLITANO. Well, congratulations on getting the work done on the Positive Train Control. That is very important. I think we did an extension. I don't think we are going to do another one.

Thank you very much, Mr. Chair.

Ms. WIGGINS. Thank you.

Mr. LIPINSKI. The Chair will now recognize Mr. Weber for 5 minutes.

Mr. WEBER. Is that all? Thank you, Mr. Chair.

I came in a little late, so I missed some of the first part of your presentation. But I do have some questions. I want to follow up on Brian Babin's question about working with freight trains.

I think, Mr. Rogoff, you answered it, but I don't think everybody else answered that. Or did I miss that?

Let's start with you, Mr. Skoutelas. Are you all seeing a lot of cooperation between the freight and the passenger trains?

Mr. SKOUTELAS. We are. We are seeing a great deal of cooperation. Let's understand that, obviously, they are competing interests. On the one hand, the freights need to move goods and make their revenue targets and such. Our railroads need to move passengers. And therein lies the challenge that we have.

But I think, if you heard from my colleagues here, there is a great deal of cooperation that goes on day-to-day to make sure that we are doing the very best from the passenger railroad side to be able to get the time that we need and the trackage to operate the service.

Certainly in the best of ideal worlds, I think everybody here would probably say, "If I had my own dedicated right-of-way, my own track, we would be better off." But that is not——

Mr. WEBER. How about a two-way highway? Would that be better? Two tracks on the same path, you know, where you had, like, cars. We had one going this way, and one coming back. That would require an expanded right-of-way, obviously. But, boy, that would be ideal, wouldn't it?

Mr. SKOUTELAS. Sure, in some instances that might be possible, given the right-of-way and others. It is not, because of the limitations of geometry and the land that you have available to it.

But I think, again, our experiences in working very closely with our commuter rail agencies, is they do an incredible job of balancing those needs and making sure that they are doing their very, very best they can to deliver——

Mr. WEBER. Thank you. I am going to jump down to Ms. Wiggins. I am going to go out of turn here.

I was fascinated. You said that southern California is notorious for soul-crushing traffic. Is that what you said?

Ms. WIGGINS. Yes, sir.

Mr. WEBER. Not soul-crashing, but soul-crushing traffic?

Ms. WIGGINS. That is correct.

Mr. WEBER. OK, 456 at-grade crossings in the network. Is your only partner—you said you have been partners—41 percent of the railroad is shared, and then you mentioned BNSF. Is that the only rail line that is there?

Ms. WIGGINS. No. Thank you for allowing me to clarify. It is BNSF, but also Union Pacific Railroad.

Mr. WEBER. Just those two?

Ms. WIGGINS. Yes, those two.

Mr. WEBER. Do you know what percentage of those?

Ms. WIGGINS. Not offhand, but I can get you the information.

Mr. WEBER. OK. I am getting—my expert over here is saying major percentage.

[Laughter.]

Mr. WEBER. So thank you for that, Mrs. Napolitano.

Mr. Derwinski—is that how you say that?

Mr. DERWINSKI. Yes, sir.

Mr. WEBER. You said you didn't have a lot of freight interoperability, if I remember your comments. Is that correct?

Mr. DERWINSKI. Oh, as far as the PTC interoperability.

Mr. WEBER. Right.

Mr. DERWINSKI. We are working with the freights right now to start that process next month.

Mr. WEBER. Do you have a date?

Mr. DERWINSKI. Next month we intend to start five of the railroads that we are going to be interoperable with, and be finished with that interoperability testing by the end of this year.

Mr. WEBER. By the end of—the testing by the end of this year, but how about operability?

Mr. DERWINSKI. Well, and then that—after you finish the testing, then you are certified interoperable. Yes.

Mr. WEBER. OK. All right. Well, thank you for that.

Let me go to Ms.—stay with you for a minute, Mr. Derwinski. You referenced the 2016 GAO report on Amtrak's implementation of PRIIA. Have you noticed an improvement in that accounting transparency since enactment of the FAST Act?

Mr. DERWINSKI. Not really. We have been, obviously, working with Amtrak on negotiations at Chicago Union Station, and transparency has been one of the key topics. We just want to do for the Illinois taxpayers the right thing, and it is just making sure we are paying the bills we should pay.

Mr. WEBER. Well, you have the camera and the microphone right now. So what recommendations do you have to improve Amtrak's accounting?

Mr. DERWINSKI. Well, I would say, once again, the GAO report had recommendations. I would ask this committee to help Amtrak enforce those recommendations for transparency.

Mr. WEBER. None that you care to highlight?

Mr. DERWINSKI. Specifically, just once again——

Mr. WEBER. Just what is in the report? OK.

Mr. DERWINSKI. Sir, I think the big thing is, when we talk with Amtrak, there are line items that have a lot of vagueness in it. And then, when you question into those line items without getting very specific, you find out maybe there are bills from other parts of the country.

Mr. WEBER. OK, fair enough. I want to jump over to Mr. Rogoff now, if I may.

Given your experience in the administration, both at FTA and OST, can you explain the benefits of streamlining project delivery? What are some of the areas you would recommend for further streamlining?

Mr. ROGOFF. Well, I thank you for the question. I have, like I said, 10 specific recommendations in my testimony.

But I think, as a transit provider, one of the frustrations we have is our expanded service, by definition, is environmentally beneficial. So it can be a frustration when the "environmental process" is the thing that slows us down, and I think it is—it would be worth——

Mr. WEBER. It is kind of an antithesis, isn't it?

Mr. ROGOFF. A little bit. But, you know, part of that is just about consulting with communities, and we want to consult fully with communities.

But there are some things, you know, that we are putting in there. We have got two different requirements, for example, on how we comply with looking out for historic preservation, one under section 106, one under 4(f). Surely those can be harmonized.

I think one of the important things I noted in my testimony is there seems to be a drive in Congress to get agencies to act more quickly on environmental permits, and we agree with that. At the same time, the staff ranks of those agencies have been allowed to diminish. And I am not sure it is reasonable to think that we can get faster action out of agencies—I used to head one of these agencies—and still expect them to be able to do it with smaller and smaller staffs.

So I think there really should be some ground-up looking at do they have the staffing complement they need to engage with us early, and issue permits early.

Mr. WEBER. OK, thank you for that. I am out of time.

I appreciate you, Mr. Chairman. I yield back.

Mr. LIPINSKI. Thank you. I will now recognize myself. I am recognizing myself for 10 minutes to start a second round, the second 5 minutes. So if I can do that, I will do that. Or else we will see what the transcript says. I wanted to make sure my colleagues had a chance to ask questions, and a lot of good questions there.

I sort of feel like I have—I go through this a lot, and I have gone through this with Mr. Derwinski and others at Metra. I talked about the BNSF line that I will take when I am going into downtown Chicago. Here are a few of the things that have happened in the last couple of years that have caused major disruptions: a train derailed coming out of the yard, blocking multiple tracks at Union Station; a computer problem, which we won't get into, that Amtrak—mistake caused, that shut down all signals for 3 rush hours; a freight train dragging utility poles across the tracks, and blocking the tracks.

That is just a few of the things that have caused major disruptions. There is falling concrete at Chicago Union Station that causes issues. There are a lot of problems out there. And I think there is a lot more help that some of us—we can help with here in providing more funding for commuter rail. Commuter rail is certainly—it is growing very, very fast, and I think more than other forms of public transportation. Though I think we need to support all of it more.

But I want to start out by asking—we have talked a little bit about Amtrak here. And this is not an easy question, but I am going to throw it out there. So what can—what would you like to see Congress do when it comes to your ability to deal with Amtrak?

Mr. Derwinski, you started talking about some of the issues that you are having with Chicago Union Station. There are other issues with Amtrak. There is the Heritage Corridor line that Metra has that only has seven trains total during the day. The demand is great. I have tried to get tickets between Metra and Amtrak so that it provides a little more service locally, but that has not been worked out.

So let me start with you, Mr. Derwinski. What would you like Congress to do that would help you in your negotiations and your work with Amtrak?

Mr. DERWINSKI. Well, specifically, sir, on the Chicago Union Station, right now we are in the STB with Amtrak, trying to work out an access agreement. But it has been a struggle. We are 89 percent of the train movements in Union Station, yet we have really no say at the table. So it has been—nothing is for sale, per Amtrak. We understand that. What we are looking for is a partnership where there is—the responsible parties can actually meet each other at a table on a normal basis, and try to work out problems.

Now, I want to say very clearly, on a day-to-day basis the local people on the ground do deal with all these problems that you discussed. Some of those problems were major, they really affected tens of thousands of people. And there are minor problems that happen on a normal basis. And the local people, Metra, Amtrak, BNSF, they are all working together to make that stuff happen.

As far as the growth goes—and the Heritage Corridor line that you brought up—the real problem with the Heritage Corridor line is Metra can't really provide extra service out there because of the six freight tracks we have to cross at grade. It is just the infrastructure of the system right now.

Once again, create projects that would actually start elevating one railroad over another railroad, and start creating these super-

highways for passenger trains is really what needs to start being looked at within——

Mr. LIPINSKI. All right, we will get more to that. I want to see if anyone else has anything to say about Amtrak.

Mr. Rogoff?

Mr. ROGOFF. I think it is important to note that, you know, both Mr. Derwinski and I, if—we have very similar on-time performance levels. When things work well, they work very, very well. But when they work poorly—as in the instances that you pointed out, Mr. Chairman—things go really badly really quickly, and a lot of commuters are delayed.

One of the things that goes wrong is when Amtrak isn't running on time. Amtrak being an interstate operator, when they, for example, send Coast Starlight trains into the State of Washington, they may already be hours late, having left California and Oregon.

Getting Amtrak to run on time helps us run on time. Also, if they arrive late, BNSF has to, through its dispatching method, still get them through the system. And that not only clogs up BNSF's movements, they clog up our passenger movements.

There has been a serious deterioration of on-time performance of Amtrak trains. And I think the committee should well look at that, in terms—and see if their priority that has been granted them in the law for operating over freight right-of-way is really being honored. Anything that would help them move a bit more on time would help the rest of us that share the track.

Mr. LIPINSKI. And Ms. Wiggins, could you tell us—anything to add?µ You don't need to, but—OK.

I will—did you have something, Ms. Wiggins?

Ms. WIGGINS. No, I——

Mr. LIPINSKI. OK. I want to be clear. I want Amtrak to work well. I am fully supportive of Amtrak and Amtrak's service. But I think there are some issues here that, obviously, have been mentioned.

I want to move on to working with the freight railroads. Again, I am looking for anything that anyone would recommend that they would like to see Congress do when it comes to commuter railroads' ability to work with the freight railroads. Does anyone have any suggestions on that?

Mr. DERWINSKI. I will take that first. As I said earlier, when I was talking about the Heritage, that is one of the nature—the problems with Chicago. All the freight trains that we have to work with—700 freight trains a day with 700 passenger trains a day on the same network, when they cross at grade, when—it is like a stop sign. It is not a stop light, it is a stop sign. And when the fast car goes through, the passenger train 20 feet long, it has to then wait sometimes for up to almost a 2½-mile freight train.

So separating these two elements inside this tight urban network is challenging. Adding extra lanes of traffic isn't always an option, just because land isn't available. So, really, it is about separating these things.

Eventually, it is also about how the trains integrate with each other. As Mr. Rogoff pointed out, that sometimes happens all the—I mean it actually happens all the time. A freight train is out of

pocket, a passenger train is out of pocket, and that throws off these heavy, dense rush hours.

Now, for the most part, freights work with us inside our rush hours, and that is where, obviously, the domino effect can really, really hinder us.

Mr. LIPINSKI. Did you want to talk at all about issues in Lake County?

Mr. DERWINSKI. In Lake County we are stagnated on growth right now. We just had recently an opportunity to look at a reverse commute market. It is up and running, but our ability right now to add an extra train was basically a no. The current infrastructure right now, the owner says no. So we did have, basically, a little bit of a frustration there, where we are trying to grow the system, we are trying to take care of our operating needs, but we are hindered on that.

Mr. LIPINSKI. All right.

Mr. Rogoff?

Mr. ROGOFF. Well, I would just say, all of our conversations with BNSF are always collaborative, cooperative, but also expensive ones. And I say that they are expensive because when we want to introduce additional frequencies to meet passenger demand, the test for BNSF is what infrastructure investments will we make, the general taxpayer, to their railroad to help eliminate the likelihood that our trains are going to intersect. And that is to make sure that freight movements can serve the ports, and also serve us.

I think Congress can take a position that recognizes that a robust and functional freight network is inherently beneficial, even though they are privately held, especially if we are talking about climate change, especially if we are talking about decongestion, and what we can do to keep both trucks moving on the highway, but freight moving across the country.

At this current juncture, it is all on us, Sound Transit, to make the investments to deconflict our commuter trains with the freight trains. We could get Federal grants for that, but I also believe that there may be a way of getting into the funding mix, a conversation of how we can make our freight network more hospitable to all, both them and us.

Mr. LIPINSKI. Thank you. Any other comments on that one?

I will then move on—I just started 10 minutes, correct? All right, I just wanted to make sure. I have been going that long.

I just—I ask those questions—those are more difficult questions, because I think we have covered a lot of the important issues here. The cost of PTC—and we need to have PTC. You know, the mandate is in place, we are going to hold everyone to that. But I think you have all made clear how much that is going to cost, and that comes at the expense of other capital projects.

Mr. Skoutelas had talked about $1 billion for PTC, I believe, over 6 years, $1.5 billion for grade crossing safety. And CRISI, in addition to section 130, I think that is also critical grade crossing safety.

I would probably go for—we want more than that. I think there are things—grade separations can be very expensive, but those are really the most safe ways to go, in general, increasing the amount that we give for public transit.

But I think it is important in this hearing that—like I say, I wanted to have this hearing because it has been a decade since we had a hearing solely on commuter rail. And it is becoming more and more important in so many communities across the country. And I think it is important that this community, this subcommittee, focus on what can be done for commuter rail for all the reasons that you have talked about here.

So I appreciate very much all of your testimony, and I think I owe it to—I am going to yield back, and I am going to owe it to Mr. Weber, if—I will give you 5 minutes if you want to ask any more questions.

All right. So thank you, Mr. Weber. I want to thank all of our witnesses—as I go and look for my script, so I say all the right things here at the end that I need to say.

Mr. WEBER. Do you want me to take those 5 minutes?

Mr. LIPINSKI. No, that is all right.

[Laughter.]

Mr. LIPINSKI. I want to thank all of our witnesses for your testimony, as I said. This is an issue that I have spent many hours going through, issues with commuter rail in the Chicago area. And I not only ride it, I hear from my constituents about it often every time there is an issue. I hear from members of my family when there are issues.

But I think it is critically important, especially as we are looking at what are we going to do to get cars off the road. Southern California, talked about the congestion there, but I will give you Chicago's congestion—put it up against that any day.

And critical also for our environment, I think. And I think we really need in this reauthorization of the FAST Act to seriously not just consider, but put the money up for commuter rail.

So I am going to ask unanimous consent that the record of today's hearing remain open until such time as our witnesses can provide answers to any questions that may be submitted to them in writing.

And I ask unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing.

Without any objection, so ordered.

If no other Members have anything to add, the subcommittee stands adjourned.

[Whereupon, at 5:12 p.m., the subcommittee was adjourned.]

SUBMISSIONS FOR THE RECORD

Prepared Statement of Hon. Peter A. DeFazio, a Representative in Congress from the State of Oregon, and Chairman, Committee on Transportation and Infrastructure

Thank you, Chairman Lipinski and Ranking Member Crawford, for calling today's hearing to examine the challenges and opportunities facing commuter railroads.

For many people across the country, commuter rail networks serve as a vital link between their home and their place of employment. For others, they help enable connections across communities to shop, dine, and enhance citizens' quality of life. All told, according to the most recent data available, it was estimated that more than 500 million passenger trips occur annually on commuter rail networks.

It is important that we recognize the Federal partnership that exists to allow these commuter rail networks to flourish. According to FTA data, commuter rail has the lowest cost per passenger mile across the rail system. This allows commuter rail agencies to make smart decisions by investing in communities, enabling economic growth, and connecting people with new opportunities.

Of course, the benefits of commuter rail extend beyond the passengers who take it. By serving as an alternative to driving, these systems help to take cars off our congested roadways, which reduces travel times and helps keep pollutants out of the air. If we are to tackle the catastrophic consequences of climate change, the benefits of transitioning commuters from the roadways into more environmentally-conscious ways of transportation must be considered.

The commuter rail agencies that we have here today show how diverse these systems are across the county. As of 2017, there were 29 commuter rail systems operating in the United States, helping to bring connections to communities across the country. While many experience similar challenges, the uniqueness of each system operator's geography and communities is different. Risks may be different, including the risks posed by the destruction of our environment, in Illinois and Southern California.

Many of my constituents have come to rely on the Tri-Met system, and enabling that system to succeed, in the face of climate risks, is important to me.

So, with the reauthorization of the commuter rail program on the horizon, today we want to hear from our witnesses what their needs are and how the Federal government can continue this partnership. Investing in commuter rail systems is a good use of Federal dollars, as the returns help to provide opportunity, convenience, and growth to our communities.

Prepared Statement of Hon. Eric A. "Rick" Crawford, a Representative in Congress from the State of Arkansas, and Ranking Member, Subcommittee on Railroads, Pipelines, and Hazardous Materials

Thank you, Chairman Lipinski, for holding this hearing. I appreciate our panel of witnesses being here.

Today, we are going to learn about some of the challenges and opportunities faced by our nation's commuter railroads.

Commuter rail service is primarily designed to address a high volume of passengers requiring daily travel to and from work in city centers, operating in metropolitan and suburban areas and usually having morning and evening peak period operations.

Commuter rail systems can be a cost-effective transportation alternative for longer commutes to downtown from outlying suburbs.

While we have a number of agencies that operate their own services, others contract with Amtrak or private sector companies to do so. These private sector providers have helped lower costs, improve services, and increase ridership.

I'm sure there are best practices to be learned from those agencies.

As this Committee prepares to reauthorize surface transportation programs, I look forward to hearing about the challenges and opportunities ahead for commuter railroads, as well as best practices to improve service, realize efficiencies, and increase fare revenue.

Thank you again to our Chairman and witnesses, and with that I yield back.

Prepared Statement of Hon. Eddie Bernice Johnson, a Representative in Congress from the State of Texas

Thank you, Mr. Chairman.

It is with great appreciation that I thank the Chairman for holding this hearing today, as it allows us to hear from a transportation association as well as commuter railroads about their challenges they face and any opportunities that can be addressed through legislation.

For more than 25 years in representing Dallas, I have worked alongside local leaders in many communities to develop new and improve existing transportation systems that benefit people all across Texas.

My state of Texas has faced large population growth in the past decade. Regional commuter railroads give riders an alternative transportation option to driving on roads and increasing congestion. We need to continue to find alternative transportation options.

In my district, we have a commuter railroad called the Trinity Railway Express that connects riders from downtown Dallas to downtown Fort Worth.

In 2018, The Federal Railroad Administration (FRA) awarded the Trinity Railway Express a $9.5 million grant to assist implementing a positive train control (PTC) back office system, interoperability testing and training for workers.

The fact that only one Federally-certified company had developed the PTC technology and employee training was a challenge Trinity Railway Express overcame, in meeting the December 2018 deadline.

It is imperative the multiple trains sharing the same railroad track be able to communicate with each other to avoid collisions, which is part of the PTC technology.

I look forward to hearing the testimony from the witnesses about the progress of interoperability among multiple passenger and freight railroad operators that share the same track.

I am interested to learn when we should expect PTC to be fully implemented, and what challenges, if any, exist to full implementation.

Thank you. I yield back.

Statement of Ray B. Chambers, President, Association of Independent Passenger Rail Operators (AIPRO), Submitted for the Record by Hon. Peter A. DeFazio

AIPRO appreciates the opportunity to present its views on commuter rail priorities for the future. This is the first such hearing in many years and it is important. Despite the acrimony and partisan polarization taking place in American politics and Congress today, it is clear from the opening statements and testimony submitted that this Subcommittee is launching a true bipartisan effort to enact sound transportation legislation that includes passenger rail. Passenger rail is the forgotten mode in American transportation. This Subcommittee may the very best team in Congress to advance passenger rail in general. We advocate you vigorously pursue the issue with an intense focus on Commuter and State Supported Intercity Rail Priorities.

Our members are Herzog, First Transit, Keolis, and Transdev. The Brotherhood of Maintenance of Way/Teamsters is an Associate Member. AIPRO companies carry surface passengers on everything from traditional bus and ADA paratransit, to autonomous vans to streetcar to commuter rail to intercity passenger. They also build and maintain track, dispatch commuter trains and provide all manner of rail services. These companies are a major player in American commuter rail running two

hundred-fifty thousand trains each year.[1] This commuter model that has developed rapidly over the last two decades embraces competition between providers assuring the best service at the lowest cost. We submit this developing commuter model is the prototype for the passenger rail future of America.

The national hodge-podge of passenger service today is an embarrassment by international standards. It grows out of a complex 150-year legacy that has been undermined by highway and air policy and underfunded in modern times. Rail has become an afterthought in federal transportation investment. Population growth, carbon emissions and urban congestion cry out for significant change. AIPRO will soon propose a comprehensive Rail Title for the reauthorization of the FAST Act. It will make recommendations regarding commuter rail. This document will be circulated to all key stakeholders including host railroads, labor, the Secretary, FTA, FRA and key committees in Congress. It will call for robust sustainable federal investment that encourages private participation, increased competition for providers of corridor passenger rail service and reform of liability exposure. Specifically, we will suggest:

The Future of Passenger Rail Funding—We are in accord with the funding recommendations of APTA, the Rail Passenger Association and the Commuter Rail Coalition. In our view there should be a dedicated formula funding stream for both commuter and state supported (regional) intercity passenger operations. We will make a specific proposal for an INFRA Passenger fund (as there is now an INFRA freight fund) that will be available to commuter and state authorities for the regional intercity service they support. Every state will be eligible for planning and rail investment funding.[2] It will include Pilot Projects to demonstrate ways of expanding passenger service through public and private cooperation and best practices for managed competition by states and commuter agencies. The Pilot Projects will also seek to create "best bid" practices in the competitive process. They will provide new data from both private operators and Amtrak for creating greater transparency in passenger costing. This will establish a baseline for understanding passenger rail costs. We will also propose new mechanisms for value capture transportation-oriented development (TOD) based on legislation introduced in a previous Congress by Dan Lipinski and Tom Petri. We believe this new approach to TOD will attract a growing ridership with pulsating lifestyle opportunity within these regions.

Liability Reform—Liability exposure is a significant barrier to passenger rail expansion and continuously chills projects. We believe the USDOT should play a stronger role in confronting this complex arena. We are pleased that the FTA and FRA have initiated an informal dialogue chaired by the Deputy FRA Administrator and FTA counsel. In the coming weeks we will be recommending specific reforms into this forum and the Congress. We believe there should be a framework for pooling arrangements that would give all passenger service providers across the board national coverage. We will also suggest catastrophic protection for passengers and operators such as exists in the nuclear field.[3]

Constrained commuter growth—access to Amtrak facilities—In addition to the Northeast Corridor, Amtrak owns scattered track, stations and other facilities across the country that are often not central to their core operation. Commuter operations depend on access to this Amtrak infrastructure. In fact, commuter agencies often use 50% to 70% of the passenger capacity on Amtrak owned infrastructure. Amtrak treats that infrastructure as private property to extract maximum revenue from public authorities and others. Amtrak accounting is opaque.[4] This makes it hard for the commuter agencies to quickly close deals in a transparent way.

AIPRO suggests a zero-based review of those assets. They were largely acquired by US taxpayers and should be reorganized for maximum benefit to all public users. We believe the commuter and state authorities should have fair and equal access to these facilities, and we will be putting forward specific suggestions and legislative proposals. Right now, there are a number of ideas on the table. They range from better access to the Surface Transportation Board for quick dispute resolution; to

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[1] *Rail Passenger service today*—Commuter rail systems deliver about 490 million passenger trips a year. The AIPRO companies (1st, Herzog, Keolis, Transdev), Amtrak and Bombardier are among the rivals who compete for these operations. The AIPRO members provide 80 million of those trips. Amtrak serves approximately 32 million passengers in its intercity service.

[2] *Economic Corridors Comment*—The Cascade Corridor between Portland, Seattle and Vancouver is an advanced in planning. But there are many others—and they need to be defined. States like Hawaii, that have no intercity passenger rail, will receive funding for commuter operations.

[3] Price-Anderson Nuclear Industries Indemnity Act

[4] *Amtrak Accounting*—A GAO review of Amtrak practices is damning. It points to significant weaknesses and deficiencies that cloud transparency that cloud negotiations in a fog. *US Government Accountability Office, (Publication No. GAO–16–67), January 2016.*

new authority for the Secretary of Transportation to settle disputes; transfer of shared assets to the Secretary who will create a new DOT entity that will manage the assets and make them available to public users on a fair and reasonable basis. We ask the House Railroad Subcommittee leadership, in the words of METRA Chair Jim Derwinski, to pursue "mechanisms that level the playing field between Amtrak and publicly-owned commuter rail agencies."[5]

Increase private operations through competition—The commuter agencies that now select service providers through competition provide the model for the future of both urban and state supported regional passenger rail service. One state, Connecticut, has already applied this to an intercity corridor. We believe the Administration should advance the competitive agenda in a vigorous fashion. Both PRIIA and the FAST Act encourage competition and AIPRO will be putting forward specific legislative proposals that will promote the competition model through pilot projects and federal finance requirements.

Harmonize the Federal approach to urban and intercity passenger rail—It is a fact that the growth of commuter and state supported intercity is a bright spot. Northeast corridor and long-distance train ridership are essentially flat. The reality is commuter operations and intercity state supported passenger corridors operate under separate authority but the two are much the same in terms of service offered. On both riderships is also growing. All of these urban and intercity corridors get people from point to point in a matter of hours. These trains often carry the same passengers. Further passengers could care less whether they are on an intercity or commuter operation. The trains run over the same track and use similar equipment. Passengers don't care whether they are on a commuter or a state supported intercity regional train. Safety and funding are primary concerns of both. The two have multiple common concerns including a shortage of passenger equipment. The two, both commuter and state supported intercity, are the best hope for the future. The term Commuter Rail itself may suggest limitations—these trains do far more than carry commuters just as the state supported intercity trains do carry commuters.

We should seek better solutions that create consistency between commuter and state supported intercity. For example, as short distance intercity passenger service expands, specific commuter authorities may have the staff and resources to best manage state supported intercity corridors through such mechanisms as Joint Powers Authorities.[6]

Again, commuter trains should dovetail with the state supported intercity passenger operations. The relations between them should be harmonized to the best overall advantage of the railroad passenger. In both cases expanding private sector participation through competition should be a paramount goal.

A New Rail Title for the FAST Act Reauthorization—In the final analysis we would urge the Subcommittee to play a key role in producing a New Rail Title that will create a National Urban and Intercity Passenger Network of which we can be proud. There must be a cooperative partnership to provide oversight in reorienting our passenger system. USDOT[7], urban Commuter Authorities, States (intercity shorter corridors), along with an array of public and private stakeholders will be at the heart of transforming our fractured rail service into something better.[8] The goal will be high performance service.[9] There should be new emphasis on inclusion of pri-

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[5] Testimony of Jim Derwinski, CEO Chicago Metra, House Railroad Subcommittee, September 24, 2019, p5.

[6] *Joint Powers Authorities*—California provides an excellent model for coordinating oversight of both commuter operations and state supported intercity routes through the creation of Joint Powers Authorities with sufficient resources and professional staff.

[7] *USDOT*—The USDOT functions need to be reviewed and further rationalized to produce maximum passenger service. FRA and FTA together have major responsibility for commuter rail and FRA for state supported intercity service. We will propose FRA play a stronger role in strengthening our long-distance network which consists of 15 corridors. As rationalization takes place the traditional labor arrangements on intercity service must be preserved and agreements with host railroads must be through commercial negotiation not compulsion.

[8] *Not a New Idea*—This concept for oversight in the restructuring of the US passenger rail system is not particularly new. The Amtrak Reform Council, created by Act of Congress, made excellent recommendations for reform in 2002. A former US Under Secretary of Transportation recently called for a national passenger system "made up of strong regional networks . . . (which would be composed of) federal and state partnerships (that could make decisions) whether actual services would be outsourced to private companies." *Quotes taken from remarks of Emil Frankel, Passenger and Freight RRs Unite Conference, Washington, D.C., March 14, 2019.*

[9] *High Speed Rail (HSR) Comment*—America is not Europe or Asia so the path forward over mostly private rights of way will be unique. High Performance Rail, not HSR, is the principal objective. However, there will be HSR corridors within the national network.

vate service providers and commercial finance. The goal will be a National Corridor Network providing superior rail service that is highway competitive.

A New Rail Title can transform the transportation paradigm so as to reduce the nation's congestion and carbon footprint while binding area economies. This proposed new rail program is not aspirational; it is the practical next step. Further, it must be bipartisan. We look forward to working with you on this agenda.

Letter of September 23, 2019, from Jerry Boles, President, Brotherhood of Railroad Signalmen, et al., Submitted for the Record by Hon. Peter A. DeFazio

SEPTEMBER 23, 2019.

Hon. DANIEL LIPINSKI,
Chairman,
Subcommittee on Railroads, Pipelines, and Hazardous Materials, House Transportation and Infrastructure Committee, Rayburn House Office Building, Washington, DC.

RE: September 24, 2019 Hearing on Challenges and Opportunities for Commuter Railroads

DEAR CHAIRMAN LIPINSKI:

The Brotherhood of Maintenance of Way Employes Division-IBT (BMWED); Brotherhood of Railroad Signalmen (BRS); and International Association of Sheet Metal, Air, Rail, and Transportation Workers-Mechanical Division (SMART-MD) represent Maintenance of Way Employes, Signalmen, and Sheet Metal Workers on the freight railroads, Amtrak and all major commuter railroads. The organizations support improvement and expansion of commuter rail transportation, but the organizations are concerned about the adverse impact of Federal capital spending in support of commuter rail service on railroad workers. The organizations also oppose efforts by some entities to provide commuter rail service, acquire portions of the interstate rail system for commuter rail service, and/or to transition from commuter rail service to intercity passenger rail service without application of Federal railroad labor and employment laws such as the Railway Labor Act, Railroad Retirement Act, and Railroad Unemployment Insurance Act to the employees who perform traditional core railroad work.

The nation's large commuter rail systems, and certainly all interstate commuter rail systems, are covered by the federal railroad labor and employment laws, whether service is provided by government agencies or private operators. Intercity passenger rail service provided by Amtrak, as well as intra-state intercity service that is part of the general system of railroad transportation, whether provided by government agencies or private entities, are covered the Federal railroad labor and employment laws. Coverage under these laws has enabled railroad workers to achieve and maintain decent wages, benefits, and working conditions; permitted rail service providers to recruit and retain skilled workers for core traditional railroad functions and minimized disruptions of service due to disputes between employers and employees. However, certain proposals and plans, that require Federal involvement and funding have the potential to both undercut the wages, benefits and working conditions of railroad workers, and upset the labor relations stability provided by these laws.

USE OF FEDERAL GRANTS TO CREATE OR EXPAND COMMUTER RAIL SERVICE, IMPACT OF SUCH GRANTS ON RAIL WORKERS, AND APPLICATION OF EMPLOYEE PROTECTIONS TO AFFECTED RAIL WORKERS

Many plans for creation or expansion of commuter rail service depend on Federal grants. Some states and state agencies have utilized hundreds of millions of dollars Federal Transit Act grants to acquire railroad lines that are part of the general interstate system of railroad transportation for commuter service, with the lines still used by the vendor railroads for interstate freight service. While the grants are subject to employee protections under 49 U.S.C. § 5333(b), those protections do not apply to employees of freight railroads who do not already perform work in support of commuter rail service. So, freight employees who worked on the acquired lines (which, again, would still be used for interstate freight service) have been treated as ineligible for the protections. There is no reason for exclusion of the workers who will be most directly affected by a line sale from the protections imposed in connection with Federal funding for that line sale. There are also those who advocate blending or cross-utilization of funding so an FTA transit grant could be used to

build or upgrade railroad lines; an FRA rail grant could be used to add a second track or sidings for a rail line that might be used for a combination of freight, intercity passenger and commuter service; or an FTA grant could be used to build an intermodal facility that is used by buses, commuter trains, and intercity passenger rail. There can certainly be practical reasons for increased flexibility in the use of grants denominated for use for specific modes of transportation; but any employee who is adversely affected by a grant should be covered by employee protections attached to the grant, not just those who work in the mode of transportation for which the specific funding mechanism was designed.

USE OF FEDERAL GRANTS TO CONVERT COMMUTER RAIL SYSTEMS INTO INTERCITY PASSENGER RAIL SYSTEMS

Another concern is the potential for the use of Federal grants to extend commuter rail operations, so they effectively become intercity passenger rail operations. Various parties seek to extend intra-state commuter rail transportation that operates on the interstate general rail system lines well beyond the range of local commuting areas, to effectively become intercity passenger rail service. Certain states seek to use Federal grants to, or to knit together disparate commuter rail operations which combined would constitute intercity passenger service, but they want to keep the entities performing the core rail functions for such services from being covered under the Federal railroad labor and employment laws. Also, they seek to use Federal grants to fund these extensions. This issue was partially addressed in the FAST Act, which provided that FRA capital grants could not be used for commuter rail transportation. Certain parties seek to eliminate that provision. BRS, BMWED, and SMART-MD believe that if a state or agency seeks to alter the nature of a commuter rail service, so that it effectively becomes intercity passenger service on interstate lines, it is not appropriate for the service to remain outside the coverage of the Federal railroad labor and employment laws that are applicable to intercity passenger rail service. The organizations recognize that non-rail contractors may be used for certain functions, particularly in accordance with a collective bargaining agreement. However, traditional core railroad functions should be performed by railroad workers when an intra-state commuter service on interstate lines is extended to become intercity passenger service. Also, it is certainly not appropriate for Federal funds to be used to facilitate evasion of the Federal railroad labor and employment laws.

ACQUISITIONS OF PORTIONS OF THE INTERSTATE RAIL SYSTEM FOR COMMUTER RAIL SERVICE, WITH THE ACQUIRED LINES AND EMPLOYEES WORKING ON THE LINES REMOVED FROM COVERAGE OF THE FEDERAL RAILROAD LABOR AND EMPLOYMENT LAWS

State agencies and local governments have acquired portions of the general interstate system of railroad transportation for commuter rail service, when the acquired lines will still be used for interstate freight service, but neither the acquiring entity nor any contract rail service provider for that entity becomes a rail carrier subject to the Federal railroad labor and employment laws. In a series of inconsistent decisions the STB has held that neither its approval nor exemption from approval (either of which would result in rail carrier status) was required because the agency lacked jurisdiction (which meant that the agency would not have jurisdiction over a piece of the interstate system), then that the agency had jurisdiction, but declined to exercise it; and then that it was unnecessary to exercise jurisdiction because the vendor carrier was still deemed the owner of the line for the STB's purposes (which surely surprised the vendor). In such cases the acquiring entities typically hire rail service providers who are not rail carriers, which means that pieces of the interstate rail system that are still used for interstate freight service (and possibly intercity passenger service) are no longer covered by the Federal railroad labor and employment laws; and the railroad workers cannot or do not want to continue working on those lines for such service under those circumstances. Often, federal grants have been used to fund these acquisitions.

Again, SMART-MD, BMWED, and BRS support the expansion of commuter rail transportation, but not when it results in removal of pieces of the interstate system, and with those who perform traditional core rail functions removed from the Federal railroad labor and employment laws. Also, they certainly oppose the use of Federal funds to accomplish that result. Fixing this problem will not necessarily mean that state and local government entities, will have to become rail carriers under the ICCTA and the Federal railroad labor and employment laws (some states have laws that bar them from becoming rail carriers). Before the recent confusing decisions, the STB's predecessor (the ICC) held that if a state entity acquired a physical line, but all rail responsibilities remained with a rail carrier, there was no need for ICC approval of a transaction. A return to that policy would address the problems identi-

fied by BMWED, BRS, and SMART-MD, without requiring state entities to become rail carriers under the ICCTA and the Federal railroad labor and employment laws. Also, as before, the rail carrier entities could still contract-out work to non-carrier entities consistent with applicable collective bargaining agreements.

The organizations appreciate your past efforts to maintain good railroad industry jobs, and they look forward to engaging with you and members of the Subcommittee to facilitate the growth of commuter rail transportation with railroad workers retaining their rights, and their strong wages, benefits and working conditions, under the Federal railroad labor and employment laws.

Respectfully,

JERRY BOLES,
President, Brotherhood of Railroad Signalmen.

FRED N. SIMPSON,
Brotherhood of Maintenance of Way Employes Division-IBT.

C.A. IANNONE,
Director, International Association of Sheet Metal, Air, Rail and Transportation Workers-Mechanical Division.

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