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LEVERAGING IIJA: PLANS FOR EXPANDING INTERCITY PASSENGER RAIL

(117–37)

REMOTE HEARING

BEFORE THE

SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS

OF THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTEENTH CONGRESS

FIRST SESSION

DECEMBER 9, 2021

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Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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DECEMBER 7, 2021

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 "Leveraging IIJA: Plans for Expanding Intercity Passenger Rail"

PURPOSE

The Subcommittee on Railroads, Pipelines, and Hazardous Materials will meet on Thursday, December 9, at 10:00 a.m. EDT in 2167 Rayburn House Office Building and via Zoom to hold a hearing titled "Leveraging IIJA: Plans for Expanding Intercity Passenger Rail." The Subcommittee will hear testimony from witnesses from Amtrak, the California State Transportation Agency, the Northeast Corridor Commission, Southeast Corridor Commission/North Carolina Department of Transportation, the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency, and the Southern Rail Commission. The hearing witnesses will discuss expanding intercity passenger rail in their states, regions, and networks, and how the Infrastructure Investment and Jobs Act can support these efforts.

BACKGROUND

On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act (IIJA, P.L. 117–58). This bipartisan legislation authorizes and appropriates more than $100 billion for the country's rail network and another at least $30 billion in discretionary multimodal grants for which intercity passenger rail projects are eligible.[1] IIJA includes for the first time dedicated, reliable federal support for states and entities seeking to improve and expand intercity passenger rail service. Witnesses will discuss their ongoing efforts and plans to expand intercity passenger rail in their states, regions, and networks.

RAILROAD FUNDING IN IIJA

The IIJA represents unprecedented investment levels and multi-year funding for intercity passenger rail development. The 2015 Fixing America's Surface Transportation Act (FAST Act, P.L. 114–94) marked the first time Congress included Amtrak and competitive intercity passenger rail funding programs in surface transportation reauthorization legislation. But the FAST Act maintained the mode's unpredictable funding levels. On average, appropriations bills were completed five months into the fiscal year over the life of the FAST Act, making the timing of the funding unpredictable as well.[2] The IIJA appropriates predictable funds over the next five years,

[1] The $100 billion is from the $66 billion appropriated and the $34.47 billion authorized for rail in it. National Infrastructure Project Assistance (49 USC 6701), authorized at $10 billion and appropriated at $5 billion over five years; Local and Regional Project Assistance (49 USC 6702) authorized at $7.5 billion and appropriated at $7.5 billion over five years. In addition, formula funded transportation programs include intercity passenger rail eligibility such as the Congestion Mitigation and Air Quality Improvement Program (23 USC 149). Furthermore, Railroad Rehabilitation and Improvement Financing (49 USC 224, et seq.) and Transportation Infrastructure Finance and Innovation Act (23 USC 601, et seq.) are two federal loan programs that include this eligibility.

[2] P.L. 115–31; P.L. 115–141; P.L. 116–6; P.L. 116–94; P.L. 116–260.

providing funding for railroads in amounts that are nearly six times greater than what the federal government spent during the five-year FAST Act authorization period. In addition, IIJA's authorized amounts represent more than triple the FAST Act authorized amounts and would allow for further investment beyond the appropriated amounts. IIJA funding and additional authorizations for rail are outlined in the chart below along with the amounts authorized and appropriated during the years of the FAST Act. Under the law, the Amtrak Northeast Corridor and National Network grant amounts are directed to Amtrak while the four competitive grant programs will be led by the U.S. Department of Transportation (DOT) and have multiple eligible applicants.

Comparison of IIJA to FAST Act Rail Funding

	IIJA		FAST Act	
Program	**FY 22–26 Authorization** [3]	**FY 22–26 Enacted Appropriation** [4]	**FY 16–20 Authorization** [5]	**FY 17–21 Enacted Appropriations**[6]
Amtrak-Northeast Corridor	$6.57 billion	$6 billion	$2.60 billion	$3.03 billion
NEC Commission	*$30 million*	*$25 million*	*$25 million*	*$25 million*
Accessibility Upgrades	*$250 million*	–	–	*$275 million* [7]
Amtrak-National Network	$12.65 billion	$16 billion	$5.45 billion	$6.35 billion
Interstate Rail Compacts.	*$15 million*	*$15 million*	–	–
State-Amtrak Intercity Passenger Rail Comm.	*$15 million*	*$15 million*	*$10 million*	*$10 million*
Accessibility Upgrades	*$250 million*	–	–	–
Corridor Development [8]	*$1.26 billion*	–	–	–
Subtotal Amtrak	**$19.22 billion**	**$22 billion**	**$8.05 billion**	**$9.38 billion**
Federal-State Partnership for Intercity Passenger Rail Grants [9].	$7.5 billion	$36 billion	$997 million	$1.08 billion
Northeast Corridor	*Not less than 45% reserved for NEC inventory projects.*	*Not more than $24 billion.*	–	–
National Network	*Not less than 45% reserved for National Network of which at least 20% for long-distance routes.*	–	–	–
Consolidated Rail Infrastructure and Safety Improvements Grants.	$5 billion	$5 billion	$1.10 billion	$1.62 billion
RR Crossing Elimination Program Grants.	$2.5 billion	$3 billion	–	–
Planning [10] *Highway-Rail Grade Crossing.*	*$75 million*	–	–	–
Safety Information and Education Program [11].	*$6.25 million*	–	–	–

Comparison of IIJA to FAST Act Rail Funding—Continued

Program	IIJA		FAST Act	
	FY 22–26 Authorization [3]	FY 22–26 Enacted Appropriation [4]	FY 16–20 Authorization [5]	FY 17–21 Enacted Appropriations[6]
Restoration & Enhancement Grants.	$250 million	$250 million [12] ..	$100 million	$37 million
Competitive Grants Subtotal.	**$15.25 billion** ...	**$44.25 billion**	**$2.2 billion**	**$2.73 billion**
Five Year Total	**$34.47 billion** ...	**$66.25 billion**	**$10.25 billion** ...	**$12.11 billion**

[3] P.L. 117–58, Division B, Title II, Subtitle A—Authorization of Appropriations.
[4] P.L. 117–58, Division J—Appropriations, Title VII.
[5] P.L. 114–94, Division A, Title XI, Subtitle A—Authorizations.
[6] FY 2016 appropriations not reflective of FAST Act due to timing. Appropriations column inclusive of FY 2021 one-year FAST extension at FY 2020 authorized levels. P.L. 115–31; P.L. 115–141; P.L. 116–6; P.L. 116–94; P.L. 116–260.
[7] NEC or National Network split left to Amtrak discretion.
[8] Authorized at 10% of Amtrak National Network appropriation to support Amtrak-operated corridors selected under 22306 for interstate compacts.
[9] Re-named program in IIJA, formerly Federal-State Partnership for State of Good Repair in FAST Act.
[10] Authorized at 3% of Grade Crossing Elimination appropriation.
[11] Authorized at 0.25% of Grade Crossing Elimination appropriation.
[12] Appropriated from Amtrak NN emergency appropriation.

ILLUSTRATIVE CORRIDOR DEVELOPMENT PROPOSALS

Amtrak Connects US

In June 2021, Amtrak proposed Amtrak Connects US to connect 160 additional communities through the creation of new corridor service in 16 states and expansion of existing corridor service in 20 states.[13] The plan, which envisions building the expanded network over 15 years at a cost of $75 billion, proposes to add 39 new routes and enhance service on 25 existing routes with an estimated 20 million additional riders annually.[14] According to Amtrak, the proposal would add to Amtrak's existing network, to respond to increases in population and travel demands, demographic shifts, congestion, and Americans' changing travel preferences.[15] Amtrak's proposal can only be realized through a partnership among Amtrak, the federal government, states, local leaders, and host railroads.[16]

CONNECT NEC 2035

In July 2021, the Northeast Corridor Commission (Commission) released CONNECT NEC 2035 (C35), a plan that details the sequencing of infrastructure investments and capital renewal projects to be made throughout the Northeast Corridor (Corridor) over 15 years.[17] The Commission is comprised of 18 members, including representatives from each of the eight Corridor states from Maryland to Massachusetts, the District of Columbia, Amtrak, and the DOT. The implementation of C35 is intended to eliminate the state-of-good-repair backlog in the Corridor and create a modern and resilient system with safe, reliable, and more frequent service, con-

Footnotes 3–12 are listed under the table above.
[13] Amtrak, Amtrak Connects US, June 2021, page 9 https://www.amtrakconnectsus.com/wp-content/uploads/2021/06/Amtrak-2021-Corridor-Vision__2021-06-01__web-HR-maps-2.pdf
[14] *Id.* at 20.
[15] *Id.* at 8.
[16] *Id.* at 8.
[17] Northeast Corridor Commission, CONNECT 2035, https://nec-commission.com/app/uploads/2021/08/CONNECT-NEC-2035-Plan.pdf.

nections to new markets, added capacity, and reduced travel times.[18] The Commission partners worked collaboratively to produce the plan, which they estimate will total $117 billion and generate nearly one million jobs and $60 billion in earnings in the Northeast, and another 700,000 jobs and $34 billion in earnings outside of the region.[19] C35 is the first phase of implementing the long-term vision for the Corridor established in the Federal Railroad Administration's NEC FUTURE Record of Decision the agency issued in 2017.[20] The plan will be updated every two years.

CALIFORNIA

The California State Transportation Agency (CalSTA) is the nation's largest state transportation agency responsible for maritime, highway, transit, and rail systems planning, investment, and oversight.[21] The state has three long-standing intercity passenger rail corridors currently led by joint powers authorities serving markets in the San Diego-Los Angeles area, the San Joaquin valley to Bakersfield, and the Bay Area to Sacramento.[22] CalSTA is also supporting two high-speed rail corridors that are expected to serve Los Angeles to San Francisco and Los Angeles to Las Vegas, NV. California pursues rail investments as part of its mobility, economic, safety, and environmental goals.[23]

SOUTHEAST CORRIDOR COMMISSION, NORTH CAROLINA

The Southeast Corridor Commission (SEC) consists of departments of transportation from Florida, Georgia, North Carolina, South Carolina, Tennessee, Virginia, and Washington, DC. The SEC issued the Southeast Regional Rail Plan in December 2020 which, if implemented, would provide access to intercity passenger rail services for more than 70% of residents in the region, an increase from the 55% of area residents with access to long distance rail service today.[24] The North Carolina Department of Transportation (NCDOT) serves as the SEC chair and has invested more than $1 billion of state and federal funds over the last 25 years in two intercity passenger rail routes serving Charlotte to Raleigh and connecting Charlotte to the Northeast Corridor.[25] Since 1990, NCDOT has renovated or constructed train stations, and made track and safety improvements.[26] Planned rail initiatives include the development of the Southeast High-Speed Rail Corridor, service in southeast and western North Carolina.[27]

SOUTHERN RAIL COMMISSION

The Southern Rail Commission (SRC) is an interstate compact approved in 1982 by the legislatures of Louisiana, Mississippi, and Alabama. The SRC is composed of commissioners appointed by their respective governors, with a mission to promote the safe, reliable, and efficient movement of people and goods to enhance economic development, provide transportation choices, and facilitate emergency evacuation routes.[28] Restoring intercity passenger rail service between Mobile, Alabama, and New Orleans, Louisiana, has remained a priority for the SRC since the service east of New Orleans was suspended after Hurricane Katrina significantly damaged the rail infrastructure in 2005. Section 11304 of the FAST Act directed the DOT Secretary to convene a working group to evaluate the restoration of intercity rail passenger service between New Orleans, Louisiana and Orlando, Florida. The Working Group reported to Congress in July 2017 that approximately 1/20th of CSX's esti-

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[18] *Id.* at 17.

[19] Northeast Corridor Commission, CONNECT 2035, Frequently Asked Questions, pages 1–2, https://nec-commission.com/app/uploads/2021/08/CONNECT-NEC-2035-Plan.pdf

[20] Federal Railroad Administration, Record of Decision: NEC FUTURE, A Rail Investment Plan for the Northeast Corridor, July 2017.

[21] https://calsta.ca.gov/

[22] https://dot.ca.gov/programs/rail-and-mass-transportation/california-state-rail-plan

[23] 2018 California State Rail Plan. https://dot.ca.gov/programs/rail-and-mass-transportation/california-state-rail-plan

[24] Southeast Rail Plan Final Report, December 2020. https://www.southeastcorridor-commission.org/copy-of-commission-reports-1

[25] North Carolina Rail Division. https://www.ncdot.gov/divisions/rail/projects/Pages/future-service.aspx

[26] North Carolina Comprehensive State Rail Plan. https://www.ncdot.gov/divisions/rail/Pages/rail-plan.aspx

[27] North Carolina Rail Division. https://www.ncdot.gov/divisions/rail/projects/Pages/future-service.aspx

[28] Southern Rail Commission, https://www.southernrailcommission.org/mission

mated required capital investment was needed to start service.[29] Resuming service is currently before the Surface Transportation Board.[30]

CREATING QUALITY U.S. JOBS

Projects to expand intercity passenger rail service will likely need workers to perform a variety of jobs: build and rehab bridges and tunnels; install, upgrade, and maintain track, signal systems, and electric traction systems; build, operate, and maintain locomotives and passenger rolling stock; and assist the traveling public, among others.[31] The rail industry has a history of high rates of union membership and with workers who earn strong wages and benefits,[32] making the IIJA's unprecedented level of intercity passenger rail investments an opportunity for investing in railroad careers. To help ensure federal investments support American workers, the IIJA continues the application of grant conditions such as a "Buy America" requirement[33] that supports U.S. manufacturers and their employees, as well as the assurance that workers performing specified work are paid prevailing wages.[34] The IIJA also maintains long-standing conditions that support railroad employees, including coverage under the Railway Labor Act, the Railroad Retirement Act, and the Railroad Unemployment Insurance Act, among others.[35]

WITNESS LIST

–Mr. Stephen Gardner, President, Amtrak

–Honorable David Kim, Secretary, California State Transportation Agency

–Mr. Kevin Corbett, President and CEO of New Jersey Transit; Co-Chair, Northeast Corridor Commission, *on behalf of the Northeast Corridor Commission*

–Ms. Julie White, Deputy Secretary for Multimodal Transportation, North Carolina Department of Transportation; Commission Chair, Southeast Corridor Commission, *on behalf of the North Carolina Department of Transportation and the Southeast Corridor Commission*

–Ms. Donna DeMartino, Managing Director, Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency

–Mr. Knox Ross, Mississippi Commissioner, Chair, Southern Rail Commission

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[29] Gulf Coast Working Group, Report to Congress, July 2017, Page 7.

[30] Application of the National Railroad Passenger Corporation, Before the Surface Transportation Board, Docket No. FD 36496, Filed March 16, 2021.

[31] Northeast Corridor Commission, Frequently Asked Question, https://nec-commission.com/app/uploads/2021/07/C35-FAQ.pdf

[32] Regan, Greg, President of the Transportation Trades Department, AFL–CIO, Testimony before the Subcommittee on Railroads, Pipelines, and Hazardous Materials Hearing "Full Steam Ahead for Rail: Why Rail is More Relevant than Ever for Economic and Environmental Progress," March 10, 2021, page 2.

[33] 49 USC 22905(a).

[34] 49 USC 22905(c)(2)(A).

[35] 49 USC 22905(b)

LEVERAGING IIJA: PLANS FOR EXPANDING INTERCITY PASSENGER RAIL

THURSDAY, DECEMBER 9, 2021

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

The subcommittee met, pursuant to notice, at 10:03 a.m. in room 2167 Rayburn House Office Building and via Zoom, Hon. Donald M. Payne, Jr. (Chair of the subcommittee) presiding.

Members present in person: Mr. Payne, Jr., Mr. DeFazio, Mr. Larsen of Washington, Mr. Stanton, Mr. Perry, Mr. Rodney Davis of Illinois, Mr. LaMalfa, Mr. Stauber, and Mr. Burchett.

Members present remotely: Mr. Malinowski, Mr. Moulton, Ms. Newman, Mr. Cohen, Mr. Sires, Mr. García of Illinois, Mrs. Napolitano, Mr. Johnson of Georgia, Ms. Titus, Mr. Lynch, Mr. Auchincloss, Mr. Carter of Louisiana, Mr. Crawford, Mr. Weber of Texas, Mr. Fitzpatrick, Mr. Johnson of South Dakota, and Mrs. Steel.

Mr. PAYNE. The subcommittee will come to order.

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

Without objection, so ordered.

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

Without objection, so ordered.

As a reminder, please keep your microphones muted, unless speaking. Should I hear any inadvertent background noise, I will request that the Member please mute their microphone.

To insert a document into the record, please have your staff email it to DocumentsT&I@mail.house.gov.

So, good morning.

Three weeks ago, President Biden signed the most consequential infrastructure bill of the 21st century into law. The $1.2 trillion Infrastructure Investment and Jobs Act will modernize America's decaying infrastructure, while making the biggest investment in intercity passenger rail since the creation of Amtrak.

The IIJA is a culmination of the work that, along with Chairman DeFazio, I started with the INVEST in America Act.

I would like to take this opportunity to recognize Chairman DeFazio's distinguished service to the Transportation and Infrastructure Committee, and this body, and this country. Chairman

DeFazio has been a champion for advancing the state of transportation in America and making meaningful efforts to address climate change.

I am proud to have accomplished many great things with him and the privilege of chairing this subcommittee. Chairman DeFazio will be sorely missed, and I wish him and his family well in their next chapter.

The IIJA contains $35 billion in authorized funds for intercity passenger rail and freight rail grant programs, as well as Amtrak. It also contains an historic $66 billion in reliable investments for our national rail system, roughly the amount that Congress has appropriated to Amtrak since we created the railroad 50 years ago.

Of the appropriated amounts, Amtrak will receive $22 billion in dedicated funding, which will enable it to address its significant maintenance backlog across all three of its services: the Northeast Corridor, State-supported services, and long-distance trains that connect rural areas to urban centers.

In the next few years, I expect we will see new and improved accessible stations, rolling stock, and associated maintenance facilities. Another $44 billion is made available for competitive grant programs to create new, or expand or improve, intercity passenger rail corridors across the country; jump-start previous service; eliminate and improve highway-railroad grade crossings; and improve the safety, efficiency, and reliability of freight rail and intercity passenger rail networks.

This is truly a once-in-a-generation investment that will change the course of intercity passenger rail transportation in America, and it is an honor to be chairman of this subcommittee at this extraordinary moment.

We will hear from Amtrak today about its "Amtrak Connects US" plan, which proposes to partner with States across the U.S. to improve existing or add new State-supported service routes that could add tens of millions of riders annually, creating new travel opportunities while reducing greenhouse gas emissions.

And today's other witnesses, representing various States, agencies, and regions, will talk about their proposals for leveraging these funds to carry out their plans for growing intercity passenger rail.

In my region of the country, one of the most consequential projects that investments in IIJA can address is the Gateway Program. The Gateway Program is a collection of the Nation's most pressing infrastructure projects along the Nation's busiest rail corridor, the Northeast Corridor.

Chief among the Gateway Program is the rehabilitation and replacement of the rail tunnel that runs under the Hudson River, connecting New Jersey with New York City. The tunnel is 111 years old and is in an advanced state of decay due to its age and the damage sustained during Superstorm Sandy. If the tunnel were to shut down for any reason, it would cost this economy $100 million per day in lost economic output.

Throughout my time in Congress, I have been a vocal advocate for the need to repair the existing tunnel, and build a new one to keep trains running and allow for additional capacity. I am proud

that the IIJA provides funding that could be used to finally complete the project.

I am also grateful to the Biden administration and Secretary Buttigieg for their supportive efforts to do so.

In addition to the Gateway Program, the IIJA will facilitate other critically important intercity passenger rail projects in the country. These investments will create good jobs, opening a path for many to choose a career in the railroad industry. I will fight to ensure that these quality jobs are available to all Americans and that everyone has a fair shot at obtaining work created from these investments.

I was particularly pleased that Mr. Corbett, Secretary Kim, and Mr. Gardner address these issues head-on in their testimony.

I continue to urge all of our Federal grant recipients of this importance.

I thank the witnesses for being here today, and I look forward to their testimony.

[Mr. Payne's prepared statement follows:]

Prepared Statement of Hon. Donald M. Payne, Jr., a Representative in Congress from the State of New Jersey, and Chair, Subcommittee on Railroads, Pipelines, and Hazardous Materials

Good morning.

Three weeks ago, President Biden signed the most consequential infrastructure bill of the 21st century into law.

The $1.2 trillion Infrastructure Investment and Jobs Act (IIJA) will modernize America's decaying infrastructure while making the biggest investment in intercity passenger rail since the creation of Amtrak.

IIJA is the culmination of the work that, along with Chair DeFazio, I started with the INVEST in America Act.

I would like to take an opportunity to recognize Chair DeFazio's distinguished service to the Transportation and Infrastructure Committee, this body, and this country.

Chair DeFazio has been a champion for advancing the state of transportation in America and making meaningful efforts to address climate change.

I am proud to have accomplished many great things with him and the privilege of chairing this subcommittee.

Chair DeFazio will be sorely missed, and I wish him and his family well in their next chapter.

The IIJA contains $35 billion in authorized funds for competitive intercity passenger rail and freight rail grant programs, as well as Amtrak.

It also contains an historic $66 billion in reliable investments for our national rail system—roughly the amount that Congress has appropriated to Amtrak since we created the railroad fifty years ago.

Of the appropriated amounts, Amtrak will receive $22 billion in dedicated funding, which will enable it to address its significant maintenance backlog across all three of its services—the Northeast Corridor, state-supported services and long-distance trains that connect rural areas to urban centers.

In the next few years, I expect we will see new and improved accessible stations, rolling stock and associated maintenance facilities.

Another $44 billion is made available for competitive grant programs to create new, or expand or improve, intercity passenger rail corridors across the country; jump start previous service; eliminate and improve highway-railroad grade crossings; and improve the safety, efficiency, and reliability in freight rail and intercity passenger rail networks.

This is truly a once-in-a-generation investment that will change the course of intercity passenger rail transportation in America, and it is an honor to be chair of this subcommittee at this extraordinary moment.

We will hear from Amtrak today about its Connects US plan, which proposes to partner with states across the U.S. to improve existing or add new state-supported

service routes that could add tens of millions of riders annually, creating new travel opportunities while reducing greenhouse gas emissions.

And today's other witnesses representing various states, agencies, and regions will talk about their proposals for leveraging these funds to carry out their plans for growing intercity passenger rail.

In my region of the country, one of the most consequential projects that investments in IIJA can address is the Gateway Program.

The Gateway Program is a collection of the nation's most pressing infrastructure projects along the nation's busiest rail corridor—the Northeast Corridor.

Chief among the Gateway Program is the rehabilitation and replacement of the rail tunnel that runs under the Hudson River, connecting New Jersey with New York City.

The tunnel is 111 years old and in an advanced state of decay due to its age and the damage sustained during Superstorm Sandy.

If the tunnel were to shut down for any reason, it would cost the economy $100 million per day in lost economic output.

Throughout my time in Congress, I have been a vocal advocate for the need to repair the existing tunnel and build a new one to keep trains running and allow for additional capacity.

I am proud that IIJA provides funding that could be used to finally complete the project.

I am also grateful to the Biden administration and Secretary Buttigieg for their supportive efforts to do so.

In addition to the Gateway Program, IIJA will facilitate other critically important intercity passenger rail projects in the country.

These investments will create good jobs, opening a path for many to choose a career in the railroad industry.

I will fight to ensure that these quality jobs are available to all Americans and that everyone has a fair shot at obtaining work created from these investments.

I was particularly pleased that Mr. Corbett, Secretary Kim, and Mr. Gardner address these issues head-on in their testimony. I continue to urge all of our federal grant recipients of this importance.

I thank the witnesses for being here today and I look forward to their testimony.

Mr. PAYNE. I ask unanimous consent that statements from the Association of American Railroads, Rail Passengers Association, and the States for Passenger Rail Coalition be entered into the record.

Without objection, so ordered.

[The information follows:]

Statement of Ian Jefferies, President and Chief Executive Officer, Association of American Railroads, Submitted for the Record by Hon. Donald M. Payne, Jr.

INTRODUCTION

On behalf of the members of the Association of American Railroads (AAR), thank you for the opportunity to submit this statement for the record.

AAR has a diverse membership of freight and passenger railroads, both large and small. The freight railroad members, which include the seven U.S. Class I railroads, as well as around 170 short line and regional railroads, account for the vast majority of U.S. freight railroad mileage, employees, and traffic. Amtrak is a member of the AAR, as are various commuter railroads that in aggregate account for more than 80 percent of U.S. commuter railroad trips.

Like freight railroads, passenger railroads play a key role in alleviating highway and airport congestion, decreasing dependence on foreign oil, reducing pollution, and enhancing mobility. All of us want passenger railroads that are safe, efficient, and responsive to the transportation needs of our country.

America is connected by the most efficient, affordable, and environmentally responsible freight rail system in the world, a system overwhelmingly built and maintained by the freight railroads themselves. Looking ahead, America cannot prosper in an increasingly competitive global marketplace without a best-in-the-world freight rail system.

America can and should have both safe, effective passenger railroads *and* a safe, productive freight rail system. Mutual success for passenger and freight railroads requires cooperation between stakeholders and a recognition of the challenges that railroads face—especially as it pertains to capacity and the significant freight volume increases since Amtrak's creation. Government efforts should continue to recognize the country's need to move both people and goods safely and efficiently.

FREIGHT AND PASSENGER RAIL PARTNERSHIPS: DECADES IN THE MAKING

Well into the 20th century, railroads were the primary means to transport people and freight in the United States. Thanks to the huge expansion of America's highway system and the development of commercial aviation, the dependence on passenger rail declined dramatically. By the late 1950s private railroads were losing more than $700 million annually—equivalent to roughly $5 billion per year in today's dollars—on passenger service. These massive losses continued, draining a rail system that was also facing unrelenting pressure on its freight side from subsidized trucks and barges.

A major goal of the Rail Passenger Service Act of 1970 (RPSA), which created Amtrak, was to preserve a basic level of intercity passenger rail service while relieving private railroads of the obligation to provide money-losing passenger service that threatened the viability of freight railroading.

Given the huge financial drain, railroads generally welcomed the opportunity to largely exit the passenger business, but first they had to provide the backbone of today's system. Freight railroads initially helped capitalize Amtrak in cash, equipment, and services by making payments to Amtrak totaling around $850 million in today's dollars. Freight railroads were also required to provide preference to Amtrak passenger service over freight service, a benefit that continues today. Additionally, when operating on a host railroad's tracks, Amtrak generally is required to pay only incremental costs with no requirement for capital investment for improving and expanding infrastructure capacity.[1] To this day, this low track usage fee is a major indirect subsidy absorbed by freight railroads and only freight railroads.

Today, freight railroads provide the foundation for most passenger rail. Amtrak owns approximately 730 route-miles, primarily in the Northeast Corridor, which account for about 40 percent of Amtrak's total ridership. Virtually all of the remaining 97 percent of Amtrak's nearly 22,000-mile system consists of tracks owned and maintained by freight railroads. Freight railroads also furnish other essential services to Amtrak, including train dispatching, rescue locomotives, emergency repairs, station maintenance, and, in some cases, police protection, claims investigation, and communications capabilities.

[1] Agreement provisions for receiving financial incentives related to performance can also count as being compensatory to the host freight railroad.

In addition, in a typical year, hundreds of millions of commuter trips occur on commuter rail systems that operate at least partially over tracks or right-of-way owned by freight railroads. Most of the higher speed and intercity passenger rail projects under consideration nationwide involve using freight-owned facilities.

PRINCIPLES TO GUIDE PASSENGER RAIL OPERATIONS ON FREIGHT-OWNED CORRIDORS

While each project involving passenger and freight railroads should be evaluated on a case-by-case basis, these projects have a better chance of success if certain overarching principles are followed. These principles should not be seen as barriers. Instead, they are a means to ensure what all of us want: the long-term success of passenger rail *and* a healthy freight rail system that shippers all over the country rely on every day.

First and foremost, safety is our number one priority. Railroads are an extremely safe way to move people and freight. Freight railroads today are utilizing advanced technologies to maintain a railroad network that is safer than it has ever been before. Since 2000, train accident and hazmat accident rates are down 33% and 64% respectively, and the rail employee injury rate in 2020 was at an all-time low.

Second, current and future capacity needs of both freight and passenger railroads must be properly protected. Today, freight railroads carry far more freight than they did when Amtrak was created. This is only possible due to the significant amounts—averaging $25 billion per year in recent years—that freight railroads have poured back into their networks. Looking ahead, passenger railroad use of freight rail corridors must be balanced with the needs of freight railroads to provide safe, reliable, and cost-effective freight service to present and future customers. To ensure this balance, host freight railroads must be part of the planning process for new or expanded passenger services from the very beginning, a principal Congress recognized in the recently enacted Infrastructure Investment and Jobs Act's new Corridor Identification and Development Program. This program provides funds to help identify and plan new intercity passenger rail corridors and requires that engagement and consultation with host railroads be taken into account when awarding grants.

Expanding existing passenger service or improving existing passenger service reliability is complex and requires detailed planning and will typically require significant additional infrastructure capacity investment. Freight railroads should not be expected to bear the costs of infrastructure necessary for additional passenger trains. As such, a third tenet is that proper funding is necessary, especially as Amtrak looks to change and expand service offerings. It is unreasonable to expect Amtrak to be able to plan, build, and maintain an adequate network that provides optimal transportation mobility and connectivity when it has had to face excessive uncertainty regarding its funding from one year to the next. The Infrastructure Investment and Jobs Act, which includes $66 billion in new funding to address Amtrak's repair backlog, improve stations, replace old trains, and much more, will clearly go a long way in providing Amtrak the funding it needs to operate safely and effectively. It is crucial that this funding be spent where it has the largest positive impact. Freight railroads are committed to working with Amtrak, state agencies, government officials, and others to help ensure this happens.

Fourth, all parties must recognize that the priority of Amtrak's trains over freight trains does not mean there will be no delays to Amtrak trains. High occupancy vehicle (HOV) highway lanes, for example, provide preference to automobiles with more

than one person inside, allowing them, in theory, to get where they're going with little or no delay. That does not always happen, though. Sometimes bad weather, unexpected heavy traffic volume, accidents, or other problems cause motorists in HOV lanes to be delayed. That same principle applies to the railroad network: Amtrak is given preference; however, preference is not a guarantee.

Other considerations involved in freight-hosted passenger service include liability and tax issues.

ON-TIME PERFORMANCE (OTP) METRICS

Since Amtrak was created, Amtrak and freight railroads have worked together to establish and implement the rules and procedures governing their interactions. Most of these rules and procedures are spelled out in formal bilateral operating agreements negotiated between Amtrak and host railroads. The agreements often provide incentives and penalties to freight railroads to help ensure that Amtrak trains meet specified on-time targets. These basic operating agreements—some of which were entered into more than two decades ago—are now outdated and many provisions are no longer appropriate.

For example, some Amtrak long distance train schedules have not been adjusted in response to the changing environment around them, including taking into account the tremendous growth in the U.S. economy and related freight volumes. As a result, outdated schedules that do not reflect or respond to changing conditions (e.g., seasonality, necessary track work, and ridership patterns or needs) can give rise to misleading measurements of performance or an unrealistic expectation of on-time performance. The freight railroads and Amtrak are in a far better position than anyone else to determine, working together, how these operating agreements should evolve and how they should be structured.

Keeping Amtrak, commuter and freight trains running on time is a tremendously complex matter. When Amtrak was created, freight railroads had significant excess capacity. Since then, not only has this excess capacity been consumed, but the freight rail industry has spent a tremendous amount of money (more than $740 billion from 1980 to 2020) to maintain and add new capacity, primarily in response to freight traffic growth. This spending includes capital expenditures and maintenance expenses related to locomotives, freight cars, tracks, bridges, tunnels and other infrastructure and equipment. While capital investments may be necessary to add passenger capacity, improving on-time performance will require modifying Amtrak's schedules.

Day-to-day realities of the nearly 140,000-mile rail network come into play as well. For example, when track conditions warrant it, freight railroads temporarily reduce allowable operating speed for safety reasons. These "slow orders" can delay trains of all types; however, safety must take precedence over everything else. Similarly, railroads must devote sufficient time to needed track and signal maintenance. This often produces unavoidable delays in the short term for freight and passenger trains but improves service reliability and enhances safety in the long term. The application of on-time performance standards should not make it more difficult or expensive for freight railroads to perform this necessary maintenance.

The establishment and periodic review of reasonable and realistic schedules and determination of meaningful on-time performance metrics should be undertaken jointly by host railroads and Amtrak while being governed by private, bilateral contracts that consider the unique circumstances of particular routes. A one-size-fits-all solution will not work on a network as complex or as crucial as our nation's rail system.

AAR has been a long-standing participant in the work of the Federal Railroad Administration's (FRA) development of appropriate metrics and standards for measuring Amtrak's performance. In November 2020, FRA established a final rule on metrics and minimum standards for measuring the performance and service quality of intercity passenger train operations. For the purposes of enforcement, the rule established a customer OTP metric and customer OTP standard, which are measured against the published train schedules. Ensuring passengers have timely service based on achievable schedules is a goal freight railroads share, and they applaud that the rule recognized that Amtrak's current schedules are not aligned with the new metric. AAR's host freight railroad members have worked diligently with Amtrak to align the schedules with the new metric and standard. Specifically, FRA has stated that it understands the alignment of a train schedule with the customer OTP may require additional time and that, historically, Amtrak's published train schedules have not been designed with a customer OTP metric in mind. In some cases, a schedule may need less time, more time, or remain the same. The key ingredient is that Amtrak, host railroads, and other key stakeholders work in good faith to

truly design schedules that are realistic and achievable. Host freight members will continue to work cooperatively with Amtrak to resolve differences.

CONCLUSION

Addressing these issues is necessary to ensure both the safety of passengers and the ability of freight railroads to continue to provide timely service to all their customers—including shippers, Amtrak, and other commuter railroads. These considerations are even more important as the transportation industry works to address supply chain concerns. Having both safe, effective passenger railroads, alongside a safe, productive freight rail system should be the common goal of all of us. I am confident that together the freight railroads and Amtrak can find common ground that benefits all parties.

Statement of Jim Mathews, President and Chief Executive Officer, Rail Passengers Association, Submitted for the Record by Hon. Donald M. Payne, Jr.

Rail Passengers Association would like to open by thanking Chairman Payne, Ranking Member Crawford, and Members of this subcommittee for convening this important hearing today. America's passengers are immensely grateful to this committee for the crucial role it played in passing the bipartisan Infrastructure Investment and Jobs Act (IIJA)—and particularly the role it played in shaping the IIJA's Passenger Rail Expansion and Rail Safety Act of 2021. *Rail Passengers* is particularly appreciative for the ambition displayed in the IIJA. Rather than simply bringing existing Amtrak assets into a state-of-good-repair and enhancing service on the Northeast Corridor, the IIJA provides states with the predictable funding and policy tools they need to add additional frequencies and lay the foundation for dozens of new passenger rail corridors across the U.S.

Simultaneously, there is no doubt that the historic funding for passenger rail in the IIJA places an unprecedented burden onto the U.S. Department of Transportation (USDOT), the Federal Railroad Administration (FRA) and Amtrak. With this fact in mind, we are doubly appreciative of the subcommittee's quick action in providing a venue for states, rail commissions, regional agencies, and Amtrak to share their perspectives on near-term opportunities and challenges.

Rail Passengers believes there are several key steps that you can take in the coming year to ensure a successful launch for the rail programs included in the bipartisan infrastructure law:

Fully fund rail programs at the levels authorized in the Surface Transportation Investment Act (STIA) for Fiscal Year 2022

In addition to providing critical funding for Amtrak operations, FY22 funds will allow the FRA to expand its workforce and reorganize operations to effectively respond to dozens of new deadlines, studies, and grant programs contained in the IIJA. The current Continuing Resolution (CR), and the associated spending freeze, places an unnecessary burden on the USDOT. With the CR set to run through February 28, 2022, and the first major tranche of deadlines set for May 2022, depriving the USDOT of funding risks delaying these programs right out of the gate and setting the stage for waste and failure.

Additionally, funding passenger rail programs at the levels authorized in STIA will underline the broad political commitment that led to passage of the bipartisan infrastructure law and establish an important precedent going forward. With fully a third of the IIJA's rail funding contained within STIA's authorizing language, the action taken by appropriators in the next few months could well mean the difference between simply bringing existing passenger rail assets into a state of good repair and truly expanding and transforming the U.S. rail network.

Ensure Amtrak continues forward on the path to restoring service to pre-pandemic levels

Faced with labor shortages and a January 2022 deadline to meet the Biden Administration's vaccine mandate for federal contractors, Amtrak has warned that it may be forced to make cuts to services—particularly service on the long-distance routes, where the small pool of locomotive engineers means there is little redundancy.

In 2020, *Rail Passengers* warned Amtrak, the Federal Railroad Administration, and members of Congress that the railroad was making a mistake with decisions to furlough employees and temporarily mothball rolling stock, cautioning that dis-

mantling the people and equipment needed to recover to normal service levels would be a real problem when it was time to resume operation.

With that being said, we do wish to recognize the concrete steps Amtrak has taken to avoid any disruptions to service. This includes extending the deadline for vaccinations to Jan. 4, giving the company time to educate workers on the vaccination process and preventing disruptions during the critical holiday travel period. As of the last public communication, Amtrak stated that 94 percent of employees that it expects to be available for service in December had gotten at least one vaccine shot.

Regardless of how we arrived at this point, an extended disruption of Amtrak service on corridors affecting hundreds of communities, mere weeks after the passage of the IIJA, would surely undermine public confidence in these promising new passenger rail programs. We hope Amtrak will be able to avoid any disruptions to service. If cuts do take place, Congress must leverage its oversight powers and the FY22 appropriations bill to ensure that any such disruptions are brief.

Actively engage with freight railroads to ensure that host railroads are constructive partners in dispatching Amtrak trains, adding additional frequencies, and developing new corridors

It is self-evident that the success of the IIJA outside of the Northeast Corridor (NEC)—that is to say, whether it will result in meaningful expansion of the number of Americans who ride passenger trains every year—hinges on the ability of the federal government, states, Amtrak, and regional rail authorities to collaborate successfully with the owners of existing rail rights of way.

Rail Passengers is encouraged by the experiences of rail entities like the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency, which has utilized coordinated cap-ex planning, service enhancement agreements, and collaborative structures such as the LOSSAN Working Group to forge a productive and sustainable partnership. We encourage the FRA, states, Amtrak and other Class Is to look to this partnership as a model. It is important that transportation officials identify the requisite characteristics of a mutually beneficial relationship between passenger rail carriers and host railroads—e.g., minimum levels of passenger train service, freight throughput, existing infrastructure, political engagement, etc.—to understand where this partnership can be readily replicated and where that replication will be more difficult.

However, *Rail Passengers* remains concerned about the unreasonably high levels of freight train interference affecting Amtrak passengers. Too many of Amtrak's State-supported routes have On-Time Performance (OTP) hovering at 70 percent, with OTP for routes like the *Cascades* and *Pennsylvanian* at 64 percent and 68 percent, respectively. Long-distance passengers have it worse, with trains on-time only 51 percent of the time. Poor service from many host railroads has caused chronic and excessive delays for millions of riders who rely on the Amtrak system, and they threaten the long-term viability of the service in dozens of states. America's passengers are asking Congress to hold host railroads accountable for freight train interference, and we ask that this subcommittee works with the FRA to ensure the Metrics and Minimum Standards for Intercity Passenger Rail Service enacted last year are used vigorously to protect the rights of passengers to on-time trains.

Rail Passengers has also been actively taking part in the dispute between Amtrak and CSX Transportation and Norfolk Southern Railway that is currently being mediated by the Surface Transportation Board (STB). Our organization filed a letter in May 2021 in support of Amtrak's petition for an interim order compelling CSX and Norfolk Southern to permit Amtrak timely and sufficient access to facilities and data to move forward with the preparations needed to restore passenger rail service between New Orleans, LA and Mobile, AL in early 2022 (the STB recently ordered CSX to let Amtrak survey its Choctaw Yard in Mobile, so that Amtrak may determine the feasibility of rebuilding the West Stub Track, previously used to layover passenger trains, until the planned Mobile station is completed). We believe that the overriding principle in this instance is Amtrak's legal right to access freight railroad tracks for a fair and reasonable cost. CSX has said it will take $2 billion to accommodate a single train every 12 hours; that is not reasonable, and it is not fair.

There is a larger concern at play, centered on the potential precedent this behavior sets for future passenger rail expansion elsewhere in the U.S. If a freight railroad can operate in bad faith to draw out the process to restore passenger train service along a single corridor for longer than a decade, as has happened with the Gulf Coast, there is little hope for new passenger rail projects anywhere in the U.S.

We encourage Congress to engage with host railroads and the STB to ensure that congressional intent in the IIJA is not being thwarted by obstructionist tactics.

Focus funding on projects capable of producing near-term benefits

With only a five-year window to demonstrate that these new passenger rail programs can produce tangible benefits for America's travelers, the first rounds of funding must flow to projects capable of breaking ground and launching additional frequencies and services in a meaningful timeframe. There are several projects of national and regional significance which our supporters have long advocated, including replacement of Amtrak's Superliner and Amfleet II fleets, the Hudson Tunnel Project, Gulf Coast Rail Restoration, the Long Bridge Project, the B&P Tunnel Project, a second daily frequency between MSP-CHI, and the South Bay Connect Project, to name just a few. *Rail Passengers* is ready and eager to help Amtrak in whatever capacity we can to quickly advance these projects.

Engage with the USDOT and Amtrak to ensure deadlines are met for developing project pipelines and working groups

The IIJA establishes several key deadlines that will be critical for ensuring the first tranche of funding is put to work in building better infrastructure. These include:

- *Corridor Identification and Development Program—§ 25101 (Deadline: May 14, 2022)*: USDOT to establish a program to determine the level of readiness for Federal financial assistance of intercity passenger rail corridors and the creation of a pipeline of projects. In the wake of the passage of the IIJA, there has been public confusion over what kinds of rail projects will be funded, and where. The Corridor Identification and Development Program will provide an important venue for stakeholders to communicate goals and establish shared priorities.
- *Direct Grants to Amtrak (Deadline: May 14, 2022)*: USDOT to transmit a detailed spend plan, including a list of project locations, to Congress for projects Amtrak will undertake on the NEC and the National Network utilizing FY22 IIJA funds.
- *Amtrak Food and Beverage Service Working Group (Deadline: May 14, 2022)*: Amtrak shall establish a working group consisting of individuals representing Amtrak, labor organizations, nonprofit organizations representing Amtrak passengers, and State-supported routes. Having played an integral role in the now-defunct Amtrak Customer Advisory Committee, *Rail Passengers* is well positioned to ensure the average Amtrak passenger has a voice in the work of improving the onboard experience, and we look forward to engaging with our fellow stakeholders on this issue.

Our Association appreciates this subcommittee's work on behalf of America's passengers, as well as the work of committee staff. Our staff and our supporters stand ready to work with Members of Congress to make sure the IIJA sparks a revolution in safe, energy-efficient, and convenient intercity transportation in the U.S.

Finally, we'd be remiss if we didn't take this opportunity to recognize Chairman DeFazio for his many decades of fighting for Amtrak passengers and a national passenger rail network that connects *all* Americans. We look forward to working with the Chair for the remainder of his tenure in Congress to ensure that America's passengers see the benefits of this historic bill.

Statement of Arun Rao, AICP, Chair, States for Passenger Rail Coalition, Inc., and Passenger Rail Manager, Wisconsin Department of Transportation, Railroads and Harbors Section, Submitted for the Record by Hon. Donald M. Payne, Jr.

The States for Passenger Rail Coalition (SPRC) is an alliance of 23 State and Regional Transportation Officials and Passenger Rail Authorities across the United States. SPRC's mission is to promote the development, implementation, and expansion of Intercity Passenger Rail as part of an integrated national transportation network.

SPRC members supporting and operating intercity passenger rail are vital partners in providing passenger rail service throughout the nation. SPRC members sponsor a combined twenty-nine intercity passenger rail routes serving 296 communities across America. In the year leading up to the pandemic, the State Supported trains carried over fifteen million passengers, representing over 47% of Amtrak's total ridership, the largest source of ridership among the three Amtrak business lines. They also contributed nearly $750 million to Amtrak by combining $521 million in passenger revenue plus $225 million in contract payments.

SPRC appreciates this opportunity to provide comments as the House Transportation and Infrastructure Committee's Railroads, Pipelines, and Hazardous Materials Subcommittee considers the possibilities for expanding intercity passenger rail due to the enactment of the Infrastructure Investment and Jobs Act (IIJA). SPRC Members and our colleagues in other states stand ready to help accomplish the attainable passenger rail mobility goals set out in the IIJA.

The SPRC States and Joint Powers Authorities recognize the opportunities provided by the IIJA to make affordable, accessible, safe, efficient, and environmentally beneficial passenger rail service a fully realized part of an integrated transportation network. Over the past several months, SPRC Members have sought to identify essential components for advancing the expansion of intercity passenger rail. I am pleased to share with the Committee six (6) "key themes" that we believe will be important to consider as we move forward:

1) *Work with the Host Railroads, Amtrak, and the Federal Railroad Administration on enabling equitable, shared access for both new and expanded passenger rail service*. The unprecedented level of federal rail investment along with insightful Congressional policy directives requires an equally exceptional level of collaboration among passenger rail entities and the host freight and commuter railroads. SPRC and its member agencies look forward to participating in forthcoming discussions that will ensure the advancement of passenger and freight rail. We will work collaboratively with the freight railroads and Amtrak to allow for expansion of passenger rail. SPRC members actively work in partnership with freight railroads as part of state rail planning and believe that we can work to identify opportunities for investment that can expand passenger rail, while strengthening the nation's critical freight rail network. In some cases, there is also a need for a federally defined and collaborative process for adding passenger trains on host railroads.

2) *Corridor Identification and Project Delivery*. Section 22308 of IIJA requires the USDOT to establish a program to add and improve intercity passenger rail corridors. The policy directs the USDOT and the relevant States to prepare plans outlining capital projects needed to improve and expand passenger rail service.

   The SPRC has produced an extensive list of potential capital projects and planning endeavors that can serve as a springboard for assisting the USDOT in jumpstarting this program. In a joint effort with the American Association of State Highway and Transportation Officials (AASHTO), SPRC reached out to States to produce a list of passenger rail projects that are ready for final design and construction funds or are in the planning/scoping phase. States play a critical role in the long-term strength of the program, similar to the highway and transit programs, and would benefit from sustainable Federal support in the planning and development of projects.

   This "Projects in the Pipeline" list identifies 170 projects with total funding needs of $58.7 billion. The list consists of 88 projects that are ready or close to ready for final design or construction with a cost of $17.4 billion, along with an additional eighty-two planning projects costing $41.3 billion.

   Completing these projects would result in at least seventy-five additional daily round trips and more than thirty new cities served by passenger rail. There would also be significant improvements to over seventy stations, more than 150 new or refurbished locomotives and passenger rail cars, and nearly 400 grade crossings with significant safety, reliability and capacity issues would be upgraded or have access changes. These improvements would be transformative for passenger rail and improve the reliable movement of freight rail as well. An updated project list with additional details on each can be found at https://bit.ly/SPRC-Projects-Dec2021.

3) *Role of Interstate Compacts*. Section 22306 of IIJA establishes a competitive grant program to provide Federal funding for interstate rail compacts. Grants awarded would cover the costs of administration, systems planning, and operations coordination. One of the key functions of SPRC is to facilitate coordination and cooperation among state officials and between the public and private sector at all levels (federal, state, and local.) SPRC looks forward to assisting the FRA in supporting the extension of this dialogue and collaborative activity across state boundaries to facilitate the development and success of the interstate rail compact partners.

4) *Long Distance Service Investment and Expansion*. Section 22214 of the IIJA directs the USDOT to conduct a study to evaluate the restoration of daily intercity passenger service along Amtrak long-distance routes that provide less than daily service. Additionally, Section 22210 prohibits Amtrak from discontinuing, reducing the frequency of, suspending, or substantially altering the route on

any segment of any long-distance route if Amtrak receives adequate funding for the route.

SPRC applauds Congress in its clear, unwavering support for long-distance passenger rail service. Many of SPRC's States are hosts to and are actively involved in Amtrak's long-distance routes. We look forward to supporting the USDOT in the study efforts to ensure the ongoing viability and the expansion of reliable passenger rail service connecting rural and urban areas.

5) *NEPA Streamlining and Standardization of Process*. Complying with the federal requirements associated with the National Environmental Policy Act (NEPA) is essential in ensuring that passenger rail projects come to fruition. With the influx of significant federal funding over the next several years, it is vital that these investments fully comply with NEPA requirements. Streamlining certain steps in the NEPA process can help advance intercity passenger rail projects that produce a net benefit for climate change and equity.

Over the past several years, the USDOT and FRA working with the States and local governments have sought to identify actions that would support simplification of the process steps while ensuring full compliance with the environmental requirements on NEPA. SPRC looks forward to continuing the ongoing dialogue for advancing passenger rail projects with efficient use of resources and in a timely manner.

6) *Developing a Sustainable Workforce in the Rail Industry*. Converting federal grant funds into rail projects will require more railroad specialists in the workforce and the infrastructure-related talent pipeline in state and local governments must be expanded to meet the need. SPRC supports planning for an industry-wide campaign with the FRA, Amtrak, the States, rail advocacy groups, educational entities, the trades, and other stakeholders to develop an outreach campaign that will highlight the job and career development opportunities within the rail industry.

In summary, SPRC Members look forward to working with Congress, the Federal Railroad Administration, Amtrak, the host Railroads, and all stakeholders in advancing initiatives which improve and enhance the movement of people and goods by rail throughout our nation.

Thank you for this opportunity and know that we stand ready to respond to any questions you may have or elaborate further on our testimony as you work through the implementation of long-term surface transportation authorization policies.

Mr. PAYNE. I now call on the ranking member of the subcommittee, Mr. Crawford, for an opening statement.

Mr. CRAWFORD. Thank you, Mr. Chairman, for holding this hearing, and thank you to the witnesses for participating.

Today's hearing will examine how Amtrak should spend the record amounts of Federal funding it received in the surface infrastructure bill signed into law last month. The law gives the railroads $66 billion over the next 5 years, with most of this money going to Amtrak. While Amtrak has announced plans to expand its routes, it is imperative that Amtrak first address the pressing issues with its existing system, such as much-needed maintenance and safety upgrades.

Amtrak must also work to recover from historic losses last year that led to it receiving billions of dollars in Federal bailout money to keep it operating, despite record-low ridership. Amtrak must strive to use its taxpayer money responsibly, and in a way that attracts riders and makes a profit.

Moreover, it is important that Amtrak work to strengthen its relationship with the States, including through developing a transparent and fair cost allocation policy with the States for State-supported Amtrak routes.

Finally, any potential expansion of Amtrak's system must include the full input of the freight railroads on capacity and track-sharing issues. The ongoing supply chain crisis only further emphasizes the value of freight railroads in efficiently moving goods

across the Nation. The important work of the freight railroads cannot be obstructed.

I commend the chair for holding this hearing today, and I yield back the balance of my time.

[Mr. Crawford's prepared statement follows:]

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, Chair Payne, for holding this hearing, and thank you to our witnesses for participating.

Today's hearing will examine how Amtrak should spend the record amounts of federal funding it received in the surface infrastructure bill signed into law last month. The law gives railroads $66 billion over the next five years, with most of this money going to Amtrak.

While Amtrak has announced plans to expand its routes, it is imperative that Amtrak first address the pressing issues with its existing system, such as much-needed maintenance and safety upgrades.

Amtrak must also work to recover from historic losses last year that led to it receiving billions of dollars in federal bailout money to keep it operating, despite record-low ridership. Amtrak must strive to use its taxpayer money responsibly and in a way that attracts riders and makes profit.

Moreover, it is important that Amtrak work to strengthen its relationships with the states, including through developing a transparent and fair cost allocation policy with the states for state-supported Amtrak routes.

Finally, any potential expansion of Amtrak's system must include the full input of the freight railroads on capacity and track sharing issues. The ongoing supply chain crisis only further emphasizes the value of freight railroads in efficiently moving goods across the nation. The important work of the freight railroads cannot be obstructed.

Mr. PAYNE. Thank you. I now recognize Mr. DeFazio, the chairman of the full committee, for an opening statement.

Mr. DEFAZIO. Thanks for this hearing, thanks for the kind words. You will have to put up with me for another 12 months or so, but those were very kind words.

During the entirety of my long congressional career, 35 years, intercity rail has had funding starts and stops, threats to be disbanded, and endured the whims of our annual appropriation process. That's no way to run a railroad, shall we say, in terms of being able to strategically plan for the investments you need to improve service, to provide additional service, to acquire new power, and new train sets.

[Audio interruption.]

Mr. DEFAZIO. Someone isn't muted out there, Mr. Chairman.

Mr. PAYNE. Yes. Can you please mute your lines? Thank you.

[Audio interruption.]

Mr. PAYNE. Members, please mute.

OK.

Mr. DEFAZIO. Wow, OK. I don't know what was going on there.

In any case, the enactment of the Passenger Rail Investment and Improvement Act in 2008 began to provide a little more certainty. The States anticipated a Federal partner worth about $90 million a year. That number shot up to $8 billion, with the passage of the American Recovery and Reinvestment Act in 2009 and an additional $2½ billion the following year, but then it dropped off again,

and then it climbed up again during the FAST Act, when Congress authorized hundreds of millions more.

But that has caused Amtrak to limp along with, again, not being capable to look at reasonably expanding service, and then look at plans to rebuild the network and to repower the—although they are in the process of acquiring new power and train sets.

So, the Infrastructure Investment and Jobs Act is revolutionary in my very long tenure in Congress, 35 years, in that there is guaranteed and robust funding for the next 5 years: $66 billion in appropriated reliable funds, and another $35 billion in authorizations, which will not necessarily be easy, but the authorization is there. The appropriated funds in this bill are six times the amount we did under the FAST Act, and the FAST Act was pretty good for rail, compared to what we had been doing.

This will be way, way bigger, and it provides competitive grant funding for States to lead the development of new and expanded corridors, incentivize interstate compacts, and create inventories of projects in the Northeast Corridor for major infrastructure investments including bridges, stations, and tunnels.

Don mentioned a 111-year-old tunnel. Well, the tunnel under Baltimore is 149 years old. And if you go through in the viewing car, you can see that it is raining inside because of the leaking water mains. And it is brick. How long is that mortar going to hold? We had great engineers in the late 1800s, apparently, but these things don't last forever. And if that tunnel goes down, it will be disastrous for freight and passenger movement in the Northeastern United States, and the costs over the time to build an alternate under the river or there far, far exceed the cost of making the investment and getting ahead of the problem. These are investments that we should be making.

I also supported the idea of Amtrak doing additional investments in intercity passenger rail, particularly looking at city pairs, where they could—it used to be everybody took the shuttle to New York from here. Now, a vast number of people prefer to take the train, and that is just one city pair route. There are many others around the country, somewhat longer than that, where you could divert people from the highways, where you could divert people from the inconvenience of commuter air—by the time you go to the airport, go through security, get on the plane, get delayed, get off the plane, and get wherever you are going from the airport. So, I think there is tremendous potential there, both to deal with greenhouse gas reduction, congestion, and quality of life for the American people.

We had a great testimony earlier this year from the Virginia Secretary of Transportation. I don't know if it will change now that the Republicans have taken over. Maybe they will go back to doing things the old way, which doesn't work. There were plans to build two more lanes on I–95, take about 10 years, cost $12 billion. And the projections were, when they finished it, it would be as congested as it is today. It is called induced demand. Build it, and they will come.

They came to a novel agreement with CSX to provide a new rail route, essentially, or partially new rail route, with a new rail bridge over the river here in DC for a lesser cost, and it is going to be able to ameliorate the commute time of many, many, many

people, and move them much more fuel efficiently. Hopefully, that will stick.

I tried to, in the INVEST Act, say that, before building major highway projects, States and cities had to look at whether or not rail transit alternatives could solve the problems better. Unfortunately, that was stripped out by the Senate. They considered anything other than building more highways to be problematic. But it doesn't work. I had a number as we were doing the bill. I can't remember how many tens of thousands of miles that were built on our intercities in the last 30 years, and they are more congested than ever. We have got to look at these sorts of viable alternatives.

But the other key thing we are going to need, like what happened in the case with Virginia, is cooperation with the freights. We have the greatest freight network in the world, and we don't want to jeopardize that. It is the second most efficient way to move cargo, after water. So, we want to encourage it.

But the point is, the law is pretty clear: "Preference Over Freight Transportation.—Except in an emergency, intercity and commuter rail passenger transportation provided by or for Amtrak has preference over freight transportation in using a rail line, junction, or crossing unless the Board orders otherwise under this subsection."

Well, obviously, that has not been observed. And that is of concern, as the trains get longer and longer. I got CRISI funds to help build a siding, so that we could move trains more efficiently between Eugene and Portland, Oregon. It takes over 3 hours. It is 110 miles. And now, the length of the trains that UP is going to run are going to be too long for the siding. There has got to be some compromise here that can both better utilize the rights-of-way or utilize reserved rights-of-way that the railroads aren't using now.

Somehow, something that is mutually beneficial, as it was for CSX in Virginia, because they got access to a new rail bridge and the other rail bridges at 99 percent. I think there are places around the country where that could happen. And I am hoping that this amount of funding, and a new attitude on the part of freight to sit down and actually talk, will move us in that direction.

So, I look forward to hearing about the plans from the witnesses in the hearing today. Thank you, Mr. Chairman.

[Mr. DeFazio's prepared statement follows:]

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

Thank you, Subcommittee Chair Payne and Ranking Member Crawford, for holding this hearing.

The Infrastructure Investment and Jobs Act (IIJA) is a major victory for the American people, making the largest-ever single investment in America's crumbling infrastructure. While it doesn't include exactly the policies or the funding I wanted, the bipartisan bill ushers in a new era for intercity passenger rail.

During the entirety of my congressional career, intercity passenger rail has suffered through funding stops and starts and endured the whims of the annual appropriations process. Following enactment of the Passenger Rail Investment and Improvement Act of 2008, the states anticipated a federal partner supporting their work with $90 million.

That number shot up to $8 billion when Congress passed the American Recovery and Reinvestment Act of 2009, with an additional $2.5 billion the following year, only to see it drop for the next couple of years, before climbing once more during the FAST Act years when Congress authorized hundreds of millions of dollars. In the meantime, Amtrak has limped along since we created the national passenger railroad, at times receiving barely enough to keep its lights on. But that ends now.

The IIJA is revolutionary, providing guaranteed and robust funding levels over the next five years—largely based on this committee's INVEST Act and President Biden's American Jobs Plan. The IIJA provides more than $100 billion for rail programs, including $66 billion in appropriated, reliable funds and another $35 billion in authorizations through fiscal year 2026.

For comparison: the appropriated funds alone in this bill are nearly six times the amount Congress appropriated during the years of the FAST Act—and that's in addition to the five years of funding the bill authorizes, which is more than triple the FAST Act authorization totals. These funding levels were made possible by the path we chartered, first in last year's Moving Forward Act, and in this year's INVEST Act.

Recognizing the vast needs across the rail sector, the IIJA provides significant funding for Amtrak, supports competitive grant funding for states to lead the development of new and expanded corridors, incentivizes interstate compacts, and creates inventories of projects in the Northeast Corridor for major infrastructure investments including bridges, stations, and tunnels. Additionally, intercity passenger rail projects are eligible for several formula and multi-modal discretionary grant programs. These programs were all included in the bipartisan IIJA, but they first appeared in this committee's INVEST Act, and I'm proud that our visionary work led the way.

I've long supported Amtrak and additional investments in intercity passenger rail because doing so is a no-brainer. It's good for the environment: traveling by Amtrak trains on the Northeast Corridor emits 83 percent fewer greenhouse gases than driving, and up to 55 percent fewer on travel outside of the Corridor. It helps reduce congestion: earlier this year, Virginia's Secretary of Transportation told this subcommittee that by the time the Commonwealth could complete constructing one new lane in both directions along I–95, the corridor would be as congested as it is today. Yet, pursuing a transformative rail plan could provide the additional capacity and at just one-third of the cost. Again, it's a no-brainer.

Like the INVEST Act before it, the IIJA maintains longstanding, commonsense funding conditions that maximize the benefits of these historic investments for U.S. workers, by helping to ensure these dollars support domestic manufacturers, pay prevailing wages, and provide railroad workers access to the traditional employment laws that have built middle-class careers in the industry for decades. This bill offers more Americans a cleaner, safer, and cheaper intercity travel option that sustains good paying jobs and generates economic activity along its path.

With the bipartisan IIJA now law, we must focus on turning these dollars into prudent projects. You all have exciting work ahead of you and funding and operating partnerships to forge with the Federal Railroad Administration (FRA), Amtrak, states, workers, regional commissions, and host railroads.

I look forward to hearing from the witnesses today about their plans to leverage and implement the long-term investment envisioned by the IIJA. And I am hopeful we can quickly move the quality projects that are ready to go without getting bogged down in bureaucracy. I hope officials at FRA, DOT, and OMB are listening and working to help get shovels in the ground.

Mr. PAYNE. Thank you, Mr. Chairman, and, once again, I want to say I wish you well in your next chapter. You have been a true inspiration for me in your leadership of this committee. So, thank you.

I would now like to welcome our witnesses, Mr. Stephen Gardner, President of Amtrak. And at this point in time, I would like to yield to the gentlelady from California, Mrs. Napolitano, to introduce our next witness.

Mrs. NAPOLITANO. Thank you, Mr. Chair. It gives me great pleasure, and I am honored to introduce David Kim, secretary of California State Transportation Agency. Many of our colleagues are familiar with Mr. Kim's distinguished career, having worked for the

Federal Highway Administration, the Governor of California, the mayor of Los Angeles, and our former colleague, Mr. Becerra. Mr. Kim has been a transformative leader of our State's transportation agency, working very hard for our local communities to reduce congestion, improve freight movement, and provide for a cleaner transportation system.

And, by the way, I may mention that he has been very accessible to me.

Thank you, Mr. Kim, for your work on behalf of our State, and for your testimony today.

Thank you, Mr. Chair. I yield back.

Mr. PAYNE. Thank you.

The gentlelady yields back. Our next witness is Mr. Kevin Corbett, president and CEO of New Jersey Transit, and cochair of the Northeast Corridor Commission. He is here on behalf of the Northeast Corridor Commission and is a gentleman that I work very closely with, and is a great leader of that organization.

And then we have Ms. Julie White, deputy secretary of multimodal transportation, North Carolina Department of Transportation, and chair of the Southeast Corridor Commission.

Next, we have Ms. Donna DeMartino, managing director, Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency.

And last, but not least, Mr. Knox Ross, Mississippi commissioner, and chair of the Southern Rail Commission.

Thank you all for joining us today, and I look forward to your testimony.

Without objection, our witnesses' full statements will be included in the record.

Since your written testimony has been made part of the record, the subcommittee requests that you limit your oral testimony to 5 minutes.

Mr. Gardner, you may proceed.

TESTIMONY OF STEPHEN GARDNER, PRESIDENT, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK); HON. DAVID S. KIM, SECRETARY, CALIFORNIA STATE TRANSPORTATION AGENCY; KEVIN S. CORBETT, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NEW JERSEY TRANSIT, AND COCHAIR, NORTHEAST CORRIDOR COMMISSION, ON BEHALF OF THE NORTHEAST CORRIDOR COMMISSION; JULIE A. WHITE, DEPUTY SECRETARY OF MULTIMODAL TRANSPORTATION, NORTH CAROLINA DEPARTMENT OF TRANSPORTATION, AND CHAIR, SOUTHEAST CORRIDOR COMMISSION, ON BEHALF OF THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION AND THE SOUTHEAST CORRIDOR COMMISSION; DONNA DEMARTINO, MANAGING DIRECTOR, LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO (LOSSAN) RAIL CORRIDOR AGENCY; AND KNOX ROSS, CHAIRMAN, SOUTHERN RAIL COMMISSION

Mr. GARDNER. Good morning, Chairman DeFazio, Chairman Payne, Ranking Member Crawford, members of the subcommittee, and my fellow witnesses. I am Amtrak President Stephen Gardner, and thank you for inviting me to testify today.

Let me begin by acknowledging Chairman DeFazio for his years of public service and thanking him for being a huge champion of Amtrak. His work has shaped the Nation for decades. With the enactment of this historic Bipartisan Infrastructure Law, it will continue to do so for many years to come.

Thank you, Mr. Chairman. We will sorely miss your leadership as you leave Congress.

For the past 50 years, Amtrak has described to Congress how intercity passenger rail could substantially benefit the Nation, if it only received the adequate and reliable funding it needed, like other modes. Today I would like to say something different: Thank you. Thank you for helping to enact this law and create a new era of rail mobility that can support our Nation's economic and environmental goals.

With the $66 billion provided to the Federal Railroad Administration and Amtrak, we and our partners can finally have the chance to renew, improve, or replace antiquated assets like the century-old bridges and tunnels in the Northeast, inaccessible stations around the Nation, and our vintage trains. With these funds, advancing long-stalled projects like the Gateway Program, with my good friend Kevin Corbett, replacement of our legacy fleets that serve States like North Carolina and California, and investing in core IT and maintenance facilities that support the whole network will finally be possible.

In addition to modernizing our assets, the Bipartisan Infrastructure Law also creates a process for the FRA to identify and provide grants to enhance intercity corridor routes across the Nation. With strong State rail planning in place, and Amtrak's own nationwide vision of corridor expansion released earlier this year, there are many great investment opportunities for the FRA to consider. I would note the reintroduction of gulf coast service, the development of California's Coachella Valley service, and the activation of the Raleigh-to-Petersburg S-line routes as prime examples.

Amtrak looks forward to partnering with the States, Deputy Administrator Bose, Secretary Buttigieg, host railroads, and others to bring more intercity service to more people across America. And we know that, critical to the success of this, is the update of the section 209 cost-sharing policy required by the new law. We understand that States need more predictability and control of their cost structure under this policy, and we are committed to work with our partners to update this paradigm for the new era.

Additionally, we will continue to work collaboratively with our partners where they see value in working with other parties to deliver parts of their service, and with new railroad entities that aim to develop or deliver their own service. We simply ask that key railroad laws like the Railway Labor Act and railroad retirement apply to new entrants, that the Federal Government gets equity and accountability for investments it makes in private systems, and that any new services create connections with Amtrak's national network.

As exciting as the Bipartisan Infrastructure Law is, there are some challenges that we and our partners will have to face in the coming years. I would like to highlight a few today.

First, while getting ready to launch this new era, we must continue to survive the pandemic. We have now just achieved about 70 percent of our historic ridership levels and restored most of our services. But the Omicron variant demonstrates the pandemic is far from over, and we must continue to drive the health and safety measures needed to protect passengers and employees.

A critical component of those measures is our employee vaccine mandate. As we implement this requirement, we are hopeful that many of the roughly 5 percent of our workforce that has yet to get vaccinated will do so by our deadline of January 4th, which aligns with the Federal contractor mandate. In case that doesn't occur, however, we anticipate proactively needing to temporarily reduce some train frequencies across our network in January to avoid staffing-related cancellations, with our plan to fully restore all frequencies by March, or as soon as we have qualified employees available. We will keep this subcommittee apprised of the situation as we learn more about employee compliance over the next week.

Further, in order to effectively implement the infrastructure bill, we and our partners will need to significantly grow and broaden our workforce and supplier base. We are anxious to partner with our labor unions and others to develop new employees and build a more diverse group of suppliers in the communities that we serve.

Finally, while the legislation contains very important planning provisions meant to guide network investment, we are also concerned that the current framework could restrict the States' and Amtrak's ability to quickly advance projects that are ready to go now. We look forward to working with the FRA, NEC Commission, States, and Congress to work through these challenges.

I will end my remarks by once again saying thank you to the members of this subcommittee, and to you, Chairman Payne. With the funds provided by the infrastructure bill, and your support moving forward, Amtrak and our State and commuter partners' vision for a modern passenger rail network can finally become a reality.

While Amtrak will still require annual appropriations to fund our basic operations and capital expense, the funds dedicated to address the deferred backlog and support network growth in this bill will forever change the course of our industry.

Thank you for your time. I look forward to your questions.

[Mr. Gardner's prepared statement follows:]

Prepared Statement of Stephen Gardner, President, National Railroad Passenger Corporation (Amtrak)

Good morning, Chairman Payne, Ranking Member Crawford, and Members of this Subcommittee. Thank you for inviting me to testify at this hearing on behalf of Amtrak. My name is Stephen Gardner, and I am Amtrak's President.

Amtrak celebrated its fiftieth anniversary on May 1. On innumerable occasions since Amtrak began operations in 1971, Amtrak's Presidents and Chief Executive Officers have appeared before the Transportation and Infrastructure Committee and its subcommittees to testify about the real and tangible benefits that expansion of intercity passenger rail could provide—if Amtrak and our mode of travel received adequate, sustained, and reliable funding like other transportation modes.

Today, I would like to begin my testimony by saying something different: Thank you. On behalf of Amtrak, our employees, our state and commuter partners, the communities we serve, and most importantly our present—and future—passengers,

I would like to thank the members of this Subcommittee for the contribution you have made to the enactment last month of the bipartisan Infrastructure Investment and Jobs Act (IIJA).

Amtrak recognizes the pivotal role the Transportation and Infrastructure Committee played in making that dream a reality. The Invest in America Act, introduced by Committee Chairman DeFazio and approved by the House of Representatives in July of last year, set the stage for the IIJA by providing unprecedented levels of funding for investment in intercity passenger rail. The IIJA reflects many of the approaches to funding intercity passenger rail that were included in the Invest in America Act, some of which were also proposed by Amtrak. It also reflects Chairman DeFazio's unwavering support for Amtrak and passenger rail, which will benefit rail passengers long after his recently announced retirement.

The enactment of the IIJA, which provides $58 billion for investment in Amtrak and intercity passenger rail, is truly transformative. It fulfills at last the long-held dream of adequate, multi-year federal funding to begin the modernization of Amtrak's assets and, working in partnership with our state partners, Secretary Buttigieg and the United States Department of Transportation (USDOT), significant expansion of our route network. Although the enactment of IIJA is long overdue, it is also timely. As we grapple with climate change and the necessity of reducing greenhouse gas emissions; a COVID-ravaged economy; worsening congestion on highways and in our aviation system as our population grows; and diminishing airline and intercity bus service for those not traveling between two major cities, the need for expansion of intercity passenger rail service has never been greater.

IMPLEMENTING THE IIJA

The IIJA will allow Amtrak and our state and commuter partners, in partnership with the Federal Railroad Administration (FRA), to begin modernizing our Northeast Corridor (NEC) and National Network assts. It will also provide the funding and process improvements that are needed to set in motion the expansion and improvement of our network to cities and smaller communities that are underserved, or not served at all, by Amtrak today.

The IIJA provides advance appropriations of $66 billion for rail. Amtrak will receive $22 billion of this amount, and $36 billion is designated for competitive grants under an updated version of FRA's Federal-State Partnership Program. The IIJA also appropriates $5 billion for the existing FRA Consolidated Rail Infrastructure and Safety Improvements (CRISI) program and $3 billion for grade crossing elimination projects: intercity passenger rail projects are among those eligible for competitive grants under both of these programs. To put the scale of this investment in context, the $58 billion the IIJA designates for intercity passenger rail is roughly equivalent to the total federal funding for Amtrak in the 50-plus years since Amtrak's creation.

RENEWING AND REPLACING OUR ASSETS

The $22 billion in advance appropriations the IIJA provides to Amtrak—$6 billion for the NEC and $16 billion for our National Network of state-supported and long-distance routes—will fund long deferred investments in Amtrak's infrastructure, equipment, stations, facilities, and information technology. These types of investments, along with investments to expand service, will also be eligible for competitive grants that will be awarded by FRA under the augmented Federal-State Partnership program originally created by the Fixing America's Surface Transportation (FAST) Act, which is now called the Federal-State Partnership for Intercity Passenger Rail. The IIJA provides advance appropriations of $36 billion for Federal-State Partnership grants, of which no more that $24 million may be used for NEC projects.

Infrastructure

On the NEC Main Line from Boston to Washington, the IIJA funding appropriated directly to Amtrak will enable advancement and acceleration of both the sole-benefit critical infrastructure projects and state-of-good repair (SOGR) work that are urgently needed after decades of underinvestment despite growing use. These appropriations will also advance State-of-Good-Repair (SOGR) projects on the Amtrak-owned Keystone Corridor and Springfield Line, Amtrak-owned trackage in Chicago and on the Michigan Line, and the portions of the Albany Line of the Empire Corridor that are owned or leased by Amtrak.

The primary source of funding for the large-scale NEC infrastructure investments will be the FRA's Federal-State Partnership grants, which will provide Amtrak and its state partners with a reliable, programmatic source of 80% federal funding for

these critical, once-in-a-century projects, and the additional federal transit funding the IIJA provides to our commuter partners. These projects include the construction of the long-sought Hudson Tunnel Project between New York City and New Jersey, which has just received from the Army Corps of Engineers the final federal regulatory approval required for construction; the replacement of the 148-year-old Baltimore and Potomac Tunnel in Baltimore by the new Frederick Douglass Tunnel; and the replacement of major bridges like the Connecticut River and Susquehanna River Bridges that have exceeded their useful lives.

The IIJA directs FRA to create a Project Pipeline, a prioritized list of NEC capital projects that includes their proposed federal funding levels and cost allocation among project sponsors, by November of 2022, and to update that Pipeline every two years thereafter. The NEC Commission, comprised of representatives of Amtrak, NEC states, USDOT and FRA, is already engaged in completing the groundwork that will inform the Project Pipeline. In July of this year, the NEC Commission completed CONNECT NEC 35 (C35), a comprehensive, 15-year NEC reinvestment implementation plan. The NEC Commission is currently working on an update to C35 to further refine this plan into an implementable, fiscally-constrained program that will include additional detail on project plans and assessments of project readiness, address service impacts during implementation, and take into account the availability of funding, equipment and workforce. In mid-2037, the NEC Commission plans to issue CONNECT NEC 37 (C37), which will update the 15-year NEC plan.

When fully funded and completed over the next 15 years, the infrastructure investments included in the C35 plan will cut down travel time by up to 30 minutes for passengers traveling between New York City and Washington or Boston. Maintaining the reliability and service frequency of Amtrak and commuter rail services along the NEC in the midst of all the work required to construct these investments will be a major challenge requiring close coordination with our commuter rail partners. While some disruption of and adjustments in services will be necessary while work is underway, passengers will see incremental improvements in trip times and reliability as projects are completed.

Infrastructure investments on other Amtrak-owned/leased lines using IIJA funds could also produce significant improvements in trip times and increased ridership. For example, maximum speeds on the Philadelphia-to-Harrisburg Keystone Corridor, the only electrified portion of Amtrak's network other than the NEC Main Line, which were increased to 110 mph as a result of investments jointly funded by Amtrak and the Commonwealth of Pennsylvania, could be increased further to 125 mph.

Stations

The IIJA's advance appropriations to Amtrak, Federal-State Partnership grants that Amtrak will seek, and IIJA transit funding provided to our commuter partners will allow advancement of the Major Station Amtrak Development Programs we have already commenced, in collaboration with commuter railroads and other public and private partners, at Amtrak-owned station facilities in New York City, Washington, D.C., Philadelphia, Baltimore, and Chicago. For example:

- At New York Penn Station, IIJA funding could accelerate efforts to use the opportunity created by the shift of most Amtrak passenger-facing services to the new Moynihan Train Hall and the advancement of the Hudson Tunnel Project to expand track and platform capacity to the south of the current station and transform Penn Station into a 21st Century terminal befitting the legions of passengers who use it today.
- IIJA funding could advance the Washington Union Station Expansion Project to transform that vital transportation hub, whose current size, configuration, and customer facilities are woefully inadequate to serve much larger volumes of Amtrak, commuter rail, Metro, and intercity bus passengers than it was designed to accommodate when it was restored 32 years ago.

IIJA funding will also allow us to advance station SOGR and improvement projects at our more than 500 other stations throughout the country in collaboration with state partners, communities, and private entities. In particular, it will enable us to accelerate work to bring all of our stations throughout the country into full compliance with the Americans with Disabilities Act (ADA). During FY 2022 and 2023, we expect to complete projects to make 96 stations fully compliant with the ADA.

Equipment

Providing funding for replacement of obsolete equipment used on Amtrak's state-supported and long-distance routes is one of the primary purposes of the $16 billion in additional National Network funding the IIJA provides to Amtrak. By 2031, we

expect to have replaced nearly 40% of the passenger rail cars we are currently operating across the entire network, and all the Amtrak-owned diesel locomotives used on our state-supported and long-distance services.

The IIJA specifies that the National Network and NEC advance appropriations shall be used to fully fund Amtrak's replacement program for the single-level equipment Amtrak operates on the NEC in *Northeast Regional* service and on state-supported routes, providing the resources to cover both the Amtrak share and the state share that would otherwise be required under the Section 209 cost allocation methodology. This roughly $5.5 billion program for 83 state-of-the-art, U.S.-built, flexible trainsets and related maintenance facility investments to replace the 45-year old Amfleet I cars will create jobs across America, redefine the experience we offer customers, improve reliability and equipment availability, and reduce operating and future capital costs.

The National Network funding will also allow Amtrak to initiate a procurement process to replace long-distance passenger cars that have reached the end of their useful lives, and exercise options to acquire additional ALC–42 (Amtrak Long-Distance Charger, 4,200 horsepower) locomotives, on top of the 75 we have already ordered, to replace the 20- to 30-year old Genesis diesel locomotives that power our long distance trains.

In addition to offering more modern customer amenities—like electronic passenger information boards throughout the trains and onboard wheelchair lifts—the new equipment we are acquiring will be more sustainable, producing significantly lower emissions per passenger mile than the equipment it replaces. This will increase the environmental benefits of growing Amtrak ridership by attracting passengers who would otherwise drive or fly. Each passenger who shifts from driving alone to taking the train along Amtrak's electrified Boston-to-Washington Northeast Corridor reduces their carbon footprint by 83%. That is an enormous public benefit, even before taking into account the resulting reduction in traffic on I–95 and on the congested streets of the major Northeastern cities.

Other Investments

In addition to capital investments that are readily observable to passengers, such as new passenger equipment, improved stations, and infrastructure upgrades and expansion that produce reduced trip times and fewer delays, the IIJA funding appropriated for Amtrak will provide vital funding for many other equally important, but less visible investments. These investments will include new information technology systems, improved equipment maintenance facilities, and new maintenance-of-way (MOW) equipment and MOW facility upgrades. The importance of these types of investments was evident during the early stages of the COVID–19 pandemic when, as a result of decisions to invest limited capital funds in technological innovations to improve our customers' experience, Amtrak was able to quickly roll out new innovations that facilitated social distancing such as assigned seating and push notifications to customers' phones of when to board trains that reduced queuing at departure gates.

EXPANDING INTERCITY PASSENGER RAIL SERVICE

Corridor Development

The IIJA directs FRA to establish a Corridor Identification and Development Program, and to solicit proposals from Amtrak, states, and other public entities for development of specific corridors. After consultation with Amtrak and other stakeholders, FRA is to submit to Congress by May of 2023 a Project Pipeline, to be updated annually, consisting of a prioritized list of selected corridors and details on their funding needs. FRA is also tasked with working with appropriate public entities to develop Service Development Plans for each selected corridor. Projects included in the Project Pipeline, along with other National Network capital investments as discussed above, will be eligible for the portion (at least $12 billion) of the Federal-State Partnership for Intercity Passenger Rail funding that FRA awards to National Network projects.

Completing the initial steps of the Corridor Identification and Development Program as quickly as possible so that the benefits of these investments can be realized by the public will be a significant task for all of those involved. Fortunately, it will not take place in a vacuum.

Earlier this year, Amtrak released Amtrak Connects US, a vision for developing and expanding corridor services throughout the United States over the next 15 years. Amtrak Connects US, the end product of more than two years of study and analysis and consultation with states and other stakeholders, identified approximately 30 new corridors with high demand and potential for intercity passenger rail

service, and an additional 20 existing corridors that were prime candidates for service expansion. FRA's recently completed Midwest Regional Rail Planning Study, a multi-year planning effort involving states and other stakeholders, provides a long-term (40-year) vision for intercity passenger rail service in the Midwest Region, as do previous FRA-led efforts in the Southeast and Southwest. Many states and regional transportation entities, including California, North Carolina and the Southern Rail Commission who are testifying at this hearing, have well-developed state rail plans and corridor-specific plans for expansion of intercity passenger rail service that can also be used to inform the Corridor Identification and Development Program.

The Corridor Identification and Development Program is perhaps the most important component of the IIJA because it will set the priorities and schedule for billions in future investments. As Amtrak has detailed in its Amtrak Connects US and other reports, and in previous testimony before this Subcommittee, the current Amtrak route network is about the same size, and serves most of the same routes and places, as Amtrak's route network 50 years ago. It does not reflect the roughly 120 million increase in the U.S. population since then, much of which has occurred in now large, fast growing states with diverse populations, such as Florida, Texas, and Georgia, that Amtrak barely serves.

Residents of Europe and Asia familiar with their own countries' extensive rail networks would no doubt be astounded to learn that Atlanta, whose metropolitan population is 5.6 million and should be the hub of a network of routes serving the Southeast, is served by a single daily long-distance train that stops at a tiny station with only four parking spaces and no rail transit connections. Or that Houston, with a metropolitan area population of seven million, has even less Amtrak service: a single tri-weekly long-distance train. And that to travel by train from Phoenix, with a metropolitan area population of 4.9 million, to Tucson (metropolitan area population one million) 114 miles away, you have to drive before dawn 38 miles to the Amtrak "station" in Maricopa—a double-wide prefab building—to catch a train that only runs three times a week.

We are gratified by the very enthusiastic reception our Amtrak Connects US vision has received in cities and smaller communities throughout the United States that are eager for new or expanded Amtrak service. One reason for that is huge economic benefits that passenger rail service can bring. Operation of new routes and services included in Amtrak Connects US is projected to produce 26,000 permanent jobs and $6.9 billion annually in additional economic activity, while the capital investments it would require are projected to result in $195 billion in economic activity and 616,000 person years of employment over the 15-year construction period.

To encourage states to initiate new or expanded Amtrak service, the IIJA authorizes $250 million for competitive grants under the existing Restoration and Enhancement (R&E) Program, which provides operating funding support during the initial years of operation of new, additional, or enhanced services. It increases the percentage of operating losses these grants can cover to a maximum of 90% in the first year of operation and extends the period during which R&E grants can be used to cover a diminishing share of operating losses from three to six years. The IIJA also authorizes Amtrak to use up to 10% of its National Network grants—up to $1.26 billion if Congress fully funds authorized appropriations—for capital needs and initial operating assistance on routes selected for the Corridor Development Program.

Also relevant to corridor development is the IIJA requirement that the State-Amtrak Intercity Passenger Rail Committee (SAIPRC), comprised of representatives of Amtrak, FRA and USDOT, and states that fund state-supported services, revise the Section 209 Cost Methodology Policy that governs the allocation of costs of state-supported routes between Amtrak and states. Amtrak looks forward to partnering with the FRA and states in developing and implementing the Corridor Identification and Development Program and in updating the 209 Policy. We know some states have concerns about the appropriateness, accuracy, and transparency of some of the cost allocations under the current 209 Policy, which we hope can be addressed via revisions to the policy. Now is the time to update and improve the Policy to support service growth and create higher degrees of predictability and control for both our state partners and Amtrak.

Long Distance

The IIJA also directs FRA to undertake a two-year study, in consultation with Amtrak, states, host railroads and other stakeholders, of increasing service frequency to daily on Amtrak's two tri-weekly long-distance routes—the New York-Cincinnati-Chicago *Cardinal* and the New Orleans-Los Angeles *Sunset Limited*—and of restoring discontinued long-distance routes. Increasing service frequency on tri-

weekly routes, and restoration of service on discontinued long-distance routes, is eligible for inclusion in and funding under the Corridor Development Program. Amtrak looks forward to participating in this comprehensive effort to assess the cost and benefits of operating additional long-distance service. This study is timely because planned future long-distance service levels will drive the quantities of new long-distance cars and locomotives Amtrak will need to acquire in its planned long-distance equipment procurement.

CHALLENGES AHEAD

Continued Performance Improvement

As monumental as IIJA is, we at Amtrak will not forget that we have a railroad to operate, and that must remain our primary focus. Realizing the benefits of IIJA requires that we operate safely, continue to improve our operational performance, and continue to regain the levels of ridership and revenues we had achieved when COVID–19 decimated travel demand throughout the world in March of 2020, resulting in a loss of 97% of our Amtrak's ridership that occurred virtually overnight.

We have come a long way since then. Nationally, Amtrak's ridership was averaging about 65–70% of pre-pandemic 2019 levels prior to the Thanksgiving holiday, during which it reached 78%. We have maintained normal service frequency on our long-distance routes throughout the pandemic, save for the first month of FY21 when service on most of those routes was temporarily reduced to tri-weekly. We have restored service—and in most cases full service—over virtually all the state-supported routes on which we suspended or reduced service at the beginning of the pandemic at the request of our state partners. The only exceptions are the three routes that travel into Canada, on which we are working with our state partners, host railroads, and U.S. and Canadian border control agencies to address impediments to service restoration.

The IIJA authorizes a total of $6.57 billion for Northeast Corridor grants to Amtrak, and $12.65 billion for National Network grants, in fiscal years 2022 through 2026. These amounts, totaling $19.22 billion, represent an above inflation increase in annual grant funding to Amtrak compared to pre-COVID appropriations levels. That increase is much-needed to make up for continuing revenue losses and additional expenditures attributable to the COVID–19 pandemic, and to allow Amtrak to continue to operate all current services and to fund vital capital needs. It is important to note that the IIJA funds provided to Amtrak generally do not cover our annual operating and capital expenses and are very specifically provided to address the long-standing backlog of state of good repair and modernization needs of the company. Therefore, we must emphasize that the existence of the IIJA funds does not diminish Amtrak's regular funding needs.

Those needs for the Northeast Corridor and National Network grants to Amtrak continue to be dependent upon annual appropriations. It is very important that the full authorized amounts be appropriated to cover these costs and the lost revenues we will continue to experience for an indeterminable period, particularly if the recently identified Omicron Variant or other future adverse developments in the ongoing battle against COVID–19 produce new declines in ridership and revenues.

One opportunity to improve customer service is presented by the IIJA's provisions regarding food and beverage service on our trains. The IIJA wisely repealed a long-standing prohibition on Amtrak providing any food or beverage service on trains—even on multi-day long distance routes—unless revenues covered all costs. This mandate put us at a competitive disadvantage, and past efforts to comply with it harmed customer satisfaction and employee morale. Instead, the IIJA establishes a task force, comprised of Amtrak and representatives of the groups most knowledgeable about our food service—our passengers, employees, and state partners—that is charged with coming up with ways to improve its financial performance, quality, and customer responsiveness. We are excited by the opportunity to stand up and work with this group to find ways to improve our on-board food service.

Finally—and most importantly—we need to operate a safe railroad. The IIJA makes many changes in railroad safety laws, a number of which Amtrak recommended. We will be working with our employees, the FRA, and other stakeholders to implement those changes. We also plan to continue our efforts to implement our industry-first Safety Management System and positive train control, which is already in use on all Amtrak routes where it is required by law, on the remaining portions of our network, using the additional funding provided by the IIJA.

Maintaining Service Levels

As part of addressing the challenges presented by COVID–19, Amtrak must comply with the federal mandate effective January 4, 2022 that employees of government contractors be fully vaccinated. Amtrak has strongly advocated that all our employees to be vaccinated and we have made great progress in achieving this important public health goal. As of the beginning of this week, 94% of our employees have been fully vaccinated, and 96% have received at least one vaccination dose. (These numbers do not include employees who are on leave of absence or have an approved accommodation.) We hope that all employees who have already received one vaccination dose, which all employees are required to receive as of today, will be fully vaccinated by January 4. However, because many engineers, conductors and on-board service employees retired or left Amtrak during the pandemic, and we temporarily halted hiring due to funding uncertainty and covid-related distancing requirements that inhibited training, we anticipate that we will not initially have enough employees to operate all the trains we are currently operating when the federal mandate takes effect. This will likely necessitate temporary frequency reductions, primarily for our long-distance services.

This impact is primarily felt across our long-distance services because of the relatively small crew bases at intermediate points along multi-day long-distance routes where conductors and engineers report to work. At some of these crew bases across our network, we have a relatively high percentage of unvaccinated employees. If those employees chose to not get vaccinated by the deadline, we will not have sufficient trained staff to support current service frequency on affected routes, as engineers and conductors must undergo extensive training both when hired or promoted and to become qualified on the characteristics of each route on which they work. We are currently determining what service reductions will be necessary and intend to communicate them publicly by next week in order to ensure that we can rebook customers to the remaining frequencies we feel confident we can fully staff. Our goal, of course, will be to have as few impacts to service as possible as we take these vital public health steps to help end the COVID–19 pandemic and reduce the spread of the new Omicron variant, and we will be prepared to reinstate frequencies as soon as the number of available employees permits.

Achieving full service levels, while complying with the vaccination requirement and continuing to prioritize the safety of our customers and employees, is our goal. One silver lining of COVID–19 is that we have been able to attract many new passengers despite overall lower ridership. In recent months, 30% of our passengers were making their first trip on Amtrak, double the pre-COVID average. Continuing to provide high quality customer service and schedule utility is a priority for us so that these new passengers will become regular riders.

Maintaining Momentum

The comprehensive, prioritized processes the IIJA establishes for funding and implementation of both NEC capital investments and expansion of corridor services are a welcome development, particularly since they are accompanied by funding that will make the lists of prioritized projects more than a wish list. However, despite the aggressive timelines the IIJA sets for implementation of these processes, it could be a year and a half before that occurs.

Needless to say, we hope we can avoid hitting the pause button for 18 months on implementation of already planned NEC capital projects, or on advancement of additional state-supported services on which work to add new trains and routes, in collaboration with our state partners, is already underway. Within the next 18 months, Amtrak and its state partners plan to add service to Roanoke and Norfolk, Virginia; to Burlington, Vermont; and between New Orleans and Mobile, Alabama. We also hope to finalize agreements and initiate construction of capital investments for new corridor service between Chicago and St. Paul, Minnesota. We also plan to continue our work with state partners on other service expansions, such as the development of the portion of the Southeast High Speed Rail Corridor between Petersburg, Virginia and Raleigh that will link, via a newly constructed, direct and higher speed line, North Carolina's burgeoning, state-supported Charlotte-to-Raleigh Piedmont Corridor to Virginia's Petersburg-Richmond-Washington corridor and the Northeast Corridor.

It is essential that FRA, Amtrak, and the NEC Commission work together to ensure that the FY 2022 and 2023 funding the IIJA appropriates for infrastructure investments and corridor development is made available for that purpose as quickly as possible. Work on already well-advanced, shovel-ready projects to improve intercity passenger service, and on vital state-of-good repair projects such as rehabilitating the East River Tunnels damaged by Superstorm Sandy, should not be delayed by planning processes to establish priorities and a road map for future invest-

ments and service expansions. Should revisions or clarifications of statutory requirements be necessary to accomplish this, Amtrak would strongly urge Congress to approve them.

Growing Our Workforce and Supplier Base

Making good and timely use of the $66 billion in funding the IIJA provides will be a huge but wonderful challenge for Amtrak, FRA, and states. It will require educating, hiring, training, and developing career paths for thousands of additional workers who will be needed to fill jobs requiring high levels of skill that provide good wages and benefits. These new workers will not be easy to come by at a time when finding qualified personnel is a challenge in all industries, let alone an industry like passenger rail that, because of historic underfunding, does not have a strong pipeline of prospective employees with the necessary, and in many cases unique, skills that will be required.

For the same reason, finding qualified suppliers and contractors for many of the products and services necessary for modernization and expansion of our passenger rail network will also be a challenge. For example, no U.S.-based company manufactures passenger railcars, and the United States has a limited pool of engineers with expertise in designing, rebuilding, and constructing rail infrastructure.

But these challenges also create opportunities: opportunities to develop partnerships with universities, community colleges, labor organizations and community groups to attract, educate and train the new people we need to develop the skilled, diverse Amtrak workforce of the future. In October, Amtrak entered into a national agreement with North America's Building Trades Unions (NABTU), the labor organization representing more than three million skilled craft professionals, under which Amtrak and NABTU will work together to ensure a consistent construction workforce pipeline that will accelerate apprenticeship readiness programs, promote diversity, and ensure fair wages and benefits for the workers who will build the infrastructure that IIJA funding to Amtrak will construct. We also plan to create a Community Engagement Office that will allow us to develop closer ties with the communities we serve, which would facilitate local hiring and provide many other benefits.

The IIJA will also provide opportunities to grow and expand—and importantly, to diversify—our industry's limited supplier base. The investments the IIJA will fund will provide new business opportunities for thousands of companies, including many existing and new small businesses and disadvantaged business enterprises. We will be augmenting our Supplier Diversity Program to provide additional staffing, employee training, supplier outreach and improvements in technology and ease of doing business with Amtrak that will enable us not only to meet the demands of an exponential increase in Amtrak procurement activity but also to increase our corporate goal of spending with Disadvantaged Business Enterprises (DBE), Small Business (SB) concerns, Minority and Women Business Enterprises (M/WBEs), Veteran and Service Disabled Veteran Owned Businesses (VOB/SDVOB) and Labor Surplus Area firms (LSA) to 15%.

Administrative Challenges

Distributing and administering $66 billion in grants and appropriations in an expeditious, efficient, and accountable manner will require a ramp up of FRA resources to ensure timely competition of environmental reviews and awards of grants. It will also require process changes to eliminate unnecessary hurdles to initiating and carrying out projects, and of course, new resources for recipients like Amtrak that must comply with FRA requirements.

A particular challenge is that FRA and the Federal Transit Administration (FTA), whose transit programs also received a large infusion of funding under IIJA for which commuter rail projects are eligible, have different and sometimes conflicting grant administration requirements. These requirements, often called "flowdowns" because they are incorporated in agreements with contractors, can become major impediments when, for example, commuter railroads fund their share of Amtrak-led NEC projects with FTA funds governed by FTA regulations that are inconsistent with Amtrak's FRA-compliant grant processes. We hope that the efforts FRA and FTA are making to address this issue will enable projects to proceed unimpeded, without the need for additional legislation, regardless of which DOT modal administration happens to sign the (electronic) checks that provide federal funding.

Developing New State Partnerships

Throughout our history, states and Amtrak have partnered to launch corridor services that have proved so beneficial that states and Congress have continued to find the funding necessary to cover their costs, even during periods of severe funding constraints and the COVID–19 pandemic. Of the many state-supported routes

we have added over the past 20 years, or for which states were obligated by PRIIA to provide funding support beginning in 2013, only a single less than daily route has been discontinued due to cessation of state funding support.

However, achieving state commitments to begin funding intercity passenger rail service is always a challenge amidst all the competing transportation priorities facing state capitals. It is a particular challenge during periods of economic uncertainty such as we face today as a result of the COVID–19 pandemic. It will remain so despite the significant, multi-year federal funding the IIJA authorizes, which for the first time will place intercity passenger rail on a more even footing with other modes when states are deciding how to spend their limited transportation dollars. The provisions in the IIJA that provide funding for the Restoration and Enhancement program to cover a portion of the operating costs of new and expanded services in their initial years, and that authorize Amtrak to use a portion of its National Network grants for both initial capital and operating costs of new or expanded routes, could significantly reduce initial state funding requirements for service expansion. However, challenges in securing even relatively small initial state funding from states with fiscal constraints that are not accustomed to funding intercity passenger rail service will remain, and Amtrak is gearing up to partner with interested states to help make the case for long-term state funding commitments for service growth.

Host Railroad Access

The IIJA makes no changes in Amtrak's longstanding statutory rights of access to the national rail network and to dispatching preference over freight trains. It creates a Passenger Rail Program within the Surface Transportation Board (STB) to carry out the STB's responsibilities in that area, which include authority, granted by the Passenger Rail Investment and Improvement Act of 2008 (PRIIA), to conduct investigations of Amtrak routes with poor on-time performance to determine whether the cause is host railroads' failure to give preference to Amtrak trains. It is important that the ten authorized positions in the STB Passenger Rail Program be filled promptly and funded through future appropriations.

As Amtrak looks to expand and improve operations over rail lines owned and dispatched by our host railroads, which account for about 95% of our current route network, our goal is to negotiate win-win agreements with our hosts that include investments benefiting both Amtrak and freight service. Amtrak, our state partners, and the federal government have invested billions of dollars in rail lines owned by our host railroads to upgrade infrastructure and provide additional capacity to facilitate new or increased Amtrak service. One recent example is Amtrak's commitment, in partnership with the Commonwealth of Virginia, to invest $944 million in infrastructure improvements along the CSX-owned rail line and right-of-way between Washington, D.C., Richmond and Petersburg, Virginia, which in addition to hosting Amtrak long-distance and fast-growing state supported services is a key north-south rail freight corridor.

In most cases, the operation of additional Amtrak trains and routes has been addressed under our agreements with host railroads. Earlier this year, following more than three years of unsuccessful negotiations with two host railroads, Amtrak for the first time initiated a proceeding before the STB under the "Additional Trains" provision of the Rail Passenger Service Act, which is codified at 49 U.S.C. 24308(e). In that still pending proceeding, Amtrak, supported by FRA, is seeking an order that would allow restoration of state-supported Amtrak service along the Gulf Coast between New Orleans and Mobile, Alabama.

Needless to say, access to all host railroad lines on reasonable terms, without lengthy delays or exorbitant and unjustified demands for capital investments, is an essential prerequisite to using the funding provided by the IIJA to grow our network as Congress intended to bring Amtrak service to routes and communities that we do not serve, or do not serve well, today. Were it not for the existence and, when necessary, enforcement of the unique access rights Amtrak received under the Rail Passenger Service Act as part of the public bargain that relieved private railroads of their common carrier obligation to provide intercity passenger rail service themselves, railroads could completely preclude Amtrak and its state partners from adding routes and services, or could even refuse to allow continued operation of existing long-distance and state-supported services altogether or on reasonable terms.

A high level of on-time performance on trains operating over Amtrak's host railroads is crucial to attracting customers and realizing the benefits of public investments in rail. We are therefore gratified that, following a decade of ultimately unsuccessful legal challenges by the freight railroad industry, the STB is finally empowered to exercise the authority it received in PRIIA to investigate substandard Amtrak on-time performance, and to take award damages and prescrive other relief

if it results from preference violations. We hope that all our freight railroad partners will focus on working with us to improve the performance of our trains rather than expending their resources in future litigation efforts aimed at once again frustrating Congress's intent. If that does not happen, we will be coming to you again to seek authority for Amtrak to directly enforce its statutory preference rights in federal court.

FUTURE FUNDING

As I said at the beginning of my testimony, the enactment of the IIJA provides, for the first time since Amtrak's creation, adequate funding to begin the long overdue modernization and expansion of the U.S. passenger rail network. Because of the magnitude and long lead times of the investments required to accomplish that, the funding levels provided by the IIJA—which are, in essence, a down payment—must continue beyond its five-year horizon. Addressing the $117 billion in infrastructure investments required to implement the NEC C35 Plan or developing a network of new corridor services like Amtrak Connects US, whose estimated capital cost is $75 billion, will require assured, long-term funding, such as the trust funds that fulfill that purpose for other transportation modes.

With the enactment of IIJA, the need for a trust fund or similar long-term, assured funding mechanism has never been greater. Developing and operating a larger rail corridor network serving all regions of the United States will require an ongoing federal funding commitment. In particular, enactment of long term, assured funding is an essential prerequisite to any expansion of Amtrak's long-distance network, whose significant capital and ongoing operating costs are virtually all federally funded, unlike our state-supported and NEC services.

CONCLUSION

I will end my remarks by once again saying Thank You to the members of this Subcommittee for the role you have played in providing the programs and funding that will jumpstart the development of the modernized and expanded intercity passenger rail network our country needs. And, I hope that the success of the initial efforts of Amtrak and our partners to accomplish that will make the argument for adequate, assured, long-term federal funding for intercity passenger rail even more compelling, so that there will be a future opportunity for Amtrak to come before Congress once again and say Thank You for making that long-held Amtrak vision a reality as well.

Mr. PAYNE. Thank you, Mr. Gardner, and it looks like we are finally getting to a point where Amtrak will finally receive the dollars that it was promised 50 years ago. And I have been an advocate on reiterating that over my time here in Congress, and it looks like we finally made it. So, we look forward to the new prospects for Amtrak.

Next, we will hear from Mr. Kim.

You have 5 minutes, sir.

Mr. KIM. Good morning, Chairman DeFazio, Chairman Payne, Ranking Member Crawford, and members of the subcommittee. Thank you for the invitation to testify.

And Congresswoman Napolitano, thank you so much for the kind introduction, and it is great to see you.

And thanks to all members of the committee for your leadership in securing passage of the Infrastructure Investment and Jobs Act, which, as previously noted, provides record levels of Federal investment for intercity rail.

The first point I would like to make at the outset is that California's sustainable transportation strategy is based largely on reducing vehicle-miles traveled and greenhouse gas emissions by shifting passenger transportation from highways to rail.

We are also aggressively supporting the development of clean, zero-emission technologies. The IIJA will support climate-friendly

policies California has led the Nation in developing. These policies are the driving force behind the 2018 California State Rail Plan, which establishes a long-term vision for prioritizing State rail investment.

Just by way of background, California's passenger rail system includes Amtrak, national network long-distance routes, as well as State-supported intercity passenger trains, along with locally supported commuter and urban rail services. Amtrak long-distance routes that serve both California and interstate markets include the California Zephyr, Coast Starlight, Sunset Limited, and Southwest Chief. We greatly value these services, which connect many of California's smaller communities to the rest of the State and Nation.

Meanwhile, our State-supported routes include the Pacific Surfliner, San Joaquins, and Capitol Corridor. Together, they make up nearly 20 percent of Amtrak's entire ridership.

I want to point out that California funds and owns most of the equipment used on the three State-supported intercity rail routes, which are managed by regional joint powers authorities.

California greatly appreciates the $16 billion in the IIJA for Amtrak's national network, which can be used to upgrade California Amtrak stations and other facilities to full ADA compliance. Funds can also be used to rehabilitate and replace old Amtrak-owned fleet and facilities and conduct corridor development activities.

Amtrak has also expressed a desire to conduct corridor development, starting with the L.A.-Phoenix-Tucson route. Amtrak is supporting efforts by Caltrans, LOSSAN Rail Corridor Agency, and the Riverside County Transportation Commission to expand service into the Coachella Valley as a supporting project to the broader goal of increasing rail service between California and Arizona.

We also appreciate the significant expansion and reform of the Federal-State Partnership for Intercity Passenger Rail program. The new law provides $36 billion, with at least $12 billion available for projects outside the Northeast Corridor. This will boost California State funding programs, which are investing heavily in corridor expansion to operate more frequent service and extend our corridors.

I want to emphasize that Federal rail funding provided to California is not just an investment, it is a partnership. Federal funding supports significant State, local, and private rail investments that are already being made throughout the State.

As noted in the State Rail Plan, $20 billion for California rail projects is needed through 2027, and $119 billion through 2040. We have already delivered more than $4.7 billion since 2015 for projects that benefit intercity rail, but only $150 million came from Federal sources.

State and local rail funding comes from a wide variety of programs, including local sales tax measures, California's biennial State Transportation Improvement Program, the State Rail Assistance program created by California's landmark SB 1, and other competitive programs.

Just a few weeks ago, my agency issued a call for projects for the upcoming round of grants from the Transit and Intercity Rail Capital Program, TIRCP. This program funds rail and transit capital

projects that reduce GHG emissions, VMT, and congestion. Since 2015, we have awarded $5.8 billion to 73 projects, with a total value of over $26 billion.

We are also leading the Nation in transitioning to zero-emission intercity rail by 2035. Our State budget that was enacted just a few months ago includes $3.9 billion to accelerate the State's zero-emission vehicle goals, and we already have initiatives underway. For example, Caltrans is rolling out renewable diesel to the entire intercity fleet, and we are also going to deploy zero-emission, multiple-unit train sets, using both hydrogen fuel cells and electric batteries.

I also want to point out that we are also advancing sustainability goals by supporting privately financed and developed electric high-speed rail. Brightline West is planning to build a high-speed system connecting Las Vegas with both Rancho Cucamonga and Palmdale. Last year I authorized Caltrans to enter into a lease agreement, allowing Brightline West to use State right-of-way along Interstate 15 for high-speed rail service.

Finally, Mr. Chairman and Ranking Member, construction on the Nation's first truly high-speed rail project continues to show steady progress. The California High-Speed Rail Authority is advancing construction in the Central Valley, extending to Merced and Bakersfield, and completing environmental work for the entire 500-mile system. Today, in the Central Valley, there are 35 different work sites along 119 miles of construction. More than 6,000 jobs have been created, 635 certified small businesses working on the project, including——

Mr. PAYNE. Please wrap it up.

Mr. KIM. OK.

Mr. PAYNE. Thank you.

Mr. KIM. Yes, OK. So, in closing, we are excited about the future of intercity passenger rail in California, and the prospect of expanding services throughout the State, thanks to the IIJA.

Thank you again, and I look forward to working with this subcommittee and the administration to make transformative investments that will deliver the next generation of American intercity passenger rail. Thank you.

[Mr. Kim's prepared statement follows:]

Prepared Statement of Hon. David S. Kim, Secretary, California State Transportation Agency

Good morning, Chairman Payne, Ranking Member Crawford and Members of the Subcommittee. Thank you for inviting me to update you on the State of California's efforts to expand intercity passenger rail services. I also want to thank you for your leadership in securing passage of the landmark *Infrastructure Investment and Jobs Act* (IIJA, P.L. 117–58). Simply stated, the IIJA makes the largest federal investment in passenger rail since the creation of Amtrak, providing $66 billion in additional rail funding to create safe, efficient, and climate-friendly alternatives for moving people.

California is the world's fifth largest economy and home to nearly 40 million people, with a population expected to grow to 47 million by 2040. Reducing vehicles miles traveled and greenhouse gas emissions by shifting passenger transportation from highways to railways and supporting the development of clean, zero-emission technologies are central features of California's sustainable transportation strategy. IIJA will support climate-friendly policies and investments California has led the nation in developing for several years, most recently through:

- The *2018 California State Rail Plan* [i], which establishes a long-term vision for prioritizing state investment in an efficient, effective passenger and freight rail system. *Rail Plan* investments will result in 88 million daily passenger miles diverted to rail from highways by 2040, and intercity and regional rail ridership is expected to increase from 115,000 daily trips to 1.3 million daily trips by 2040;
- Governor Gavin Newsom's Executive Orders N–19–19 [ii] and N–79–20 [iii], which empowers the California State Transportation Agency (CalSTA) to leverage discretionary state transportation funds to help meet the state's climate goals and build towards an integrated, statewide rail and transit network, consistent with the *California State Rail Plan*; and
- CalSTA's *Climate Action Plan for Transportation Infrastructure* (CAPTI) [iv] that details a framework for investing billions of state discretionary transportation dollars annually to aggressively combat and adapt to climate change while supporting public health, safety and equity. CAPTI's first guiding principle is to build toward an integrated, statewide rail and transit network.

California's existing passenger rail system includes Amtrak National Network long-distance and State-supported intercity passenger trains, as well as locally supported commuter and urban rail services, with connections to other modes of transportation.

Amtrak-funded and operated long-distance routes that serve both California and interstate markets include the *California Zephyr*, *Coast Starlight*, *Sunset Limited*, and *Southwest Chief*. We value these services, which connect many of California's smaller communities to the rest of the state and nation, and we appreciate and support the ongoing federal investment into making these services stronger.

California's State-supported routes include the *Pacific Surfliner*, *San Joaquins* and *Capitol Corridor*. Together, they make up nearly 20 percent of Amtrak's entire ridership. The *Pacific Surfliner* corridor has the highest ridership of any corridor outside the Northeast Corridor. California funds and owns most of the equipment used on the three State-supported intercity rail routes. We have a unique approach to managing the corridors that relies on regional Joint Powers Authorities responsible for the management and marketing of each corridor and the execution of operating contracts with Amtrak and other companies involved in delivering the service. This has allowed California to be a center of innovation—many now-national approaches to ticketing, WiFi and passenger information have been first developed and tested in California, and later expanded to other corridors throughout the Amtrak system.

California appreciates the $16 billion provided by the IIJA over five years for Amtrak's National Network, which can be used to upgrade California Amtrak stations and related facilities to full Americans with Disabilities Act (ADA) compliance, rehabilitate and replace old Amtrak-owned fleet and facilities, and conduct corridor development activities.

Nearly all the long-distance route equipment used in California is on Amtrak's near-term replacement list. While Amtrak owns relatively few facilities in California, CalSTA anticipates that investments may be advanced in Oakland and Los Angeles.

Amtrak has also expressed a strong desire to conduct corridor development, starting with the Los Angeles-Phoenix-Tucson route. It has recently begun to support efforts by the California Department of Transportation (Caltrans), Riverside County Transportation Commission and the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency to advance service expansion into the Coachella Valley as a supporting project to the broader goal of increasing rail service between California and Arizona. The *State Rail Plan* also lays out our vision for expanding rail service into Nevada, and CalSTA has an active MOU with *Brightline West* to provide for future access to the I–15 right-of-way for the operation of privately funded high-speed rail from Southern California to Las Vegas.

California also appreciates the IIJA's significant expansion and reform of the *Federal-State Partnership for Intercity Passenger Rail* program, which broadens project eligibility beyond Amtrak- and state-owned assets and allows expansion of or con-

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[i] The 2018 California State Rail Plan: https://dot.ca.gov/programs/rail-and-mass-transportation/california-state-rail-plann

[ii] Governor Newsom's Executive Order N–19–19: https://www.gov.ca.gov/wp-content/uploads/2019/09/9.20.19-Climate-EO-N-19-19.pdf

[iii] Governor Newsom's Executive Order N–79–20: https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf

[iv] CalSTA Climate Action Plan for Transportation Infrastructure (CAPTI): https://calsta.ca.gov/subject-areas/climate-action-plan

struction on new intercity passenger rail routes, in addition to capital projects that address state-of-good repair. IIJA provides $36 billion for this program, making at least $12 billion of the funds available for projects outside Amtrak's Northeast Corridor. This expanded source of funding will help advance California's critical, nationally significant rail projects. Our state funding programs are investing heavily in corridor expansion in order to operate more frequent service and extend our corridors, with significant expansions planned to Roseville, San Jose, Salinas, San Luis Obispo, Santa Barbara, San Diego and into the Coachella Valley, as well as additional service from Sacramento and the Bay Area to meet High-Speed Rail's initial service from Merced to Bakersfield.

These corridor expansion efforts often require rehabilitation of rail corridors before service can be increased. We have great relationships with our host railroads, including BNSF and Union Pacific, helping us implement these projects and doing so in a manner that assures ongoing funding for capital maintenance activities that deliver a reliable railroad with greater than 95 percent on-time performance on a consistent basis. We are also are planning a robust investment in our over 20-year old state-owned rail fleet that will extend its life for another 15 years. The new federal funding is a welcome opportunity for us to expand the scale of what we can accomplish in the next few years.

California rail agencies are also well-positioned to compete for $5 billion in the Federal Railroad Administration (FRA) *Consolidated Rail Infrastructure and Safety Improvement Program* (CRISI) grants provided by IIJA. And we welcome the opportunity to compete for funding from the IIJA's new $3 billion *Railroad Crossing Elimination* grant program for projects that make improvements to highway and pathway rail crossings, such as eliminating highway-rail at-grade crossings that are frequently blocked by trains, adding gates or signals, relocating track, or installing bridges. Many of these projects have multiple rail operators that will benefit—intercity, long-distance, commuter and future high-speed rail on the passenger side, and often goods movement by freight rail as well.

California is also building the nation's first truly high-speed rail system, and in doing so, we are at the forefront of developing an entirely new American industry where investments in and the development of new technologies, manufacturing capabilities, and innovative business practices will create high-skilled, good paying jobs. California has invested heavily in its clean, electric high-speed rail project through $9.95 billion in voter-approved Proposition 1A bond funds and an ongoing revenue stream derived from 25 percent of California's Cap-and-Trade auction/Greenhouse Gas Reduction Fund program (approximately $500 million to $750 million annually), compared with approximately $3.4 billion in federal funding California has received for the project. Together, these resources are expected to provide over $21 billion towards the first phase of high-speed rail in California.

The IIJA presents numerous funding opportunities for California High-Speed Rail projects, including critical grade separations, rail improvements, station planning, development and improvement.

I want to emphasize to the Subcommittee that federal rail funding provided to California is not just an investment—*it's a partnership*. Federal rail funding supports significant state, local and private rail investments that are already being made throughout the state. As noted in the *2018 California State Rail Plan*, which the *Mineta Transportation Institute* recently recognized as one of the best planning documents in the country [v]—approximately $20 billion dollars in funding to support California rail capital projects is needed through 2027, and $119 billion needed through 2040. We have already delivered more than $4.7 billion of funding to rail projects that benefit intercity rail since 2015, but only $150 million came from federal sources.

California state and local rail funding is available through a wide range of programs including Local Sales Tax measures, California's biennial five-year State Transportation Improvement Program (STIP), the State Rail Assistance program created by California's landmark SB 1, *Road Repair and Accountability Act of 2017*, and other competitive programs created by SB 1.

In November, CalSTA published its 2022 *Transit Intercity Rail Capital Program* (TIRCP) final guidelines and call for projects.[vi] TIRCP is a competitive grant program that receives an average of $300 million annually from SB 1 and 10 percent of the State's Cap-and-Trade auction/Greenhouse Gas Reduction Fund revenues.

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[v] Mineta Transportation Institute's Getting State Rail Plans Back on Track: Gaps and Best Practices: https://transweb.sjsu.edu/press/Getting-State-Rail-Plans-Back-Track-Gaps-and-Best-Practices

[vi] CalSTA's Transit and Intercity Rail Capital Program: https://calsta.ca.gov/subject-areas/transit-intercity-rail-capital-prog

TIRCP funds transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems and reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. Over 90 percent TIRCP funding is dedicated to projects that benefit disadvantaged communities.

There have been four prior cycles of TIRCP funding since 2015, in which CalSTA has awarded $5.8 billion in funding to 73 projects with total budgets over $26 billion throughout the state. These transformative investments include:

- Electrification of Caltrain, which will also serve high-speed rail trains from the Central Valley and Southern California, and host intercity trains from Salinas.
- Expansion of ACE and San Joaquin rail service to Sacramento and Merced.
- Expanding the *Pacific Surfliner* and Metrolink rail systems in Southern California to deliver 30 minute frequencies on many corridors and also adding frequencies to Santa Barbara, San Luis Obispo and San Diego.
- The LINK Union Station project that will build run-through tracks at Union Station, significantly reducing travel time (by about 20 minutes) and the need to transfer between trains in Los Angeles.
- Extending more frequent Capitol Corridor service to Roseville.

California is leading the nation in the transition to completely zero-emission intercity rail operations by 2035. We have many short-term measures that are jump-starting this effort. Caltrans is rolling out the use of renewable diesel to the entire intercity locomotive fleet serving state corridors, which is entirely owned by the state, and installing aftertreatment systems on Tier-2 locomotives to bring them to Tier-4 equivalent standards. California is also targeting a 15 percent reduction in fuel usage through more efficient driving, lighting, and climate control and seeking to expand use of wayside power to switch off engines during layovers.

California's state budget for fiscal year 2021–22 includes $3.9 billion investment to accelerate the state's Zero-Emission Vehicle (ZEV) goals, including $407 million to demonstrate and deploy state-of-the-art, zero-emission bus and rail equipment and related infrastructure. By advancing research and designs for these vehicles—and in most cases, also funding the first purchases of such vehicles for use on California services—we will accelerate the transition of public transportation to zero-emission technologies and inform future procurements of such vehicles at a larger scale.

Caltrans will also be deploying zero-emission multiple unit trainsets utilizing both hydrogen fuel cells and electric batteries, based on an initial project funded by CalSTA to deploy such technology on the Redlands Passenger Rail service in San Bernardino County. These trainsets should be available in 2024 for testing on various intercity and commuter rail corridors around the state. We also expect to pilot zero emission power for bi-level trainsets and locomotives, laying the foundation for complete replacement of our older bi-level equipment beginning in about a decade. And California is also proudly at the forefront of the nation's largest clean, electric intercity high-speed rail network development.

Additionally, California is also working to make our rail systems more resilient to the effects of climate change. As noted in the 2018 California State Rail Plan, climate change-induced sea level rise is impacting many of California's coastal rail corridors, as is case in other national coastal regions. In January, CalSTA published its *Final Report from the LOSSAN San Diego Regional Rail Corridor Working Group*,[vii] a CalSTA-led year-long effort to address critical climate change transportation infrastructure resilience issues in the LOSSAN Corridor.

Nearly two miles of the LOSSAN Rail Corridor run through the City of Del Mar on bluffs located adjacent to the Pacific Ocean. The Del Mar Bluffs, which support the railroad infrastructure and track-bed, have experienced and continue to be vulnerable to major erosion events that threaten the stability and viability of the route. After highly publicized Del Mar Bluff failures in late 2019, I convened the LOSSAN San Diego Regional Rail Corridor Working Group(LOSSAN Working Group) to determine the critical pathway needed to secure the stabilization of the Del Mar Bluffs for the coming decades

At the outset of the LOSSAN Working Group, we and our partners sought $100 million to stabilize the Del Mar Bluffs. Over the course of one year, the Working Group secured funding from the FRA, CalSTA's TIRCP and SB 1's Trade Corridor Enhancement Program. Through the efforts of the LOSSAN Working Group, we successfully identified all funding needed to completely stabilize the bluffs. We are now meeting quarterly to discuss long-term solutions for the LOSSAN corridor in the re-

[vii] Final Report from the LOSSAN San Diego Regional Rail Corridor Working Group: https://calsta.ca.gov/-/media/calsta-media/documents/sdregrailcorridorfinalreportfinala11y.pdf

gion, which may include realigning the corridor completely off the Del Mar Bluffs, which could potentially entail a multibillion-dollar infrastructure project.

California is also advancing its environmental and sustainability goals by supporting privately financed and developed electric high-speed rail projects. Planning for high-speed train service between Las Vegas and San Bernardino County has been underway for more than a decade. As early as 2010, the State of California was working with a private-sector entity to explore and evaluate ways to coordinate planning. *Brightline West*, a Brightline-affiliated company, is planning to build a high-speed rail line to connect Las Vegas, Nevada with both Rancho Cucamonga and a future high-speed rail connection over the High Desert Corridor to Palmdale.

In June 2020, I authorized Caltrans to enter into a lease agreement allowing *Brightline West* to use existing State right-of-way along Interstate 15 (I–15) for high-speed passenger rail service. *Brightline West's* privately financed project will construct a 170-mile long, electric high-speed passenger rail system that will run along I–15's median protected by barriers. Approximately 135 miles of the system will be in California. The project anticipates creating approximately 15,900 construction jobs, and, when complete, employ 404 full- and part-time workers. It is forecast to provide significant environmental benefits as well by removing 2.8 million car trips annually, eliminating 100,000 metric tons of carbon emission from the I–15 corridor.

Brightline West's project is an important step in advancing national high-speed rail development that will bring major benefits to California, including reduced congestion and greenhouse gas emissions on the I–15 corridor and increased connectivity with rail and transit throughout Southern California as well as future connections with the state's high-speed rail system.

Major construction on the nation's first truly high-speed rail continues to show steady progress. The California High-Speed Rail Authority is currently focused on advancing construction in the Central Valley, extending to the cities of Merced and Bakersfield, and completing environmental work for the entire 500-mile system.

Today in California's Central Valley, the California High-Speed Rail Authority is overseeing 35 different worksites along 119 miles of construction. More than 6,000 jobs have been created building high-speed rail in the Central Valley. In 2010, the California High-Speed Rail Authority received funding from the *American Recovery and Reinvestment Act* (ARRA) to begin construction of the state's high-speed rail system in the Central Valley in part due to the region's poor air quality and high unemployment rate. And in fact, starting construction in the Central Valley has helped spur the region's economy and will better connect the region to the rest of the state.

As of September 30, 2021, there are 643 certified small businesses working on the project, including 211 Disadvantaged Business Enterprises (DBE) and 73 Disabled Veteran Business Enterprises (DVBE).[viii] California's High-Speed Rail Authority has environmentally cleared nearly 300 miles of the full 500-mile system; the Authority expects that number to increase to 430 miles of environmentally cleared and shovel-ready alignment by mid-2022. And we expect to have the system's first operational segment by the end of the decade. New federal funds made available by the IIJA could potentially help California complete the Central Valley segment and extend into the northern and southern regions of the state.

In closing, we are excited about the future of intercity passenger rail in California and the prospect of expanding services throughout the state, thanks to the IIJA and future legislation. I would like to thank you again for allowing me to appear before you, and I look forward to continuing to work with the Subcommittee and the Biden-Harris Administration to make transformative investments that will deliver the next generation of American intercity passenger rail.

Mr. PAYNE. Thank you. The witness' time has expired.

We will next hear from Mr. Corbett for 5 minutes.

Mr. CORBETT. Thank you. Good morning, Chairman Payne. As always, a pleasure to be with you. And thank you to Vice Chair Strickland, Ranking Member Crawford, and the members of the committee, for inviting me to discuss the significance of President Biden's Infrastructure Investment and Jobs Act, especially as it re-

[viii] California High-Speed Rail Small Business Program: https://hsr.ca.gov/business-opportunities/small-business-program/

lates to the critical infrastructure along the Northeast Corridor between Washington, DC, and Boston.

I serve as the president and CEO of New Jersey Transit, but today I will be speaking mainly in my capacity as cochair of the Northeast Corridor Commission, where I serve alongside my fellow cochair, FRA Deputy Administrator Amit Bose, and my good friend and colleague, Stephen Gardner, who is vice chair of the commission and President of Amtrak.

It is almost impossible to overstate the importance of this stretch of transportation infrastructure—not only to the millions of commuters and intercity rail customers who rely on it, but to our national economy. Every year, the region served by the Northeast Corridor provides more than 24 million jobs and produces about 20 percent of the Nation's GDP.

This historic investment provides a sizable downpayment to allow the commission members to rebuild and modernize the Northeast Corridor to provide better, faster, more frequent, and more reliable service to the millions of commuters and intercity travelers who depend on it every year. And to be clear, the Northeast Corridor Commission, representing each of the nine NEC States, as well as the District of Columbia, Amtrak, and the U.S. Department of Transportation, is ready to put these investments to work.

This summer, the commission unanimously took a significant step forward towards this goal through the launch of an innovative new plan, CONNECT NEC 2035, known as C35. C35 is a roadmap for how this generational investment for rail should be invested along the corridor, and it is the most ambitious and transformational reinvestment program in the NEC's history. C35 establishes a detailed and efficient sequencing of infrastructure investments covering over 150 projects, along with a comprehensive renewal program for state-of-good-repair projects, including track, signal, and power systems.

The total cost of C35 is currently estimated to be approximately $117 billion over 15 years, with a $100 billion funding gap. The infrastructure bill provides a significant downpayment that will leverage progress on this imperative work up and down the corridor.

C35 won't simply rebuild the existing Northeast Corridor, it will build back better, with investments that translate to faster, more frequent, and more reliable commuter and intercity rail service. C35 will allow for the number of daily NEC Amtrak trains to grow by one-third, and will allow us at New Jersey Transit, for example, to more than double our peak-hour service. Travel time will be nearly 30 minutes shorter for Acela riders traveling from Washington to New York and New York to Boston.

In my written testimony I have submitted to the committee, I highlighted the Hudson River Tunnel and a number of other projects that NJ Transit is supporting, as it relates to C35. So, in the interest of time, I won't list them individually now. But it is fair to say that no one knows more painfully than New Jersey about the far-reaching negative impact that prolonged disinvestment can have on a transit system.

And similar to what Governor Murphy's unprecedented investment has done for New Jersey and New Jersey Transit over the

past 4 years, President Biden's historic investment will do the same for the Nation's transportation network, including the entire Northeast Corridor. Beyond New Jersey Transit, projects up and down the Northeast Corridor will benefit from this new Federal funding.

For example, as has been touched upon, the nearly 150-year-old Baltimore and Potomac Tunnel, just south of Baltimore's Penn Station, is indeed Amtrak's oldest tunnel. And, as touched upon, has the aging components that require constant monitoring and maintenance, representing a significant single point of failure that could sever service between Washington and New York. Capacity there will triple, and instead of 30 miles per hour, trains will reach over 100 miles per hour in the new tunnel.

Another example is in Connecticut, where Amtrak and its project partner, Connecticut DOT, are working to replace the Connecticut River Bridge between Old Saybrook and Old Lyme, which carries Amtrak and Shore Line East trains.

The frequent opening and closing of a 114-year-old bridge over 3,000 times per year puts high demand on its aging components, increasing the maintenance cost for Amtrak, and reducing reliability for both railway and marine traffic. Full replacement of these existing bridges will increase reliability and allow for increased speeds.

All these projects and many more are expected to create 1.7 million jobs over the 15-year plan and generate billions in economic activity. But we also seize on this opportunity to maximize the contracting opportunities for disadvantaged business enterprises. Mr. Chairman, the NEC Commission is wholly committed to this goal, and our commission policy explicitly states "all commission members share the goal of enhancing the participation of DBEs and similar entities."

Speaking for NJ Transit, our agency boasts the highest DBE goal in the region, at nearly 22 percent. And, as cochair of the NEC Commission, I want to assure you that the commission will prioritize contracting opportunities for DBEs throughout the investment.

To be sure, this is an exciting time for the Northeast Corridor, but we must be clear-eyed and realistic about the road in front of us. NEC agencies, including NJ Transit, will need time to build the organizational capacity to advance the project pipeline and deliver projects, including detailed planning and engineering required.

We will closely——

Mr. PAYNE. Please wrap up.

Mr. CORBETT. Sure. We will certainly work with our partners in labor and the private sector to hire and train the significant new workforce.

To wrap up, I want to thank President Biden for his commitment to investing in the Nation's transportation infrastructure, particularly in the Northeast Corridor.

And also, I want to thank New Jersey's entire congressional delegation for their leadership and support.

And lastly, I would like to thank Chair DeFazio, as well, for his tremendous support in bringing us to this point, and I certainly look forward to working with him for the rest of the year.

So again, thank you, Chairman Payne, Vice Chair Strickland, and Ranking Member Crawford, for your time today.

[Mr. Corbett's prepared statement follows:]

Prepared Statement of Kevin S. Corbett, President and Chief Executive Officer, New Jersey Transit, and Cochair, Northeast Corridor Commission, on behalf of the Northeast Corridor Commission

Good morning, Chairman Payne, Vice Chair Strickland, Ranking Member Crawford, and members of the Committee.

Thank you for inviting me to discuss the far-reaching significance of President Biden's Infrastructure Investment and Jobs Act, especially as it relates to the critical infrastructure along the Northeast Corridor between Washington D.C. and Boston.

I serve as President & CEO of NJ TRANSIT, but today I'll be speaking mostly in my capacity as co-chair of the Northeast Corridor Commission, where I serve alongside my fellow co-chair, Federal Railroad Administration (FRA) Deputy Administrator, Amit Bose, and vice chair Stephen Gardner, President of Amtrak.

It's almost impossible to overstate the importance of this stretch of transportation infrastructure—not only to the millions of commuter and intercity rail customers who rely on it, but to our national economy.

As one of the largest economic markets in the world, the Northeast is key to U.S. international competitiveness.

Every year, the region served by the NEC provides more than 24 million jobs and produces about 20 percent of the nation's GDP.

Unfortunately, this stretch of infrastructure has been tragically underfunded for decades.

Thanks to President Biden's leadership and the bipartisan work in Congress, those days are hopefully behind us.

This historic investment provides a sizable down payment to allow Commission members to rebuild and modernize the Northeast Corridor to provide better, faster, more frequent, and more reliable service to the millions of commuters and intercity travelers who depend on it every year.

And to be clear: The NEC Commission is ready to put these investments to work.

As some of you may know, Congress authorized the creation of the NEC Commission in 2008.

The Commission is comprised of one member from each of the nine NEC states, including the District of Columbia; four members from Amtrak; and five members from the U.S. Department of Transportation.

My fellow witness on this panel, Stephen Gardner, is an original Commission member.

The Commission also includes non-voting representatives from freight railroads, states with connecting corridors, and several commuter operators.

It was chartered in 2010 to stabilize the Corridor, establish a foundation for future growth through unified regional action, and develop and implement an effective modernization program.

This summer, we took a significant step forward toward achieving this goal, through the launch of an innovative new plan—CONNECT NEC 2035, also known as C35.

The overall goal of this new plan is simple: Transform and modernize the busiest and most vital stretch of infrastructure in our nation.

And now, through the bipartisan Infrastructure bill, we will do just that.

C35 is our roadmap for how this generational investment for rail should be spent along the Corridor, and it represents the most ambitious reinvestment program in the NEC's history.

It was collaboratively developed and unanimously approved by the NEC Commission's eighteen members, representing federal and state government, commuter railroads, and Amtrak.

Among many other benefits, C35 established a detailed and efficient sequencing of infrastructure investments covering 150 projects, along with a comprehensive renewal program for state of good repair projects, including track, signal, and power systems.

The total cost of C35 is currently estimated to be $117 billion over 15 years, with a $100 billion-dollar funding gap.

This gap will need to be filled with federal, state, and local funds, and the infrastructure bill provides a significant down payment to begin to make progress on this imperative work up and down the Corridor.

The plan will allow NEC members to rebuild the Corridor and improve reliability, balancing the need to advance construction with the recognition that our passengers' time is precious.

But C35 won't simply *rebuild* the existing NEC—it will Build Back Better, with investments that translate to faster, more frequent, and more reliable commuter and intercity rail service.

C35 will allow for daily NEC Amtrak trains to grow by a third and in the case of NJ TRANSIT, allow us to more than double our peak-hour service.

When fully implemented, the C35 program calls for new express service patterns to speed up select commuter rail trips in Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, Delaware, and Maryland.

More specifically, travel time will be nearly 30 minutes shorter for Acela riders traveling from Washington to New York, and New York to Boston.

Stations in new markets and new express services will connect underserved communities to our region's fastest growing economic centers.

And NJ TRANSIT will be at the forefront of delivering a number of the projects now being prioritized with investments made possible by this landmark legislation.

At the top of the list is the Hudson Tunnel Project, a key element of the overall Gateway Program.

This year in August, NJ TRANSIT—along with our project partners at Amtrak, the Port Authority, and the Gateway Development Commission—successfully submitted to the Federal Transit Administration (FTA) the new financial plan for this project.

We are optimistic about the outcome of our submission.

Other critical projects we expect to prioritize with this investment include:

- a rail capacity project known as the Hunter Flyover, which will allow eastbound trains on the Raritan Valley Line a grade-separated route to the NEC;
- the Midline Loop, which will allow eastbound NEC middle zone trains to access the NEC directly;
- replacement of the Sawtooth Bridges—which carry Amtrak and NJ TRANSIT's NEC services above the heavily utilized PATH and NJ TRANSIT Morris & Essex rail lines and are in urgent need of replacement and expansion;
- A new, three-track Portal South Bridge, which will double train capacity along this critical length of the NEC;
- and state of good repair projects up and down the Corridor, including rail infrastructure and routine undergrade bridge replacements.

Before I move on—although it requires no additional federal funding—I'd be remiss without mentioning NJ TRANSIT's Portal North Bridge Replacement Project, which is vital to the future of the NEC.

NJ TRANSIT recently awarded a $1.6 billion-dollar construction contract for Portal North—the largest in our agency's history—and we expect to begin construction early next year.

Although all of these critical projects are advancing today, it's fair to say that no one knows more painfully than New Jersey about the far-reaching negative impacts that prolonged disinvestment can have on a transit system.

And similar to what Governor Murphy's unprecedented investment has done for New Jersey and NJ TRANSIT over the past four years, President Biden's historic investment will do the same for the nation's transportation network, including the entire Northeast Corridor.

Beyond New Jersey and NJ TRANSIT, projects up and down the NEC will benefit from this new federal funding.

For example, the Baltimore and Potomac Tunnel, just south of Baltimore's Penn Station, has been in continuous use since 1873.

It is Amtrak's oldest tunnel. Its aging components require constant monitoring and maintenance, and it represents a significant risk of failure that could sever service between Washington and New York.

Amtrak and its project partner, Maryland DOT, are actively working on plans to replace the tunnel with two new tubes that will increase service reliability, capacity, and speed.

Capacity will triple, and instead of 30 miles per hour, trains will reach over 100 miles per hour in the new tunnel.

Another example is in Connecticut, where Amtrak and its project partner, Connecticut DOT, are working to replace the Connecticut River Bridge between Old Saybrook and Old Lyme, which carries Amtrak and Shore Line East trains.

Completed in 1907, a century of operation in a marine environment, coupled with the age of the structure, has taken its toll and speeds are restricted to 45 miles per hour.

Many key elements of the bridge have reached the end of their design life and require extensive maintenance to remain in operable condition.

The frequent opening and closing of the bridge—over 3,000 times per year—puts high demands on its aging components, increasing maintenance costs for Amtrak and reducing reliability for both railway and marine traffic.

A full replacement of the existing bridge will increase reliability and allow for increased speeds.

All of these projects—and many, many more—will create more than one million jobs and generate billions in economic activity.

Portal North *alone* will support approximately 15,000 jobs, with a one-time total economic impact on New Jersey's economy of about $3 billion.

Overall, C35 is expected to generate 1.7 million jobs over the 15-year plan.

This includes nearly 1 million new jobs in the Northeast. These new public and private sector jobs will in turn generate $60 billion in earnings.

An additional 700,000 jobs and $34 billion in earnings are estimated to be generated in the U.S. *beyond* the Northeast, in industries providing materials and equipment for the C35 plan.

We can *seize* on this opportunity to advance social equity by ensuring that these jobs—with skills training, good pay, good benefits, and worker protections—are made available to a diverse pool of new workers.

In fact, NEC Commission *policy* specifically states that, quote, "All Commission members share the goal of enhancing the participation of DBEs and similar entities."

Speaking for NJ TRANSIT, our agency boasts the highest DBE goal in the region, at nearly 22 percent, and as co-chair of the NEC Commission, I want to assure you that the Commission plans to likewise maximize contracting opportunities for DBEs through this investment.

To be sure, this is an exciting time for the NEC, but we must be clear-eyed and realistic about the road in front of us.

NEC agencies, including NJ TRANSIT, will need time to build out the organizational capacity to advance the project pipeline and deliver projects.

C35's sequencing plan must undergo detailed planning and project engineering.

We must work closely with our partners in labor and the private sector to advance new and innovative workforce development and project delivery strategies.

And, we must continue the hard work of building bridges across our organizations and partnering effectively.

We are currently working to update C35 to inform U.S. DOT's development of an NEC Project Inventory, as called for in the revamped Federal-State Partnership for Intercity Passenger Rail Grant program.

We are also coordinating with U.S. DOT on potential steps to harmonize the requirements that come with the use of federal dollars from different federal programs.

Such harmonization is necessary due to the different treatment of commuter and intercity rail under federal law, resulting in no single set of rules or point of contact at the federal level when NEC projects involve multiple participants.

We would welcome the cooperation of this committee to help advance such changes.

Despite the many challenges in front of us, this is an historic, long-overdue investment that will help ensure the United States remains globally competitive long into the future.

The NEC's commuter and intercity rail system, serving the center of major and mid-size cities and towns, has been a cornerstone of the Northeast's development and a driver of its economic success for over a century.

And for the first time, we have a strong regional plan and significant new funding from the federal government.

The bipartisan infrastructure bill is transformational for the Northeast Corridor and will lead to vastly improved commuter and intercity rail service, create more than a million new jobs, enhance the region's economic competitiveness, and reduce air pollution and carbon emissions.

These changes won't happen overnight, but for the first time in generations, the future of the Northeast Corridor is looking bright.

To wrap up, I want to thank President Biden for his commitment to investing in the nation's transportation infrastructure, particularly the Northeast Corridor, and New Jersey's entire Congressional Delegation for their leadership, support and continued advocacy for New Jersey and for NJ TRANSIT.

I would like to thank Chair DeFazio, for your long support for rail and transit in the Northeast and throughout our entire nation. Good luck in your retirement. You will be missed.

Finally, let me once again thank you, Chairman Payne, Vice Chair Strickland, and Ranking Member Crawford, and all the committee members for giving me the opportunity to join you today.

Mr. PAYNE. Thank you. The witness' time has expired, and we will next hear from Ms. White for 5 minutes.

Ms. WHITE. Good morning, and thank you, Chairman DeFazio, Chairman Payne, Ranking Member Crawford, and members of the subcommittee, for holding this hearing to discuss passenger rail as an integral part of our national transportation system.

My name is Julie White. I am the deputy secretary for multimodal transportation for the North Carolina Department of Transportation, with oversight of our rail, aviation, ferry, public transit, bicycle, and pedestrian divisions. I am also the chair of the Southeast Corridor Commission, a regional partnership made up of North Carolina, Washington, DC, Virginia, South Carolina, Tennessee, Georgia, and Florida.

The Southeast Corridor Commission is leading the effort to connect States across the Southeast megaregion through passenger and freight rail. The commission is charged with developing the Southeast Regional Rail Plan, reporting on the economic benefits of rail along the corridor, creating an implementation plan, and prioritizing major projects. The goal of this effort is to improve the mutual cooperation and planning between States and stakeholders to position the corridor to receive direct Federal funding.

Our States work together to advance our shared vision for high-performance rail throughout the Southeast, because we have a shared understanding of the power of rail to connect our States and our communities. And equally important, we know that rail infrastructure investments create economic growth and opportunity.

The commission is now looking to the Infrastructure Investment and Jobs Act to provide the Federal funding needed to continue our work together, and to advance our plans to construction, as well as initial operating support.

[Slide shown.]

North Carolina and Virginia, with the support of the FRA, Amtrak, and our freight rail partners, have a long history of partnership to advance development of the S-line from Raleigh to Richmond. As you can see on the map, the S-line, highlighted in yellow, is the key connection from the Northeast Corridor to the Southeast. I would note for you that the blue line to the right of the S-line is CSX's main freight line. Therefore, advancing passenger rail on the S-line, rather than the freight line, ensures that freight traffic is not impeded by passenger growth. This is a key example of the way we work to identify win-win opportunities that benefit both freight and passenger rail.

The planning for this corridor dates back decades and has progressed through Federal and State investment. North Carolina and Virginia have already completed the necessary environmental work for the entire Raleigh-to-Richmond corridor, and we are working toward detailed design. This step will pave the way for construction, including all-new track and signal systems, and safety projects that

will have immediate benefits, through roadway crossing grade separations and closures.

Virginia has acquired the S-line within their State, and North Carolina, through an FRA grant, is actively working with CSX, our strong partner, to acquire the corridor in our State. The S-line will be developed as a high-performance passenger rail line that will improve rail travel times by over an hour, connect urban and rural communities, and offer freight benefits by not growing passenger rail on high-volume freight lines.

We are jointly working to determine how to advance this critical link on the eastern seaboard through the IIJA. We have defined incremental development phases, both large and small, to be ready to maximize Federal dollars to construct and implement new passenger rail service.

We are also examining how we can improve project delivery to get the line into service faster. Often it takes too long to build infrastructure, and innovative project delivery is a must.

The North Carolina DOT has a robust engagement process with our DBE partners and is working with our Office of Civil Rights to host webinars focused on the infrastructure bill, and how small, minority-owned firms can be prepared and ready to take advantage of the resulting construction that will come. The one we had yesterday was very well attended, and we look forward to doing more in the future.

What I hope you take away from my testimony today is that the Southeast Corridor Commission and the State of North Carolina are committed to continuing our strong partnership with Congress, the FRA, the freight railroads, Amtrak, and others to expand passenger and freight rail in the Southeast. The IIJA is a historic opportunity to build upon our joint work to date, connect urban and rural communities, and provide our residents with additional mobility and access to jobs in the economy.

We thank Congress for the bold action in the IIJA level of investment in rail, and we stand ready with our partners to expand our Nation's high-performance passenger rail systems.

Thank you very much for the opportunity to address the committee.

[Ms. White's prepared statement follows:]

Prepared Statement of Julie A. White, Deputy Secretary of Multimodal Transportation, North Carolina Department of Transportation, and Chair, Southeast Corridor Commission, on behalf of the North Carolina Department of Transportation and the Southeast Corridor Commission

Good morning, and thank you Chairman Payne, Ranking Member Crawford, and all of the members of the Subcommittee for holding this hearing to discuss passenger rail as an integral part of our national transportation system.

My name is Julie White, and I am the Deputy Secretary of Multimodal Transportation for the North Carolina Department of Transportation with oversight of our rail, aviation, ferry, public transit, bicycle, and pedestrian transportation divisions. I am also the Chair of the Southeast Corridor Commission, a regional partnership made up of North Carolina, Washington, D.C., Virginia, South Carolina, Tennessee, Georgia, and Florida.

The Southeast Corridor (SEC) Commission is leading the effort to connect states across the Southeast megaregion through passenger and freight rail. The Commission is charged with developing the Southeast Regional Rail Plan, reporting on the economic benefits of rail along the corridor, creating an implementation plan, and

prioritizing major projects. The goal of this effort is to improve the mutual cooperation and planning between states and stakeholders to position the corridor to receive direct federal funding. The SEC extends from Washington, D.C., through Virginia, North Carolina, South Carolina, Tennessee, Georgia, to Florida.

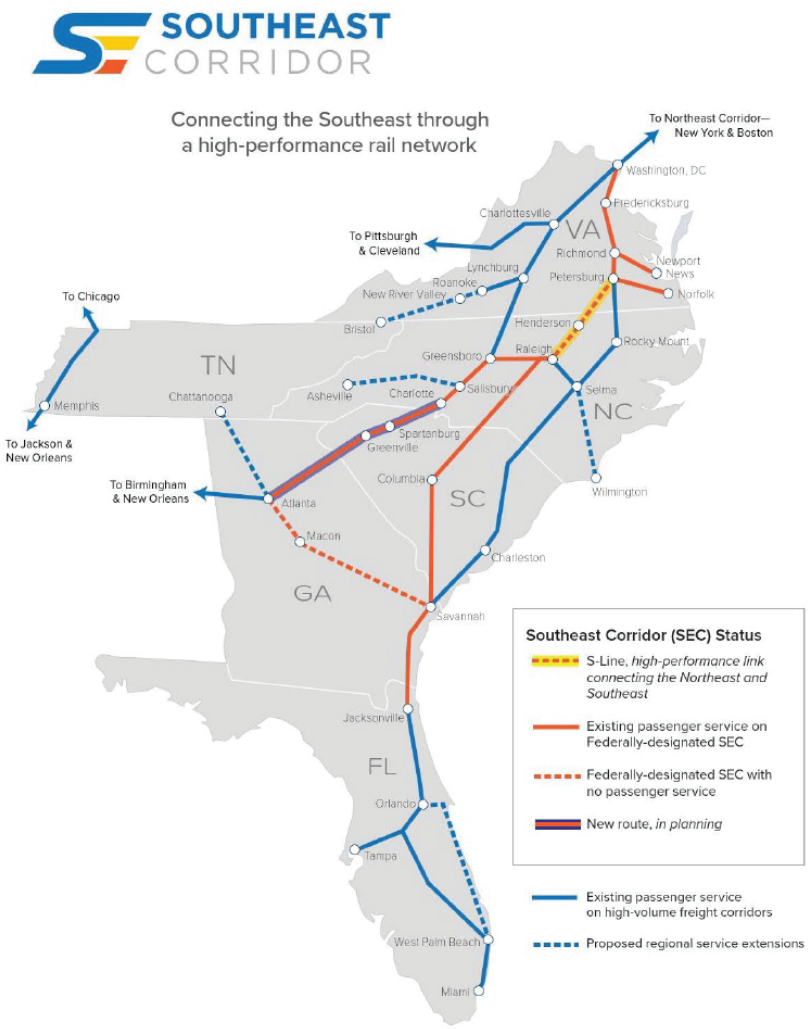
Our states work together to advance our shared vision for high-performance rail throughout the Southeast—because we have a shared understanding of the power of rail to connect our states, and our communities. And equally important, we know that rail infrastructure investments create economic growth and opportunity.

The SEC works in partnership the Federal Railroad Administration, Amtrak, and our freight rail partners to further regional rail initiatives, identify program priorities, and secure consistent funding to improve rail services throughout the Southeast. The Commission received an FRA grant that enabled us to work together to complete three planning studies, the Southeast Regional Rail Plan, the Economic Benefits of High-Performance Rail in the Southeast and the SEC Implementation Plan. The Commission is now looking to the Infrastructure Investment and Jobs Act (IIJA) to provide the federal funding needed to continue our work together and to advance our plans to construction, as well as initial operating support.

North Carolina and Virginia, with the support of the FRA, Amtrak and our freight rail partners, have a long history of partnership to advance development of the S-Line from Raleigh to Richmond. As you can see on the map, the S-Line is the key connection from the Northeast Corridor to the Southeast. I would note for you that the blue line to the right of the S-Line is CSX's main freight line, therefore advancing passenger rail on the S-Line rather than the freight line, ensures that freight traffic is not impeded by passenger growth. This is a key example of the way we work to identify win/win opportunities that benefit both freight and passenger rail.

The planning for this corridor dates back decades and has progressed through federal and state investment. North Carolina and Virginia have already completed the necessary environmental work for the entire Raleigh to Richmond corridor and are working toward detailed design of the corridor. This step will pave the way for construction, including all new track and signal systems, and safety projects that will have immediate benefits through roadway crossing grade separations and closures. Virginia has acquired the S-Line within their state, and North Carolina, through an FRA grant, is acquiring a portion in our state.

The S-Line will be developed as a high-performance passenger rail line providing both passenger and freight rail benefits by improving rail travel times by over an hour and improving schedule reliability, connecting rural and urban communities, and offers freight benefits by not growing passenger rail on high volume freight rail lines. We are jointly working to determine how to advance this critical link on the Eastern seaboard through the IIJA.



We have defined incremental development phases both large and small to be ready to maximize federal dollars to construct and implement new passenger rail service, such as expanding our Piedmont service that currently runs from Charlotte to Raleigh further north to connect to communities like the Town of Wake Forest, and large projects such as a full build out of the entire 163 mile corridor from Raleigh to Richmond. We are also examining how we can improve project delivery to get the line into service faster. Often it takes too long to build infrastructure and innovative ways to deliver projects faster is a must.

Connecting communities is a hallmark of the S-Line service, and this project will connect 9 million people and 6 million jobs along the new rail corridor, including 95,000 jobs created during the construction timeframe. We will expand reliability while limiting environmental impacts.

The State of North Carolina has history of investment by Congress and the FRA and in growing our state-supported intercity passenger rail program with coordination with Amtrak and our Class I railroad partners. We successfully completed the $520 million federally funded Piedmont Improvement Rail Program on time and on budget. Recently, we have taken the lead in delivering the rail infrastructure for the new Charlotte Gateway Station, a transformational project to connect the center

of our most populous city to other regional destinations by rail. The station will be developed via a public-private partnership into a multimodal and multi-use development with connections between intercity rail, public transit, walking trails and more. With the move of the station from its current location to the heart of the city we anticipate significant growth in ridership.

We are also thankful for the investments made possible by Congress and the FRA to be replacing our passenger rail fleet with new cars that offer a safer more reliable, and more comfortable ride.

What I hope you take away from my testimony today is that the Southeast Corridor Commission and the State of North Carolina are committed to continuing our strong partnership with Congress, the freight railroads, Amtrak, and others to expand passenger rail in the Southeast. The IIJA is a historic opportunity to build upon our joint work to date, connect rural and urban communities, and provide our residents with additional mobility and access to jobs and the economy.

We thank Congress for the bold action in the IIJA level of investment in rail that will provide the opportunity for critical capital improvements, corridor acquisition, and operations.

We stand ready with our partners to expand our nation's high performance passenger rail systems. Thank you very much for the opportunity to address the subcommittee.

Mr. PAYNE. Thank you very much.

And now we will hear from Ms. DeMartino.

Ms. DEMARTINO. Yes, good morning, Chairman Payne, Ranking Member Crawford, and members of this esteemed subcommittee. My name is Donna DeMartino, and I am the managing director of the LOSSAN Rail Corridor Agency. And I am honored to join you here today.

It is also a pleasure to join Secretary Kim this morning. We appreciate his leadership, and the strong working relationship we maintain with the California State Transportation Agency, as we work together to plan, implement, and fund State-supported, intercity passenger rail services. The historic IIJA will be an important part of our future.

I would like to mention the other two California State-supported intercity passenger rail agencies, the Capitol Corridor and the San Joaquins. We are proud that our three services all rank in the top six Amtrak State-supported ridership.

LOSSAN Rail Corridor Agency is a joint powers authority comprised of rail owners, operators, and planning agencies along the LOSSAN rail corridor. As a joint powers authority, we empower local stakeholders, taxpayers, and communities with greater control and oversight of their intercity passenger rail services. The Surfliner provides service between San Diego, Los Angeles, and San Luis Obispo, and is the highest ridership State-supported service in the United States. Pre-pandemic, the Pacific Surfliner carried over 2.75 million passengers, and the LOSSAN corridor ranked as the second busiest intercity passenger rail corridor in the United States, behind only the Northeast Corridor.

As a State-supported service, our operations are funded by the State of California, and we make payments to Amtrak, the operator of our services, as governed by the section 209 cost formula. We are very proud of our outstanding fare box recovery rate of over 75 percent, but we still receive nearly $35 million in operating support from the State of California.

Many of the most prominent corridors and routes mentioned for potential expansion or return to service are under 750 miles, which means they would also be State-supported services. As a successful

State-supported route, I would like to share some recommendations and lessons learned.

States must prioritize and build relationships with railroad stakeholders, particularly freight railroads and railway labor.

Sustained State and local political support is essential to growing intercity passenger rail services.

Comprehensive, long-range planning is important to ensure the sustainability of our operations.

Transparent and traceable cost information is necessary to inform investment and operating decisions.

And finally, ensuring State services remain innovative and nimble will help with cost containment and positive passenger experiences.

The Surfliner operates over one of the busiest and most complex rail corridors in the country. The LOSSAN rail corridor hosts up to 220 commuter, freight, and intercity trains per day. In addition to the Surfliner, the corridor hosts BNSF and Union Pacific freight trains, and Metrolink and COASTER commuter trains.

We take pride in our planning efforts with our partners. We recently completed the LOSSAN Rail Corridor Optimization Study that will maximize our passenger rail service potential in advance of the 2028 Olympic Games to be held in Los Angeles. BNSF's pathing study played an integral part in helping to inform our current and future service enhancements and operations as a part of this study.

In addition to the close operational coordination, we work closely with our partners to move our capital programs forward. While we enjoy a strong relationship with our host railroads, these relationships take time to develop, so I strongly recommend that States begin coordinating route planning and capital projects sooner, rather than later.

In addition to these strong partnerships, sustained State and local political support is essential to growing intercity rail services. We are proud and grateful for California's tremendous investment in intercity passenger rail service. Since 2015, the State has invested over $4 billion in improving passenger rail infrastructure and rolling stock, guided by our comprehensive 2018 State Rail Plan.

Given our State's continued operating subsidies and capital commitments, we need clear cost information to inform our investment and operating decisions. Unfortunately, we have found the current State-Amtrak cost formula to be complicated, opaque, and not necessarily tied to services we receive. Costs can increase in ways that are not intuitive or easily explained. However, we are hopeful that the reforms in the IIJA and the required cost model update will yield tangible results and provide States more transparent cost and accounting information. We look forward to working with Amtrak and this committee during the process.

State-supported routes have the flexibility to provide innovative passenger rail experiences, and to align our services to the services we receive. Ensuring States maintain the ability to be nimble will enhance service and innovation across passenger rail services.

I appreciate the opportunity to join you this morning, and I am happy to answer any questions.

Thank you.

[Ms. DeMartino's prepared statement follows:]

Prepared Statement of Donna DeMartino, Managing Director, Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency

INTRODUCTION

Good morning Chairman Payne, Ranking Member Crawford, and Members of this esteemed subcommittee. My name is Donna DeMartino and I am the Managing Director of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency which oversees the highest ridership state-supported Amtrak route in the United States, the *Pacific Surfliner*. I am honored to join you today to discuss the importance of state partnerships in growing intercity rail corridor services, as well as improving existing rail corridor services.

Let me first begin by commending Congresswoman Steel for her service on the Orange County Transportation Authority (OCTA) Board of Directors and on the Orange County Board of Supervisors before coming to Congress. My agency is housed at OCTA, which provides both administrative and staffing support to the LOSSAN Rail Corridor Agency. The Congresswoman was involved in ensuring both passengers and freight moved efficiently through the greater Los Angeles region, one of the most congested area of our country, during her years of service on behalf of Orange County residents. We are thrilled that she brings her years of public service and extensive knowledge of transportation in our region to Congress and especially this subcommittee.

I would like to thank Congresswoman Napolitano for her tremendous leadership on water and transportation issues impacting southern California and our nation, particularly during our recent supply chain challenges. The LOSSAN Rail Corridor Agency looks forward to continuing to work with our entire Congressional Delegation to efficiently and impactfully implement the historic passenger rail investments contained in the Infrastructure Investment and Jobs Act (IIJA).

It is also a pleasure to join Secretary David Kim this morning. Our agency, as well as our sister joint power authorities (JPAs), work closely with the California State Transportation Agency (CalSTA) to plan, implement, and fund intercity rail services in our state. We greatly appreciate his leadership and the hardworking CalSTA staff, especially as we work together to implement our long-term vision for an integrated, cohesive statewide rail system envisioned in our work on the 2018 California State Rail Plan, which is being updated currently for 2022. We have successfully been planning, investing, delivering, and expanding both passenger rail and freight rail projects throughout the state for years. The IIJA provides an opportunity to leverage our significant investments to deliver critical infrastructure expeditiously in California.

LOSSAN Rail Corridor Agency and the Pacific Surfliner

The LOSSAN Rail Corridor Agency (LOSSAN Agency) is a joint powers authority comprised of rail owners, operators, and planning agencies along the LOSSAN rail corridor. My agency works to improve passenger rail ridership, revenue, on-time performance, operational flexibility, and safety of intercity passenger rail services over the corridor. In 2012, Senate Bill (SB) 1225 was signed into law, enabling regional governance of the state-funded *Pacific Surfliner* service by the LOSSAN Agency, with the goal of transforming the *Pacific Surfliner* into a service under local control that is more responsive to local needs, issues, and consumer desires. The LOSSAN Agency executed an interagency transfer agreement with the state of California effective July 2015. This agreement allows the LOSSAN Agency to assume administrative and oversight responsibility for *Pacific Surfliner* service, including identification of more cost-effective strategies for the administration and operation of the service. This arrangement gives local stakeholders, taxpayers, and communities greater control and oversight of their state-supported services, better aligning service objectives to the desires of our communities and regional partners.

The LOSSAN Agency is governed by a Board of Directors composed of 11 voting members representing rail owners, operators, and planning agencies along the entire rail corridor.

The *Pacific Surfliner* provides service between San Diego, Los Angeles, and San Luis Obispo and is the highest ridership state-supported service in the United States. In Fiscal Year (FY) 2019, the *Pacific Surfliner* carried over 2.75 million passengers and ranked as the second busiest intercity rail corridor in the United

States, behind only the Northeast Corridor (NEC). The route serves 41 stations and averaged 26 trains per day in FY 2019. Like all state-supported routes, the *Pacific Surfliner* is supported by state taxpayers. The agency maintains an outstanding farebox recovery rate of over 75%. However, in FY 2019, we received nearly $36 million in operating support from the state of California to cover the difference.

In addition to our strong ridership and cost recovery performances, I would be remiss if I did not mention how enjoyable and beautiful our corridor is to ride. The *Surfliner* is renowned for providing our riders diverse and breathtaking views of everything southern California has to offer. From coastlines to farmland, from bluffs to beaches, we are incredibly proud of our region, our iconic destinations, and the beautiful landscape views we are able to offer our passengers.

The LOSSAN rail corridor is one of the busiest and most complex corridors in the nation. The corridor hosts 26 intercity rail trains, over 130 commuter trains, and over 70 freight trains each day. On average, more than 8 million passenger trips are taken on the LOSSAN rail corridor shared between intercity and commuter services. The corridor parallels long stretches of Interstate 5 and Highway 101, helping to relieve road congestion in one of the most congested areas of the United States.

In addition to the *Pacific Surfliner*, the corridor hosts BNSF Railway and Union Pacific Railroad (Union Pacific) freight trains, and Metrolink and COASTER commuter trains. In order to effectively operate over this complex and integral rail corridor, we coordinate closely with our host railroad and regional railroad partners. We appreciate the tremendous working relationships we maintain with both our commuter and freight railroad partners.

Intercity Passenger Rail in California & CIRCLE

California is home to the nation's leading state intercity passenger rail network. Our state supports three of the top-performing state-supported services in the United States. The *Pacific Surfliner*, the *Capitol Corridor*, and the *San Joaquins* intercity services are all among the six highest state ridership lines in the nation. Combined, the three routes carried over 5.6 million passengers throughout California in FY 2019. Pre-pandemic, one out of every five Amtrak riders boarded a train in California, and we were responsible for nearly 40% of all state-supported passenger trips.

California's intercity rail system connects riders between San Diego-Los Angeles-San Luis Obispo on the *Pacific Surfliner*, San Jose-Oakland-Sacramento-Auburn on the *Capitol Corridor*, and Bakersfield-Stockton-Oakland-Sacramento on the *San Joaquins*. Additionally, the state's thruway bus services provide intercity rail riders connections to an additional 122 destinations throughout the region.

Over the last four decades, California has invested nearly $8 billion in improving its intercity passenger rail network. Our state maintains a proven track record of planning, delivering, and expanding both passenger rail and freight rail projects. We owe much of our success to continued and sustained advocacy in Sacramento to ensure ample state funding and support of intercity services, and the hard-working and dedicated passenger rail advocates and state transportation agency staff members in our state.

Earlier this year, we joined with our sister joint power authorities the Capital Corridor Joint Powers Authority (CCJPA) and the San Joaquin Joint Powers Authority (SJJPA) to form California's Intercity Rail Corridor Linking Everyone (CIRCLE), an advocacy coalition focused on educating policymakers about our state's leading rail system and building stronger partnerships with the Federal Railroad Administration, Amtrak, Class I railroads, and the hard-working men and women of railway labor.[1]

On behalf of CIRCLE, we are extremely grateful for the leadership of this committee and Congress in passing the Infrastructure Investment and Jobs Act. We particularly appreciate the efforts of Congressman John Garamendi, who has been a strong advocate in providing greater transparency for state intercity rail sponsors during the surface transportation reauthorization process. This historic infrastructure package provides up to $102 billion in railroad funding to expand and enhance our passenger rail systems and helps to ensure we maintain a safe and modern national railroad network.

My agency believes several of our proposed capital projects meet the passenger rail investment objectives laid out by the IIJA and we look forward to partnering with Amtrak, Class I railroads, and our state to implement them. The LOSSAN

[1] Maybeth Luczak. *California Agencies Team on Intercity Rail Advocacy*. Railway Age. October 22, 2021. https://www.railwayage.com/passenger/intercity/california-agencies-team-on-intercity-rail-advocacy.

Agency manages a capital program of over $300 million that we are implementing to make significant capital improvements to achieve future service goals. The Central Coast Layover Facility project would allow an additional *Pacific Surfliner* train to be stored overnight in San Luis Obispo, which would expand travel options and service for both intercity and regional rail riders along the nation's second busiest intercity rail corridor.[2] The San Diego County Maintenance and Layover Facility will allow us to better utilize our rolling stock, increase our maintenance capabilities in southern California, create jobs, and ensure we maintain the required train storage needed to expand our service.[3] Lastly, we are also interested in purchasing our own railcars and equipment, much like our sister services around the state, so we can better align our equipment to the needs of our diverse customer base.

We look forward to working together to continue to position California as the nation's leading rail state and closely coordinate with our federal partners to quickly and successfully implement the passenger rail funding outlined in the IIJA.

INTERCITY PASSENGER RAIL ROUTE EXPANSION

We appreciate the opportunity to provide our insights on intercity rail corridor and route expansion efforts as the nation's largest state-supported intercity rail service in the United States. Many of the most prominent intercity rail corridors that are mentioned for new or restored rail service in the media and by passenger rail advocates are corridors under 750 miles, which by law are considered state-supported routes.[4] As required by the Passenger Rail Investment and Improvement Act (PRIIA) of 2008, states provide the operating funding for these routes and state-Amtrak payments are governed by the Sec. 209 cost formula. Pre-pandemic, California provided nearly 40% of state-supported route passenger trips and nearly 50% of revenues for Amtrak's state-supported route business segment. This has provided LOSSAN and our sister and statewide agencies a unique perspective in what it takes to plan, develop, and maintain successful intercity passenger rail services without operating support from the federal government, as would be required of states that take on new or restored services.

In order for new or restored state-funded intercity rail services to be successful, states must prioritize and build relationships with railroad stakeholders, particularly freight railroads and railway labor, maintain and grow state capacity for railroad development and planning, and have access to a competitive marketplace for passenger rail services.

The LOSSAN rail corridor is one of the most complex rail corridors in the United States. Every day, we closely coordinate with Union Pacific and BNSF Railway on both intercity and freight operations, as well as our regional commuter rail partners. Our corridor has multiple right-of-way owners, both public and private. Our corridor and state-supported route would not be the national leader in passengers carried without successful partnerships with our freight railroad hosts and regional partners These partnerships enhance our operations and ensure we can deliver our capital project program.

We take pride in our planning efforts with our partners. One such example of our close collaboration and successes with our partners is the recently completed LOSSAN Rail Corridor Optimization Study (Study). Started in 2019, my agency and our partners worked diligently to define and optimize existing and planned services along the corridor, ensuring maximum rail service potential, in coordination with our region in advance of the 2028 Olympic Games to be held in Los Angeles. In addition to plans for the *Pacific Surfliner*, the comprehensive and collaborative Study represented the service goals of our partner passenger service agencies—the Southern California Regional Rail Authority (Metrolink) and the North County Transit District (Coaster)—and our freight partner BNSF Railway. We are particularly appreciative of the positive impacts of the BNSF Railway's Pathing Study; the study played an integral part in helping to inform our current and future service enhancements and operations. This track record of close and successful collaboration with both commuter agency and freight railroads has resulted in a safe, reliable, and efficient rail corridor for both intercity and commuter rail passengers.

Outside of our study group, we continue to collaborate regularly with our freight, regional, and commuter rail partners though our Corridor Improvement Team (CIT).

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[2] *Central Coast Layover Facility*. LOSSAN Rail Corridor Agency. https://www.octa.net/LOSSAN-Rail-Corridor-Agency/Central-Coast-Layover-Facility/.

[3] *Project Spotlight: San Diego County Maintenance and Layover Facility*. LOSSAN Rail Corridor Agency. https://www.pacificsurfliner.com/blog/project-spotlight-san-diego-county-maintenance-and-layover-facility/.

[4] 49 U.S.C. § 24102.

In FY 2021, the *Pacific Surfliner* finished with an on-time performance (OTP) of 86%, consistently performing better than the national average for state-sponsored services across Amtrak's network. Working with BNSF, we have experimented with "pulse" cadences, which simplify our train meets and timetables resulting in a consistent passenger experience and on-time performance. We believe our strong partnership model enables our operational and planning successes.

I must commend Union Pacific, BNSF Railway, the U.S. Department of Transportation (USDOT) and CalSTA for their efforts to address and overcome the supply chain crisis currently facing our nation and, especially, the southern California region and the LOSSAN rail corridor. On October 28, USDOT and California announced a partnership to accelerate federal financing for high-priority transportation projects that would reduce our supply chain challenges. These projects include port infrastructure upgrades, rail yard electrification, and railway-highway grade crossing separation projects.[5] It is critical that we work together to keep the LOSSAN corridor moving, as over $1 billion in goods are moved along the corridor each year.

In addition to our close collaboration on operations, we work closely with our partners to move our capital program forward. Our experiences as an agency and a state to successfully improve intercity rail operations and enhance our infrastructure, have shown us the value and importance of strong state-Class I partnerships. The LOSSAN Rail Corridor Agency relies on both Union Pacific and BNSF Railway to help us advance our identified infrastructure and service enhancement projects. We work together to identify feasible projects that benefit the entire railroad network and, when there are challenges or differences of opinion, we work collaboratively to overcome our differences and move the project, or at least certain project elements, forward.

The LOSSAN Working Group is perhaps our strongest example of successful capital planning and implementation efforts with our partners. Part of what makes the LOSSAN rail corridor so beautiful and enjoyable is its closeness to our coast line; however, due to climate change and topography factors, we have experienced infrastructure challenges. In 2019, our corridor experienced a bluff collapse in the Del Mar region, caused by heavy rains. Thanks to Secretary Kim's leadership, a working group formed to identify and overcome infrastructure challenges in the Del Mar region. As a result of our working group and partnerships, the corridor secured significant state rail funding and multiple Federal Railroad Administration Federal-State Partnership for State of Good Repair grants to fund sustainable stabilization efforts and infrastructure improvements.

With the passage of the Infrastructure Investment and Jobs Act, we will be working closer than ever with our host railroad and regional partners to identify projects that can enhance and expand operations on the *Pacific Surfliner*.

While we enjoy a strong relationship with our host railroads, these relationships take time to develop. I strongly recommend to states considering expansion or restoration of intercity rail service to begin coordinating route planning and capital projects with freight railroads sooner than later, to ensure all stakeholders are aligned on how to host intercity services efficiently and effectively and better connect all Americans.

In addition to freight railroads, states must also build trusting and collaborative relationships with the hard-working men and women of railway labor. The labor force is often the only direct interaction customers have with our intercity rail services and often times, our agencies. Whether buying a ticket, asking about a connection, or experiencing a delay, passengers almost always remember the experience they had with a conductor, engineer, ticket agent, or customer support specialist. In addition to customer facing roles, the labor force plays an essential part in ensuring the maintenance of the rail equipment and the safety of intercity rail services. Safety remains the passenger railroad industry's top priority.

While strong partnerships with host railroads and the railway workforce are critical to re-establishing and starting intercity service, steady political will and continued buy-in and commitment from the state-level is essential to maintaining and growing intercity rail services. As the primary funders and planners of intercity rail service under 750 miles, intercity rail expansion efforts will not bear fruit if states are not fully bought-in and do not remain the lead stakeholder and partner in planning and developing the service.

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[5] *California, U.S. Department of Transportation Announce Partnership on Supply Chain Infrastructure Program*. U.S. Department of Transportation. October 28, 2021. https://www.transportation.gov/briefing-room/california-us-department-transportation-announce-partnership-supply-chain.

While we are extremely appreciative of the historic IIJA and the historic, guaranteed investment that will be made in passenger rail, this committee is well aware that, typically, federal railroad programs do not receive guaranteed federal funding every year, like Highway Trust Fund (HTF) funded highway and transit programs. In some years and during some surface transportation authorization periods, the federal railroad program has been minimal.

Thanks to Secretary Kim's and CalSTA's leadership, and our sustained commitment to passenger rail, California has demonstrated the critical role states should and can play in intercity railroad planning and development, whether or not there is robust federal support for passenger rail services. Since 2015, California has invested an additional $4.7 billion into our existing intercity rail corridors. These investments are guided by our 2018 California State Rail Plan, which demonstrates a sustainable pathway to grow our service to meet the anticipated demand of 1.3 million intercity passenger rail trips by 2040.

Our state's commitment to passenger rail has also provided the LOSSAN Agency and our sister agencies with the ability to build institutional capabilities to continue our passenger railroad successes into the future. This includes dedicated and knowledgeable staff at the JPAs and at our statewide agencies and long-standing ties with Amtrak, freight railroads, commuter agencies, and regional governmental bodies to ensure our services are coordinated.

Working with the American Association of State Highway and Transportation Officials (AASHTO), we were hopeful that the IIJA would contain federal support to help other states establish the institutional capacity and knowledge we have developed in California by providing funding for planning and project development. This idea was included in the House-passed INVEST in America Act, and we appreciate this committee's support of the idea. Unfortunately, this proposal did not make it into the final iteration of the IIJA. However, I respectfully recommend this idea be reexamined in future Congresses to help all states develop first-hand intercity passenger rail planning and development knowledge to implement and develop sustainable intercity rail services.

In addition to funding support and institutional knowledge, our state has a keen interest in ensuring our limited state taxpayer dollars are spent transparently, effectively, and efficiently. The LOSSAN Agency and our peer agencies were created to not only handle marketing of our state-supported services, but also oversight of how our state-dollars are spent by our current operator, Amtrak.

Many of you on this committee deeply understand that public officials need transparent, traceable, and actionable information to determine the best and most efficient use of limited public resources. While our agencies have been able to develop an intimate working knowledge of the Sec. 209 cost formula over the years, providing support to states' passenger railroad development programs will help others build the ability to credibly articulate complex financial information to state policymakers and funders. This in turn will help in securing future and sustainable support for passenger rail services at the state level.

In addition to strong relationships with host railroads and labor, and continued institutional support to develop, plan, and fund state-supported intercity rail services, a competitive market place for passenger rail providers and services must be supported. A fully robust and accessible marketplace for passenger rail operations ensures that both new and current state-supported routes are receiving cost-competitive services and the latest operational and service innovations.

Several current FRA programs encourage states to undergo a competitive process to select the operator of their intercity rail service, and to provide operator selection justification to the U.S. DOT Secretary based on cost and performance factors.[6] The Infrastructure Investment and Jobs Act's changes to the Federal-State Partnership for State of Good Repair program (now named Federal-State Partnership for Intercity Passenger Rail Grants) further encourages private operators to be considered in reestablishing or establishing intercity passenger rail services and require USDOT to consider private sector participation, including in operations, in its funding decision process.[7] USDOT has a prominent role to play in attracting and considering private sector interest in passenger railroad operations and services, as envisioned by the infrastructure bill.

Current Intercity Passenger Rail Services: Lessons Learned to Support New Service

Eventually, all new routes and restored intercity rail corridors will become existing routes and face similar challenges to the already established state-supported

[6] 49 U.S.C. 22902(c)

[7] H.R. 3684—Infrastructure Investment and Jobs Act—Sec. 22307. Federal-State Partnership for Intercity Passenger Rail Grants.

corridors. I would like to take this opportunity to highlight some areas of concern and potential opportunities to improve current state-supported services, making sure they maintain the necessary local political support to thrive in the future.

The IIJA allows for up to six years of federal operating assistance (in varying amounts) for states to meet their required Sec. 209 payments for new or restored intercity railroad services.[8] However, after this time period, states would be required to meet their full Sec. 209 payment obligations. States may also access operating assistance for their routes through the federal Congestion Mitigation Air Quality (CMAQ) program, but this program is highly competitive among local and state governmental agencies and not a reliable source of assistance for most corridors.

The IIJA also makes several helpful reforms and updates to the current state-Amtrak cost methodology formula governed by PRIIA Sec. 209. The State-Amtrak Intercity Passenger Rail Committee (SAIPRC) is required to update and revise the Sec. 209 governed cost methodology no later than March 2022 and the new methodology must be implemented no later than FY 2023. Additionally, Amtrak will be required to provide states general ledger data—which we believe will be a more transparent and traceable source of financial information—and a third-party audit will be required of the new cost model.[9] These are important oversight and transparency changes, and we look forward to working with SAIPRC and this committee on the cost model update.

However, in the interim, both new and existing routes and state-sponsors are left with the current Sec. 209 cost methodology. In 2016, the Government Accountability Office (GAO) conducted a study to review Amtrak's efforts to reorganize and implement PRIIA, which included shifting the funding burden of under 750-mile corridors to the states and the development of Sec. 209 state-Amtrak cost sharing methodology.[10] The report found that cost information regarding the state-supported route segment to be unclear and that the structural financial and accounting challenges prevented Amtrak from providing funding partners consistent and timely accounting documents and financial information to support service decisions.[11]

Like the GAO, we have found the current Sec. 209 system to be complicated and opaque. In a typical contractor-public agency relationship, costs must be clearly documented and relate directly to services provided. However, with the current Sec. 209 cost model, costs are allocated to us by a broad-based national formula and national operating changes that accrue additional costs are not generally made in conjunction or coordination with state sponsors. Despite California's intent to enhance oversight and accountability of passenger rail services with the creation of the JPAs, this situation has left us with limited input into the decisions that impact our costs and required state subsidies.

In California, our yearly budget is our budget, as approved by the California Assembly, and we must live within those bounds. This is true in states across the nation. Working with Amtrak, we should make a strong effort to innovate and adapt to changing customer service demands to deliver service more efficiently. Further, until a comparable intercity rail service provider emerges to allow an apples-to-apples costs comparison, we must work together to ensure that costs are transparent and understandable to new and existing state funding partners.

All state-route stakeholders—SAIPRC, Amtrak, states, freight railroaders, and railway labor—must work together to address the deficiencies of the current cost model in a transparent and forthright manner, as envisioned by the IIJA. If we fail to correct the mistakes of the current model, unpredictable and unexpectedly high costs will negatively impact the local and state-level political support required to maintain and grow intercity rail service.

As the primary funders of intercity rail services under 750 miles, as required by PRIIA, states have maintained flexibility to choose the services they directly contract with Amtrak.[12] This has allowed states to serve as innovation centers, developing unique passenger experiences that our 21st century customer base demands, and has allowed us to bring service decisions closer to the constituencies we serve. For example, the *Downeaster* state-supported route in Maine has utilized a third-party to provide their food and beverage service through the Downeaster Café. The food and beverage service provides riders unique regional items like lobsters rolls

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[8] H.R. 3684—Infrastructure Investment and Jobs Act—Sec. 22304. Restoration and Enhancement Grants.

[9] H.R. 3684—Infrastructure Investment and Jobs Act—Sec. 22211. State-Supported Route Committee.

[10] United States Government Accountability Office (2016). *Amtrak: Better Reporting, Planning and Improved Financial Information Could Enhance Decision Making*. https://www.gao.gov/assets/680/674520.pdf.

[11] *Ibid*.

[12] 49 U.S.C. 24702—Note.

and local craft beers and has been extremely successful in its cost-recovery efforts, even successfully generating revenue for the route.[13]

In my state, thanks to Secretary Kim's continued leadership, the state owns the majority of equipment utilized on the *Capitol Corridor* and the *San Joaquin* services. This allows my peer agencies direct influence over their equipment, allowing them to accommodate the desires of passengers—like adequate space for bicycles and modern bathroom and café facilities—and that the equipment is maintained to our high safety standards in California.

In addition to the flexibility to be innovative, it is also crucial that intercity rail services are brought closer to local stakeholders and the customer base. In California, the creation of the JPAs has led to more direct customer interactions with our state and stronger buy-in from local officials and the communities we serve by intercity rail.

During the COVID–19 pandemic, we worked in partnership with Amtrak, our customers, and local stakeholders to ensure the continued accessibility and reliability of our services during this difficult time. We have also been able to hear directly from customers and stakeholders to guide us during this difficult operating period and help us make informed decisions about our services. Using direct feedback from customers and stakeholders, our routes worked with Amtrak to be among the first corridors in the nation to reintroduce cash payments at stations and on-board, enabling riders that may lack reliable access to electronic payment systems to use the intercity services. Hearing directly from our customers and local interest helped us to balance the need to operate safely and keep our workers safe, while ensuring equitable access to our services during these trying financial times for many Californians.

Lastly, the IIJA contains several new programs and policy changes designed to spur the development and identification of new intercity rail corridors. The programs allow for Amtrak, states, or other eligible entities to put forward applications and corridors for potential federal investment and development assistance. Broadly, the Federal Railroad Administration encourages states to prepare and maintain state rail plans in order to prioritize corridor and rail service enhancement investments that are in the public benefit and to serve as the basis for both state and federal investments decisions in railroad infrastructure.

While state rail plans are not explicitly required by law and do not prevent federal funding of non-state identified rail projects, they continue to serve as the primary mechanism for state rail corridor planning and investment. The state rail plan planning process requires extensive public and stakeholder outreach, allowing states and their partners to coalescence around desirable projects and services that are feasible to implement. Thanks to Sec. Kim's leadership, California is currently working to update its state rail plan for 2022 and, already, the public and our stakeholders are putting forward exciting new projects and service enhancements that will benefit LOSSAN, our sister service agencies, California intercity rail passengers, and the environment. In addition to working on a master statewide rail plan, state rail planners have additionally held equity priority community workshops and published a specific short line rail improvement plan, ensuring that the voices of California rail riders and our small business rail operators are heard in the process.

As the Federal Railroad Administration embarks on implementing the historic passenger railroad funding contained in the IIJA, I strongly encourage the agency to carefully consider state rail plans during the federal funding process to ensure both corridors and projects already have the required stakeholder and public support required implement and maintain in the long-run. A state-led passenger rail planning model has served California well, even during times of minimal federal rail investment, and we hope to continue our success as the nation's leading state for intercity passenger rail services in the years and decades to come.

CLOSING

I greatly appreciate the opportunity to join you this morning and share my perspective leading the planning and oversight efforts of the nation's highest ridership state-supported route. Additionally, I appreciate this committee's continued interest in and support of passenger railroad services in the United States.

I look forward to answering any questions you may have. Thank you.

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[13] *Annual Report FY 2017*. Northern New England Passenger Rail Authority. https://www.nnepra.com/wp-content/uploads/2020/06/2017__Annual__Report__Web__0.pdf.

Mr. PAYNE. Thank you to the witness.

Next, we have Mr. Ross for 5 minutes.

Mr. ROSS. Good morning. I am Knox Ross, I am chairman of the Southern Rail Commission. Thank you, Chairman DeFazio, Chairman Payne, Ranking Member Crawford, and the members of the committee, for allowing me to testify today.

I want to simply say thank you, because we have waited for over 50 years for long-term funding in support of a robust passenger rail system. And now we have it, through the Bipartisan Infrastructure Law. This committee and its corresponding Senate committee have delivered on the promise and power of passenger rail with an extraordinary investment.

I speak for many when I say I am so pleased to see Amtrak's mission is now focused on serving the entire Nation, that its board of directors will be more balanced, to include perspectives from all of those served by Amtrak, with a special focus on the value of our long-distance trains and the quality of the onboard experience. Thank you again for all your hard work, and that of your staff.

In addition to being the chairman of the Southern Rail Commission, I am also a certified public accountant, a former mayor, and I served on Amtrak's Mayors' Advisory Council, and I served on various regional transportation committees within Mississippi.

As I have traveled across this country on Amtrak and met with local leaders and citizens from all walks of life, I have heard a shared vision of how we can build our Nation's passenger rail system. Whether in Montana, Florida, Illinois, Washington, Maine, or my native South, there is a national aspiration for well-run passenger rail service throughout our country. That includes a hunger for establishing more multistate commissions like the SRC, which you authorized and funded in the infrastructure law.

The Southern Rail Commission, made up of commissioners from Mississippi, Louisiana, and Alabama, was established by Congress in 1982, and promotes safe and efficient freight and passenger rail service. The SRC has engaged local decisionmakers, national stakeholders, many of you and your staff, and has been successful in securing resources at the Federal, State, and local level to make our goals a reality.

Similar to the great work that you had to pass the Bipartisan Infrastructure Law, there has been a bipartisan effort along the gulf coast, with Democratic and Republican mayors, Governors, and legislators in support of restoring passenger rail in our region.

In addition to the significant commitments by our States, local governments have committed nearly $1 million for station improvements and accessibility improvements, all while recovering from natural and man-made disasters.

We applied for CRISI funding for capital infrastructure needs and were awarded $33 million by the Trump administration with a local match of $33 million from our respective States. This funding will help reestablish service between New Orleans and Mobile, and we are on the cusp of realizing that dream, with service expected to begin in 2022.

In addition to our focus on the gulf, there is great support to establish passenger rail service from New Orleans to Baton Rouge, and from Atlanta to Dallas-Fort Worth by splitting the Crescent

service at Meridian, Mississippi. To accomplish these things, working with local, State, Amtrak, and host railroads, we intend to leverage the capital money provided within the Bipartisan Infrastructure Law from CRISI, Local and Regional Project Assistance Program, and the Federal-State Partnership for Intercity Passenger Rail Grants, and operating support from the Restoration and Enhancement Grants, and the interstate rail commissions program.

We know that investment in rail has to address both freight and passenger rail. To this end, we have a 15-year history of endeavoring to work with freights to restore gulf service, the impasse of which is being heard by the Surface Transportation Board at present. We are currently working closely with Canadian Pacific on the services I have previously mentioned, and we have found a willing and able partner.

As I mentioned earlier, I am a CPA, and return on investment is important to me. A study conducted by the Trent Lott Center for Economic Development at the University of Southern Mississippi found that these investments in restoring passenger rail to the gulf could yield a 15-to-1 return for Mississippi in economic development and job creation.

Distinguished Members, this is not about nostalgia for the SRC. This is about the future of a vibrant region in the South. We have seen what passenger rail will do for people across the country, and we believe in its promise of what it will do for our home States.

Thank you, and I look forward to your questions.

[Mr. Ross' prepared statement follows:]

Prepared Statement of Knox Ross, Chairman, Southern Rail Commission

Chairman DeFazio, Chairman Payne, Ranking Member Graves, Ranking Member Crawford, and Members of the Committee, thank you for allowing me to speak today. I also want to simply say thank you because we have waited over 50 years for long term funding in support of a robust passenger rail system and now we have it through the Bipartisan Infrastructure Law. This committee and its corresponding Senate Commerce Committee have delivered on the promise and power of passenger rail with an extraordinary investment. I speak for many when I say that I am so pleased to see Amtrak's mission is now focused on serving the entire nation and that its Board of Directors will be more balanced to include perspectives from all those served by Amtrak with a special focus on the value of long distance trains and the quality of the on-board experience. Thank you, again, for all of your hard work and that of your staff.

In addition to being the Chairman of the Southern Rail Commission, the oldest such commission in the country, I am also a Certified Public Accountant, former Mayor, served on Amtrak's Mayor's Advisory Council, and have served on regional transportation committees within Mississippi. As I have traveled across this country on Amtrak and met with local leaders and citizens from all walks of life, I have heard a shared vision of how we build our nation's passenger rail system. Whether in Montana, Florida, Illinois, Washington, Maine, or my native south, there is a national aspiration for well run passenger rail service throughout our country. This includes a hunger for establishing more multi-state commissions like the SRC which you authorized and funded in the infrastructure law. Such commissions provide the long term stability to sustain a vision for passenger rail and ensure its implementation.

The Southern Rail Commission, made up of commissioners from Mississippi, Louisiana, and Alabama, was established by Congress in 1982 and promotes safe and efficient freight and passenger rail service. The SRC has engaged local decision makers, national stakeholders, many of you and your staff, and has been successful in securing resources at the federal, state, and local level to make our goals a re-

ality. Similar to the great work to pass the Bipartisan Infrastructure Law, there has been a bipartisan effort along the Gulf Coast with Democratic and Republican governors, mayors and legislators in support of restoring passenger rail in our region. In addition to the significant financial commitments by our states, local governments have committed nearly one million dollars for station improvements in accessibility all while recovering from natural and man-made disasters.

We applied for CRISI funding for capital infrastructure needs and were awarded $33 million by the Trump administration with a local match of $33 million from our respective states. This funding will construct additional infrastructure within freight right-of-way to re-establish service between New Orleans to Mobile. Likewise, the SRC received $4.36 million in Restoration and Enhancement funding to provide operational support also matched by our state and local partners. The changes to the R&E grant program passed by Congress in the infrastructure bill provide a longer and more manageable guide path to full operations support than previous law. By extending operational support from three years to six years, the bill allows time to make needed adjustments in scheduling, ticketing costs and marketing to build more robust ridership. Having already leveraged existing opportunities and the ability to take advantage of the much greater flexibility in funding levels by the bipartisan infrastructure law, we are on the cusp of realizing our region's passenger rail dream with service expected to begin in 2022.

In addition to our focus on the Gulf, there is great support to establish passenger rail service from New Orleans to Baton Rouge and Atlanta to Dallas/Fort-Worth by splitting the Crescent long distance service at Meridian, MS. To accomplish these things, working with local, state, Amtrak and host railroads, we intend to leverage the capital money provided within the Bipartisan Infrastructure Law from CRISI, Local and Regional Project Assistance Program and the Federal State Partnership for Intercity Passenger Rail Grants, and operating support from the Restoration and Enhancement Grants. The matching funds for operations of multi state commissions provided in the Interstate Rail Commissions Program will allow the SRC to make the necessary investments in engineering, financial analysis, and legal support needed to ensure broad regional transportation solutions.

We know that investment in rail has to address both freight and passenger rail. To this end, we have a 15-year history of endeavoring to work with freights to restore Gulf service. Unfortunately, our experience has been that some freight railroad hosts for passenger rail service set infrastructure requirements far in excess of any justifiable amount or simply say no in an attempt to erode passenger rail support. While existing rail infrastructure could accommodate passenger rail service today, an additional $66 million in infrastructure investments to improve performance was identified by the Gulf Coast Working Group led by the Federal Railroad Administration during the Obama administration. I have provided the report as a supplement to my testimony.† As mentioned earlier, these infrastructure costs were subsequently funded by the Trump administration through CRISI funding and matched by State and local governments. This is in stark contrast to the $2 billion CSX wanted to improve infrastructure. Congress accepted the administration's cost assessment in report language.

Collectively, we must be good stewards of the public's dollars invested in private freight right-of-way. Taxpayers deserve to know that any public money invested in privately owned infrastructure is justified through an honest and transparent process. The information sought from CSX and Norfolk Southern are not truly proprietary or confidential as it was explained to me. First, the infrastructure and operations information needed to support operations analysis is of little to no inherent commercial value or characteristics, as information concerning things such as train and carload origins and destinations or the type of freight traffic carried by trains has no relevance to the operations analysis and is explicitly excluded from consideration. Second, the fact is that with enough time and effort, essentially all of the relevant information that goes into operations is capable of being independently collected using tools and technologies commonly employed in transportation planning, including commercially available aerial imagery, video data collection, machine vision, aerial LIDAR surveying, and observation from public vantage points. The relevant information is in no way secret, and thus there is really no potential that its disclosure as part of intercity passenger rail development efforts will itself create a competitive disadvantage. If a host railroad's competitor really wanted these types of information, they are more than capable of collecting it themselves. Thus far the freight railroads have refused to share information with FRA resulting in the cur-

† Editor's note: The 47-page "Gulf Coast Working Group Report to Congress," Final Report July 2017, is retained in committee files and is available online at https://docs.house.gov/meetings/PW/PW14/20211209/114291/HHRG-117-PW14-Wstate-RossK-20211209-SD001.pdf.

rent impasse with CSX and Norfolk Southern. This impasse is now being heard by the Surface Transportation Board. At the end of my testimony is suggested bill language to revise 49 USC 103 to address issues like this one. In contrast to our experience with CSX and Norfolk Southern, the SRC is currently working closely with Canadian Pacific on expanded passenger rail services across the region and have found a willing partner.

As I mentioned earlier, I am a CPA so return on investment is important to me. A study conducted by the Trent Lott Center for Economic Development at the University of Southern Mississippi, found that the investments in restoring passenger rail to the Gulf could yield a 15 to 1 return for Mississippi in economic development and job creation. The Rail Passenger Association has created a model based on the work of the Lott Center and can provide the economic impact of passenger rail to local and regional economies across the country and I specifically support the use of these models as we continue to expand our passenger rail.

Distinguished members, this is not about nostalgia for the SRC, this is about the future of a vibrant region in the south. We have seen what passenger rail will do for people across the country and we believe in its promise of what it will do for our home states. Thank you and I look forward to your questions.

49 U.S. Code § 103 [https://www.law.cornell.edu/uscode/text/49/103]

(j) Additional Duties of the Administrator.—The Administrator shall—

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(7)

(I) Require that Federal-funded intercity passenger rail investments in assets owned and/or controlled by a host railroad be identified and justified on the basis of a transparent, collaborative operations analysis with the participation of the project sponsor, the host railroad, Amtrak, and FRA, conducted in accordance with standards FRA is hereby directed to establish;

(II) The Administrator shall review operations and capacity analysis, capital requirements, operating costs, and other research and planning related to corridors shared by passenger or commuter rail service and freight rail operations and provide findings and recommendations.

(III) In order to carry out subsection (II), the rail service provider and the host railroads shall provide all relevant infrastructure and operations information requested by the Administrator to support analysis by the FRA.

(IV) Infrastructure and operations analysis, and the outputs of the operations analysis provided by the host railroad shall not be considered confidential in nature and may be incorporated into environmental documents, funding applications, public reports, and other publicly-available documents.

(V) Failure to provide information requested by the Administrator in furtherance with this subsection shall be enforced through section 24308.

Mr. PAYNE. I thank the witness for his testimony. I will now move on to Member questions.

Each Member will be recognized for 5 minutes, and I will start by recognizing myself.

[Pause.]

Mr. PAYNE. If I can find them.

[Pause.]

Mr. PAYNE. OK. Now, Mr. Gardner, one of the great achievements of the IIJA is that it provides the single largest investment in intercity passenger rail since the creation of Amtrak. Can you elaborate more on how the funding provided to Amtrak will benefit the American people?

Mr. GARDNER. Thank you, Mr. Chairman. Yes. The dollars that come directly to Amtrak out of the $66 billion in the IIJA are $22 billion, and those dollars are really focused on rebuilding and replacing our outmoded assets, really bringing our system up to a state of good repair, and $16 billion are focused on our national network, our 46-State network, serving our long-distance and State-supported routes, and another $6 billion for the Northeast Corridor.

These investments are going to mean modern equipment, upgraded stations that are accessible, and more reliable service, and better service for communities and passengers around the Nation.

Additionally, the dollars that come to the Federal Railroad Administration through the Federal-State Partnership grant program really offer that opportunity for growing and expanding and improving the network to better align today's services with the population of the United States, which has grown 120 million people since we were formed 50 years ago, but for which we often don't serve with anywhere near the sufficient level of service.

We are really looking forward to working with great State partners, like the witnesses here today and others, to find opportunities with the FRA to invest and deliver both meaningful improvements to service, great job opportunities for well-paying, longstanding union job opportunities, and real investment in the manufacturing and supply capability of the United States, which will produce, again, huge economic dividends and opportunity across the Nation.

Mr. PAYNE. Thank you very much.

Mr. Corbett and Ms. White, for this money to revolutionize rail in the country, we will need everyone to get along and do their part.

Mr. Corbett, how long did it take everyone to get along on the Northeast Corridor Commission?

And does each successive planning document, where you are getting more and more specific about project sequencing, get easier over time?

Mr. CORBETT. Chairman, it is a very poignant question. I think, just as the Congress faced hundreds of years ago, you either hang together or hang separately.

And I think that was, certainly in the 4 years that I have been with the commission, I think we really focused on cooperating. And I think, even when it was the Pennsylvania Railroad, when it was all under one house, there was always the tension between the intercity and then the commuter division, and I think that kind of collaborative spirit, certainly partnering with Stephen and the other members, to be very frank and open about the challenges.

And even within the railroad, you have a tension between the people who have to operate the railroad every day, and the ones who have to execute the capital projects. And that is a natural tension. And I think we put it all out on the table and said, "OK, how do we balance making sure we maintain good, reliable service, but also making these big capital projects," and, the devil being in the details, the C35 really—the last few years all of us worked hard to really drill down on making sure that, when this opportunity came, we would be prepared.

Mr. PAYNE. Right, thank you.

Ms. White, how do the Southeast Corridor Commission's challenges and experiences compare to the Northeast Corridor's?

Ms. WHITE. That is a wonderful question, Mr. Chairman.

A couple of years ago, I actually attended an NEC meeting, so we have very much tried to learn from the NEC. We are in our infancy, only being a few years old.

So, I am pleased to share that our States have a really great working relationship to date. Our cooperation in doing our three

planning studies has been excellent. We are working hard in COVID to build those relationships and look forward to actually getting together more in person. So much of, I think, cooperative working relationships is the key to success.

I think, to date, we have done everything we have done unanimously, and very cooperatively. And with this historic investment, we see an opportunity to continue that work together.

Mr. PAYNE. Thank you very much. My time has expired. I will now go to Mr. Crawford for 5 minutes.

Mr. CRAWFORD. Thank you, Mr. Chairman. The first question is for Ms. DeMartino.

Last month, Amtrak received record funding for its network. This comes after it experienced historic losses in revenue and ridership during COVID–19. How can Amtrak use this historic funding to strengthen its existing system, including by bringing back riders, and through working with State-supported routes to improve service?

Ms. DEMARTINO. Thank you for the question. We are optimistic that we will be able to work with Amtrak to improve the services, to increase services, to provide additional assets and support for our customers along our corridor.

We are looking forward to also improving the cost formula that we mentioned earlier—that has been mentioned several times—so that we are actually able to identify the levers for the costs that we have, and to be able to make decisions about future services.

During the pandemic we had to reduce our services by 50 percent, and our ridership went down to 5 percent. I am really happy to report that our ridership is booming, we have experienced great increases in ridership. We look forward to working with Amtrak to even further increase our services, and improve that ridership, and meet the demand that we see along our corridor.

Mr. CRAWFORD. How can Amtrak improve its relationship with State-supported routes, including through sharing costs with those States?

Ms. DEMARTINO. I think that is the biggest thing, sharing costs, being able to identify what things actually cost, so that we can make decisions. Again, we have been looking for the levers. We need to understand what the station costs are, what our costs are. We definitely want to pay our share for the services that we are providing, but sometimes the costs are opaque. I used that word earlier, because we don't understand. There are some national costs that are built into the State cost, and it makes it difficult for us to make decisions.

A few examples are cost for police services and station costs. We share those with some long-distance routes. So, again, the cost formula improvement will be a very important part of improving the relationship, improving our ability to provide cost-effective services, and to be accountable to the people we serve.

Mr. CRAWFORD. Excellent, thank you. I appreciate the responses.

And Mr. Chairman, I will yield back the balance of my time.

Mr. PAYNE. OK, I recognize the gentleman from New Jersey, Mr. Malinowski, for 5 minutes.

Mr. MALINOWSKI. I thank the gentleman from New Jersey, and the chairman. Thank you so much.

I want to direct a question to Mr. Gardner and Mr. Corbett and start by acknowledging the tremendous progress that we have made on the Gateway Project, which, as you both know, is extraordinarily important to the people of New Jersey and New York, but also to the entire economy of the eastern seaboard.

In January of this year, as you know, we executed the full funding grant agreement to secure $800 million to replace the Portal North Bridge, an important part of the project. There is a contract that has been signed with a firm to start building it. On the Hudson River Tunnel, we have secured the long-delayed environmental impact statement. Just last week the Army Corps issued its environmental permit for the tunnel.

We hosted President Biden for a groundbreaking for the Portal Bridge. Secretary Buttigieg has made multiple visits to look at the project. And, of course, we have just passed and sent to the President, enacting the most transformative investment in America's infrastructure in generations, a law that will, at last, fund the Gateway Project, and so much more.

We have, obviously, got a lot more work to do. But, hopefully, soon we are going to be shifting into the construction phase for the tunnel, something that would have seemed out of reach just a couple of years ago. But, just as I pushed hard, including in the last administration, to get us to this point, I am going to push just as hard to get things built faster, without compromising on safety.

The current plan, as I understand it, for the Portal Bridge, has final completion slated for July 2027. That is quite a ways down the road. And for the tunnel, if we are able to get the financing plan in place in 2022, what I have heard is talk about completion not until 2035. Now, I get that projects this complicated don't get built overnight, but you will not be surprised that my constituents will not be happy if they have to wait until 2035 to get this project done.

My question to you both is what are you doing to expedite those timelines, and what can we do from Washington to help make that happen?

Mr. CORBETT. Stephen, maybe I could just touch on Portal Bridge, and then turn the tunnel over to you.

But Congressman, thanks, as always, for your support. Obviously, you have been very active in helping not just the Northeast Corridor and Gateway, but New Jersey Transit, so, it is very much appreciated.

I think one of the key things that we touched on, the cooperation between Amtrak and, in this case, New Jersey Transit, we have had—on Portal Bridge—we had excellent cooperation 4 years ago. I think there is no secret we were at war with each other. And now, if you look at the project development agreement that we have for the execution of the delivery of Portal Bridge, that is a really historic shift in where Amtrak and New Jersey Transit, as partners, put this out in a way that allows for shared savings to be realized with the contractor and bonus payments for being able to meet or exceed milestone deadlines, so that we able to move the project along. And there is an incentive to do that quicker.

With U.S. DOT, we are working with the new administration, both with FTA and FRA, on harmonization. There are some dif-

ferences, for historic reasons. Some may even require legislative fixes. But between FTA policies and FRA policies, so that harmonization effort, should also be able to help move projects through some of those bureaucratic hurdles quicker.

But Stephen, if you want to talk about the tunnel, I will turn it over to you.

Mr. GARDNER. Thank you, Kevin, and thank you, Congressman, for your leadership. As Kevin recognized, you have been a huge advocate for this project. We deeply appreciate it.

We agree with you, that moving as fast as we can on the Hudson Tunnel project is imperative. And I know that Kevin shares that view, as well. And I want to assure you we are already taking steps to support that. In fact, Amtrak recently purchased a vital piece of property in Manhattan, which will be the receiving site for the tunnel boring machine, and ultimately the ventilation shaft area for the new tunnel. We are working to advance the next phase, and the final phase of the Hudson Yards concrete casing, which creates the core tunnel connection into Penn Station, and working cooperatively with New Jersey and New York on the strategy to deliver this project. We are all-in on trying to get this done as soon as we can.

As you know, the project really has two phases. One is building the new tunnels, and the second phase is really rehabilitating the existing North River tubes. In the interim, we are advancing a North River tube stabilization program to make sure we have reliable service during this period of construction, but our aim is to get those new tubes built as soon as we can, because they will create immediate reliability improvements.

And then, ultimately, as we expand other aspects under the Gateway Program, create that additional capacity, so that New Jersey Transit and Kevin's organization can really substantially grow, and Amtrak can grow, as well.

Mr. PAYNE. Thank you. The gentleman's time has expired. We will next have my good friend, the gentleman from Illinois, Mr. Davis, for 5 minutes.

Mr. RODNEY DAVIS OF ILLINOIS. Thank you, Mr. Chair, and I appreciate you being here today, and I appreciate this hearing, very important issues we are talking about when it comes to public transportation. My first question is for Secretary Kim.

As we look to the future of high-speed rail, I really hope our transportation agencies engage more with the private sector. I have been on this committee now for 9 years, and one of the first pieces of legislation that we got put into a major bill was in regards to the public-private partnerships. And with that in mind, how does Brightline West fit into the California high-speed rail system at this point?

Mr. KIM. Thank you for the question, Mr. Davis. As mentioned in my testimony, we have been working very closely and cooperatively with Brightline West to help advance their project from Las Vegas to southern California.

I directed Caltrans to enter into an MOU to enable Brightline West to utilize the median of Interstate 15 to build their high-speed system from Vegas to southern California. And so, we are working very cooperatively with them. At some point they will con-

nect to the California high-speed rail system in southern California, and so there is synergy between what we are doing on the public-sector side and what they are doing on the private-sector side, a lot of good cooperation and communication with Brightline West, and we expect that to continue.

Mr. RODNEY DAVIS OF ILLINOIS. Well, great. Thank you for your response. I can imagine, when it is done, there will be a lot of my fellow Raiders fans decked out, coming from California to Vegas, to see them play.

Mr. Gardner, I mentioned Brightline in my questions to Secretary Kim. And the Brightline model allows for positive and free cash flow. And Amtrak projects require significant Federal grants, Federal subsidies, and State subsidies. Are there ways to partner with private-sector companies like Brightline, who are working to take on ridership and construction risk for the projects in front of them?

Mr. GARDNER. Thank you, Congressman. And yes, we are open to partnerships and, in fact, have developed a good rapport with a number of entities looking to develop new services, and have a relationship, for instance, with Texas Central that looks to make sure we can create synergy between their projects, and also offer our support where we can. So, we really believe in growth of this mode.

The Nation needs more intercity passenger rail service to meet its goals, and we want to enable that where we can, bring the resources and assets we have, and find partnerships that can allow service to grow.

Mr. RODNEY DAVIS OF ILLINOIS. Well, we appreciate your comments, and would encourage you to look at more of this public-private partnership like I just mentioned with companies like Brightline, just for an example. As we possibly move into a majority, we are going to be looking at opportunities to make sure that we see opportunities like this continue to move forward.

While I have you, Mr. Gardner, I just wanted to relay something. I am really supportive of the St. Louis to Chicago high-speed rail corridor, in my home State of Illinois, that goes right through my district. We are going to continue to work together to ensure that we try to do everything we can to increase ridership along that corridor. But I had one of my folks witness something the other day that kind of disturbed me a little bit, and I think discourages ridership.

We fly a lot from our districts to DC, and sometimes you walk on the plane, your mask may be falling down a little bit. The flight attendant will say, "Hey, could you raise that up?"

Just the other day, before one of the passenger trains took off from Bloomington, Illinois, towards Chicago, it was witnessed by somebody very close to me that a couple of passengers were carrying their luggage on, and their masks fell down, and they were told to step outside. They were told to step off the train. And then they weren't let on the train, without any warning whatsoever.

I mean, look, I get following the rules. But at some point, we have got to make sure we don't have a system of masked vigilantes who stop people from utilizing a service we are trying to encourage more ridership on.

So I would encourage you, in this one case, I know, hopefully, it is not something that happens on a regular basis, but I would appreciate you relaying to your employees that it is imperative that we try to get people to cooperate, but at the same time those who are not being troublesome should be offered a chance to get back on the train after following the direction.

Do you have any comments on that?

Mr. GARDNER. Well, sir, I absolutely agree. That is not consistent with our policy, and we will certainly look into that event.

Absolutely, we, of course, encourage, through lots of communication, compliance with the mask requirements. And then, on board, if we encounter situations—or in our stations—where people aren't complying, we should politely ask them to comply, and have a good dialogue, and make sure they understand the requirements and are given opportunities to comply. So, that is the appropriate way to handle our guests, our customers, and that is not consistent at all with how I expect—and anyone on Amtrak—expects us to handle this important safety requirement.

Mr. RODNEY DAVIS OF ILLINOIS. Yes, my team will get with you on the exact train, and the time, and——

Mr. GARDNER. Please.

Mr. RODNEY DAVIS OF ILLINOIS [continuing]. Hopefully, you will look into it.

I yield back.

Mr. PAYNE. Thank you. The gentleman yields back. Now we have Mr. Moulton for 5 minutes.

Mr. MOULTON. Thank you, Mr. Chairman, and thank you all for being here.

I want to pick up, actually, just where my good friend from Illinois left off. Mr. Gardner, great to see you. We have talked about this before, but, as we all know from flying regularly in the United States, when you get off a plane, the crew usually thanks you. Certainly, the flight attendants. Often the pilots, too. Why does that never happen on Amtrak?

Mr. GARDNER. Well, Congressman, good to see you. I can say that on certainly many trips that I am on, we do have crew that both welcomes and thanks folks for their patronage. Certainly, it is an important thing that we have all of our employees recognize the privilege we have to serve them and are conveying both that hospitality and thanks.

In general, our conductors and our personnel get great marks. In fact, the highest marks we have in our customer satisfaction surveys, of which we do thousands and thousands a day, and very robust data, come for the friendliness and helpfulness of conductors. So, in general, we have very good feedback from our customers.

But it is always something we have to work on, and I appreciate you raising it. I completely concur that we want people to feel appreciated and welcomed and——

Mr. MOULTON. And I want more people to ride trains, and I just want to help you get there. I have never seen an engineer thank anyone for being on a train. The pilots do that regularly. Conductors rarely, actually, stand at the door and thank you for riding, although they make an announcement before you get off. These are just some things, I think, to think about.

Mr. GARDNER. Thank you.

Mr. MOULTON. There are other things we can do to make people ride trains more. In Europe, track speeds are standard at about 100 miles an hour on routes that are not high speed. Commuter trains in the U.K., which is sort of notorious in Europe for not having great speeds on its railways, are 125.

I just ask, Kevin, tell us what you are doing to increase speeds. Why are we still going 79 miles per hour in America, which is basically a speed limit set in 1947?

Mr. CORBETT. Congressman, as I think you realize, the history of the—particularly in the Northeast Corridor, the legacy of a lot of the private railroads—say, in New Jersey Transit's case, we had the Erie, the Lackawanna, the Pennsylvania. So, you have this infrastructure in the most densely populated part of the country. And when you look at where, still, the backbone of our system is, really, from the 19th century. So——

Mr. MOULTON. That is right. But now we have PTC. So, what is preventing us from going above 79 miles per hour, now that we have PTC?

Mr. CORBETT. Basically, it is a complex issue, but simply that you have the commuter rails running on the same tracks on the Northeast Corridor, and also, in some areas, freight trains. So, they go at different spots, they come in and out, on local stops, versus the intercity that may be going, say, straight from Philadelphia to New York.

Mr. MOULTON. I think we need a better answer to this, because there is a 1947 law that dictates 79 miles per hour that should not apply, now that we have PTC. So, if you could take that for the record, I would really appreciate it.

Can you also tell me, Kevin, how much would it increase capacity in Penn Station if your commuter trains ran through to Long Island and vice versa, so that the New Jersey Transit and Long Island Rail Road were not turning trains around in a through station?

Mr. CORBETT. Congressman, for the through-running in New York, that definitely just—at any station, rather than having to stop, switch the head, and go back, we are studying, working with Amtrak, on the expansion, looking at the various options of how many trains we could run through, and putting that—so we will have to get back to you when that study is completed, but it will definitely shorten the time of turnarounds. And that is the idea, is trying to maximize——

Mr. MOULTON. We looked at Boston, and it increased capacity at South Station by about eight times, which is massive. It is significant. And for a station as congested as Penn, I hope you are looking at that, and considering that as you look at these Gateway tunnel opportunities, as well.

Stephen, just back to you real quick. Mr. Davis was talking about the advantages of private capital. Obviously, private capital is a good thing. Many infrastructure, many high-speed rail projects around the world benefit from private capital. There is a lot of private capital proposed for investment in the Dallas-to-Houston corridor that you mentioned. How are you going to be sure to leverage that?

I am a bit concerned that Amtrak seems to plan to build a publicly funded route right parallel to the Texas Central high-speed rail plan.

Mr. GARDNER. Thanks, Congressman. So actually, our initial proposal is to invest in the other pieces of the legs there, in the Texas Triangle, to pursue service that can create connectivity with Texas Central and sort of the other parts of Texas, and create, really, an integrated network.

As you know, really, every developed nation in the world has a combination of intercity, commuter, and high-speed service that work together in a network to be able to serve the many different markets that exist, and create, really, that overall value of mobility by providing many different types of trips, or many different parts.

So, we really think about advancing the Texas corridors, together with Texas Central, focusing on those areas that could create feeder and connectivity to the high-speed service, recognizing the high-speed service, of course, won't serve many local communities. It will make a few stops in order to achieve those high speeds and those trip times. And over time, we think there is opportunity for sort of infill, together with the high-speed service. But really, our focus is on the other two legs of the triangle as initial starts and connecting with the Texas Central.

Mr. MOULTON. Well, I fully support that approach. And Mr. Chairman, thank you for your indulgence.

Mr. PAYNE. Thank you. The gentleman's time has expired. I will now have Mr. Weber for 5 minutes.

Mr. WEBER OF TEXAS. Thank you, Mr. Chairman. My questions also are going to be for Mr. Gardner.

Mr. Gardner, I think in your comments you mentioned a gulf coast line. And I, of course, have the gulf coast of Texas, three coastal counties. Were you referring to something along those lines, pun intended, or was this something more easterly?

Mr. GARDNER. Thank you, Congressmember. I was referring to the gulf coast service that we have been planning with the Southern Rail Commission, and with Mr. Ross, who is here today, between Mobile and New Orleans.

However, we do see opportunity—as Mr. Ross mentioned, we have opportunities elsewhere in the region. But that service has been planned for many years now. And hopefully, we will be able to start soon. I think, as Mr. Ross said, it really does create sort of an initial, great opportunity to demonstrate the opportunity for more service in the South.

Mr. WEBER OF TEXAS. Well, thanks. I am also interested, as you mentioned, in the triangle there, in Texas high-speed rail that has been talked about. I am interested—you mentioned, I think, Amtrak coming in and—I forget how you said it—partnering, I think, was Congressman Moulton's dialogue, into the different areas of the corridor. But I would like for you to reach out to my office and kind of give us an update on exactly what you plan to do in that regard. I don't need it right here, today. I need to move on to my next question.

I know that Amtrak has had some ridership losses and, of course, I appreciated Mr. Davis' question, and Seth Moulton's, too, for that matter, because it raises issues. We want to be—you know,

the old quote, it used to be the "friendly skies of United." Well, maybe we need the "friendly snacks of Amtrak." Maybe you all need to pass out peanuts, or pretzels, or whatever, kind of like some of the airlines do, and thank the riders. That would probably help a little bit.

Do you have plans to bolster your ridership? Because I know there have been some losses.

Mr. GARDNER. Yes, great question. And, as you mentioned, we did go down to about 4 percent of our demand here last year, in April, and we have already come back to about 70 percent, 75 percent, depending, in many of our markets. So, we have been growing back steadily.

Obviously, the coronavirus continues to present some challenges, but we are hopeful that we are going to continue that trend.

One of the things that we really focused on during this time is to build better communications technology and connectivity for our passengers, make their trip easier, and also focus on our pricing, and new opportunities to get more riders. And I am really encouraged that we have been able to increase ridership for new riders, folks who have never ridden the train before, by about 500,000 folks a month. So, this is a whole new cadre of folks who are coming to the train for the first time and growing.

And so, we also have restored and improved our dining service on our western trains. We are improving service across the network and upgrading our fleet. So, I think all of these things are coming together to provide a better service, and really encourage folks to come back. And those new riders are key, because we don't know how long it will take before business travel has returned. So, a lot of new leisure riders are important.

Mr. WEBER OF TEXAS. Well, I want to make one observation, and then I have a question. Of course—well, I will do the question first.

Partnering up with the rail lines now to do some modeling studies to see if services on those lines are supported by capacity, and schedule modeling studies, have you been able to partner up with any of the railroads to do those studies to see about expanding capacity on those lines?

Mr. GARDNER. Yes, absolutely. We have been working very closely with a variety of host railroads on opportunities to expand, notably Burlington Northern Santa Fe, and our work to expand the Heartland Flyer service between Texas and Oklahoma, and potentially extend that north to Wichita and Newton. In Colorado, along the Front Range, also with BNSF, to look at opportunities there. With Canadian Pacific, we have been having really good conversations about launching a new service between the Twin Cities, Milwaukee, and Chicago. Similarly, I think there are opportunities for that Baton Rouge-to-New Orleans service that Mr. Ross mentioned.

And we have a strong modeling capability and service planning. The Northeast Corridor handles 2,200 trains a day in normal times. We model that interaction of 2,000 freight trains, about 130 Amtrak trains, and 70 freight trains a day. And so, we know how to build a schedule that works, and have great cooperation with a number of our host railroads to do that. We are going to work together with them to find those win-wins that Ms. White mentioned.

Mr. WEBER OF TEXAS. Yes. And, Mr. Chairman, how much time do I have left?

Mr. PAYNE. The gentleman's time has expired.

Mr. WEBER OF TEXAS. Thank you for that. I will yield back.

Mr. PAYNE. Thank you, sir. Next, we have Mr. Cohen.

You are recognized for 5 minutes.

Mr. COHEN. Thank you, Mr. Chair. I appreciate you and Ranking Member Crawford holding this important hearing.

I am a big fan of Amtrak, a big fan of rail transportation, and we have heard today about intercity passenger rail service, and how it will reduce the carbon footprint, which is so important right now; reduce congestion, which is returning to pre-pandemic levels; and create better job opportunities and access to affordable and equitable housing opportunities.

For instance, the weekend after this I am planning to go to Nashville to see the University of Memphis play Tennessee at basketball at the morning game. And it would be so wonderful if we had a train from Memphis to Nashville that I could ride, rather than having to rent a car, go on the I–40, dodge and be dodged by large trailer trucks, cabs, and all that stuff, and hopefully make it alive. It would be much better with a train. That would be wonderful.

So, the Infrastructure Investment and Jobs Act has, for the first time, dedicated reliable Federal support for States and entities seeking to improve and expand this intercity passenger rail service.

And I love Amtrak, I go from Washington to New York, and Washington to Baltimore, and all those. But it would be nice to get it more in the country, deeper into the country, and where there are people that would use rail, if possible, like Memphis to Nashville, which I—this will be a repeated theme through my remarks.

Many metro areas have little or no access to passenger rail service. Memphis is the only major city served in our State, and it goes to Chicago and to New Orleans, and that has been there for years, the City of New Orleans, the former Panama Limited trains, and we have a lot of people who go to Chicago and go to New Orleans on the train, but nobody goes from Memphis to Nashville, which would be important and good.

I introduced the Interstate Rail Compacts Advancement Act, which would create multistate regional passenger commissions, such as the successful Southern Rail Commission, to promote regional coordination and sustain a passenger rail service across America. It was included in the bipartisan infrastructure bill. So, it is law, and establishes a competitive grant program to provide financial assistance. We want to incentivize States to create these multistate rail commissions, which would help regional collaboration to get passenger rail service and provide these essential connections to jobs.

Ford just announced a $5.6 billion investment at the Memphis Regional Megasite, which is about 50, 60 miles out of Memphis in west Tennessee. Called Blue Oval City, they are going to build electric vehicles and a battery manufacturing plant there. It is the largest investment ever in Tennessee, and will create 5,800 jobs. Expanded passenger rail service between Memphis and Nashville could take residents to and from Blue Oval City to have those jobs

and make it easier for them to get those high-paying, desirable jobs.

Mr. Knox Ross, Mississippi commissioner—thank you, Mr. Ross—as the chairman of the oldest rail commission in the country, can you speak quickly—because my time is limited—to how the creation of these multistate passenger rail commissions could be helpful in expanding service in Tennessee?

Mr. ROSS. Yes, sir. We can talk specifically about Memphis to Nashville.

Mr. COHEN. Good.

Mr. ROSS. The three-State compact—Mississippi, Alabama, Louisiana—we work on projects among our three States and within our three States. One example we have mentioned is Baton Rouge to New Orleans, wholly within Louisiana. And we all wholeheartedly support that and work on that.

The same thing would be if the State of Tennessee joined the Southern Rail Commission, then we could begin work on working with a host railroad, working with Amtrak to look and see what the possibilities are, what the capacity constraints are, what the potential ridership would be between Nashville and Memphis. And on the surface, that sounds like a great service, and one we should definitely look at. And——

Mr. COHEN. Thank you, I appreciate it.

Mr. ROSS [continuing]. The SRC allows us to do that.

Mr. COHEN. That is a great idea for Tennessee to join with the southern group, and just add to it, rather than trying to create their own.

Mr. ROSS. That is right.

Mr. COHEN. The Governor would need to initiate that, I presume.

Mr. ROSS. Yes, sir. The legislatures of Mississippi, Alabama, and Louisiana would have to vote to invite the State of Tennessee, then the legislature of the State of Tennessee would have to vote to join.

Mr. COHEN. Well, that could happen.

Mr. ROSS. I think it can happen. It has been pretty simple.

But I think the main thing about that type of project is having something like the Southern Rail Commission, it works across administrations. We have been working on our gulf service through three——

Mr. COHEN. Let me switch real quick. I appreciate it, but my time is about out.

Mr. ROSS. All right.

Mr. COHEN. I got 30 seconds. Mr. Gardner, in Amtrak's 2035 plan, they had several routes, including Nashville to Chattanooga to Atlanta, but they don't have Memphis to Nashville in there. Was a Memphis-to-Nashville route considered? And, if so, why wasn't it included?

Mr. GARDNER. Thank you, Congressman. Our proposal here is really illustrative of the type of service that we think can make sense.

Having worked for, as a young staffer, the House Member from Nashville, I know for sure that that route between Nashville and Memphis could be very important. We think the Nashville-Chattanooga-Atlanta route is the sort of the first one out of the gate,

because of some of the opportunities there. But we are willing to talk to your office further.

Of course, the FRA is going to make the decisions about a Corridor Development Plan, but we are very bullish on opportunities for Tennessee, both to the north from Nashville, to the west, and to the south and east.

Mr. COHEN. Well, thank you very much, but I would like to concentrate on what you have already got, which is Memphis.

Mr. GARDNER. Yes.

Mr. COHEN. A great route.

Mr. GARDNER. Yes.

Mr. COHEN. If the people from Nashville could go to Memphis, they could then go to New Orleans. Everybody wants to go to New Orleans. And next, everybody wants to go to Memphis. Atlanta, nah.

[Laughter.]

Mr. PAYNE. Thank you.

Mr. COHEN. Thank you, I yield back.

Mr. PAYNE. The gentleman's time has expired. Next, we will have my good friend, the gentleman from California, Mr. LaMalfa, for 5 minutes.

Mr. LAMALFA. Thank you, Mr. Chairman. I appreciate it.

Mr. Gardner, I want to come your way here for a little bit. Now, I personally have supported Amtrak, and I think it is important that we do the best we can to have that type of rail service around our country. It makes great sense in the Northeast Corridor there. And I don't know how close it comes to breaking even and such. And, of course, on the west coast we have got one of the nicest routes in the world going down along the coast, but it is—you know, you come back to cost effectiveness. That is a different question.

What we are looking at here, indeed, is approximately a $70–$75 billion investment. And at the height of our economy, before we had all the COVID business here, Amtrak travel consisted of about 0.1 percent of miles of—that riders were using in this country, versus other modes. So that is kind of a tough number. We will be looking at that, as we go along here.

What I want to ask, though, too, is on the expansion of this new equipment and such that would be in this investment. Where will the equipment be built? We talk a lot about—and my colleague from California, Mr. Garamendi—build it in the U.S. Can we count on this equipment being built in the United States?

Mr. GARDNER. Thank you for that question, and yes. Our investments in fleet will be built domestically. In fact, we recently placed an order with Siemens from California to build over 83 trains, with options for over 100 more. Those will be built there, in Sacramento.

Additionally, we have our current new Acela that is under construction, and 95 percent of its parts and all of its construction is here, in the United States.

We are subject, of course, to Buy America rules, and the IIJA makes that clear for the grant dollars, so——

Mr. LAMALFA. OK, let me—I am sorry, time keeps flying. So, we can expect to not see a bunch of stuff come from China, China railcars, China et cetera?

Mr. GARDNER. Well, we will have open procurement process for additional fleet, but that fleet requirement will be very clearly established as being built in America, and subject to the Buy America requirement, so——

Mr. LAMALFA. OK, I will accept that answer. So, for now, talk to me a little bit about the—and I think Mr. Moulton was talking about the speed with which conventional tracks, non-high-speed rail tracks, were stuck at 79 miles an hour. Doesn't Acela have the ability to go 120? Does it do much 120 miles per hour? Isn't that kind of the maximum number for conventional-type trains on conventional, high-grade tracks?

Mr. GARDNER. Acela, our new Acela service—well, actually, our trains would be capable of 186 miles an hour. They will operate at 160 miles an hour on the Northeast Corridor. And——

Mr. LAMALFA. Is that a conventional train, or is that a dedicated, high-speed——

Mr. GARDNER. That is a high-speed train. It does share these tracks with conventional service. But outside the Northeast Corridor, the sort of practical top speed in many corridors is about 110 miles an hour. As Congressman Moulton mentioned, 79 miles an hour is built around an old train control requirement. With PTC we can get higher speeds, 90, 110, but you do have to address a number of infrastructure pieces, particularly the grade crossing systems and the signal systems, to——

Mr. LAMALFA. So, you can run a higher speed train on a conventional track and go faster than 79 miles an hour, if the track is in good repair. You can go 120, right?

Mr. GARDNER. Absolutely. We have 110-mile-an-hour service in Michigan already today, sir, on the infrastructure we own, and the infrastructure owned by the State of Michigan. And we are moving to 110 miles an hour in the next year in the St. Louis to Chicago. So, 110 is——

Mr. LAMALFA. OK, thank you. I am sorry. Let me shift to Mr. Kim here for a moment. I appreciate it, Mr. Gardner.

In California, we have a big push towards high-speed rail, which was established back in a hearing I was in in the State senate in 2011, but the price had tripled from what the voters were told in 2008. It was going to be $33 billion on the ballot, it ended up being $98 billion. They downsized it a little bit, and it is right back up to right about $100 billion now. It is many, many years behind.

Right now, the initial phase is going to end in an almond orchard in Bakersfield——

[Audio interruption.]

Mr. LAMALFA [continuing]. North to stop at Merced. So we are not even connecting the big cities of S.F. and L.A.

Wouldn't we be smart to cut the losses, and look at upgrading our conventional tracks that Amtrak runs on now, to have capabilities of running 120 miles per hour, and not spend all this money, and change these routes?

We had a hearing yesterday, we were talking about gentrification and expulsion happening in brownfield areas, where they were going to be cleaned up. Well, we know this is going to displace people in low-income, disadvantaged areas in California. They are going to run right through it. Why can't we look at upgrading exist-

ing rail, and running trains 120 miles an hour, especially since high-speed rail doesn't really have the ambition to run entirely from S.F. to L.A. without stopping?

Mr. PAYNE. The gentleman's time has expired, but I will allow a quick answer from the witness.

Mr. LAMALFA. Thank you, sir.

Mr. KIM. Thank you, Mr. LaMalfa. I appreciate the question. Let me just start at a very high level.

High-speed rail is absolutely essential to the future of transportation in California. It will completely transform the way we travel, not just in California, but in the U.S., worldwide. So many of our fellow Americans have traveled abroad to Europe, to Asia. They have personally experienced——

Mr. LAMALFA. Sir, those are talking points. Please just drill down on that, please.

Mr. KIM. Well, OK. So, your question had to do with the schedule, cost, budget, that sort of thing. No question about it, any megaproject of this scope will have its challenges. But I am here to tell you, if you travel through the Central Valley, you will see visible signs of progress. Progress is being made, 119 miles of construction underway, 6,000 jobs, a lot of viaducts, structures being built, and it is moving forward.

And it is also bolstering the economy of the Central Valley, which, you know very well, is an important regional economy. We are focused on making investments in the Central Valley, and to have high-speed rail as a foundational element of the regional economy.

Mr. PAYNE. Thank you. The gentleman's time has expired. Next on the list we have Mr. Sires, the gentleman from New Jersey.

Mr. SIRES. Hello. Can you hear me?

Mr. PAYNE. Yes, sir.

Mr. SIRES. You can hear me? Well, first of all, thank you very much for the witnesses who have been here today. This is certainly an important hearing.

I ride the Northeast Corridor just about every time I go to Washington. And I remember riding the Acela with Senator Frank Lautenberg. One of his big complaints was the kind of ride that it was. He said, by the time he got to Washington, he was going to lose his kidneys. And I know he used to call Amtrak all the time.

I guess my question to you is, look, you have curves, you have all tracks, you go in through communities. Besides the sharing of tracks, how realistic is it that you are going to be able to cut a lot more time between New York and Washington?

Mr. GARDNER. Congressman, thank you. I will take that question.

You are absolutely right, we are dealing with a railroad infrastructure that is over 100 years old in many cases, and there is a lot of work to catch up on. But we do, in the CONNECT NEC 2035 plan that Mr. Corbett described, and the Northeast Corridor Commission has been leading—and Kevin's been doing a great job leading that organization—we have a plan that, after these investments, we are going to see trip time reductions of about 30 minutes between Washington and New York.

Amtrak and the FRA have looked at further high-speed segments on the corridor. It is going to take a while. We have got to address those old tracks, do a lot of work there, but Amtrak is already ramping up to double our machine capacity to be able to do that work, hiring new folks. And the dollars that you have supported in the IIJA, between us and our commuter partners, the FRA, we are going to be able to make these investments, and really take some time off the trip.

Part of that is fixing some of those curves. A lot of it is redoing the overhead electrical wires, the catenary system. Today they actually reduce the train speed. Where we can fix those wires and the railroad is straight, we will be able to upgrade speeds. Together, those kinds of efforts, plus the renewal of the basic infrastructure, like Portal Bridge, is going to help us take minutes off and, eventually, a full half-hour over time.

Mr. SIRES. How about the ride?

Mr. GARDNER. Ride quality, absolutely. The ride quality is really poor, primarily because much of the railroad has never been what is called undercut, which is that the ballast and sub-ballasts, the elements that hold the track underneath, haven't been replaced in decades. So, we are undertaking a comprehensive program to redo that foundation. It is really that foundation plus the track structure that produces a good ride quality.

Additionally, our new equipment will help, as well. But a lot of work to do there, and we are committed to doing it, as is New Jersey Transit and our other partners.

Mr. SIRES. Thank you.

Mr. Corbett, this question is for you. What lines—I am thinking in terms—let me explain myself. I am thinking in terms of getting the people in my district to the Meadowlands, where there are jobs, through extending the light rail into the Meadowlands. You get cars out of the streets and get people to those jobs. Are we considering that in the near future?

Mr. CORBETT. Yes, I think, Congressman, there are two things. Certainly—and you are aware, and I am sure Congressman Moulton will appreciate, this Saturday, the Army-Navy game, 20th anniversary of 9/11, is going to be held at MetLife Stadium in Secaucus. We have a very good—thanks to your support in the last 4 years—really made tremendous strides in turning around New Jersey Transit for our commuter services and our direct services that we will be running, for example, to the game this weekend.

Mr. SIRES. Yes, but I am talking from my district. Yes, so that in other words, the light rail ends in North Bergen.

Mr. CORBETT. Right.

Mr. SIRES. And——

Mr. CORBETT. So that is in parallel—not from the Northeast Corridor Commission side, but——

Mr. SIRES. Right.

Mr. CORBETT [continuing]. As you may recall last year, even through the pandemic we did a—independent of Amtrak, just on our commuter rails——

Mr. SIRES. Right.

Mr. CORBETT [continuing]. Looking at extending that up, and we did an innovation challenge to look at a public-private partnership

to see how we can do that. But that will be in concert with the service we connect at the Northeast Corridor at Secaucus——

Mr. SIRES. I think, with the people that own the mall, that partnership would greatly improve people accessing the mall, plus getting cars out of the roads and into the games. I mean, once the games are there, you can hardly move through there.

Mr. CORBETT. Absolutely. The traffic is, post-pandemic, a problem.

Mr. SIRES. But anyway, I just wanted to say about Amtrak, I ride it, people are very nice. And when you don't wear your mask, they are very pleasant when they tell you to please wear the mask.

And could you please improve the Wi-Fi? That would be very helpful. Thank you.

Mr. PAYNE. Thank you. I associate myself with those comments for us that ride the Northeast Corridor to get here to Washington. Next, we have Mrs. Steel.

You have 5 minutes.

Mrs. STEEL. Thank you, Mr. Chairman. Thank you, all the witnesses coming out today; we are grateful.

Ms. DeMartino, it is a pleasure to see you, and I appreciate your continued advocacy for Orange County taxpayers. In your testimony, you outlined concerns with the current State-Amtrak cost methodology. I share your concerns regarding transparency and accountability with State taxpayers' money.

Can you discuss a specific example of when those services your agency received did not align the cost charged by Amtrak?

Ms. DEMARTINO. Thank you, Congresswoman Steel, for that question. I mentioned a few concerns earlier, but let me provide a simple example of a recent challenge that we faced when I asked Amtrak to provide the cost to run an additional train to assure that we could support our anticipated high ridership during the holiday season.

Amtrak was not able to provide that specific information in a timely manner. We chose to run the train, not understanding exactly what it would cost. And this phrase was used earlier: That is no way to run a railroad. We are certainly hopeful that the cost formula update will help solve these issues in the future.

Mrs. STEEL. OK, thank you very much, and my next question is to Secretary Kim.

David, it is so nice seeing you, that I have known you for so many years. But let me ask this question. Can you elaborate on how the agency is working to find waste and wrongdoing in the State transportation programs?

Because, in your testimony, you mentioned that infrastructure package presents numerous funding opportunities for California high-speed rail projects that you know that I have been so much against. It is already failed policy.

Can you elaborate on how much Federal funding you will be requesting from this infrastructure bill for the California high-speed rail?

According to a recent L.A. Times article, the California high-speed rail project creates serious, ongoing problems in communities it plans to operate through. In the Central Valley, streets have been torn up, and the largest homeless shelter in the Central Val-

ley lost half of its land because it was in the way of the project. And another homeless mission in Bakersfield may be demolished to build the line. Meanwhile, a working-class San Jose neighborhood with a large Latino population lies in the path of the track.

Given this information, how does California high-speed rail specifically impact communities who lose their homeless shelters and have California high-speed rail-related noise in their backyard or by their local hospitals?

Mr. KIM. Mrs. Steel, it is so good to see you. We have known each other for many years, as you noted. And on this issue let's say we have a friendly disagreement.

With respect to the impact of high-speed rail on disadvantaged communities in Fresno and Bakersfield—you specifically mentioned those cities and homeless shelters—the High-Speed Rail Authority entered into agreements and settlements with those respective homeless shelters to, essentially, make them whole, and to enable them to continue their operations in other parts of the city. The High-Speed Rail Authority received compliments from the mayors of Fresno and Bakersfield on the High-Speed Rail Authority's efforts to address those issues. And so, we take heart in that.

In terms of San Jose, I think there are several inaccuracies in the article you referenced. There was never a plan to build a 50-mile viaduct between San Jose and San Francisco. We are required by State law to build a blended system in the South Bay of the bay area, a blended system with Caltrain commuter rail service. And so that is what we are doing.

At a high level, I do want to say the board members of the High-Speed Rail Authority have made crystal clear to authority staff that, to the extent there are impacts to affected communities, the High-Speed Rail Authority staff is to work closely and to coordinate with them to address any and all impacts to mitigate them as much as possible, and to leave those communities in better shape than before. That is their charge. That is what we are committed to do. And that is exactly what we are doing.

Mrs. STEEL. Well, the original cost for $30 billion to over $100 billion, and certain sections are supposed to have started, but it is not even started yet. To me, it just wastes taxpayers' money.

I have, actually, four more questions, but I am going to submit them for the record, since my time is up.

And I yield back.

Mr. PAYNE. I thank the gentlelady for yielding back.

Next, we have Mr. García for 5 minutes.

Mr. GARCÍA OF ILLINOIS. Thank you, Chairman Payne, for holding this hearing, and thanks to all the witnesses today.

I ask unanimous consent to insert into the record a statement from the Midwest Interstate Passenger Rail Commission.

[Pause.]

Mr. GARCÍA OF ILLINOIS. Mr. Chairman?

Mr. PAYNE. Without objection, I'm sorry.

[The information follows:]

Statement of Bob Guy, Chair, Midwest Interstate Passenger Rail Commission, Submitted for the Record by Hon. Jesús G. "Chuy" García

The Midwest Interstate Passenger Rail Commission (MIPRC) is a compact among Midwestern states to promote, coordinate and support passenger rail development in our region. Established in 2000, our current member states are Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, North Dakota and Wisconsin.

MIPRC is grateful to Congress for providing, through the IIJA, the largest infusion of federal funding for intercity passenger rail development since the creation of Amtrak. Passenger rail, both long-distance and corridor service, is an important transportation mode for both urban and rural communities in the Midwest.

Currently, Midwestern states have $1.7 billion in passenger rail projects that are ready for funding and would bring improved safety, additional capacity and increased frequencies on existing routes, as well as new corridor service, stations and equipment. Another $352 million in projects are in the scoping phase.

In addition, on October 13, the Federal Railroad Administration and MIPRC released the Midwest Regional Rail Plan (MWRRP), a vision for what intercity passenger rail could look like in the Midwest within 40 years. The MWRRP was developed over several years under an FRA-led planning project. MIPRC and the twelve Midwestern state DOTs were the primary stakeholders for the plan's development, with other entities—such as Amtrak, Class I railroads, metropolitan planning organizations, advocacy groups, and chambers of commerce—serving in a supporting role.

Building on the Midwest Regional Rail Initiative that nine state DOTs began working on in the late 1990s, the new Midwest Regional Rail Plan envisions a robust network of multiple frequencies linking major cities and smaller towns. The network build-out would capitalize on the benefits that a multistate system, rather than an individual corridor approach, will bring, while also creating and sustaining good middle-class jobs throughout the region.

While the Midwest Regional Rail Plan is a currently a "high level" conceptual plan, over the next several years, MIPRC and the Midwestern state DOTs plan—in coordination with Amtrak and its ConnectsUS plan—to take advantage of the infusion of federal grant funding for passenger rail to not only build out projects already in the pipeline, but to refine and prioritize future corridor development, thereby creating a robust Midwest passenger rail network, serving all the states, and both urban and rural communities.

Mr. GARCÍA OF ILLINOIS. Thank you.

I am a strong supporter of expanding our intercity passenger rail services. The record investment in the Infrastructure Investment and Jobs Act provides us with a once-in-a-generation opportunity to create a better and more robust national passenger rail system. But we have to use the funding wisely.

First, let me ask Mr. Gardner, you note in your testimony that Amtrak has a robust plan to expand service, using funding from the Infrastructure Investment and Jobs Act. Can you expand on Amtrak's vision for increasing rail service, especially in the Midwest and, in particular, out of its Chicago hub?

Mr. GARDNER. Yes, thank you, Congressman, I would be happy to do that. And as I notice, you submitted the comments from the Midwest team, and they have been doing a great job driving planning here, and we have been very pleased to work with them.

We have a robust plan for expanded service from Chicago radiating all through the Midwest. We have proposed increases in service, certainly both north to Milwaukee, and extend service west from there to Madison, and to the Twin Cities service downstate in Illinois, improvements and increases across all of the Illinois services, and then additional service to Michigan, one of our biggest and fastest growing services there, and service through to Indiana. So, we really have proposed a comprehensive plan.

And I would note the FRA just recently introduced their plan for the Midwest and working with all the States and communities and Amtrak there, which we support.

There is a great opportunity. As I mentioned in my testimony, the FRA will drive the development of this network through their Corridor Development Plan, and Amtrak and States and others will be able to offer our views there. But we are looking forward to working with the FRA on these opportunities.

Mr. GARCÍA OF ILLINOIS. Great. Thank you for that. I am going to ask you two questions. Briefly, if you would respond, because I have another question that I want to ask some of the other panelists.

What steps is Amtrak taking to coordinate potential expansion plans and infrastructure projects with commuter agencies?

And two, do you commit to working with Metra in the Chicagoland region to minimize impacts to their service, and to collaborate on infrastructure investments that benefit both services?

Mr. GARDNER. Well, to answer the last one first, yes, we do commit to work with Metra, and we have a good working relationship with Metra on a number of fronts. They, of course, utilize our station, the Chicago Union Station. We utilize their railroad lines in a number of locations around Chicago. So, that partnership is really important.

And to develop those partnerships generally, we are engaging with each of our potential host railroads and partners to look for those opportunities for joint funding, and to go after these opportunities for growth to support both intercity and commuter. We want to see rail grow: passenger, intercity, and commuter. Everywhere across the United States it makes sense.

Mr. GARCÍA OF ILLINOIS. Great, thank you.

For the other panelists, Mr. Ross, Ms. White, and Ms. DeMartino, you have each had different experiences with freight railroads as the host railroad for your respective services. What can Congress do to help you, as you discuss expanding and improving passenger rail service with your freight railroad?

You will have about 15 seconds each.

Mr. ROSS. Congressman, thank you. I think it is enforcing the will of Congress and the law that set up Amtrak in the beginning, as the chairman talked about in the beginning, that people have a preference over freight.

Now, we understand that we all have to work together to do that, but we think there are many ways that Amtrak and other hosts can work together with the freights to get this done. But the law has to be enforced.

Mr. GARCÍA OF ILLINOIS. Thank you. Ms. White?

Ms. WHITE. Thank you, Congressman. I would say that the money in the IIJA is going to be really important. As we work, for example, on the S-line, it is an FRA grant that enables us to acquire that line from CSX and enables us to grow freight rail on it at the same time as passenger. We will be looking to the IIJA for those funds to build the infrastructure that allows both freight and passenger to grow. I think you have done the work we need of you, and we appreciate it.

Mr. GARCÍA OF ILLINOIS. Thank you. And Ms. DeMartino, I apologize, if you could submit your written answer, it would be much appreciated.

Thank you, and I yield back, Mr. Chairman.

Mr. PAYNE. I thank the gentleman for yielding back. Next, we have Mr. Burchett for 5 minutes.

Mr. BURCHETT. Thank you, Mr. Chairman. As I stated to you privately, if I had your wardrobe, I would burn mine. So, thank you.

Mr. PAYNE. The gentleman is very kind.

Mr. BURCHETT. If you can notice, I'm wearing my Carhartt. I got a little cold up here.

Mr. Gardner, in your testimony you mentioned that Amtrak's ridership is still only 65 to 70 percent of what it was before COVID–19. How do you plan to restore ridership to the 2019 levels, and when do you expect that to happen?

Mr. GARDNER. Thank you for that question, Congressman. We are, as I said, working hard already to grow new riders. We certainly do hope to get in that high 70s or 80 percent of our pre-COVID ridership this year, as we restore all of our service over the course of the year, but it is going to take several years. I wish I could give you a clear, definitive answer. A lot depends on the pandemic. A lot will depend on business travel.

While a lot of our service is being patronized, a lot of that travel, of course, is leisure travel, and revenues are a lot less than the business travel market. We are working hard to grow there. But we do feel confident that, over the next several years, we will be able to bring back that 32.5 million ridership we had attained, and grow from there, because the situation that created value for passenger rail, which is congestion on the highways, desire to have a more comfortable trip with productivity, like being able to use your computer, and get up and walk around, have a nice meal, those things are appealing to a broad section of Americans, and particularly our new, younger generations.

We think that rail makes sense. And of course, the pandemic has dampened all of transportation, but we are optimistic and confident that it will return, and we are going to be doing everything we can to help ensure that growth and offer a safe and a compelling service.

Mr. BURCHETT. I also understand that Amtrak is planning to either expand or build new rail corridors in 26 States across the country over the next 15 years. And I was wondering what makes you think Amtrak will turn a profit in any of those communities, when the current rail corridors have been losing money for 50 years?

Mr. GARDNER. Well, thanks for that question. We have proposed these corridors, working with our State partners, for development. And, of course, that will also depend on the Department of Transportation and their priorities as they set out a plan for the investments.

But I would be clear here, that our expectation is that these corridors do require support from States and the Federal Government, that they produce real value, and support a lot of important transportation needs. But we measure those not necessarily by the profit of the fare box, so to speak.

Even though Amtrak has the highest fare box recovery of any system in the United States by far, in terms of rail systems, we believe that Amtrak's mission is to create mobility, mobility that creates value. We do that with as little public funding as we can, but the current services do require support and investment, and I think that is fair. All transportation modes require investment. And this is one area where you can see it quite clearly in our service, because it is localized in Amtrak and our State partners.

But those investments produce dividends. And frankly, there really is no path that we can see for the mobility needs of the Nation as we add another 100 million or so folks to the country over the next 20 or 30 years that doesn't involve a lot more passenger rail. And as that happens, hopefully, our finances can improve.

Certainly, on the Northeast Corridor, we have demonstrated that we can operate a very commercial-oriented service and generate a net operating surplus——

Mr. BURCHETT. Let me stop you. I am going to run out of time here. You are good at running out the clock, and I can appreciate your skills there.

Since you mentioned that you needed more funding down the line, don't you think it would be better to make your current service corridors profitable before you build new ones in other parts of the country?

Mr. GARDNER. Well, we are focused on improving the existing corridor, as many of those corridors can be served by higher speeds or additional frequencies. So, we are focused on that.

But we think, over the course of the next 15 years, we have got to get more service in places in America where more people now live. The Southeast, the Mountain West, the South, the west coast, the population growth has been huge, and yet many of these places we barely serve, if serve at all. So, as a matter of equity and investment, we think many of those communities deserve passenger rail and can get benefits from it.

Mr. BURCHETT. Mr. Chairman, I believe I have run out of my time. Thank you so much.

Mr. PAYNE. Thank you. The gentleman yields back. Next, we will have Mr. Johnson from Georgia.

You have 5 minutes, sir.

Mr. JOHNSON OF GEORGIA. Thank you, Mr. Chairman, for holding this hearing, and thank the witnesses, all of you, for your testimony.

Mr. Ross, I understand that rather than flying from Mississippi to DC, you decided to take Amtrak. Tell us about that: How was your trip, and did your train arrive on time? And if not, why not?

Mr. ROSS. Thank you, Congressman. I try to use the service that I promote, and so I did ride the Crescent up from Meridian to Washington, DC.

And let me first say that the onboard staff was excellent. They thanked me for my patronage, and they served me very well, and I appreciate them. We were about 1½ hours late coming into DC. And the problem was the train left NOUPT, New Orleans, on time, and before it got to its first stop, it was 1½ hours late because of freight train interference with Norfolk Southern. We also had some

signaling and PTC issues in Birmingham. And so, it never was able to really make that up.

And I think that the most concerning part of making, especially, long-distance train travel acceptable for more people, and useful for more people, is making sure these trains run on time. And there are a lot of different ways to do that.

Mr. JOHNSON OF GEORGIA. Let me ask you: Amtrak has been forced to effectively cede its statutory right to priority over freight trains, even though that is in violation of current law.

Mr. ROSS. Right.

Mr. JOHNSON OF GEORGIA. When Amtrak can't run trains on time, that disincentivizes Americans from relying on passenger rail as their primary mode of transportation, and that undercuts economic development.

Meanwhile, freights face no penalty for causing the delay, and Amtrak, as a quasi-public-private entity, does not have the right to sue. But for passenger rail to succeed, we must prioritize on-time trains, and I agree with you.

Mr. Ross, what actions can the Department of Transportation and the Federal Railroad Administration take to address this imbalance?

And what language do you recommend for future legislation that would compel freights to obey the law?

Mr. ROSS. I think there are two things. The first is giving Amtrak the right to sue in times when there is just no other way to resolve the problem. We should work with our freight partners to try to resolve this problem. But there are intractable times that there is no other alternative, and they should have the right to do that.

But through the IIJA and the investments in passenger rail that will happen around the country, part of that can be used to improve capacity in areas that it is, admittedly, limited. For example, between Meridian, Mississippi, and Birmingham, Alabama, it is very difficult to get the train across there because of the amount of traffic and the capacity of the railroad.

Mr. JOHNSON OF GEORGIA. And Mr. Ross, I understand that freights also refuse to share vital data with the FRA, even about essential information such as the number of trains on the track, and the length of a train, and congestion delays. This information is necessary to understand the infrastructure needed to expand passenger rail service. And freights insist that such information is proprietary knowledge, and it is not. And they undercut the FRA's ability to do its job.

The FRA should be the arbiter of truth, with the ability to ask and receive the kind of information that it needs. Mr. Ross, do you agree that this information is necessary to leverage the funding in the new infrastructure law, and support improved expanded passenger rail service?

Mr. ROSS. Absolutely. While we recognize the right of host railroads to proprietary information like rates, and things like that, it is certainly not proprietary to know how many trains operate a day. Anybody can go out and just watch that and see it. Things like that are very important to protect the taxpayers' investment in ex-

panded passenger rail. That will also benefit the movement of freight.

And so, it is very important that the FRA, as you said, the arbiter of these things, has access to that basic information, that should be very reasonable and easily gotten, to be able to make proper decisions.

Mr. JOHNSON OF GEORGIA. Well, let me ask you this. What steps need to be taken so that the FRA can compel freights to share relevant modeling and data, and conduct its oversight successfully?

Mr. ROSS. Congressman, in my testimony I have language to that effect, and we will be happy to share that with you or expand on it.

Mr. JOHNSON OF GEORGIA. Thank you so much. I remember fondly trips that my family used to make on the Nancy Hanks from Atlanta down to Sanders Field, Georgia, serving all of the small towns in between, and I look forward to getting back to those days, where we have a vibrant passenger rail service that serves throughout our Southern States. Thank you.

Mr. ROSS. Thank you.

Mr. JOHNSON OF GEORGIA. And I yield back.

Mr. PAYNE. Thank you, the gentleman yields back. Now we have my good friend from Pennsylvania, Mr. Fitzpatrick, for 5 minutes.

Mr. FITZPATRICK. Thank you, Mr. Chairman, for yielding. And my question is for Mr. Gardner.

Mr. Gardner, thank you for being with us today. Sir, the Infrastructure Investment and Jobs Act provides considerable funding for Amtrak to invest in the Northeast Corridor and their national network.

Sir, in my southeastern Pennsylvania district, Amtrak's construction schedule changes and delays, oftentimes made with limited advance notice. It negatively impacts the operating schedules and on-time performance for SEPTA, which many of my constituents depend on for their local rail commuting.

Unfortunately, it has been a persistent problem under Amtrak's current funding levels. My question is, what specific measures, sir, is Amtrak willing to take, or currently taking, to correct these issues?

And going forward, how will Amtrak manage projects to ensure that SEPTA customers, many of whom are my constituents, are not adversely affected by all of the work planned under the IIJA?

Mr. GARDNER. Thank you, Congressman. Thank you for that question, and for your support for Amtrak and rail investment.

I understand your question exactly. We work very hard to develop a comprehensive program through the Northeast Corridor Commission for every year that lays out the capital work, that will be undertaken on every aspect of the railroad. And Kevin Corbett, the cochair, helps lead that process. And that requires Amtrak to come forward—all the owners of the infrastructure to come forward early on, prior to the future fiscal year, with our development plans for work, and run these plans by all of the impacted railroads, and gain concurrence about the work outages that will be necessary, and the service impacts.

To your point, there are going to be service impacts as we do all this work. We have got decades of investment to now put into the

railroad. But we need to take a very proactive approach to try and manage that, preserve good service for our customers while we are rebuilding. And a lot of the work that the Northeast Corridor Commission and our CONNECT NEC 2035 plan is about exactly that, modeling the whole railroad, all these different projects, and trying to find that best sequence of work, so that we don't impact service more than necessary, and we get the work done efficiently.

We are committed to doing that. We are scaling up our capacity, so that we can get these jobs done on time and within the windows, and we are going to work cooperatively with SEPTA to make sure that they can meet their customers' needs and your constituents' needs.

Mr. FITZPATRICK. It would be very much appreciated, sir.

My second and final question is regarding the liability issue between SEPTA and Amtrak, which I am sure you are familiar with. It has been an ongoing issue.

In June, I submitted an amendment that passed the House for a GAO report to further look into the varying liability agreements in place between Amtrak and commuter rails along the Northeast Corridor.

Sir, could you tell us if any progress is being made in this dispute?

Mr. GARDNER. The liability issue on the Northeast Corridor is a complicated one. It is one that the Northeast Corridor Commission has been looking at for many years, to try and find a common path forward to deal with the many different liability regimes that exist amongst the four owners and eight operators that share the parts of the railroad here.

The commission has set out a deadline for the end of 2022 to further advance some studies, and work collectively to try and come up with a path that we could implement over the next couple of years.

Amtrak is committed to finding a path forward, but one that is standard across the corridor, given that we are both a tenant and an owner, and we need to have a relationship that makes sense for all the different entities that work there.

We are making progress individually with SEPTA on some of the liability issues, as they relate to projects that we undertake, joint projects. And in fact, I believe we are waiting for just agreement from SEPTA on a proposal that we have been working on together.

So, we want to make incremental progress, and we continue to work with our colleagues up and down the corridor and the Department about how we deal with the broader issue of liability between the entities.

Mr. FITZPATRICK. Thank you, Mr. Gardner. As you know, I put a lot of work into getting this infrastructure bill across the finish line. I am a big supporter of rail across the country, and my constituents are very, very dependent on SEPTA. So, if you could do your part, certainly, to maintain that good relationship, it would be appreciated.

Mr. GARDNER. Absolutely. I have a chance to meet with the head of SEPTA every month, and it is a really important relationship for Amtrak, and I know we can do a lot of great things together.

Mr. FITZPATRICK. Thank you, sir.

I yield back, Mr. Chairman.

Mr. PAYNE. The gentleman yields back within the 5 minutes, and we thank him.

Next, we have Mr. Auchincloss, the gentleman from Massachusetts, for 5 minutes.

Mr. AUCHINCLOSS. Thank you, Mr. Chairman. The bipartisan infrastructure bill includes $66 billion above current funding levels to eliminate the Amtrak maintenance backlog, modernize the Northeast Corridor, and bring world-class rail service to areas outside the Northeast and mid-Atlantic. And Massachusetts will be eligible to compete for $5 billion in rail improvements and safety grants, and $3 billion for grade crossing safety improvements.

One of the most urgent and consistent needs I have heard from my constituents is for commuter rail platforms that are compliant with the Americans with Disabilities Act. Stations in Wellesley and Newton receive questions and calls from many of our wheelchair-bound and sight-impaired residents who cannot access the train. For example, one of my constituents lives in an affordable housing unit within Wellesley Square, and can easily get to the station, but cannot get to the train.

The infrastructure bill being sponsored by my colleagues on the committee—Congressman García and Congresswoman Newman—it includes a component sponsored by those two that establishes a program to make ADA-compliant upgrades at legacy transit and commuter rail authorities. And the All Stations Accessibility Program establishes a $1.7 billion competitive grant program to assist eligible entities in financing capital project upgrades. Now, in my district, the commuter rail stations in Newton and Wellesley are past due for these kinds of upgrades.

Mr. Corbett, how is the Northeast Corridor Commission working with the Department of Transportation to set up the application process?

Mr. CORBETT. Our staff are working. I touched on—thank you, Congressman, for the question—that we are looking at the harmonization issue, the grants that we see coming out, and which category those grants come through.

Certainly, the ADA issue is critical along the Northeast Corridor for the commission, but also for us in New Jersey Transit, where we have hundreds of stations that were built in the 1920s that are not ADA-compliant, with full elevated platforms. So, we are talking billions and billions of dollars to bring the whole Northeast Corridor commuter rails up to—as well as along Amtrak's right-of-way. So, the harmonization, and looking at how we can accelerate that within the guidance of legislation with FRA and FTA would help expedite that tremendously.

Mr. AUCHINCLOSS. What can the Mass Bay Transportation Authority do to work with the commission to ensure that the Framingham-Worcester line upgrades in Newton and Wellesley are prioritized?

Mr. CORBETT. The State of Massachusetts sets the priorities, and the representatives, and then we work within the commission. If something requires a legislative fix, we would come back. If it is within the guidelines of the framework that we operate under the commission, then we could do that within the commission.

Mr. AUCHINCLOSS. What makes a grant competitive for this program?

Mr. CORBETT. We are still waiting to digest what has come out of the bill, and details, the guidance from FTA or FRA programs—Stephen maybe could talk better to specifically the $66 billion for Amtrak.

But generally, on the competitive grants versus a formula funding, the ability to move, have the preliminary engineering, the studies done so that we may not have full engineering, but that we can then move the environmental process as rapidly as possible for the larger projects.

Mr. AUCHINCLOSS. Well, we will have the schematics for the Newton commuter rail stations, in particular. Those will be ready to go 30 to 100 percent design complete over the next few years. So, I look forward to working with you on prioritizing those projects.

Mr. CORBETT. Yes, having the money upfront with this commitment that came through legislation—some people, they used to talk about shovel-ready. But, the contractors, the engineering design firms, until they know the money is there, and we cannot commit for funds we don't have, so, having that funding commitment is critical for the industry to be able to move these projects quickly.

Mr. AUCHINCLOSS. Great.

Mr. CORBETT. Thank you.

Mr. AUCHINCLOSS. Chairman, I yield back.

Mr. PAYNE. I thank the gentleman for yielding back. Next, we have the gentleman from Louisiana, Mr. Carter, for 5 minutes.

[Pause.]

Mr. PAYNE. We will have the gentleman from Louisiana, Mr. Carter, for 5 minutes.

[Pause.]

Mr. PAYNE. You are on mute, sir.

Mr. CARTER OF LOUISIANA. Thank you, Mr. Chairman. Thank you for coming today, Mr. Ross, and for the great work of the Southern Rail Commission.

As a longtime public servant, I have been a part of many discussions about the promise and the challenges of regional passenger services. I am happy to know that, with the passage of the infrastructure bill, that we have an opportunity to make that a reality.

In your testimony you mentioned support for the area of establishing rail between New Orleans and Baton Rouge. As you know, this is something that has been critically important to the people of Louisiana for a very long time, and equally as important as rapid rail between New Orleans and Mobile. But the thought of having a high-quality, fast, alternative way to get across the region is one of my top priorities.

For years, people in my district have heard plans of rail between Baton Rouge and New Orleans, and now we have an opportunity to make it a reality. We are very excited about that. Can you talk about the status of establishing passenger rail between New Orleans and Baton Rouge?

Mr. ROSS. Yes, sir. And welcome aboard, Congressman. We are glad to have you.

Mr. CARTER OF LOUISIANA. Thank you, sir.

Mr. ROSS. Yesterday in New Orleans, CP committed to an initial round trip between Baton Rouge and New Orleans, with no capacity investment needed. And they also committed to looking at a second round trip. It is just that they have to have time to evaluate to see what capacity improvements have to be done to implement that service.

This is a historic move, and we have been working very hard with Canadian Pacific to create a good partnership, going forward, that can be beneficial both for Baton Rouge-New Orleans, Baton Rouge-Shreveport, the I–20 corridor, and they have committed to us to work with us on all of those services. But Baton Rouge-New Orleans is going to happen, and CP has committed to that. They have committed to that in their Surface Transportation Board filing.

So, Congressman, yesterday was a historic day for that, and we were very excited about it. And it really shows the benefit of commissions like the Southern Rail Commission, because we were able to hold that project together when Louisiana, under a previous administration, refused the money to build this project.

Mr. CARTER OF LOUISIANA. We remember that all too well.

Mr. ROSS. Yes, sir, we do.

Mr. CARTER OF LOUISIANA. And I can't tell you how grateful I am to you, Mr. Ross, and the Southern Rail Commission, for the incredible work that you do and have continued to do to hold this project together. We were all very disappointed when that previous administration under Governor Jindal, for whatever reason, rejected those resources, and we missed a great opportunity. So, so grateful that we are back on track, and that this will become a reality for the people of Louisiana.

Mr. ROSS. Congressman, I would be remiss—the person I think who has held this together in Louisiana would be my fellow commissioner, and our vice chairman, John Spain. He has been instrumental in using the Southern Rail Commission to keep this alive, and to keep it across administrations, across DOT Secretaries. And I think it also demonstrates that these multistate commissions work. And——

Mr. CARTER OF LOUISIANA. And then let me join you in giving a huge shout out to John Spain——

Mr. ROSS. That is right.

Mr. CARTER OF LOUISIANA [continuing]. Who has been a great advocate, and a friend, and has given me briefings on this project, and has been a stalwart, someone that we are very fortunate to have in our corner.

So really quickly, let me ask you this before my time elapses. Are there any obstacles out there, anything that we can do, from Congress or from this subcommittee, led by my very able chairman, Mr. Payne, to assist in advancing this very critical issue for the people of Louisiana?

Mr. ROSS. Well, you have put the funding in place, with the transportation bill. This is a huge step forward for us, and we will be using—in my testimony I talked about all the different programs we will be using. It really is going to take a local, State, and Federal push to get this done, and all parties have committed to that. The super-region commission down there, the individual cities

have put up money for stations, and have bought station sites. I think you all have put the pieces in place to get this done. It is up to us to put the puzzle together and make it work, and we believe we can do that.

Mr. CARTER OF LOUISIANA. Well, I stand on the ready to do anything that I can do to be a bridge to pull any of that together, now that we have put the funding in place to be an additional resource. As I mentioned, this is one of my number-one priorities, recognizing the huge impact it will have environmentally, economically, and all the way around for the people of Louisiana. This is a huge win, and I am so proud to be a part, so proud to be here to thank you, to thank John Spain, to thank the entire commission for the yeoman effort and, most importantly, to thank President Biden for putting forth this BIF that has given us the opportunity to have the kind of resources that we can do things that have long been talked about, but never actually done. So, this is a great day.

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

Mr. PAYNE. The gentleman yields back. Next, we will have the gentleman from Massachusetts, Mr. Lynch, for 5 minutes.

Mr. LYNCH. Thank you very much, Mr. Chairman. I have two competing hearings going on, so I have to jump off every once in a while, but I do want to say thank you to all of our witnesses for attending.

And I was very pleased—it warmed my heart to hear Mr. Gardner talk about working with his employees and his unions, the rail unions. Because when I voted for the transportation and infrastructure bill, I felt I was keeping faith with my railroad workers, and I was keeping faith with my rail unions that advocated for a lot of the things in that bill. And I just hope that you all, as operators, remember that, going forward, that we expect our rail workers and our rail unions to be partners, and to be treated fairly.

I was also keeping faith with President Biden. I don't think there has been anyone in Government ever in the history of this country that has been so closely affiliated with travel by rail.

And I was keeping faith with my environmental activists, because they see rail and the future of rail as being one of the solutions, as a cleaner and greener solution to one of our big challenges on climate change.

And I was keeping faith, really, with my housing activists. Now, you might not think that is a natural connection, but, with the challenges that I have in the city of Boston with housing, one of our big solutions, I think—and I have been working with Mr. Neal on this—is to really—if we make rail attractive, efficient, comfortable, a good experience, it will open up a much wider area to develop affordable housing that is connected to the jobs that are mostly in the Greater Boston area. So, we see that as being a real opportunity.

So, I just want to thank you for your work.

I do believe in a national system, so I have listened keenly to the concerns of the Southern Rail Commission, and my partners in the Midwest, and down in Texas, and out in California, and I really do believe we have to work on this together. I am not just talking about improvements and access on the Northeast Corridor, al-

though that is important, because of the volume of passengers, but I do want to work on this together.

One of the reasons—and I will—I am not going to ask anybody any questions, so you can relax on that. But one of the reasons that I asked to be a member of this committee, the Transportation and Infrastructure Committee, is because, when you look across Congress, it was one of the last bastions of bipartisanship, where we worked together and did the right thing on behalf of the American people. And I was I was dying for some of that, because of what else was going on.

So, I hope that we—and I am talking to my colleagues, my colleagues across the aisle, and my colleagues in the majority, and all of you—I hope that we can put some of the divisiveness away. I was not encouraged by the markup we had on this bill. It was purely infrastructure, and it was really an opportunity for us to come together. That is why I came to this committee, because I want to be working with my colleagues across the aisle. I want to help them on their issues in their districts.

I was an ironworker for about 20 years. I was president of my union. But I travel quite a bit, and I see the infrastructure needs of this entire country.

So, just a word of hope, I guess, is that we—and I give great credit to Pete DeFazio. He really—it starts at the top, with him and Mr. Graves. I think they try to set the right example and the right tone, so that we work together. But I hope we get back to that because America needs us. America needs us. I think we should try to rise to the highest expectations of the American people, than bickering and fighting over us. And transportation and infrastructure, and certainly rail, give us a perfect opportunity to do something good for the American people and really build a public platform for private investment.

So, with that, Mr. Chairman, I yield back, and I thank you for the opportunity.

Mr. PAYNE. Well, I thank the gentleman. It was perfect. One second left. We appreciate it. Now we will have the gentleman from Arizona, Mr. Stanton, for 5 minutes.

Mr. STANTON. Mr. Chairman, thank you very much, and thank you for the opportunity to join this subcommittee for today's hearing on a topic that is critically important to the people of my State of Arizona.

I wanted to be here because Arizona and Phoenix—and Tucson, in particular—were the largest cities in the United States without access to passenger rail service as other communities have gained access to passenger rail. They have experienced significant new economic opportunity, as well, but Arizona has missed out thus far. I am hopeful that that will change, and there is reason for optimism.

Amtrak has proposed connecting Arizona's two large and fast-growing metropolitan areas, Phoenix and Tucson, with frequent and reliable passenger rail service. That means opportunity for the people of Arizona: opportunity to connect our communities, make them more accessible and productive, and more internationally competitive; opportunity to boost our regional economies with better access to jobs, and more private investment along the route; op-

portunity to ease congestion along Interstate 10, and help reduce air pollution.

Arizonans have wanted passenger train service between Phoenix and Tucson for decades. So, it is no surprise that this proposal has already generated significant local support. The mayors of Phoenix and Tucson and other communities along the proposed line, they are fully on board. And I would like to include for the record, Mr. Chairman, their letter of support.

Mr. PAYNE. Without objection.

[The information follows:]

Letter of July 13, 2021, from Regina Romero, Mayor of Tucson, AZ, et al., to Hon. Kyrsten Sinema, U.S. Senator from the State of Arizona, et al., Submitted for the Record by Hon. Greg Stanton

JULY 13, 2021.

The Honorable KYRSTEN SINEMA,
United States Senate.

The Honorable MARK KELLY,
United States Senate.

The Honorable TOM O'HALLERAN,
United States Congress.

The Honorable ANN KIRKPATRICK,
United State Congress.

The Honorable RAÚL M. GRIJALVA,
United States Congress.

The Honorable PAUL A. GOSAR,
United States Congress.

The Honorable ANDY BIGGS,
United States Congress.

The Honorable DAVID SCHWEIKERT,
United States Congress.

The Honorable RUBEN GALLEGO,
United States Congress.

The Honorable DEBBIE LESKO,
United States Congress.

The Honorable GREG STANTON,
United States Congress.

DEAR MEMBERS OF THE ARIZONA CONGRESSIONAL DELEGATION:

As Mayors of cities and towns located along the potential Tucson-Phoenix-West Valley Amtrak route, we enthusiastically support Amtrak's vision to bring passenger rail service to our communities. Frequent and reliable passenger rail service will expand economic opportunities and provide important regional connections between our cities and towns.

We further support Amtrak's reauthorization proposal to create a Corridor Development Program, which will help advance Amtrak's planning, development and implementation of new corridor routes and improvements to existing routes. By funding this program through Amtrak's National Network grant, Amtrak can make the initial capital investments necessary to get these new routes up and running. The grant will also cover the operating costs for the first several years, offering new services the ability to grow ridership and generate revenue.

Amtrak has made clear its commitment to working in a collaborative manner with state and local partners to grow the national rail network, and we look forward to this partnership. In addition to Amtrak's National Network grant, we also support increased funding for USDOT competitive grants, which can also support more passenger rail.

We ask that you support Amtrak's reauthorization proposal as Congress considers the future of surface transportation programs. Thank you for helping bring Amtrak service to our communities.

Sincerely,

TUCSON MAYOR REGINA ROMERO.
PHOENIX MAYOR KATE GALLEGO.
GOODYEAR MAYOR GEORGIA LORD.
MESA MAYOR JOHN GILES.
GLENDALE MAYOR JERRY WEIERS.
ORO VALLEY MAYOR JOE WINFIELD.
SOUTH TUCSON MAYOR BOB TESO.
MARANA MAYOR ED HONEA.
AVONDALE MAYOR KENNETH N. WEISE.
SAHUARITA MAYOR TOM MURPHY.
CHANDLER MAYOR KEVIN HARTKE.

Mr. STANTON. Thank you so much. I have a question for Mr. Gardner, President of Amtrak.

The infrastructure plan that was passed by this Congress invested in passenger rail, and the Amtrak CEO called the bill "absolutely transformational." That means the American people, including those of us in Arizona, we rightfully have big expectations.

Mr. Gardner, given the lack of passenger rail between Tucson and Phoenix, and the strong local and regional support for the project, as well as the significant resources provided to get the job done under the infrastructure law, what steps is Amtrak taking to advance and accelerate the development of the Tucson-Phoenix-West Valley rail line?

Mr. GARDNER. Thank you, Congressman, and we wholeheartedly share your enthusiasm for this corridor.

As you noted, Phoenix is the fifth largest city in the Nation, and is not directly served by Amtrak. And those are the kind of omissions in today's network that we fundamentally need to address, and we are so excited by the investment in the bill to do so.

As I mentioned before, the next steps to develop this plan for corridor development across the country is with the Federal Railroad Administration, and we are going to be providing all of our input, the entire "Amtrak Connects US" plan and all of the underlying data, to them.

Additionally, we are looking to advance partnerships with Nevada and the two big cities and other communities to start taking our planning and moving it to the next level of granularity. As you know, we have got an existing Union Pacific route that heads to Phoenix that needs to be upgraded for service. We have the existing route that we operate over on today's Sunset Limited to Tucson to the east. We have part of that route in place. And what we need to do is really focus in on that western portion to get us to Phoenix.

But we are all-in on this project, in terms of our excitement and enthusiasm, and really are ready to partner with the State and the communities to start that next phase of planning, and then be ready to go after opportunities with the Federal Railroad Administration, as they move to the grant funding and the further planning stages.

Mr. STANTON. That is great, and I certainly will help be your partner when it comes to advocating for this line.

I know that Amtrak is going to keep its word that it made to the people of Phoenix and Tucson, as you were advocating for passage of the infrastructure bill, to get the job done.

I think a fair question would be, assuming we are successful in the grant process, getting that approval process through the Federal Government, assuming Amtrak keeps its word about your advancing the planning process, what would be the timing, best-case scenario, the timing of beginning this critically important line?

Mr. GARDNER. Well, Congressman, I think we have got some more work to do before we can know that exactly. A lot of it is going to depend on Union Pacific, who is the owner of the railway, and the need to upgrade that infrastructure.

Also, we have heard a lot from communities about investing in stations. That is going to be critically important and is something that could happen soon.

But we need to work with that host railroad, Union Pacific, to get a good plan forward. So, I think that is a critical step, is getting Union Pacific on board to work with us to advance this service. And that is going to really set the pace for the overall service.

We will be working on our side to make sure we have got the equipment ready, and the other things that we can bring, but we need that willing host railroad partner.

Mr. STANTON. All right, Mr. Chairman, my time is up, so I yield back. Thank you very much.

Mr. PAYNE. I thank the gentleman for yielding back, and that concludes our hearing for today.

I would like to, again, thank each of the witnesses for your testimony today.

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

I also 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 for today's hearing.

Without objection, so ordered.

And with that, the subcommittee stands adjourned.

[Whereupon, at 12:37 p.m., the subcommittee was adjourned.]

SUBMISSIONS FOR THE RECORD

Prepared Statement of Hon. Sam Graves, a Representative in Congress from the State of Missouri, and Ranking Member, Committee on Transportation and Infrastructure

Thank you, Chair Payne, and thank you to our witnesses for being here today.

The spending for rail in the new transportation law is over six times the amount provided in the last surface transportation bill signed in 2015, with most of the funding going to Amtrak.

Although I support efforts to grow our nation's railroad infrastructure, I have serious concerns about Amtrak's focus on route expansion at a time when its existing system desperately needs maintenance and safety upgrades to continue adequately operating.

Additionally, last year saw Amtrak ridership and revenue plunge to record lows, which resulted in the infusion of billions of taxpayer dollars to prop it up.

Amtrak continues to struggle to return to pre-pandemic levels, with ridership and revenue down 63 percent. Amtrak should focus on rebuilding its business on the current routes before looking to expand.

Finally, any potential discussion of Amtrak route expansion must include the full consideration and participation of the states and the freight railroads. The ongoing supply chain crisis has proven how essential freight railroads are for keeping our economy running.

Freight railroads must be able to operate free of delays and obstructions that interfere with the efficient movement of essential goods.

I look forward to hearing more from our witnesses on this subject.

Thank you, Chair Payne. I yield back.

Statement of Hon. Brian Higgins, a Representative in Congress from the State of New York, Submitted for the Record by Hon. Donald M. Payne, Jr.

Thank you to Railroads, Pipelines, and Hazardous Materials Subcommittee Chairman Donald Payne and Ranking Member Rick Crawford for convening this hearing on the important subject of expanding intercity passenger rail through the Infrastructure Investment and Jobs Act. Expanding passenger rail would revolutionize transportation in America, stimulate economic development and job creation, and have multiplier effects that would reverberate across regional economies for decades.

I'd like to call attention to one provision in the law, Section 22212, Enhancing Cross Border Service, which would begin the process towards achieving a generational goal in my district, establishing reliable, effective, and efficient passenger rail transportation between the United States and Canada.

My district sits along the Canadian border in Western New York, and includes Buffalo, Niagara Falls, and their suburbs. Referred to as the Golden Horseshoe, Western New York, Southern Ontario, and Toronto operate as one binational region. Prior to the COVID–19 pandemic, Western New Yorkers crossed the border to Canada frequently and easily, and vice versa, to get to their jobs, visit family and friends, and explore as tourists.

The ability for residents on either side of the border to hop on a train and quickly travel between Western New York and Toronto, Ontario for events, shopping, cultural destinations or to do business in a couple of hours would transform our economies. Current rail options are cumbersome and inefficient. With a bit of coordination, we could reduce travel time and improve the passenger experience significantly.

Amtrak operates the Maple Leaf Limited route from New York City to Toronto, with stops in Niagara Falls and Buffalo, running only once per day in each direction. The northbound train leaves New York City during the morning rush, not

reaching Niagara Falls until late afternoon, where it sits for a two-hour transfer across the border due to customs processing and a U.S. to Canada crew change, with final arrival at Toronto's Union Station in the early evening.

To address this inadequate situation, the Infrastructure law's plan to enhance cross border rail service will identify challenges to Amtrak operations in Canada and offer recommendations for improvement, including delays associated with custom and immigration inspections in both the United States and Canada. Significantly, the study will include the feasibility of and costs associated with a preclearance facility.

We have seen how preclearance facilities have improved efficiency and reliability of travel at airports and land ports of entry, now is the time to explore this in the rail context to the benefit of the residents of the United States and Canada.

This study will initiate long overdue progress to enhance economic and cultural landscape of our northern border region, allow for the coordination of necessary entities, and lay the foundation for a better connected Greater Toronto-Southern Ontario-Western New York metropolitan area. It is time to seize the moment and take advantage of this historic opportunity. Thank you.

Statement of Ray B. Chambers, President, Associaton for Innovative Passenger Rail Operatons, Submitted for the Record by Hon. Eric A. "Rick" Crawford

Chairman Payne, Ranking Member Crawford, and Members of this Subcommittee. My name is Ray Chambers and I am president of the Association for Innovative Passenger Rail 0perations or AIPRO. We appreciate the opportunity to submit our views from the perspective of the private sector passenger providers and rail employees.[1]

The Infrastructure Investment and Jobs Act (IIJA) is a complex new law that delivers significant funding that can revitalize intercity passenger rail. This new law combines existing FAST Act programs and creates new innovative programs. There are 5 years' worth of significant advanced appropriations. Further unused prior appropriations, from such things as Covid relief, are shifted the IIJA accounts. The complicated cross referencing in the actual statute makes it difficult to understand exactly how the money is going to flow in practice. Because of this, the FRA has initiated an Open Docket System to allow wide ranging comment. AIPRO will join with like-minded stakeholders in attempting to completely understand the IIJA and will fully participate in the Open Docket. There is up to $102 billion available to enhance and expand railroad passenger systems. It is clear there is $65 billion over the next five years is authorized and appropriated and now available for intercity passenger rail. This is more funding then in the entire 50-year history of Amtrak's intercity passenger operations. Here is our proposal on implementation:

DISTRIBUTION OF FUNDING

The money for intercity should be distributed through three distinct categories: 1) Northeast Corridor; 2) Long Distance Routes (15); State Supported Routes (30).

Northeast Corridor, Long Distance Route and National Network

AIPRO fully supports the significant funding to Amtrak's NEC and long-distance routes. There are enormous capital shortfalls and a critical need for safety enhancements. The NEC projects to replace century old tunnels and bridges alone will absorb billions and dominate management attention. One urgent issue is that the federal mandate to make Amtrak stations fully handicapped accessible. It is years behind schedule. In our view, improving safety and addressing the backlog of such deferred projects must be the management priority in the early years.

The State Supported Routes

Under federal mandate there are now thirty intercity routes less than 750 miles and many more being planned. This network is fully state supported under the fed-

[1] *Association for Innovative Passenger Rail Operations*. The core mission of AIPRO is to promote the simple idea that passenger rail transportation should be open to competition. The organization works to advance the agenda of competition to provide better safer and more efficient operations. The Board is composed of Gerald Francis, Chairman (Keolis); Gregg Baxter, Vice Chair (Herzog); Fred Craig (Transdev); Steve Bethel (RATPdev); Jeff Joines (BMWE/Teamsters); Jon McGrath (McGrath Rail). In 2019 the independent operators ran 250,000 trains carrying eighty million people, mostly in commuter operations. A Herzog consortium runs an interstate rail passenger service, CTrail sponsored by Connecticut.

eral PRIIA 209 mandate. It is the sweet spot of intercity passenger service outside the NEC. Transforming this network to high performance is too large a challenge for Amtrak alone with its incredible current capital backlog. What is needed is a new paradigm to harness the full range of stakeholders including the states and local authorities, private operators, Amtrak and other service providers as well as host railroads and labor. Together they must shoulder the burden. To implement this program, FRA must provide the guidelines and capital funding that promotes healthy partnering under state leadership to improve and grow corridor service. In our view, only through this process can we harness the energy and resources necessary to execute a transformation to the superior rail system the country now lacks.

Federal Railroad Administration

Under the innovative new IIJA Corridor Identification and Development Program, FRA will have clear responsibility for all IIJA funding and development on corridors under 750 miles. FRA is charged with laying out an intelligent and comprehensive program for the upgrade of passenger rail and then approving the projects. The provision specifically requires that the applicant for a project stipulate that "a passenger rail operator, *including a private passenger rail operator* has expressed interest in the corridor." Further the application must include the "*identification of a service operator which may include Amtrak or a private rail carrier*." (emphasis added). There is no doubt as to the intent of Congress.

The States

The state supported routes the fastest growing element in the national system and carry nearly half of the intercity rail passengers. Through corridor management oversight and marketing many states today provide amazing energy and expertise to their corridor operations. Over the last decade the states have stepped up to the challenge of PRIIA Sec. 209 mandate to fully subsidize all corridors less than 750 miles. They now provide the operating funds—significant subsidies to Amtrak—to the tune of nearly a half billion dollars a year. They also provide capital. Over the years, for example, California invested $8 billion to improve their intercity passenger rail network. Washington State and Oregon have provided over a billion dollars to the Cascades Intercity Service which reaches Vancouver, Canada. Last June Connecticut governor Ned Lamont and Transportation Commissioner Joe Giulietti announced a new commitment of up to $10 billion in their passenger rail network by 2035. A handful of states, such as California and Connecticut, have dedicated management teams and built institutional capacity and knowledge. In other states the rail group is often little more than two lonely persons in a highway department. There should be an FRA commitment to help other states to build that kind of management capability.[ii]

While Amtrak may disagree with this statement, the development of the state supported network by Amtrak alone would not be a success. Private sector operators, labor and the host railroads must also be intricately involved in the transformation of these city pair jewels. Further, the lead must come from the states under FRA guidelines.[iii]

The Host Railroads

AIPRO believes Amtrak attempts to enforce regulatory cramdown of metrics and standards through STB is divisive, counter protective and not really very effective. We feel there is a better answer. This correct model comes from the experience of commuter railroads from Coast to Coast and the intercity Capitol Corridor arrangements with the CCJPA, Union Pacific and Amtrak. This model relies on commercial negotiation to set metrics and standards and on time performance. Our AIPRO passenger railroads operate thousands of trains carrying millions of passengers through some of the most congested urban communities in America. The arrangements are all commercially negotiated. Based on anecdotal Board discussions we are confident our on-time performance is quite good in comparison to the Amtrak intercity operations.

[ii] *Building State Capacity*. The American Association of State Highway and Transportation Officials (AASHTO) pressed specific legislation to assist the states in building their rail management capability. The AASHTO proposal was included in the House, but not in the Senate Bipartisan Infrastructure Bill that passed the House and became law. That should be corrected in the next session. However, we believe there is adequate flexibility in the IIJA to permit grants for that purpose.

[iii] *Amtrak Connects US*. This program can provide the states with detailed options but it must not be a mandate on them.

We believe the genuine answer beyond good-faith commercial negotiation is a significant amount of capital funding, which IIJA has begun to provide. This will permit the improvements in freight right of way to accommodate passenger operations while sustaining or improving freight throughput. Based on many recent conversations we believe freight railroads will fully respond and become true partners in the development of passenger service. The fact is efficient freight by rail is a public interest priority[iv] which may equal that of expanding passenger service. The current supply chain choke points certainly make the point.

Labor

The railroad industry enjoys a qualified and stable workforce. If the rail passenger revolution is to be successful it is critical that labor be on board and a partner. Over the years AIRPO has negotiated a full range of employee safeguards when there is a transfer of operators on an intercity route. In our newly reformed AIPRO we are pleased to have a rail labor representative on our Board of Directors as well as a Vice President for Labor Outreach.

AIPRO Operators and Competition—President Joe Biden made the case in his sweeping Executive Order on Promoting Competition in the American Economy, issued last July 9. He said, "*Without healthy competition, big players can change and charge whatever they want and treat you however they want.*" This sums up the source of state frustration with the current "complicated and opaque"[v] PRRIA Sec. 209 process for defining Amtrak costs in what is a defacto monopoly situation.

PRIIA, the FAST Act and IIJA all authorize competition on State Supported and Long-Distance Routes. There is no doubt about the Congressional mandate.[vi] The FRA Corridor Development Program, at minimum, should apply section 301 of the PRIIA Act to each project. Under this statutory requirement states must choose their operator competitively or demonstrate to the secretary why a sole source is more cost effective.

Amtrak—An underfunded Amtrak has carried the full intercity passenger service since 1971. The network today is not much different than it was a half century ago. We submit the program we are recommending to advance corridor service through healthy state led partnering will benefit Amtrak. First, Amtrak will face major challenges addressing the state of repair the NEC; sustaining the long-distance routes; and upping the game on safety. They are very much behind the 8-ball today. For the first time they have the resources to address these issues.

As the states assume the primary corridor burden, we will call on them to unleash a competitive process that will engage a complete range of service providers under FRA Corridor Identification and Development guidelines. Amtrak, the primary operator of intercity corridor service today, will be a competitor. As they face "apples to apples" competition for operations, they will become a much more vigorous and

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[iv] *Freight Rail Public Interest*. Freight rail provides enormous congestion and pollution relief benefits. A train can move a ton of freight 480 miles on a gallon of fuel moving 40% of American long distance freight volume while accounting for just 1.9% of transportation related greenhouse emissions. A single freight train takes several hundred trucks off the highway.

[v] *The 209 Process*. We are in full accord with the DeMartino testimony today that states, "Like the GAO, we have found the current Sec 209 system to be complicated and opaque. . . . Further, until a comparable intercity rail service provider emerges to allow an apples-to-apples cost comparison, we must work together to ensure that costs are transparent and understandable . . ." . . . (DeMartino p. 9) The core mission of AIPRO is to establish that competition, which will put Amtrak costs on an "apples to apples" cost basis and make the 209-process unnecessary.

[vi] *The Competition Authorization for Intercity Routes*. When Amtrak was formed 1971 it had a statutory monopoly. The Amtrak reform and accountability act of 1997 ended that requirement. The PRIIA Act of 2008 created a framework for competition on intercity routes. Section 209 required states to take full responsibility for subsidies on all routes under 750 miles. It created a methodology to allocate Amtrak costs to prevent monopoly abuse. The 209 system is not working well. Section 301 provided capital grants to those states that were mandated to subsidize intercity routes. This was a rough version of the highway model. States receiving these grants were required to select their operator competitively or justify to the Secretary why sole source is more cost effective. Sec. 217 provides that when a state selects an alternative operator to Amtrak it must transfer facilities and equipment to the state through an STB binding arbitration. Section 214 created a pilot program to permit Alternative passenger service on three long distance routes. These provisions were smothered in the administrative cradle over the following years. The FAST Act of 2015 clarified and increased the mandate for competition on intercity routes. While streamlining the long-distance pilot program it also inserted a specific new clause that guarantees "Nothing In this section shall be construed as prohibiting a state from introducing competition for intercity passenger rail transportation or services on its state supported route or routes." The IIJA of 2021 expands the competitive authorization specifically authorizing private carriers to compete on intercity corridors and to be partners with states/authorities in seeking grants.

transparent competitor in this new marketplace. Amtrak will inevitably become a more efficient operator.

California CIRCLE and Connecticut—In moving corridor passenger service forward through state led partnering, we are trying to reinvent the wheel. The implementation pathway AIPRO advocates has been blazed by Connecticut in the creation of the interstate CTrail Hartford Line Corridor Service. Connecticut was the first to fully recognize the advantages a robust competitive process in launching additional intercity rail service. The structure for IIJA implementation we endorse is outlined in today's testimony presented by Donna DeMartino managing director of LOSSAN corridor an on behalf of the California CIRCLE rail network of intercity passenger operations.[vii] We are fully prepared to countersign DeMartino's proposed structure of growing corridor rail services through state lead partnerships that will "build relationships with railroad stakeholders, particularly freight railroads and railway labor, maintain and grow steady state capacity for development and planning *and have access to a competitive marketplace for our passenger services*." (emphasis added)—DeMartino Testimony, p. 5).

We look forward to collaborating with this Committee and the Congress to assure the appropriate implementation of the IIJA.

Statement of David Strohmaier, Chairman, Big Sky Passenger Rail Authority, Submitted for the Record by Hon. Peter A. DeFazio

Chairman Payne, Ranking Member Crawford, Members of the Subcommittee, and Committee Chairman DeFazio and Committee Ranking Member Graves, my name is David Strohmaier, and I'm chair of the Missoula, Montana, Board of County Commissioners, and chairman of the Big Sky Passenger Rail Authority (BSPRA). The BSPRA is a multicounty governmental entity created under Montana law, and is the largest transportation district in the state. On behalf of the Authority, I'm pleased to provide this statement for the record for the subcommittee hearing, "Leveraging IIJA: Plans for Expanding Intercity Passenger Rail," conducted on Thursday, December 9, 2021. We congratulate you for conducting this hearing on this topic of critical importance to all parts of the United States, including vast prairie and mountain regions of America that are currently underserved and often deprived of any passenger rail service whatsoever.

The Infrastructure Investment and Jobs Act (IIJA), for the first time in over a century, establishes a new national policy of expanding long-distance passenger rail service to all regions of the United States. We applaud Congress for adopting this historic change. This new policy is contained in Section 22214 of the IIJA directing the Secretary of Transportation to conduct a long-distance passenger rail service study of routes discontinued by Amtrak after 1971 and of routes operated on a nondaily basis, with the aim of expanding service to such routes. In conducting the study, the Secretary is authorized to form working groups from the affected regions to help evaluate routes for expansion. Further, the IIJA, in Section 22307, provides funding for the specific purpose of expanding these long-distance routes by setting aside a minimum of 20 percent, or $2.4 billion, of intercity rail funds for that use. Importantly, the 20 percent is a floor, and not a ceiling, on what the Department of Transportation can spend for this purpose. In short, the IIJA establishes a new national policy for expanding long-distance passenger rail, which addresses job creation, equity, and sustainability. It also provides a path forward for investing in regions of the country that have long been neglected and underserved when it comes to passenger rail.

We are indebted to the hard work and leadership by the Members of this Committee to ensure that passenger rail plays an important, growing, and constructive role in the lives of citizens across the country. As Montanans, we also are thankful for the role that Senator Jon Tester played in securing these provisions of the IIJA.

[vii] *Use of Commuter Authorities to manage intercity passenger rail*. California has utilized commuter authorities to manage their intercity operations. One example is the San Joaquin Regional Rail Commission which manages the Altamont Commuter Express. It now also manages the intercity San Joaquins through a Joint Powers Authority. Commuter rail is not that different from city pair intercity rail. We believe there are excellent commuter authorities around the country such as Virginia Railway Express and SEPTA that could manage defined intercity operations. Since commuter and intercity often operate under different laws and agencies, creating a more significant role for these agencies in intercity corridor expansion will take a substantial planning effort between FRA, FTA and impacted stakeholders. We believe the effort will be worthwhile.

This Committee, Senator Tester, Senator Roger Wicker, and many others deserve our sincere thanks and appreciation.

When you examine a map of Amtrak services in the lower 48 states, you will quickly discover a vast void in east-west passenger rail service that extends 2,000 miles west from Union Station in Chicago to the Coast Starlight and 800 miles north from the California Zephyr in Denver to the Empire Builder at Havre, Montana. Further, when you examine the map even more thoroughly, you will also find that west of the Mississippi River there are no long-distance passenger lines at all providing service between the northern and southern border states until you reach the Coast Starlight on the Pacific Coast. That contrasts significantly with areas east of the Mississippi where a network of east-west and north-south passenger rail service is abundant. So, except for the Empire Builder along the northern border and Coast Starlight along the Pacific, there is a complete void of passenger rail service in four directions for what we're calling the Greater Northwest Region of the nation. The southwestern region is somewhat better served in an east-west direction, but, again, it constitutes a void of any long-distance service running north and south across all western states.

Yet, within the northwestern region there are vibrant, fast-growing cities. In Montana, the primary population centers in the state—Billings, Bozeman, and Missoula—are all along the southern tier of the state that is not served by Amtrak. Also, in that same area and not served by rail are the state capital, Helena, and the unique, historic city of Butte, which once saw north-south passenger rail connectivity to Salt Lake City. Further, none of these five major Montana cities are connected by direct air service to each other. To fly from one of these cities to another requires taking a flight out-of-state, switching planes, and flying back into Montana.

Population growth in this southern tier has been sufficiently strong to enable Montana to be the first state to regain a second congressperson after having previously lost that representation. In the broader region, other fast-growing metropolitan areas do not have long-distance passenger rail service: Bismarck, Sioux Falls, Rapid City, Cheyenne, and Boise. In addition, the major metropolitan areas of Salt Lake City and Portland are no longer connected by passenger rail to these growing areas.

In between the major cities in the region are smaller communities that are challenged by declining local access to civic resources, such as health care and education, and to retail and professional services. In recent decades, residents of those communities have found it increasingly necessary to travel to larger cities to access these essential services, which have become more and more concentrated in urban areas. Without weather-resilient passenger rail, traveling to secure these basic services is a special challenge in winter when weather prevents safe motor vehicle travel. Access to health care is a special concern. Missed appointments, especially in winter, translate into poorer health outcomes and inefficient delivery and higher costs of medical care. The absence of passenger rail service between smaller communities and major cities is also a barrier to citizen participation in governmental decision-making and other civic affairs in the winter.

Consider the example of Glendive, one of the larger rural communities in eastern Montana. It is a 920-mile round trip between Glendive and the state capital of Helena, where citizens need to travel to participate in the legislative session held in winter months. When severe weather occurs, citizens of Glendive and the surrounding area often are unable to travel by automobile to meet with legislators directly—whereas they could if passenger rail were available. The Veterans Administration Hospital for Montana is also located in Helena. So, veterans from Glendive who ordinarily are served at that hospital are faced with a choice between a risky 920-mile car ride in winter conditions or forgoing timely treatment for their medical needs. Again, were passenger rail available, that difficult and potentially harmful choice will be substantially eliminated.

The same type of stories of increasing social, political, and economic isolation of rural communities from services and civic opportunities—especially in the winter—can be repeated throughout the region. That isolation occurs because of the dependence on winter-questionable automobile travel and the absence of weather-resilient passenger rail services. This isolation in many instances has profoundly serious human consequences.

The Greater Northwest Region of the nation also hosts numerous disadvantaged communities. Major portions of tribal nations are located here. While tribal communities have made significant strides in recent years in strengthening their governments and educational institutions, they continue to face major economic and social challenges. The northwestern region is also home to cities, such as Missoula, Montana, and Minneapolis-St. Paul, that have welcomed international refugees out of

proportion to their population. Finally, as the nation undergoes a transition from fossil fuels to renewable energy, communities dependent on coal production are facing major economic challenges. All of these communities need a more diverse and reliable transportation system to help them overcome the social and economic challenges confronting them. Passenger rail is the missing piece of a reliable, year-round transportation system needed by these residents of the northwestern region. Put simply, expanding long-distance passenger rail service to this region is a matter of transportation equity.

National and state parks, national monuments, scenic rivers and trails, and an abundance of spectacular scenery and wildlife are found in the Greater Northwest Region. For eighty years, visitors from around the nation and the world could visit Yellowstone National Park, the premier park in the U.S., by passenger rail on a year-round basis. Those same visitors could also visit and view the 500 miles of unparalleled Rocky Mountain scenery in Montana and Idaho that is accessible all months of the year only by rail. That all ended in 1979 when the federal governmental abruptly cancelled Amtrak's North Coast Hiawatha route. With that cancellation, the federal government ended the prospects for a year-round tourist season in Montana and adjacent areas. Outdoor recreation businesses are experiencing substantial growth in Montana, but that growth is primarily limited to the late spring through early fall. There are substantial economic opportunities for residents of small towns, tribal communities, and coal communities in recreation business if the service was restored on the North Coast Hiawatha route.

The economic benefits of restoring passenger rail service from Chicago to Seattle via the southern tier of Montana are substantial. A recent research report by the Rail Passengers Association (see Appendix A), commissioned by BSPRA, conservatively estimates that if the North Coast Hiawatha were restored, $271 million in economic benefits annually would be achieved.[1] This means jobs. These benefits are four times the projected operating costs for the line of $68 million. Further, once accounting for the offset of these costs with $41 million in fares and other customer revenues, the estimated benefits are ten times the residual federal investment. As additional, more detailed studies of restoration of this line are conducted, the expectation is that the estimates of these economic benefits are likely to increase further.

Again, beyond these economic benefits, there are other major positive results that would flow from restoring this long-distance passenger rail service. Rural residents and members of disadvantaged communities would have better access to health care and education, producing both better health outcomes and greater long-term opportunities. Coal communities would be better able to transition from coal production to other economic activities as the nation shifts its energy system to other sources. Refugees and other unique communities would be better able to maintain social connections with family and friends spread across the region and nation. Tribal communities would be able to achieve social and economic gains that were previously unattainable. And citizens from across the nation and people from around the world will, once again, have a safe and reliable transportation system to visit the Greater Northwest Region at all times of the year.

The IIJA provides the Secretary of Transportation with mechanisms and funding to restore the North Coast Hiawatha and Pioneer Routes. The IIJA directs the development of service plans for these types of routes and gives the Secretary the ability to convene a Greater Northwest Working Group to help prepare the service plans for these two routes. BSPRA welcomes and is ready to assist the Secretary with all phases of this process. Most importantly, the IIJA provides the funding needed to restore both these routes in Section 22307.

Congress has often urged Amtrak to improve the quality of its passenger service and to be responsive to local needs along routes. Reflecting this priority, IIJA specifically requires the Secretary of Transportation in the study of expanded long-distance rail service to develop recommendations for methods by which Amtrak could work with local communities and organizations to develop activities and programs to continuously improve public use of intercity passenger rail service along each route. Section 22214 (a)(4).

Consistent with this requirement, one of BSPRA's objectives for the restoration of the North Coast Hiawatha is for Amtrak's operation of that route to become a model of quality service and local engagement for the future for all Amtrak long-distance routes. BSPRA is uniquely qualified to help achieve this goal and assist the Secretary in developing methods for continuously improving Amtrak serve. As a multi-county organization with seventeen participating counties, BSPRA can mo-

[1] Mathews, Jim, Joseph Aiello, Sean Jeans-Gail, Joshua Hirschfeld, Sophia A. Cohen, "North Coast Hiawatha Restoration: A Solid Return for Taxpayers and Business," Rail Passengers Association, September 30, 2021.

bilize local leadership to engage with the U.S. Department of Transportation and Amtrak to set a new standard of enhanced passenger rail service and local engagement in achieving maximum ridership and fare recovery.

In sum, the North Coast Hiawatha and the Pioneer Routes deserve to be a top priority for restoration because:

1. the cities, towns, and tribal reservations in the vast area to be served by these two routes are unfairly denied access to long-distance passenger rail that is provided to other Americans;
2. the major economic and social benefits that would be generated are critical to the region and significant to the entire nation; and
3. these routes would serve as initial backbones that would help anchor other, future long-distance passenger rail routes west of the Mississippi.

When the Interstate highway system was built, no region, indeed no state, was left without access to this national system. The same should be true for the national network of long-distance passenger rail routes. It is a federal responsibility to ensure that no major area of the country is left without long-distance passenger rail. The nation does not, at present, have a true national passenger rail network because of the vast gaps in the current system. However, creating a true national network should be a priority. The first step in doing so would consist of adding the North Coast Hiawatha and the Pioneer as the 16th and 17th long-distance Amtrak routes. Restoring these lines is a fundamental, first step in achieving passenger rail equity in America.

Beyond restoring these two critical routes, Congress should set its sights on completing the creation a true national passenger rail network. What would such a network look like? It would involve establishing long-distance rail routes serving all lower 48 states that provides the citizens of the United States with access to long-distance passenger rail running east-west and north-south within 90 minutes of their homes. Achieving that goal would require Congress to do what it did with the Interstate Highway system, but what it has failed to do for passenger rail. It should create a dedicated stream of revenue to support a true national passenger rail network that the states could also use to extend the reach of passenger rail within their states. That is what Congress did for highways and what it should now do for passenger rail.

The federal-state corridor program, while helpful in relatively small, densely populated areas, will not achieve a true national passenger rail network. At best it will create only a patchwork system that falls short of providing rail transportation equity to all the citizens of the nation.

This is *the* moment for Congress to help knit our nation back together again—addressing economic development and job creation, fostering transportation equity, and expanding and integrating a more sustainable form of transportation into the nation's transportation portfolio. This is the moment to achieve transformational change in our economy, society, and environment by creating a true national passenger rail network. The good work you've accomplished thus far has not gone unnoticed. We look forward to working with Members of this Committee, Congress, and the administration to deliver a true national passenger rail network for America.

APPENDIX A

Jim Mathews, Joseph Aiello, Sean Jeans-Gail, Joshua Hirschfeld, Sophia A. Cohen, "North Coast Hiawatha Restoration: A Solid Return for Taxpayers and Business," Rail Passengers Association, September 30, 2021

The report is retained in committee files and is available online at https://narprail.org/site/assets/files/5819/v3__final__north__coast__hiawatha__restoration__a__solid__return__for__taxpayers__and__business__1.pdf

APPENDIX

QUESTIONS FROM HON. DONALD M. PAYNE, JR. ON BEHALF OF HON. EDDIE BERNICE JOHNSON TO STEPHEN GARDNER, PRESIDENT, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. As you mentioned in your written testimony for today's hearing, the IIJA will allow Amtrak to modernize Amtrak's NEC and National Network assets and "set in motion the expansion and improvement of our network to cities and smaller communities that are underserved, or not served at all, by Amtrak today."

I agree with your statement and would like to discuss the proposed I–20 Corridor long distance passenger rail connection, that would connect the greater Dallas/Fort Worth area with the greater Atlanta area, and the smaller, rural communities in between, who are currently without Amtrak service.

Given that the track and right of way for the proposed I–20 Corridor long distance passenger rail connection already exists, and since Amtrak's study of this long-distance route has determined that the route will be economically viable and would require a relatively small investment from the IIJA's $16 billion allocation for long-distance routes to produce an excellent return on investment, is Amtrak taking any steps to move this project forward?

ANSWER. Amtrak is also very interested in the possibilities of linking the greater Dallas/Fort Worth area with the greater Atlanta area and the communities in between. Part of the IIJA's $16 billion in funding referenced in the question is for the purpose of acquiring additional long-distance locomotives and cars which could be used to support this new route. Amtrak has begun identifying how much additional long-distance equipment would be required to support its future long-distance network, and is considering the Dallas/Fort Worth route as part of that analysis. Section 22214 of Division B of the IIJA directs the U.S. Department of Transportation (USDOT) to undertake a comprehensive study in consultation with Amtrak and other stakeholders of adding long-distance routes to Amtrak's network. Amtrak will support and participate in the study.

Question 2. As you are aware, Congress will be examining Amtrak's performance to justify current spending levels and consider additional funding to improve service to the American public. Thus, establishing metrics or performance standards is going to be critical to subsequent assessments of funding needs.

a. Would Amtrak agree to provide the Federal Railroad Administration (FRA) and Surface Transportation Board (STB) with quarterly reports on how it is accomplishing the goals as outlined in your testimony?
b. Will there be an assigned point person or group within Amtrak that will have specific accountability for tracking progress, noting exceptions, and outlining how exceptions will be corrected for the attainment of critical goals, including updates for on-time performance?

ANSWER to a. & b. There are several directives and reporting requirements included in the IIJA, and Amtrak is actively working to implement the law and ensure compliance. Amtrak's Government Affairs department is charged with tracking IIJA implementation and has regular meetings with department heads and key personnel to ensure the company is in compliance and/or can provide a required deliverable by a statutory deadline. In addition, Amtrak has formed an IIJA Compliance team within its Finance Department to ensure compliance with all financial components. The team is being led by Amtrak's Controller and has participants from Financial Planning & Analysis and Grants Management. The team meets weekly, discusses and documents progress that week, tracks goals and objectives for the next two to four weeks, works closely with Government Affairs to ensure all aspects are considered, and will provide monthly analysis to Amtrak's Chief Financial Officer and periodic reporting to the Audit & Finance Committee of Amtrak's Board of Directors. [This approach was first implemented to ensure financial compliance with COVID emergency relief funding received by Amtrak.] Amtrak would be happy to

provide Congress and the executive branch with periodic updates on IIJA implementation.

QUESTIONS FROM HON. ERIC A. "RICK" CRAWFORD TO STEPHEN GARDNER, PRESIDENT, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. Given the concerns expressed by the Alabama congressional delegation, the Port of New Orleans, and the Port of Mobile, at a time when the country is experiencing supply chain issues, why would Amtrak submit a filing with the Surface Transportation Board (STB) that freight rail impacts weren't important in deciding about adding new service, and that infrastructure wouldn't be needed to lessen those impacts?

ANSWER. Amtrak has never stated that freight rail impacts "weren't important" in the STB's decision regarding restoring the Gulf Coast service. Rather, Amtrak believes that the STB should apply the statute as written, which requires a showing that the restored service "would impair unreasonably the freight transportation of the rail carrier."

The concerns expressed by the Alabama congressional delegation in early spring 2021 centered on the need for what Sen. Shelby called a "comprehensive analysis" of the impact that the proposed service would have on freight transportation. Amtrak has always agreed that a comprehensive analysis would be useful, but that was not possible given the host railroads' refusal to share pertinent data, inputs, and assumptions. Moreover, the STB, while recognizing the concerns expressed, assured interested stakeholders that the proceeding "will provide a forum to assess precisely the matter of concern to Alabama state officials and others, i.e., whether the additional train operations will unreasonably impair freight transportation." The parties have now filed their respective data and analyses, and we are confident that the Board has the information necessary to analyze the impact of the proposed service on the freight transportation of CSX and NS.

With respect to the Ports of Mobile and New Orleans, they are not rail carriers over whom Amtrak proposed to run additional service, and so their concerns are not within the ambit of Amtrak's statutory rights. In any event, we note that regardless of supply chain issues that may exist elsewhere, in 2021 the Port of Mobile experienced "minimal to no congestion, no vessel delays at anchor, and posted vessel-to-rail turn times within 24 hours." (https://www.maritimeprofessional.com/news/port-mobile-posts-record-container-373313 (accessed 1/11/22)). Similarly, the Port of New Orleans—which has advised the Board that it is "not fundamentally against" initiation of the Gulf Coast service—"has not experienced backlogs and the congestion that other major ports have experienced this year [2021]." (https://www.portnola.com/info/news-media/port-record (accessed 1/11/22)).

Question 2. You have said that the Gulf Coast service would return by January 1, 2022, but freight railroads are preventing that from happening. Yet, there are stations along the line that need renovations and received federal grants to perform restoration, but no work has begun on any of them. What is causing the delay of these renovations and when will work begin?

ANSWER. The reactivation of the Gulf Coast route for passenger rail service includes five stations that will need improvements: Bay St. Louis, MS; Biloxi, MS; Gulfport, MS; Pascagoula, MS and Mobile, AL. This work is needed due to deterioration of unmaintained infrastructure and newer federal guidance enacted since 2005 requiring platforms to conform with the ADA prior to passenger use.

Grant funding was made available to the Southern Rail Commission for Gulf Coast station improvements. However, after a detailed determination of work required, Amtrak proposed, and the FRA accepted, a split to the necessary work. Amtrak would take on platform improvements within the railroad right-of-way, and the Southern Rail Commission and the local communities would perform any needed station and site improvements in a parallel manner.

The legacy platforms are not ADA compliant. Thus, to start, Amtrak needed to develop a temporary solution that will allow for the quick resumption of service and ADA compliant boarding from the legacy platforms and during the construction phase to the permanent platforms to be built in the next phase. Further, the project timing has also been hampered by delays in contractor and resource availability already stretched thin by supply chain impacts, COVID worker outages and labor shortages. These impacts have been exacerbated by Hurricane Ida and reconstruction efforts diverting contractor labor and resources.

Amtrak has completed detailed inspections, developed temporary boarding pads designs to allow for ADA compliant boarding, obtained host railroad, environmental, and historic resources approvals, and issued bid documentation for construction.

Amtrak has received bids from interested contractors and expects to award the work in early 2022.

Question 3. When Amtrak looks at adding new service or additional trains, what analysis does it perform and what infrastructure responsibilities does Amtrak have to make sure railroads would be able to meet on time performance obligations?

ANSWER. When adding new service or additional trains, Amtrak works with its state funding partners to plan the route, the schedule, and the stations stops. Based on this desired level of service, Amtrak and/or its state partners then work with the host railroads to determine if capital investments are necessary for the host to operate the Amtrak trains reliably on the proposed schedules. Amtrak offers performance incentives to hosts to meet the agreed-upon schedules, and Amtrak now also has a new process to involve the U.S. Surface Transportation Board when hosts fail to provide at least 80% on-time performance for Amtrak customers on the agreed schedules.

Question 4. When Amtrak conducts studies on the Northeast Corridor, does it use rail traffic controller (RTC) modeling and how important is it to Amtrak to ensure additional or new service can meet on time performance?

ANSWER. Rail Traffic Controller (RTC) is a software program used by all major U.S. railroads including Amtrak and is an important simulation tool used to model portions of a rail network. It can predict actual run times between two points taking into account the interactions of trains with each other on that network. RTC can estimate the schedule impacts associated with (i) proposed changes in infrastructure (RTC tests infrastructure changes but does not recommend or optimize them), or (ii) new service introductions. Programming, running, and interpreting RTC modeling scenarios can be a complex task, so Amtrak does not run an RTC simulation for every issue or alternative. On-time performance is very important to Amtrak in any new or existing service.

Question 5. Will Amtrak review any information regarding need and demand for the new proposed routes to ensure that the services will have adequate ridership and profitability?

ANSWER. When planning state-supported routes with its state partners, Amtrak and the state agree on the proposed route, schedule, and stations stops. Amtrak then estimates the ridership and operating revenues and costs. Normally operating revenues do not cover operating costs, and it is up to the state to determine whether the anticipated ridership and utility for the public justify the state funding its share of the revenue shortfall to allow Amtrak to operate the service.

Section 22214 of Division B of the IIJA directs the U.S. Department of Transportation (USDOT) to undertake a comprehensive study, in consultation with Amtrak and other stakeholders of adding long distance routes to Amtrak's network. Amtrak will support and participate in the study. Projected ridership and financial performance are among the factors that the study is required to consider.

Profitability is not one of Amtrak's statutory goals, as Congress clarified in a 1978 statutory amendment. Rather, Congress has directed Amtrak in the IIJA to use its best business judgment to maximize the benefits of the federal funding it receives. None of the services Amtrak operates is profitable. That is not surprising since Congress created Amtrak to relieve private railroads of their obligation to operate intercity passenger rail services, all of which were incurring large losses, and virtually all passenger rail services around the world are dependent upon public funding for continued operation. Like the other transportation modes that also receive federal funding, intercity passenger rail service offers "public good" benefits to customers and communities served that are not directly captured in Amtrak's financial performance but that are important to consider. Individual economic opportunity, business competitiveness, and community quality of life are all strengthened by the availability of intercity passenger rail service. These benefits support small urban, large metropolitan, and rural communities alike, and we look forward to communities across the country experiencing these benefits as a result of the IIJA.

Question 6. In November, Amtrak received funds under the Infrastructure Investment and Jobs Act (IIJA). Please provide the Subcommittee, citing specific examples, Amtrak's plans for how it will divide and spend the money it received under this bill.

ANSWER. As you know, the Infrastructure Investment and Jobs Act (IIJA) directed the Secretary of Transportation to submit to Congress a detailed spend plan for Amtrak's IIJA funds by May 15, 2022. Amtrak is actively working in a collaborative manner to develop this detailed capital plan with the Federal Railroad Administration (FRA). While the spend plan is not yet complete, Amtrak anticipates that its IIJA Northeast Corridor and National Network grant funds will support a number

of capital projects for the purpose of eliminating the backlog of obsolete assets and Amtrak's deferred maintenance backlog of rolling stock, facilities, stations, and infrastructure. Such investment will likely support the procurement of new intercity train sets for *Northeast Regional* service, various state-supported routes, and the *Palmetto* long-distance train; the procurement of new locomotives and passenger cars for long-distance service; the investment in NEC capital renewal work above Amtrak's baseline capital charge (BCC) obligation; advancing various ADA improvements and major station projects both on the Corridor and across the National Network; and investment to reduce Amtrak's national rail transportation system asset backlog, among other critical capital projects.

In addition to these Amtrak capital projects, it is important to remember that of the IIJA funding appropriated to Amtrak, the FRA can set aside at least $250,000,000 for the FRA Restoration and Enhancement Grant program and up to $110,000,000 for FRA oversight and grant administration; up to $25,000,000 for the Northeast Corridor Commission (NECC); up to $15,000,000 for the State-Amtrak Intercity Passenger Rail Committee (SAIPRC); $15,000,000 for a new FRA Interstate Rail Compact Grants program; and "such sums as are necessary"—perhaps another $15,000,000—for a long-distance service study that the Secretary of Transportation is required to conduct. Once the FRA finalizes and transmits the detailed spend plan to Congress, Amtrak would be happy to further discuss the plan with you and your staff and brief you on any of the specific projects we plan to advance. We are confident these IIJA investments will improve intercity passenger rail across the nation.

Question 7. Completing the proposed expansion of service in Amtrak's Connects US will cost more than the funding appropriated in the IIJA, correct?

a. Does Amtrak have an estimate of the total cost to fully implement all proposed route expansions, including funding for improvements to tracks, signals, and stations? If so, please provide the estimate.
b. Have you projected how much Amtrak's annual operating deficit would be increased if you complete the proposed expansions? If so, please provide the projections.

ANSWER to 7, a., & b. The capital investments associated with proposed expansion of service in Amtrak Connects US will cost more than the funding appropriated in the IIJA: (Amtrak estimates the total capital costs of adding all of the routes and services in Amtrak Connects US to be approximately $75 billion in 2021 dollars over the projected 15-year timeline). The expansions are all for state-supported routes for which operating costs not covered by revenues would be funded primarily by states in accordance with PRIIA Section 209. The IIJA provides funding to the U.S. Department of Transportation for Restoration and Enhancement grants that could be used by states to cover a portion of the operating costs of new routes and services during the first six years of operation. The financial impact of the additional services on Amtrak's operating costs and revenues will depend upon many factors that are currently unknown, including future changes in the Section 209 methodology, which additional services are implemented and when, levels of future federal funding provided for investments in intercity passenger rail, and future growth in demand for intercity passenger rail service, and have not been calculated.

Question 8. Will you commit to working with the freight railroads before and during any potential route expansion, including providing them sufficient advanced notice of Amtrak's plans and resolving any track sharing and congestion issues in a timely manner?

ANSWER. When Amtrak released the Amtrak Connects US vision, we reached out to each host railroad individually identifying the routes in that vision that would potentially operate over their owned rail lines. Some of these initiatives may take up to a decade or more to implement. We indicated that as individual route initiatives progressed, we would reach out again, to begin a more robust joint planning effort. In fact, in the only route expansion case currently before the STB, Amtrak worked with the host railroads for over 5 years before looking to the Board for resolution.

Question 9. The IIJA outlines a process to update the state-Amtrak cost payment methodology. It also indicates that any "cost impacts" that Amtrak may incur because of the model update may be addressed by future Congressional funding. Does this provision show that the state-supported business unit is currently subsidizing non-state Amtrak operations? What additional costs does Amtrak expect to seek federal funding for because of this update?

ANSWER. Under the current cost sharing policy, Amtrak does not charge its state partners fully allocated costs associated with their services. In FY19, the most re-

cent fiscal year before Covid, states paid 93% of fully allocated costs. As such, states are not subsidizing the Amtrak non-state operations. Regarding additional costs where Amtrak may seek federal funding, if a revised Section 209 policy results in changes that would increase federal participation in costs, the increased participation would be focused on expenses where the federal government has a particular interest, such as safety, security or regulatory requirements, or items that can be more efficiently delivered on a national basis rather than on a state-by-state basis.

Question 10. Many of the IIJA programs specifically mention the potential for private companies to operate and maintain new or restored intercity rail services. The Passenger Rail Investment and Improve Act of 2008 outlined a process to ensure that states utilizing third-party providers would maintain access to Amtrak equipment and facilities during a potential transition period. To your knowledge, has this provision ever been tested? Is Amtrak committed to following the law if a state seeks to utilize a private operator?

ANSWER. Both prior to and since the enactment of the referenced statutory provision, Section 217 of the Passenger Rail Investment and Improvement Act of 2008, several agreements between Amtrak and its state partners for the operation of Amtrak state-supported services have at the request of states provided for the provision of some services utilized in the ongoing operation of those services, such as food service, equipment and customer information, by third parties other than Amtrak. Because Amtrak has always reached agreement with states regarding such matters, there has never been occasion to invoke the procedures established in Section 217 for the Surface Transportation Board to determine whether Amtrak's provision of services is necessary and, if so, to establish terms. Amtrak has always complied and will continue to comply with laws governing states' use of third parties to provide services for state-supported services.

Question 11. What is Amtrak's position on:

a. Compensation to the publicly-operated and/or publicly-funded commuter railroads for their fair share of annual operation costs (cost plus vs. pro-rata)?

ANSWER. When Amtrak was created in 1970, it was given access to all rail lines owned by railroads and regional transportation authorities as necessary to fulfill its statutory mission. The provisions governing Amtrak's statutory access rights, codified at 49 U.S.C. 24308, specify that Amtrak is to pay compensation based upon the incremental costs attributable to its operations, with any compensation in excess of incremental costs based upon quality of service. Over time, several rail lines over which Amtrak operates have been acquired by regional transportation authorities operating commuter rail service. On the Northeast Corridor, Section 212 of the Passenger Rail Investment and Improvement Act of 2008, codified at 49 U.S.C. 24905, established the Northeast Corridor Commission on which Amtrak, the Federal Railroad Administration and commuter railroads are represented and required the Commission to develop a cost allocation methodology under which shared costs are apportioned based upon relative usage. Amtrak believes the current statutory provisions for compensating the commuter railroads over which it operates are appropriate, given the unique nature of the Northeast Corridor and given that the commuter authorities over which Amtrak operates outside of the NEC assumed the existing obligations of their private railroad predecessors to provide access to Amtrak when they acquired the rail lines over which Amtrak operates following Amtrak's creation. It should be noted that Amtrak is a tenant operator on NEC segments owned by commuter agencies as well. On the portions of the NEC owned by New York, Connecticut, and Massachusetts, Amtrak operates under the same rules and restrictions as the commuters that operate on Amtrak-owned right of way.

b. Priority of service between Amtrak and scheduled or planned commuter service?

ANSWER. Priority of service between Amtrak and commuter rail services operating over the same line that is owned by Amtrak or a commuter railroad is determined through agreement. Amtrak believes this is appropriate and has worked effectively because the mission of both railroads involved is to provide high quality passenger rail service, and it is in their mutual interest to ensure equitable and reasonable prioritization of both parties' passenger trains.

c. Amtrak's ability to force access onto the commuter railroad?

ANSWER. While the authority of the Surface Transportation Board (STB) under 49 U.S.C. 24308 to issue orders giving Amtrak access to tracks and facilities extends to rail lines owned by regional transportation authorities, Amtrak and commuter railroads have always reached agreements to allow access to commuter railroad-owned lines for new or additional Amtrak services. (The Interstate Commerce Commission, the STB's predecessor, did resolve one dispute between Amtrak and a com-

muter rail authority over compensation for continued Amtrak operations over the authority's rail lines.) Most Amtrak services on commuter authority-owned lines outside of the Northeast Corridor are state funded. These services provide significant public benefits to residents of the region served by the commuter authority and connectivity for its services, which benefit from additional ridership and revenues contributed by connecting Amtrak passengers.

d. Forum to adjudicate disputes if Amtrak and the commuter properties can't reach an arm's length agreement?

ANSWER. As noted in the response above, the STB has authority, absent agreement, to adjudicate disputes over access to and compensation for Amtrak's use of commuter authority-owned lines, but there has been little need for STB adjudication.

Question 12. Does Amtrak believe it has superior statutory rights over commuter railroads as it does over the lines of freight railroads? If yes, explain the grounds for this claim.

a. Would Amtrak support legislation to establish a statutory scheme for Amtrak and commuter railroads to follow regarding access, which would create a forum such as the STB to adjudicate any disputes should they arise. Please elaborate on whether Amtrak would support or oppose this idea and the rationale behind either item.

ANSWER to 12 & a. Amtrak's statutory right to preference over freight transportation (49 U.S.C. 24308(c)) does not give Amtrak trains preference over commuter trains. It does give Amtrak trains operating over commuter-railroad owned lines preference over freight trains operating over those lines.

Amtrak sees no need for statutory changes regarding access issues between Amtrak and commuter railroads, or creation of new forums for litigation. A statutory scheme governing the access rights of Amtrak and commuter railroads already exists, as does a federally-enabled forum to resolve disputes. In addition to its existing authority to adjudicate access and compensation issues regarding Amtrak operations over commuter railroads discussed in the response to question B11, the STB is also empowered under 49 U.S.C. 24903(c)(2) to order continuation of commuter rail operations over Northeast Corridor rail lines owned by Amtrak, and other rail lines acquired by Amtrak pursuant to the Regional Rail Reorganization Act of 1973 and the Railroad Revitalization and Regulatory Reform Act of 1974, and establish compensation terms. Only one dispute has been adjudicated under this provision since it was enacted 46 years ago. Numerous new and expanded commuter rail services on Amtrak-owned rail lines along the Northeast Corridor and in Chicago have been initiated pursuant to agreements between Amtrak and commuter rail authorities: the number of commuter trains operating over the Northeast Corridor has more than doubled since Amtrak acquired ownership in 1976.

Question 13. Does Amtrak consider a benefit-cost analysis when determining long-distance service?

ANSWER. Amtrak considers both benefits and costs in assessing potential changes in long distance services. We evaluate financial performance and seek to optimize the level of capacity we offer on each route to meet customer demand and maximize revenues and ridership to make best use of available federal funding, within the constraints of our available fleet of equipment. We also appreciate that our long distance services offer "public good" benefits to customers and communities served that are not directly captured in our financial performance but that are important to consider.

Operating revenue shortfalls and capital costs for Amtrak's long distance routes are funded by Congress, which has made the calculation that the benefits of our existing long distance network justify the costs. Section 22210 of Division B of the Infrastructure Investment and Jobs Act (IIJA) provides that Amtrak may not discontinue or substantially alter a long distance route in any fiscal year in which Amtrak receives sufficient federal funding for the route, except in cases of emergency, maintenance, or construction outages affecting the route, or a lack of appropriations. Section 22214 of Division B of the IIJA directs the U.S. Department of Transportation (USDOT) to undertake a comprehensive study in consultation with Amtrak and other stakeholders, to be completed by November 2023, on restoring discontinued long distance routes and adding other long distance routes that will consider both costs and public benefits. Amtrak will support and participate in the USDOT study, and our decisions regarding future changes in long distance routes will reflect the study's findings and future federal appropriations to Amtrak.

Question 14. If Amtrak does expand or introduce new services, please provide written assurance that Amtrak will do so in a way that preserves and protects freight performance and capacity for the present and future.

ANSWER. As Amtrak progresses new service initiatives, we will endeavor to do so in a way that does not unreasonably interfere with freight transportation, which is the statutory standard. The extent to which freight capacity may be constrained in the future, following the introduction of Amtrak service, is within the control of the freight railroads.

Question 15. What is Amtrak's plan to recover from the historic revenue and ridership losses due to the pandemic, and should Amtrak prioritize this recovery before it looks at route expansion?

ANSWER. Historically Amtrak relied on business travel for about 30% of demand, with much higher rates (closer to 80%–90% for *Acela*) in some regions. With many offices closed, and employees working from home, traditional business travel is greatly reduced, and this pool of demand is not something that can be easily recovered or stimulated. We are however working with major accounts to recover the demand where possible and grow our share for the long term once business travel resumes.

As with the airline industry, we are seeking measures of self-help and stimulating both leisure and "visiting friends and relatives" traffic to replace the missing business demand. This has been achieved through aggressive pricing, targeted advertising campaigns and creative marketing. We have seen substantial success with this and achieved similar levels of pre-Covid demand recovery as the airlines have. We base this conclusion on a comparison of our percentage of historic demand recovery for late December (78%) with the recovery rate of TSA airport screenings for the same period (83%). Unfortunately these levels have dropped in recent weeks due to the surge in Omicron related infections, but we are now seeing a gradual recovery in demand again, especially in Amtrak's core Northeast Corridor markets. What has been especially encouraging about this quest for more traffic has been the large numbers (up to 500,000 per month) of new customers that Amtrak has welcomed.

We plan to continue these strategies and nurture recovering business demand so that we can regain and grow our historic share once businesses return to their normal travel patterns. In the meantime, and in parallel, we continue to work on service expansions that will be needed once overall passenger demand recovers.

Question 16. Do you expect host carriers to welcome or accept the introduction of new or expanded services on their lines if they are not supported by capacity and schedule modeling studies that the hosts themselves have been allowed to design and lead? Has that been Amtrak's experience?

ANSWER. Allowing Amtrak use of their lines for passenger service is part of existing law. That was one of the principles that the major carriers and their predecessors agreed to in 1970 in exchange for relief from Congress of their common-carrier obligation to carry passengers. While some host carriers are more willing than others to work collaboratively with Amtrak, each circumstance is different. Amtrak's experience is that in many cases, we can work effectively with host railroads to implement new and expanded services. Amtrak is willing to participate in joint modeling studies where the inputs and assumptions used in that modeling are shared, the process is transparent, and the results and alternatives are collaboratively developed, which some host carriers have refused to do. Amtrak stands ready to make sensible capacity investments for expanded services where there is an agreed-upon need.

Question 17. Has Amtrak worked through capacity and interference issues with its host carriers for its planned new and enhanced services?

ANSWER. Throughout its long history, Amtrak has, in many cases, successfully worked with host railroads to jointly plan for and implement new and enhanced services. As a recent example, Amtrak has worked with the states of Minnesota and Wisconsin, and with host carrier Canadian Pacific to extend a *Hiawatha* service train between Milwaukee and St. Paul. In this instance, the parties worked collaboratively to develop a list of reasonable capacity enhancements, a source of funding to build them, and an agreement allowing service to begin while those enhancements are under construction. While each expansion project is unique, we view this as a model for how passenger stakeholders and freight carriers can work together for the benefit of both modes.

Question 18. How many of your newly announced planned services have been agreed to by hosts? If hosts have expressed disapproval or pushed back on the planned services, what reasons for disagreement have hosts shared with Amtrak?

ANSWER. When Amtrak released the Amtrak Connects US vision, we reached out to each host railroad individually identifying the routes in that vision that would potentially operate over their owned rail lines. We indicated that as individual route initiatives progressed, we would reach out again, to begin a more robust joint planning effort. During 2021, Amtrak and the Commonwealth of Virginia entered into agreements with CSX and Norfolk Southern that will enable additional/extended Amtrak service over two routes—Washington-Roanoke-New River Valley and Washington-Richmond-Norfolk—included in the Amtrak Connects US vision. Amtrak recently entered into an agreement with Canadian Pacific allowing for operation of new or additional Amtrak service over three Amtrak Connects US routes: Chicago-St. Paul, Chicago-Milwaukee and New Orleans-Baton Rouge. In addition, a number of Amtrak's state partners have reached agreements with host railroads that provide for operation of additional services included in the Amtrak Connects US vision. For the several other routes that are currently advancing, we are communicating and working with host railroads to jointly progress those efforts.

Question 19. Why do you believe there is demand for Amtrak expansion outside of the Northeast Corridor? What evidence do you have that Amtrak will be an attractive alternative to regional airline services or driving, especially in rural areas with less traffic congestion?

ANSWER. According to recent polling [https://www.onerail.org/onerail-coalition-poll-confirms-strong-support-for-rail/] by the One Rail Coalition, passenger rail has a 75% favorability rating, and increased service is broadly popular: 83% of Americans agree that we should shift more passenger and freight trips to rail and transit to reduce greenhouse gas emissions. As the first step in developing its Amtrak Connects US vision, Amtrak began researching potential city pairs through a literature search of intercity travel studies, including air corridors where intercity passenger rail service should be competitive, and city pairs without substantial rail and bus services. Amtrak next brought in demographic data to identify additional city pair markets, relating the route endpoint populations to the distance between them. Amtrak then assessed potential intercity passenger rail corridors identified by the America 2050 study (produced by the Regional Plan Association) which are predicted to have the greatest ridership demand based on population size, economic activity, transit connections, existing travel markets and urban density. From this, Amtrak created a list of about 70 high-potential intercity passenger rail corridors, most 100 to 350 miles in length, to advance for further analysis. Amtrak staff also utilized the FRA CONNECT model, which forecasts demand and costs at a very high level, for initial screening of candidate corridors and benchmarking. Ridership and revenue forecasts were then prepared using models developed and applied by Amtrak and its consultant (which routinely forecasts ridership and ticket revenue on Amtrak's existing train services). For each corridor analysis, the model was applied to all existing and new markets impacted by the envisioned service changes. Socio-economic data and forecasts of population, employment, and income were assembled within the catchment area for each station, accounting for overlap among adjacent stations. Other key inputs included conceptual schedules, frequency of service, and estimated passenger fares. Forecasted demand-model output included ridership, passenger mileage, and ticket revenue. The model utilizes existing and historical ridership data, where available, to validate the baseline conditions.

Question 20. Can you discuss any plans to work with or include the private sector, including contractors, in your route expansion plans?

ANSWER. Amtrak already contracts out many services in situations that improve Amtrak's financial performance and service quality and are consistent with legal requirements and collective bargaining agreements. Current examples include commissary operations for on-board food services, and servicing of Amtrak equipment at remote terminals.

Amtrak also already has contractual arrangements and partnerships with private sector entities to provide Thruway bus services that connect with our trains nationwide and extend the reach of Amtrak's transportation service with through ticketing. Similarly, Amtrak has consulting and joint ticketing agreements with private high speed rail line Texas Central. As described by then-CEO Bill Flynn in his Congressional testimony in May 2021: "The joint ticketing agreement will allow passengers to make reservations through Amtrak's website, app and other distribution channels for trips involving travel on both Amtrak trains and Texas Central's planned high-speed rail line between Dallas and Houston and provide seamless connections between the Amtrak and Texas Central stations."

Amtrak's cooperation with the private sector will only increase with IIJA-funded route expansion projects. Providing additional rail corridors will entail spending most of the $12 billion in IIJA Discretionary National Network funds on goods and

services from private sector entities. Some examples include manufactured goods such as new locomotives and railcars, rail and track materials, signal materials, and station construction materials. Services include construction of new and improved infrastructure to accommodate additional Amtrak service such as tracks, bridges, stations, and maintenance facilities, as well as professional services to assist in planning, designing, and executing these improvements. These services would be provided by private host railroads whose track would be used and improved, professional consulting firms, as well as local private contractors throughout the country.

Question 21. Who should decide Amtrak's National Network routes? Congress? Amtrak? Or someone else?

ANSWER. The process for making changes to the National Network (i.e., Amtrak's non-Northeast Corridor routes, which are primarily operated over other "host" railroads' tracks) is prescribed in law. With respect to state-supported routes (less-than-750-mile routes sponsored by, and operated according to, the wishes of specific states), changes in service levels (including initiation of new service) must generally reflect the wishes of a sponsoring partner or partners, and must conform with the cost methodology policy originally developed by the State-Amtrak Intercity Passenger Rail Committee pursuant to Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA).

With respect to long-distance routes (750-mile-plus routes with no state sponsors, for which the federal government covers operating losses), the IIJA stipulates that Amtrak "may not discontinue, reduce the frequency of, suspend, or substantially alter the route of rail service on any segment of any long-distance route in any fiscal year in which Amtrak receives adequate federal funding for such route," with certain (narrow and/or temporary) exceptions. Amtrak is committed to following the law; assuming that Congress provides adequate funding, the company will seek to maintain its existing network of routes. The IIJA also directs the Secretary of Transportation, in consultation with Amtrak and other appropriate entities, to prepare a report to Congress regarding possible "restoration of daily intercity rail passenger service" along discontinued long-distance routes, as well as currently-operational routes receiving less-than-daily service. The required report is to identify a "preferred option" for achieving daily service along each relevant route; in support of each preferred option, the report must also 1) provide a prioritized inventory of necessary capital projects, and 2) identify federal and non-federal funding sources that could support the proposed service level. (The Secretary is also permitted to evaluate potential new long-distance routes.)

Question 22. What is Amtrak's hiring and workforce expectations for these expansion plans?

ANSWER. Talent Acquisition has increased recruiter headcount through outsourcing partnerships, temporary recruiters, and employee hires and will continue until the Talent Acquisition Organization is stable and can deliver to the staffing levels required by Amtrak.

Additionally, Talent Acquisition has entered a partnership with a consulting firm to provide a recruiter flex model that allows Amtrak Talent Acquisition to increase recruiter headcount when faced with higher staffing levels like we are experiencing today. This partnership will increase candidate volume and yield an increase in overall hires. Amtrak will continue investing in its workforce and has set a goal of hiring over 1,900 additional employees by the end of FY 22.

Talent Acquisition is also committed to increasing relationships with Universities, Colleges and Tech Schools. Since the focused effort began, we have hired 179 interns in calendar year 2021 from 76+ Universities with about 30% of those hires direct from our Tier University list. Our community college and technical events have yielded professional hires as well. Career engagement (fairs, resume building, classroom drop ins) will continue into 2022.

Question 23. As automobile technology continues to advance, including the development of automated vehicles, how can Amtrak compete with such innovations in terms of convenience and attracting riders?

ANSWER. Projections a few years ago that automated vehicles would proliferate quickly have not been realized for several reasons, including technological limitations, safety, cost, and customer acceptance. Whether, when, and to what extent automated passenger cars will gain significant usage in the future is highly uncertain. Regardless of what the future holds for automated passenger cars, they are not going to solve all the problems, such as highway congestion and increased travel demand due to population and economic growth, that create the need for continued, improved, and expanded Amtrak service. Amtrak believes that the best way to respond to both the competition we face today and from potential future technological

innovations is to continue, with the funding Congress has provided in the IIJA, to pursue investments in technology, equipment, infrastructure, and our employees to improve our customers' experience, enhance the quality and reliability of Amtrak service, and make travel by Amtrak and connections with other modes more seamless, and to accelerate our efforts to increase and expand Amtrak service in existing and new markets where Amtrak service is limited or non-existent today and does not meet current and future intercity travel needs and passenger demand.

Question 24. Can Amtrak decide to terminate routes? If so, has Amtrak considered which routes should be terminated, and why?

ANSWER. Please see response to question 21 with respect to long distance routes. Section 209 of the Passenger Rail Investment and Improvement Act of 2008, codified as a note to 49 U.S.C. 24101, requires states to provide funding, in accord with the cost allocation methodology developed pursuant to that provision, for the continued operation of state-supported routes. Amtrak would only discontinue a state-supported route should a state cease to provide funding for a route or not renew the contract for such service, which was the case with Indiana DOT and the former *Hoosier State* service.

Question 25. How much money does Amtrak expect to budget over the next five fiscal years for capacity improvements on existing routes hosted by other carriers versus for new or expanded services?

ANSWER. At present, there is not a predetermined budget for capacity improvements on existing routes, or on routes that would host new or expanded service. Amtrak's annual capital budgeting process is the way in which a capacity project, or any other project, "competes" for limited available funding based on the project's potential to increase revenue, reduce costs, or achieve longer term strategic objectives.

Question 26. Amtrak currently requires any claims against it to be arbitrated. Please advise the subcommittee whether Amtrak intends to retain or revise this policy.

ANSWER. Amtrak currently maintains an arbitration program in which customers agree, at the time they purchase a ticket, to resolve disputes with an impartial third party, the American Arbitration Association (AAA), if they cannot be resolved directly between Amtrak and the customer. Since instituting this program, Amtrak continues to resolve the majority of our passenger claims through mutual agreement, without either arbitration or court proceedings. For claims that cannot be so resolved, arbitration has many benefits for customers and Amtrak: faster resolution of claims, a more streamlined process, lower costs, convenient venues, independent and mutually-agreed-upon arbitrators, no confidentiality restrictions, and no restrictions on the type of relief available. Additionally, to elaborate on the latter point, the types of relief available to customers via arbitration are identical to the relief options available in the court system. While Amtrak has no current plans to modify its policy in general, there may be cases where the parties mutually agree not to submit to arbitration, if appropriate for the efficient adjudication of the claims at issue.

Question 27. What are Amtrak's losses, per train or per passenger-mile, when taking into account depreciation of equipment?

ANSWER. Amtrak uses the group method of depreciation (group method) in which a single composite depreciation rate is applied to the gross investment in a particular class of property or equipment, despite differences in the service life or salvage value of individual property units within the same class. While we know how much depreciation has been recorded for a particular group, we do not calculate equipment depreciation per train, which would vary from day to day depending upon the number and type of equipment units assigned, or equipment depreciation attributable to operation of our National Train System that could be used to calculate a depreciation cost per passenger mile.

Question 28. What is your position on private cars on Amtrak trains and charter trains operated by Amtrak?

ANSWER. Amtrak is pleased to move privately-owned railroad cars on Amtrak trains between selected locations around the country, and to operate trains of Amtrak equipment, or privately-owned equipment, as charters on Amtrak-served routes throughout the nation. Additional details for using these services can be found on amtrak.com.

Question 29. Can you discuss your thoughts on Amtrak being a good steward of the taxpayer dollars, including striving to get a good return on taxpayer money and make a profit rather than suffer annual revenue losses?

ANSWER. Congress made clear in a 1978 amendment to the Rail Passenger Service Act that Amtrak was not intended to be profitable. That would be an unrealistic expectation, since Amtrak was created to relieve private railroads of passenger operations on which all of them were incurring huge financial losses, no private U.S. intercity passenger rail service initiated since Amtrak's formation has achieved profitability, and every national passenger rail system in the world is dependent upon public funding. Amtrak is also required by federal law to operate or provide many services that have no prospect of recovering their costs. And unlike for-profit businesses, what Amtrak can charge freight and commuter railroads for use of its most valuable asset—the Amtrak-owned rail infrastructure on the Northeast Corridor and elsewhere—is prescribed by statute to equal the recovery of costs. Likewise, the payments states make for Amtrak's operation of state-supported services, which are governed by a statutorily-created body of Amtrak and the states, and those payments cover only a portion of those services' operating and capital costs.

In Section 22201 of the recently enacted Infrastructure Investment and Jobs Act, Congress revised Amtrak's goals to provide that the company was to "maximize the benefits of federal investments." Amtrak believes this is an appropriate goal, and endeavors to achieve it by operating in a cost-efficient manner; improving operational performance; maximizing ridership through improvements in customer service, marketing and optimal use of equipment; maximizing revenues by utilizing yield management and pursuing revenue-generating ancillary business activities; partnering with state governments and other funding partners to leverage federal funding; utilizing available federal capital funding for investments that produce the highest benefits and make Amtrak service more competitive with other modes; and increasing the availability and relevance of Amtrak service by adding service in growing, underserved and unserved markets.

Question 30. Recently there was a serious security incident on an Amtrak train in Tucson, Arizona. Given Amtrak's plans to expand service, how do you plan to build rider confidence that Amtrak trains are safe and crime-free?

ANSWER. The entire Amtrak family continues to honor the sacrifice of Drug Enforcement Administration Special Agent Michael Garbo who tragically died in the line of duty on October 4, 2021 in Tucson, Arizona.

Amtrak passengers and trains travel on a significantly safe system thanks to the efforts of the Amtrak Police Department, which Congress has directed to employ over 430 uniformed police officers. Policing a national network is unique and challenging. In addition to our dedicated force, we rely on partnerships with local, state, and federal law enforcement partners across the country. Our relationship with DEA Special Agent Garbo and his taskforce of officers was one of those valued partnerships. Special Agent Garbo frequently worked with our team to provide a visible deterrent in Tucson and actively enforced the law. On October 4, in Tucson, those officers encountered a criminal, who was evading law enforcement authorities in California after escaping from a pretrial release program for a serious violent felony. The suspect, armed with two handguns, had vowed not to return to jail, and shot SA Garbo and wounded two other law enforcement officers without provocation. That crime was jointly investigated by the Federal Bureau of Investigation and the Amtrak Police Department.

Amtrak and its police officers prioritize the safety and security of our passengers above all else, working tirelessly. Efforts start with a strong core of progressive police officers who use intelligence led policing to address emerging threats, to quickly identify patterns in our stations and on-board trains, providing a visible deterrent. Our officers utilize the latest TSA style technology to conduct random screenings of passengers in various locations. We are currently exploring options to expand our random screening program, in partnership with TSA. Local, state, and federal law enforcement partners attend training and educational classes about the uniqueness of surface rail transportation, and they become force multipliers across the nation.

Our canine program is among the strongest, with over 50 specially trained canine partners that participate in screening passengers for weapons and explosives. Local officers meet regularly with counterparts and are aware of current trends in areas adjacent to our operations across the country.

Data and analytics drive decision making, and while no agency has a crystal ball, our analysts use data to quickly identify potential areas of crime, and commanders create strategies through the COMPSTAT process to deploy resources to address and mitigate crime at the root cause.

One of the cornerstones of our success in providing customers and employees with a significantly safe system is the deployment of officers as visible deterrents on our trains. The feedback we receive from our train crews and employees tells us this is the right approach.

Question 31. Have you worked with the Amtrak Police Department or other law enforcement to ensure that Amtrak trains are safe? If so, what actions have you taken?

ANSWER. Please see the answer to the previous question.

Question 32. Do you believe that Amtrak should prioritize improving and ensuring its current network is safe and crime-free before it looks at expansion?

ANSWER. Amtrak's highest priority is the safety of its customers and employees, and we are confident in the safety of our services.

Question 33. Last year, the Amtrak Inspector General found issues with Amtrak's ability to define the role, priorities, and size of the Amtrak Police Department. Can you tell us how Amtrak is addressing these issues?

ANSWER. In July 2020, the Amtrak Office of Inspector General issued a report titled "Safety and Security: Management of the Police Department Has Recently Improved but Foundational Decisions Are Needed on Its Role and Priorities." The report's primary recommendation centered around building a consensus with Amtrak management around the core mission and appropriate staffing of the Department. Their report has served as the foundational roadmap for the Amtrak Police Department as its five-year strategic plan was developed. Phase two of our efforts included the commissioning of a workforce planning study to help guide deployments and future staffing decisions.

With Amtrak's Corporate Values to "Do the Right Thing, Put Customers First, and Excel Together" as our foundation, the Amtrak Police Department built its strategic plan on our 4 pillars to help better define the mission and vision of the agency: Protecting People and Infrastructure, Supporting our People, Internal and External Partnerships, and Optimizing the Business.

The pillars were developed as the result of feedback from the Amtrak Executive Leadership Team (ELT) and the execution of a comprehensive SWOT (Strengths, Weaknesses, Opportunities, and Threats) assessment performed by APD commanders and key stakeholders.

APD's workforce study will complement its Strategic Plan and help detail present staffing levels against the actual needs for providing police service to the U.S.'s national rail system, given the current challenges in the public safety arena.

The foundation of the analysis is on Amtrak's commitment to providing a holistic approach to security and policing focusing on ensuring staffing is aligned with the primary pillars of the department's strategic plan, which include protecting people and infrastructure, supporting our people, developing internal and external partnerships, and optimizing the business as well as the company's goals of doing the right thing, excelling together, and putting customers first.

The workforce study is expected to be complete by the end of January 2022.

The APD's approach to its Strategic Plan and workforce study provides a foundation and creates a strong culture of accountability and responsibility, sets the Department on a path as a national leader in providing public safety, collaborating with the communities we serve and at the same time valuing both the long and complex history of policing in our country. The Amtrak Police Department's Strategic Plan also embraces calls for reform in our nation's criminal justice system.

QUESTION FROM HON. JESÚS G. "CHUY" GARCÍA TO STEPHEN GARDNER, PRESIDENT, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. There has been a lot of discussion on choosing operators for state-supported routes. Right now, Amtrak is the primary operator of state supported routes and they are the only entity that has a right of preference to operate passenger rail service on freight owned rail. Amtrak is also a Railway Labor Act covered entity so its employees, many of whom are unionized, are covered by those labor protections. Those protections don't necessarily apply to employees of private rail contractors. My understanding is that Amtrak is making significant investments in their state supported routes. Can you expand on these investments and also the general benefits Amtrak provides as the operator of state-supported routes?

ANSWER. You are correct that Amtrak has made major investments in state-supported routes despite the very limited funding available for that purpose prior to the enactment of the Infrastructure Investment and Jobs Act (IIJA). Among the state-supported corridors in which Amtrak, in partnership with our state partners, has made or committed to make significant investments in recent years are Washington-Richmond, Virginia; the planned S-Line corridor between Petersburg, Virginia and Raleigh, North Carolina; the TCMC corridor between St. Paul and Chicago; the Hiawatha route between Milwaukee and Chicago; the Chicago-Detroit Michigan Line; the Philadelphia-Harrisburg Keystone Corridor; the Springfield,

Massachusetts-New Haven Hartford Line; and the Gulf Coast route between New Orleans and Mobile, Alabama. State-supported routes have also benefited from Amtrak investments in stations served by state-supported trains, including major investments in Chicago Union Station and Washington Union Station, and ADA and other station improvement projects at many other stations. Amtrak investments in technology used by passengers on state-supported trains, in particular the Amtrak app, have also significantly benefited state-supported routes.

The recently enacted IIJA provides $12 billion in advance appropriations to FRA for the primary purpose of funding the Corridor Identification and Development Program to initiate, expand and improve intercity passenger rail service on corridors outside of the Northeast Corridor. The IIJA provides that these corridors may be operated by Amtrak or private rail carriers. The IIJA also provides $16 billion in advance appropriations for National Network grants to Amtrak, a portion of which Amtrak is directed to use for the new single-level trainsets Amtrak is acquiring that will operate on state-supported routes and Amtrak is authorized to use for other investments on Amtrak-operated routes. As the FRA stands up the program for selecting corridors for development, we intend to be an active participant in the process.

Regarding the value Amtrak brings to state partners: In 2019, pre-pandemic, Amtrak state-supported services had ridership of over 15 million passengers annually with 28 state-supported routes and 19 partners. To accomplish this, we leverage our pooled investments, our unique access rights, safety, and operational expertise across the full Amtrak network to deploy solutions that would be challenging to deliver if not at scale. This has created a solid foundation and unique value proposition across the major areas of our business—infrastructure, transportation, product, and commercial delivery—and makes Amtrak a compelling partner for future state corridors. We can execute this business model because of the strength of our strong employee base, and as we expand, we will use our existing labor framework to create additional high-quality jobs.

Amtrak believes that all operators of passenger rail services that operate over the national network, or that receive federal funding, loans or access to tax advantaged financing, should be subject to the Railway Labor Act and other federal railroad laws such as the Railroad Retirement Act.

QUESTIONS FROM HON. HENRY C. "HANK" JOHNSON, JR. TO STEPHEN GARDNER, PRESIDENT, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. According to a 2020 passenger survey [https://media.amtrak.com/2020/09/americans-continue-to-strongly-support-more-rail-and-public-transit/], nationwide African Americans are 13 percent of the U.S. population, but 19 percent of Amtrak's ridership.

a. How will your plans to expand intercity passenger rail prioritize diverse ridership and ensure that communities of color are not forgotten?

ANSWER. Amtrak's vision for expanding its route network as articulated in Amtrak Connects US directly addresses this issue. The most extensive implementation of new routes in Amtrak's vision is in regions of the country, generally in the South including Georgia, Tennessee, Alabama, Florida, and Texas, which are currently vastly underserved by Amtrak trains, and generally have a significant representation of communities of color. Amtrak's vision, dependent on the cooperation of our state funding partners, is to increase our route network and service substantially in these areas. And unlike airlines, Amtrak trains stop frequently in rural areas throughout the nation, providing essential transportation service to a diverse range of residents located in major metropolitan areas, mid-sized communities, and small towns.

b. Your testimony indicates that there are opportunities to develop partnerships with universities, community colleges, and labor organizations to attract and educate the Amtrak workforce of the future. Can you describe Amtrak's plan of action to ensure that women and people of color are recruited and trained for these new jobs?

ANSWER. Amtrak continues to develop and expand our engagement and partnership with Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs) and colleges for women. These connections play a vital role in attracting qualified, diverse talent to employment opportunities across Amtrak. In 2022, to further build our reputation as a diverse and inclusive place to work, Amtrak will grow and expand its university relations recruitment to create meaningful connections with students from these schools, as well as community colleges and technical schools that educate diverse student populations. Amtrak has 7 scholarship offerings which are targeted to support educational costs for students pursuing degrees or programs in STEM, Business/Supply Chain, Railroad programs, and

Technical/Vocational schools. Over 50% of Amtrak's scholarships are targeted to support diverse students. The program provides support to our community while also building Amtrak's pipeline of candidates for internships and early career opportunities. We will expand our newly introduced scholarship offerings to include women and people of color. These efforts are projected to increase the pipeline of students interested in careers at Amtrak.

Amtrak will also establish new relationships with several organizations including Women in Technology, Women in Transportation, National Society of Black Engineers, Society of Hispanic Professional Engineers, Society of Women Engineers and Association of Latino Professionals of America. We will solicit engagement from our internal Employee Resource Groups: Notch8, A. Philip Randolph, Express Pride, UNIDOS, Asian Pacific America and Don't DIS our ABILITY to participate in important conferences, recruiting events, guest speaking and promotional opportunities, highlighting our open employment roles.

In 2022, Amtrak launched The Mechanical Apprenticeship Program. It offers both trade school and Amtrak courses, combining basic skills with specialized curriculums for each of the five different Mechanical tracks that will be offered. Amtrak is leveraging its Wilmington and Beech Grove back shops and four maintenance yard locations as primary sites to conduct the apprenticeship training.

Census tracts for the Wilmington, Washington, D.C., and Beech Grove training locations fit the Federal Transit Administration's definition for Areas of Persistent Poverty (https://www.transit.dot.gov/grant-programs/areas-persistent-poverty-program). An Area of Persistent Poverty is defined as a Census Tract with a poverty rate of at least 20 percent. These are the locations where we will source our apprentice candidates, feeding into the pool of higher paying, skilled journeyman positions.

City	Percentage Minority Population (Census Tract of Facility)
Los Angeles, CA	58.29%
Chicago, IL	50.26%
Beech Grove, IN	23.00%
New York, NY	87.34%
Wilmington, DE	81.81%
Washington, D.C.	92.95%

Amtrak has also applied for a Consolidated Rail Infrastructure and Safety Improvement (CRISI) grant in support of the Mechanical Apprenticeship Program to help fund internal training and expanded partnership with local trade schools for training and recruiting. The targeted future expansion across all Amtrak departments will further enable us to continuously grow and educate a diverse, productive, and safe workforce.

QUESTION FROM HON. DOUG LAMALFA TO HON. DAVID S. KIM, SECRETARY, CALIFORNIA STATE TRANSPORTATION AGENCY

Question 1. Given the repeated delays and cost overruns of the California high-speed rail project, as well as the propensity of the project's rail authority to disrespect private property rights, why wouldn't it make more sense to abandon what little progress has been made on the California project and instead lean in to upgrading Amtrak's system, given their significant funding increases and proven success running high-speed trains in the Northeast Corridor?

ANSWER. In 2008, California voters made clear what they wanted with the passage of Proposition 1A—an electrified rail system capable of speeds of 200 mph or greater, connecting Los Angeles/Anaheim with the Bay Area via the Central Valley. In order to address climate change, provide needed mobility options, and address highway and airport congestion, it's necessary for California to complete this needed form of mobility.

California is building a system capable of running trains at 220 mph. This system will run from San Francisco to Los Angeles in less than 3 hours. On this segment, Amtrak's fastest trains that currently run speeds of 125 mph in the Northeast Corridor would take much longer and would consequently be incapable of traveling fast enough to satisfy the speed requirement outlined in Proposition 1A.

Amtrak's current service from San Francisco to Los Angeles requires more than nine hours and includes a combination of train and bus transportation. Upgrading

Amtrak's current service would not necessarily provide a service that's faster or project that's easier, better, or less costly. There are complicated factors such as regulated speed restrictions, electrification prohibitions, rail capacity limitations, rail alignments, and so on.

Not only will California's high-speed rail run faster speeds than any current rail system in the United States, it will also use clean energy with zero emissions. In addition to being slower, diesel-emitting trains like those currently in service for Amtrak cannot provide the same environmental benefits as electrified high-speed rail.

I refer you to my written and oral testimony for the December 9, 2021, subcommittee hearing for information on the steady progress the California High Speed Rail Authority is making on construction as well as the Authority's engagement with communities impacted by the project's construction. The High-Speed Rail Authority Board of Directors has been clear in its direction that staff work closely with all communities impacted by work associated with the project. In areas where there is community impact, the Board has directed that efforts must be made to minimize impacts, and whenever possible, leave communities in a better position than when they were before construction.

Since the time of my testimony, California's high-speed rail project surpassed 7,000 construction jobs created, furthering illustrating its role as an economic engine in the Central Valley. Additionally, the Federal Railroad Administration (FRA) has notified the Authority that it has fully met its state funding match requirements for federal dollars one year ahead of schedule. This completes a major requirement of the American Recovery and Reinvestment Act (ARRA) funding grant.

I invite you and other committee members to come see the progress California is making on high-speed rail, which is visible to anyone who travels through the Central Valley.

QUESTIONS FROM HON. DONALD M. PAYNE, JR. TO KEVIN S. CORBETT, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NEW JERSEY TRANSIT, AND COCHAIR, NORTHEAST CORRIDOR COMMISSION, ON BEHALF OF THE NORTHEAST CORRIDOR COMMISSION

Question 1. In what ways could state transportation authorities use IIJA funding to improve intercity rail travel? Can you identify some of the less glamorous but no less important projects that need this funding?

ANSWER. Measurable improvements in intercity rail travel can be achieved as state transportation authorities collaborate with Amtrak to use IIJA funding for important Northeast Corridor (NEC) joint-benefit projects that, whether large or small (in both scale and cost), enable modernization of the NEC rail corridor and improved performance for both intercity and commuter/regional services.

Some of the most effective joint-benefit projects can be less visible capital renewal and improvement initiatives, such as strategic upgrades to the NEC's rail signals and electric transmission (ET) wires. Some of the NEC's signal and ET infrastructure was installed by the former Pennsylvania Railroad nearly 100 years ago and is well beyond its useful life. To address these needs, NJ TRANSIT has recently been coordinating with Amtrak to develop design plans for NEC signal upgrades in portions of Middlesex and Union Counties, New Jersey. Simulations have shown that these signal improvements will not only improve reliability but will also result in small but notable capacity gains for both intercity and commuter/regional trains. NJ TRANSIT is hopeful that IIJA funds can expedite these planned joint-benefit signal upgrades, along with allowing for additional signal and ET replacement throughout the entire NEC territory that NJ TRANSIT shares with Amtrak.

QUESTION FROM HON. STEPHEN F. LYNCH TO KEVIN S. CORBETT, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NEW JERSEY TRANSIT, AND COCHAIR, NORTHEAST CORRIDOR COMMISSION, ON BEHALF OF THE NORTHEAST CORRIDOR COMMISSION

Question 1. IIJA reauthorizes surface transportation programs for five years with mandatory formula funding and a number of new and existing discretionary grant programs that states and transit agencies can pursue.

This includes $110 billion in additional funding to repair our roads and bridges and support major, transformational projects, $39 billion of new investment to modernize transit, in addition to continuing the existing transit programs for five years as part of surface transportation reauthorization, $89.9 billion in guaranteed funding for public transit over the next five years—the largest Federal investment in public transit in history, and $66 billion in additional rail funding to eliminate the Amtrak maintenance backlog, modernize the Northeast Corridor. This is the largest investment in passenger rail since Amtrak's creation, 50 years ago and will create safe, efficient, and climate-friendly alternatives for moving people and freight.

US DOT will need to hire additional staff in order to administer all the money, as its annual budget swells from $90 billion to $140 billion. President Biden has named Mitch Landrieu, the Infrastructure Coordinator to oversee the $1 trillion in infrastructure spending and to collaborate on behalf of DOT with state and local governments, labor and businesses to get the projects off the ground and the money out the door.

State DOTs are going to be inundated with funding for existing, shovel ready transit projects, states and Amtrak will not have the capacity to take on the planning of large scale, innovative, intercity passenger rail.

Would State DOTs be best served by having their own infrastructure coordinating entity to oversee the long term, large scale regional projects envisioned by the Biden Administration to address capacity challenges for state and federal DOTs and Amtrak to consider projects that have great regional impacts outside of individual state projects?

ANSWER. New Jersey has a highly coordinated transportation system. The State of New Jersey Transportation Commissioner also serves as Board Chair of NJ TRANSIT and of the state's toll road authorities, including the New Jersey Turnpike Authority. This structure means that the New Jersey Department of Transportation is well suited, through both its in-house and staff-augmented consultant forces, and our continual interagency coordination, to oversee the projects that the additional IIJA Federal funds will finance. It was this structure and coordination that allowed New Jersey to rapidly progress a number of important projects through the funding of the American Recovery and Reinvestment Act (ARRA) of more than a decade ago.

QUESTION FROM HON. JESÚS G. "CHUY" GARCÍA TO JULIE A. WHITE, DEPUTY SECRETARY OF MULTIMODAL TRANSPORTATION, NORTH CAROLINA DEPARTMENT OF TRANSPORTATION, AND CHAIR, SOUTHEAST CORRIDOR COMMISSION, ON BEHALF OF THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION AND THE SOUTHEAST CORRIDOR COMMISSION

Question 1. Ms. White, Mr. Ross, and Ms. DeMartino, you each have had different experiences with freight railroads as the host railroad for your respective services. What can Congress do to help you as you discuss expanding and improving passenger rail service with your freight railroads?

ANSWER. NCDOT works with both of its host railroads (CSX and Norfolk Southern) to continuously improve our state-supported *Carolinian* and *Piedmont* intercity passenger services. We find the most success when our host railroad organizations engage meaningfully in the day-to-day operation of existing safe, efficient passenger train services, and engage supportively in planning for future services. NCDOT's partnership with CSX to reactivate the historic S-Line that will provide more direct service between North Carolina, Virginia, Washington D.C. and the Northeast Corridor represents a new level of collaboration among all parties for additional safe, higher performance rail service. Congress has assisted in this effort with passage of the Bipartisan Infrastructure Law which will offer Federal Rail Administration grant opportunities to improve the line and restore passenger rail service on it. We appreciate the generational financial investment in growing passenger rail.

QUESTION FROM HON. HENRY C. "HANK" JOHNSON, JR. TO JULIE A. WHITE, DEPUTY SECRETARY OF MULTIMODAL TRANSPORTATION, NORTH CAROLINA DEPARTMENT OF TRANSPORTATION, AND CHAIR, SOUTHEAST CORRIDOR COMMISSION, ON BEHALF OF THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION AND THE SOUTHEAST CORRIDOR COMMISSION

Question 1. According to a 2020 passenger survey [https://media.amtrak.com/2020/09/americans-continue-to-strongly-support-more-rail-and-public-transit/], nationwide African Americans are 13 percent of the U.S. population, but 19 percent of Amtrak's ridership. How will your plans to expand intercity passenger rail prioritize diverse ridership and ensure that communities of color are not forgotten?

ANSWER. North Carolina sponsors two intercity passenger services, the *Piedmont* and *Carolinian*. The *Piedmont* runs between Charlotte and Raleigh and the *Carolinian* runs between Charlotte, Raleigh, and extends to New York City. In 2019, Black, Indigenous, and People of Color (BIPOC) made up 56.6% of our riders while only 29.4% of our population. Stations between Charlotte and Raleigh are generally located in our towns' and cities' central business districts with access to other modes of transportation. NCDOT partners with transit agencies to provide a public transportation pass to passenger train riders to support last mile solutions. The communities along the Charlotte to Raleigh corridor are home to several Historically Black Colleges and Universities—Johnson C. Smith, Livingstone College, Bennett College,

North Carolina A&T University, North Carolina Central University, Winston-Salem State University, St. Augustine's University, and Shaw University.

NCDOT's plan to extend services north of Raleigh along the S-Line to Richmond, Virginia will provide additional access to BIPOC populations. We are currently planning intercity passenger services and anticipate future commuter services. We are conducting a transit-oriented development study to identify opportunities to provide better bicycle, pedestrian, and transit access to the future rail services. The North Carolina segment of the S-Line runs north from Raleigh into suburban and then rural counties along the Virginia state line. Characteristics that will need to be considered in planning access include the following:

- Forty-two percent of the population within 5 miles of the North Carolina segment of the S-Line corridor north of Raleigh are BIPOC.
- Fourteen percent of these households are low-income.
- Over 6,400 households within one-mile of the S-Line corridor do not have an automobile.
- Four of the five counties along the corridor do not have any form of fixed-transit access within the county or local municipality.
- Twenty-three percent of residents who work within a ½ mile radius of the station areas make less than $1,250/month, compared to the federal poverty line of $2,025/month.
- There are communities in all counties along the corridor that have cost-burdened households that spend over 75% of their income on housing and transportation.

North Carolina is committed to expanding the geography of our passenger services and enhancing the mobility of BIPOC populations to jobs, education, and healthcare.

QUESTION FROM HON. JESÚS G. "CHUY" GARCÍA TO DONNA DEMARTINO, MANAGING DIRECTOR, LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO (LOSSAN) RAIL CORRIDOR AGENCY

Question 1. Ms. DeMartino, Mr. Ross, and Ms. White, you each have had different experiences with freight railroads as the host railroad for your respective services. What can Congress do to help you as you discuss expanding and improving passenger rail service with your freight railroads?

ANSWER. With the passage of the trillion-dollar-plus Infrastructure Investment and Jobs Act (IIJA), Congress has already paved the way to grow and enhance intercity and freight services across the United States for years to come. We are extremely grateful for your leadership and the leadership of this committee.

I believe Congress can and should play an important role in ensuring that the Federal Railroad Administration is targeting IIJA investments and discretionary grants to projects that are included on state rail plans, which already have local stakeholder and freight railroad partner buy-in. My agency is extremely proud of the collaborative relationships we have built with both the Union Pacific and BNSF Railway. Both have been instrumental in supporting our operational and capital planning efforts and have been supportive of future capital projects that we hope to seek IIJA funding to complete.

Additionally, Congress can help to ensure that all relevant parties are included in any disputes over passenger rail services. As the primary funders of intercity rail services under 750 miles, the perspective of states must be carefully considered before formal disputes relating to on-time performance or access make their way to the Surface Transportation Board.

QUESTIONS FROM HON. PETER A. DEFAZIO TO KNOX ROSS, CHAIRMAN, SOUTHERN RAIL COMMISSION

Question 1. I agree with you that we need to make sure that public resources invested in private infrastructure achieve a public benefit. I know that for us to achieve the envisioned success from IIJA's investment in passenger rail, there will be a critical element—whether or not host railroads are ready to work with everyone else at the table. This often hasn't been the case. I know firsthand—in Oregon, I was able to secure CRISI grant funding for a mile long siding improvement along Union Pacific's right-of-way, in theory allowing for the freight trains to give statutorily-required preference to Amtrak. In the meantime, UP's trains have become ever longer, longer than a mile long, and may not fit into the siding when it is completed. In the south, the Gulf Coast route between New Orleans and Mobile requires cooperation from CSX.

a. How many passenger trains a day operated between New Orleans and Mobile before Hurricane Katrina in 2005?

ANSWER. The *Sunset Limited* ran three days a week between Los Angeles, California and Jacksonville, Florida across the gulf including between New Orleans and Mobile. The service traversed the gulf coast area overnight and was often up to eight to twelve hours late due to lack of right of way preference from the freights. In determining the best passenger rail connection between New Orleans and Mobile, the Gulf Coast Working Group (GCWG), found that the three day a week service was unacceptable to restart the service. The GCWG was led by the Federal Railroad Administration (FRA) and included the Southern Rail Commission (SRC), CSX, Norfolk Southern (NS), and coastal leadership. The preferred service recommended by the GCWG was two round trips a day during business hours, between 8am–8pm. The access to this service is currently before the Surface Transportation Board (STB).

b. How quickly did CSX rebuild the infrastructure between New Orleans and Mobile after Hurricane Katrina?

ANSWER. The infrastructure between New Orleans and Mobile was rebuilt and put into use 8 months after Hurricane Katrina.

c. Was CSX aware of the desire of the Southern Rail Commission to have daily service between these two cities when they rebuilt in 2005?

ANSWER. CSX and Amtrak were both aware of the SRC's desire to return service along the Gulf without a specific frequency discussed at that time. The GCWG was established to determine the most productive frequency with a recommendation of two round trips a day during business hours.

d. Why has it taken so long to get to this point?

ANSWER. The GCWG analysis [https://railroads.dot.gov/sites/fra.dot.gov/files/fra_net/17156/2017-07-17_Gulf%20Coast%20Working%20Group%20Report%20to%20Congress%20%28Main%20Section%29-%20Final.pdf] took eighteen months, once established. CSX demanded $2.3 billion in infrastructure improvements needed to operate passenger rail along the Gulf, while the FRA led analysis deemed only there was only $66 million needed from New Orleans to Mobile. CSX refused any further involvement in the GCWG and refused any further contact with the SRC prior to the STB accepting to hear the dispute. As required by Congress, the GCWG submitted their analysis to Congress. In the FY18 appropriations report language [https://www.congress.gov/115/crpt/srpt138/CRPT-115srpt138.pdf], Congress endorsed the findings from the GCWG analysis and denied the CSX request. Additionally, CSX and NS requested more modeling that Amtrak engaged in discussion. When those negotiations broke down, Amtrak appealed to the STB.

e. Why is this particular partnership so difficult?

ANSWER. The SRC has endeavored to be a cooperative partner to both Amtrak and the freight providers. When CSX asked the SRC to limit the service from New Orleans to Mobile in order to gain favor with the freight, the SRC did so. When CSX requested that the SRC agree to a Mobile Station stop at Brookley Field (Mobile's new airport under design and construction) rather than return to the former downtown site, the SRC agreed. Despite the SRC's willingness to compromise, CSX has failed to meet the SRC or the FRA as a transparent and reliable partner in this effort.

QUESTIONS FROM HON. ERIC A. "RICK" CRAWFORD TO KNOX ROSS, CHAIRMAN, SOUTHERN RAIL COMMISSION

Question 1. In Amtrak's filing with the Surface Transportation Board (STB) related to Gulf Coast Service, they claim that impacts to freight rail should not be considered unless there is significant unreasonable harm, and that infrastructure isn't warranted to lessen impacts to the ports, communities, or freight railroads. Given your group has sought and received some $30+ million in infrastructure grants, do you share this opinion?

ANSWER. The SRC has received a commitment of $33 million of federal funds, matched by $33 million in non-federal funds from Mississippi and Louisiana. This $66 million is available to mitigate any points of congestion between New Orleans and Mobile. The SRC is concerned that the infrastructure investments be limited to that which is required by federal law and represents the most justified expense of taxpayer dollars through federal and non-federal funds. CSX freight services between New Orleans and Mobile is a lightly used freight corridor.

Question 2. Should community concerns related to impacts of a new service be considered? I am aware that Alabama has basically opposed the new service being

proposed to run passenger train and raised serious concerns about the impact to the Port of Mobile, supply chain issues, and impacts on regional freight rail service. Does a state's concerns matter, and if so, how do you propose addressing those concerns given Amtrak's stance that the Port should not be party to the case before the STB?

ANSWER. Of course, local and state government concerns are always relevant. However, there has been much misinformation circulated regarding the Port of Mobile. The service as it is currently planned, whether at the former downtown station or Brookley Field, does not enter port property. In fact, the train will only be on CSX right of way in Mobile for a maximum of 12 minutes a trip. There will be a holding track built in order to move the passenger train fully off CSX right of way in between the two scheduled trips a day. As for who should be party to this case, the STB is the final determiner of legitimate standing before the board.

Question 3. Considering recent supply chain concerns, how much do freight impacts weigh into decisions to put passenger rail into congested ports and on freight rail lines? What's the responsibility of passenger rail to pay for infrastructure to lessen those impacts?

ANSWER. Eighteen of the US's top thirty ports accommodate four or more Amtrak trains per day in their respective city. In addition, many of these trains operate over the same infrastructure as the freight traffic going to and from these ports. That being said, there are ports that are much more heavily used and carry significantly more passenger trains than the CSX right of way into the Port of Mobile. This is done all over the country and the Port of Mobile is no exception.

Federal law states that passenger rail must address and pay for any infrastructure needed, but only that needed to operate the passenger rail train.

QUESTIONS FROM HON. HENRY C. "HANK" JOHNSON, JR. TO KNOX ROSS, CHAIRMAN, SOUTHERN RAIL COMMISSION

Question 1. The Southeast Corridor Commission and Amtrak have plans [https://www.amtrakconnectsus.com/wp-content/uploads/2021/06/Amtrak-2021-Corridor-Vision_2021-06-01_web-HR-maps-2.pdf] to grow passenger rail service in my home state of Georgia and the surrounding region. Right now, if you are a coach passenger on a long-distance train east of the Mississippi River, you are still not allowed to purchase a prepared meal and eat in the same car as sleeper passengers, for which the ticket is more expensive. This creates a class system on a federally funded means of transportation. Furthermore, though Amtrak has restored full-service dining on long-distance trains in the west, passengers on trains in the east can only get frozen meals. Congress has paid for all new diners—which Amtrak has but is not using.

When will Amtrak restore full-service dining to the eastern trains and address de facto segregation?

ANSWER. Amtrak has restarted full dining service west of the Mississippi. While I cannot speak for Amtrak, full service dining on the east coast should be restarted immediately. Congress funded new dining cars for Amtrak which have been delivered and currently sit idle. Amtrak should be required to utilize the equipment the taxpayers have paid for to provide healthy food service on long distance trains. Long distance train passengers have distinctly different dietary needs than those on short haul trips. The SRC receives frequent complaints about the frozen meals served onboard the trains throughout the south and are concerned about the healthiness and quality of those meals. We are pleased that the bipartisan infrastructure law passed by Congress last year requires a food service study committee to be created and I call on the FRA and Amtrak to empanel this committee as soon as possible to provide healthy food options for all passengers on all Amtrak trains. Congress should not countenance a "class system" on any federally funded mode of transportation. Not allowing coach passengers into the same dining area as sleeper passengers does just that. Amtrak's position to only take credit cards and not cash also implements additional barriers to coach passengers in purchasing prepared meals.

Question 2. Your testimony explains the bipartisan effort to restore passenger rail across the Gulf Coast. I want to build on the notion of expanding service to discuss another proposed expansion. How will an expanded Amtrak Crescent route from Atlanta, Georgia, to Dallas Fort Worth, Texas, benefit the economically disadvantaged communities, both inner cities and rural areas, that run through this route?

ANSWER. As a Mississippian and someone who has clients in North Louisiana, I am intimately aware of the many low-income Americans with a need for reliable intercity and regional transportation. A large portion of these people are also people of color. When we build an interchange on the highway, we often talk about the po-

tential economic benefits, and when we build a passenger rail station, it is in effect an interchange on an interstate of steel and brings immense economic benefits. When you build a passenger rail asset, like Meridian, MS, you will see the economic upside that brings downtown revitalization, improving property tax value, increased retail sales and creates a sense of place and community.

Cities in central Mississippi and north Louisiana that would be served by a route from Meridian, MS to Dallas/Ft. Worth are currently drafting and passing resolutions in support of this service. Canadian Pacific and Amtrak have pledged their support to bring passenger rail service along this corridor, pending CP's acquisition of Kansas City Southern (KCS).

a. The Southern Rail Commission has had remarkable success in building bipartisan support for restoring service along the Gulf. Can you describe how you built and sustained this coalition?

ANSWER. First, we listened to the communities that needed to be served; the citizens who see passenger rail service as a link to additional opportunities in their lives and their local elected leaders who represent them. We engaged the Trent Lott Institute [https://static1.squarespace.com/static/5302778ee4b07a6f640874ef/t/5b213c3b88251b936fa6f498/1528904765428/Gulf+Coast+Passenger+Rail+Service+Economic+Impact+Report+Rev+2.pdf] to determine the return-on-investment in job creation and economic impacts for each of the cities served in Mississippi, Louisiana, and Alabama along the Gulf. We then took the needs as expressed by the citizens, local electeds and armed them with the economic impact study that proves the worth of investing in such service and received the support of federally elected officials such as Senator Roger Wicker (R–MS) who was Chair of the Senate Commerce Committee at the time. We demonstrated the desire of each of the cities along the route to bring passenger rail back to the region through a demonstration train from New Orleans to Mobile. This showed how powerful the citizens in these communities desired this train and solidified support from state and local officials to invest. This was a plea from the people that was justified by proving economic return.

b. How can other states, like my home state of Georgia, join the Southern Rail Commission and what benefits would a state receive upon joining?

ANSWER. The infrastructure bill allows the USDOT Secretary to designate up to ten commissions, modeled after the SRC. The SRC will be designated one of the commissions as it is the oldest such commission in the country. The SRC, made up of commissioners from Mississippi, Louisiana and Alabama, can admit additional states that border the three states, therefore, Georgia could join the SRC. The state of Georgia would need to request to join the SRC through the following steps:

- The Georgia State Legislature would need to authorize the request to join the Southern Rail Commission
- Georgia's Governor would need to agree to the State Legislature's authorization
- Georgia's Governor would need to appoint commissioners and identify funds to help operate the SRC which is $65 thousand dollars per year per state at this time.
- The State legislatures of Mississippi, Alabama and Louisiana would then need to accept Georgia's request to join the SRC.

The advantages to Georgia in joining the SRC are that they can become part of a commission with a proven track record in passenger rail. The bipartisan infrastructure law also allows for federal matching funds to match operating funds provided by the states. The SRC will be applying for these matching dollars; thereby, Georgia would be able to double their money for operating support through this program.

QUESTION FROM HON. JESÚS G. "CHUY" GARCÍA TO KNOX ROSS, CHAIRMAN, SOUTHERN RAIL COMMISSION

Question 1. Mr. Ross, Ms. White, and Ms. DeMartino, you each have had different experiences with freight railroads as the host railroad for your respective services. What can Congress do to help you as you discuss expanding and improving passenger rail service with your freight railroads?

ANSWER. Congress can help with the enforcement of federal law that passenger trains are given right of way preference within freight corridors. At present there is no penalty for freights which disobey federal law and tortiously interfere with passenger rail service and obstinately refuse to engage in discussions of new passenger rail service.

During my work with the GCWG, it was appalling to find that when the FRA asked the freights to provide rail infrastructure information and traffic flow; all that is knowable in the built environment, the freight simply refused to provide the in-

formation to the FRA claiming such information was proprietary. Such information is not proprietary. The FRA is the agency created for safety oversight of both Amtrak and freight and no freight should deny FRA such information which can have a significant impact on the safety and service provided. We have proposed language to rectify the present situation and it is provided below.

49 U.S. Code § 103 [https://www.law.cornell.edu/uscode/text/49/103]

(j) Additional Duties of the Administrator.—The Administrator shall—

* * * * *

(7)

(I) Require that Federal-funded intercity passenger rail investments in assets owned and/or controlled by a host railroad be identified and justified on the basis of a transparent, collaborative operations analysis with the participation of the project sponsor, the host railroad, Amtrak, and FRA, conducted in accordance with standards FRA is hereby directed to establish;

(II) The Administrator shall review operations and capacity analysis, capital requirements, operating costs, and other research and planning related to corridors shared by passenger or commuter rail service and freight rail operations and provide findings and recommendations.

(III) In order to carry out subsection (II), the rail service provider and the host railroads shall provide all relevant infrastructure and operations information requested by the Administrator to support analysis by the FRA.

(IV) Infrastructure and operations analysis, and the outputs of the operations analysis provided by the host railroad shall not be considered confidential in nature and may be incorporated into environmental documents, funding applications, public reports, and other publicly-available documents.

(V) Failure to provide information requested by the Administrator in furtherance with this subsection shall be enforced through section 24308.

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