

**NOMINATION TO THE AMTRAK BOARD
OF DIRECTORS AND THE SURFACE
TRANSPORTATION BOARD**

HEARING

BEFORE THE

**COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE**

ONE HUNDRED FIFTEENTH CONGRESS

SECOND SESSION

JULY 26, 2018

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FIFTEENTH CONGRESS

SECOND SESSION

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NOMINATION TO THE AMTRAK BOARD OF DIRECTORS AND THE SURFACE TRANSPORTATION BOARD

THURSDAY, JULY 26, 2018

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met, pursuant to notice, at 10 a.m. in room SR-253, Russell Senate Office Building, Hon. Roger Wicker, presiding. Present: Senators Wicker [presiding], Thune, Inhofe, Blunt, Moran, Fischer, Nelson, Cantwell, Klobuchar, Tester, Udall, Blumenthal, Baldwin, Markey, Peters, Duckworth, Hassan, and Cortez Masto.

OPENING STATEMENT OF HON. ROGER WICKER, U.S. SENATOR FROM MISSISSIPPI

Senator WICKER. This hearing will come to order. And we have word from Senator Nelson that he will be right along and that he would be pleased if we went ahead. So we'll do that in the interest of time. And we appreciate everyone's attendance.

I want to thank our nominees, Rick Dearborn and Marty Oberman, for being here, and for your willingness to serve in these important positions. Thank you.

Rick Dearborn has had an impressive career in public policy that spans more than 24 years. He's held leadership roles with the Trump and Bush administrations. He has also been a staff member for six Senators—can't hold a job—

[Laughter.]

Senator WICKER.—most recently serving as Chief of Staff and State Director for Jeff Sessions. After the 2016 election, Mr. Dearborn served as the Executive Director of President Trump's Presidential Transition Team, and was the President's Deputy Chief of Staff from January 2017 until March 2018.

The Amtrak Board of Directors is comprised of ten individuals: they include eight Senate-confirmed appointees, and the Secretary of Transportation, and the President of Amtrak. There are currently two vacancies on the Board. Mr. Dearborn has been nominated to replace Board member Jeffrey Moreland, whose term expired in 2015.

Mr. Dearborn, we are very anxious to fill these vacancies. If confirmed, I know your vast experience in public policy will be crucial as you work with fellow Board members on issues like long distance service, positive train control, Gateway, and the restoration

of Gulf Coast rail, which is of particular interest to some of us in the room.

Our second nominee, Mr. Marty Oberman, has been nominated to serve as a Member of the Surface Transportation Board. Mr. Oberman has spent the past 49 years of his career as an attorney. His practice focuses on complex civil litigation spanning medical and legal malpractice, commercial disputes, local taxation, constitutional rights, civil rights, and financial crimes.

Apart from his distinguished legal career, Mr. Oberman has spent significant time in public service. Most recently, he served as Chairman of Metra, a commuter railroad in the Chicago metropolitan area that serves more than 100 communities with 241 stations and 11 lines. In this capacity, he led the formulation and adoption of a 10-year capital program totaling over \$2 billion to revitalize and renew Metra's rail cars and locomotives.

Mr. Oberman has been nominated to fill one of the three vacancies on the Surface Transportation Board. As a Board member, he will help resolve railroad rate and service disputes and review proposed railroad mergers. Filling these vacancies is vital to ensuring that the Board has the staff and experience for these responsibilities.

Mr. Oberman, if you are confirmed, I am sure that your diverse legal background and leadership within Metra will serve you well in your position as a Board member.

Again, thank you both for your willingness to serve.

I am standing in for Chairman Thune, who we hope will be here in a few moments. And when Senator Nelson arrives, he will be recognized to make whatever opening statement he chooses.

At this point, Senator Inhofe, I'm scheduled to recognize you for a 2-minute statement of behalf of Rick Dearborn. So you are recognized with the Committee.

**STATEMENT OF HON. JIM INHOFE,
U.S. SENATOR FROM OKLAHOMA**

Senator INHOFE. And you adhere to two minutes. Is that it?

Senator WICKER. I'm just reading what they say.

[Laughter.]

Senator INHOFE. All right. No, the thing is I know this guy really well, and it's kind of my pleasure to introduce him. And I think it's kind of poetic justice here, that this guy, he has been a railroad freak since he has been a little kid, and to have him end up in a position like this, I mean, he's—and I have no doubt in my mind that we'll do everything necessary to get him confirmed, and he will have died and gone to heaven to be in this kind of a position.

So as a kid in Waynoka, Oklahoma, he used to go down to the railroad every summer evening, and he'd put a penny to be flattened on the tracks, and if he was lucky, he'd catch a cold carton that they would send him because all the railroad people all liked him.

While attending the University of Oklahoma, Rick found a job working in a train yard in Oklahoma City loading cars, celebrities and citations mostly, three levels high into railcars with 100 degrees heat. We get pretty hot out there. Throughout his 20-year ca-

reer working on Capitol Hill and in Washington, D.C., trains were never far from his mind or his home.

He's an avid collector of model trains. In fact, I thought when I was talking to him some time ago that my kids, when they were little, had the biggest model train thing. I remember we lowered it from the ceiling down to the garage, but it wasn't 16 by 30 feet like yours was.

Working on Capitol Hill, he took a keen interest in passenger rail in addition to being an avid personal rider on the Amtrak and all of that. I chaired the Environment and Public Works Committee when we went through T21 safety, MAP-21, the FAST Act, and all of that, and Rick was always there talking about trains, even though that wasn't our jurisdiction.

He has always known trains personally and professionally, and he knows how they operate and the infrastructure necessary to keep them operating, and I believe that Rick Dearborn's personal passion for trains and his professional experience working rail issues make him the ideal candidate to serve on the Amtrak Board of Directors. And I look forward to his testimony today.

Thank you, Mr. Chairman.

Senator WICKER. That was an excellently timed statement, Senator Inhofe.

Senator INHOFE. I know. It's one of the few things I'm good at.

Senator WICKER. We're delighted to have the distinguished Chairman of the Senate Appropriations Committee with us today, who has humbled himself and agreed to testify before our Committee.

[Laughter.]

Senator WICKER. Richard, what do you know about Rick Dearborn that you'd like to tell?

**STATEMENT OF HON. RICHARD SHELBY,
U.S. SENATOR FROM ALABAMA**

Senator SHELBY. I know a lot about him, and I want to pick up after what Senator Inhofe said.

You know, you wonder why I'm here today. I'm here because Rick Dearborn married well. His wife is from Alabama, and she's one of my former staffers. You know, I had to be here for her, but also for him.

I've known Rick 20 years. He worked, as you know, with Senator Sessions as his Legislative Director, his Chief of Staff. He worked for President George W. Bush as Assistant Secretary of Energy for Congressional Affairs. He was involved in the Trump campaign. He worked at the White House after he left Sessions as a Deputy Chief of Staff. He's now in the private sector, and I think his wife will be happy for that in many ways.

But Rick brings a lot to the table: experience here on Capitol Hill, experience at the White House, experience in life. He loves trains. And I'm going to tell him right now in front of all of you, I want him to bring the whole Amtrak Board and Oklahoma football team to the University of Alabama to play when Oklahoma is not very good, you know. And he hasn't promised to do that yet, but he's an alumnus of the University of Oklahoma, and I am here

on his behalf without reservation. I think this will be a big positive dimension for him.

Thank you, Mr. Chairman.

Senator WICKER. Thank you, Senator Shelby.

Senator NELSON. Mr. Chairman, may I ask Senator Shelby a question?

Senator WICKER. If it's a piercing question, yes.

Senator SHELBY. Am I under oath?

[Laughter.]

Senator WICKER. Go ahead, Bill.

Senator NELSON. Senator Shelby, how long did it take you in number of years in the Senate to become Chairman of Appropriations?

Senator SHELBY. Why, I've been here about six months.

[Laughter.]

Senator SHELBY. Bill, it takes a long time. I remember when I went on the Committee, some of the people that are on the Committee are here, and Senator Byrd was Chairman and Senator Stevens was Ranking, and then it flipped, and then Senator Inouye, you know, and all. And they told me, said—I was a junior member—said, “Senator Shelby, you’re going to be Chairman someday.” I started to say, “Yes, when?” You know? Because they last a long time. I hope I last a few years.

Senator NELSON. That day finally has arrived. Congratulations!

Senator SHELBY. Thank you. Thank you.

Thank you, Mr. Chairman.

Senator WICKER. And I think we can agree that Senator Shelby and Senator Leahy are off to a great bipartisan start in moving our bills along.

We also have two very distinguished Members of the House of Representatives from the State of Illinois here to tell us what they might know about Marty Oberman.

So Congressman Mike Quigley, you are recognized first. And then we will move directly from there to Congressman Dan Lipinski.

You are recognized, sir.

**STATEMENT OF HON. MIKE QUIGLEY,
U.S. REPRESENTATIVE FROM ILLINOIS**

Mr. QUIGLEY. Thank you, Chairman. I really appreciate it, and I appreciate the Committee having me today. It's an honor to be—an honor to be here today introducing Martin Oberman.

This may be a clumsy way to say it. Chicago has a well-earned reputation for certain things. Martin Oberman has a well-earned reputation fighting against some of Chicago's well-earned reputation.

[Laughter.]

Mr. QUIGLEY. It is an honor to introduce a man with a nuanced and detailed understanding of the American transportation system, honed by decades of experience in the public and private sector, and he would make a fantastic addition to the Surface Transportation Board.

He graduated from Yale University and the University of Wisconsin. Apparently, he couldn't get into any colleges in Chicago, but

he made do. He is a Chicagoan, though, and, in fact, he's a constituent of mine, as he served as a very well-respected alderman representing Chicago's 43rd Ward from 1975 to 1987. More recently, he served as one of the most popular and well-respected Members of the Board of Metra, the Chicago area commuter rail system that operates 750 trains per day and one of the most complex and congested rail systems in the world.

In 2014, he was asked to serve as the Chairman of Metra Board, something he did ably for two years. As Chairman, he not only definitely navigated the relationship between Class I freight, Amtrak, and passenger rail, coming to understand the capital investment needed to keep our country's rail system functioning properly, but he also led Metra in formulating and adopting a 10-year, \$2 billion capital investment program to renew Metra's rolling stock and improve service and reliability, something that had never been done before at the agency.

If you really want a good sense of Marty's judgment and character, he was chosen to lead Metra following two major scandals in the year before his chairmanship. He was tasked with stabilizing the agency and operating with integrity, efficiency, and transparency, something he was very successful in doing, all three traits he would bring to the Surface Transportation Board.

I'm also pleased to also introduce Marty's wife, Bonnie, who shares with him his love of the arts in Chicago. And I know she will support him with his new work at the STB.

This Committee has some tough decisions on some nominees in the past. I don't believe this is a tough decision. He would make an extraordinary Member of the STB. And I urge you to confirm his nomination.

Senator WICKER. Thank you very much, Representative Quigley.
Representative Lipinski.

**STATEMENT OF HON. DAN LIPINSKI,
U.S. REPRESENTATIVE FROM ILLINOIS**

Mr. LIPINSKI. Thank you, Mr. Chairman. It's an honor to be here today, and I appreciate the opportunity to appear before you today to introduce Martin J. Oberman to be Nominee to serve on the Surface Transportation Board.

I've known Marty Oberman for about four decades now. He was first elected to serve on the Chicago City Council as an alderman in 1975. The same year that my father, former Congressman Bill Lipinski, was elected to the Council. And I don't think anyone would have ever expected that the lakefront liberalist, they're called in Chicago, the former Marty Oberman, would work so closely with the southwest side conservative machine politician, Bill Lipinski.

[Laughter.]

Mr. LIPINSKI. But the fact that Marty did says a lot about him and about my father. It says Marty is committed to being a real public servant, willing to work across differences to get things done. It also says much about him as a first-class human being. And to attest to the latter point here today, we have with us Marty's wife, Bonnie, and I understand, although I ran in here

very quickly, that his son, Justin, his daughter, Maren, with a granddaughter, is also here.

Marty Oberman's prior service prepared him well for the responsibilities he would assume at the STB. As a senior member of the House Transportation Committee, Subcommittee on Railroads, I know Marty best from having worked with him in his role as Chairman of the Board of Metra—the second largest commuter railroad in the country. This experience has given him a comprehensive understanding of not just what it takes to run a railroad, but also the relationships a railroad maintains with its customers, its needs to plan and make capital investments, and the importance of collaboration between public and freight railroads. And this has all been learned and practiced operating a railroad in Chicagoland, the very congested hub of the Nation's rail network.

Not just from me, but from others in the community, Marty gets high marks for working to improve Metra's service and operations during his tenure. This was made possible through his commitment to learn, be considerate of other's knowledge, and appreciate the various perspectives of the stakeholders involved in running something as complex as a commuter railroad in Chicago.

As a former Alderman in Chicago, it's also important to highlight Marty's respect for legislative bodies. I have full faith based on my experience working with him that he listens, is responsive, and follows through in a way that facilitates strong agency legislature relations. I'm sure you all know how important that is, and I think it will be very useful in helping implement the 2015 STB Reauthorization Act.

Ultimately, I know that Marty Oberman will bring a strong, smart approach as well as a fresh and open perspective to the STB. His constructive and fair mentality to public service will serve all the vested stakeholders well and ensure the agency continues to fulfill its mandate to effectively oversee railroads and resolve disputes when they occur.

I'd like to thank the Committee for this opportunity and for your fair consideration of Marty Oberman's nomination to the Surface Transportation Board.

Thank you.

Senator WICKER. Well, the Committee wishes to thank both of you for your testimony. And if I were you, I think I would just take a seat here in the room, and we will keep you out of trouble for the rest of the day.

[Laughter.]

Senator WICKER. But it may be that you might want to get back to the other side of the Hill. So that's your choice, but you are excused with the appreciation of the Committee.

Mr. LIPINSKI. Thank you.

Senator WICKER. Thank you. Come see us again.

It's now my privilege to recognize the distinguished Ranking Member of the Committee, Senator Nelson, for his opening statement.

**STATEMENT OF HON. BILL NELSON,
U.S. SENATOR FROM FLORIDA**

Senator NELSON. Mr. Chairman, in the interest of time, I will insert it in the record, and so we can get right on with the witnesses. [The prepared statement of Senator Nelson follows:]

PREPARED STATEMENT OF HON. BILL NELSON, U.S. SENATOR FROM FLORIDA

We have two nominees before the committee today who have been nominated for positions at critical transportation organizations—the Surface Transportation Board and the Amtrak Board of Directors.

Both these nominees may eventually deal with an issue that is critically important to my home state. Florida is still working to restore the Amtrak service along the Gulf Coast that was shut down after Hurricane Katrina. This line serviced two million people from Florida to Louisiana and has an impact on our tourism industry. I look forward to hearing their views on restoring the Gulf Coast rail service.

Another important issue is positive train control implementation. It is critical that we do everything we need to make sure that railroads are on track to meet the 2018 deadline. I hope to hear Mr. Dearborn's views today on Amtrak's progress.

I look forward to hearing from our two witnesses today, but first I must address a critical matter that falls within the purview of this committee.

One of the most important issues this committee oversees is transportation security, which is jeopardized by the recent decision by the Department of Justice and the State Department to settle a three-year-long legal battle to prevent the publication of blueprints on how to make 3D printed guns, including AR-15s, online for the public to download.

The administration's decision paves the way for the publication of these blueprints online on August 1—just a week from today. Once those blueprints are posted on the Internet, it'll be impossible to pull them back.

We can't overstate the danger presented by 3D printed guns, many of which may evade detection by our current security screening systems.

Let me be blunt about this: Somebody could come into this building—and sit in this hearing room—and have a gun, and we wouldn't know about it. People could walk onto airplanes and have plastic guns—and we wouldn't know about it.

We talk about “hardening” schools, “hardening” airports, “hardening” public spaces—but all of that is meaningless if a deranged individual can get past the metal detectors with a plastic gun.

If this settlement is allowed to go through, we will see a fundamental shift in American safety and security.

Mr. Chairman, I ask that this committee immediately hold a hearing on this issue. We should hear directly from the TSA on the dangers posed by 3D-printed plastic guns at airports and on aviation security generally. Time is of the essence.

And with that, I conclude my remarks for today's hearing.

Senator WICKER. Thank you very much.

If our nominees will step forward and make sure the mics are on, we will get started.

Gentlemen, thank you so much for being here. We hope you can live up to your introductions. And we will—we'll stick—we'll start with Mr. Rick Dearborn.

You are recognized, sir, for—to summarize your testimony for 5 minutes. Glad to have you with us.

**STATEMENT OF RICK A. DEARBORN, NOMINEE TO BE A
DIRECTOR, AMTRAK BOARD OF DIRECTORS**

Mr. DEARBORN. I think it's on. There we go.

Thank you, Senator.

To Chairman Thune, Ranking Member Nelson, Senator Wicker, and the members of the Committee, it's a pleasure to be here testifying before you today. I would also like to thank Senators Inhofe and Shelby for introducing me to the Committee this morning.

My name is Rick Dearborn, and it's truly an honor to have been nominated by the President to serve on the Amtrak Board of Directors. As you know, I was raised and grew up in Oklahoma; however, I've had the pleasure to work on behalf of the people of Alabama for the last 20 years here in Washington, D.C. None of this would have been possible without the love and support of my wife, Gina, who was supposed to be here today, but because of Murphy's Law, had a transportation glitch, and her flight was canceled.

From an early age, I was fascinated with trains and railroads. For many years as a kid, my sisters and I used to spend several weeks every summer with my grandparents up near the Panhandle of Oklahoma in Waynoka. My friends and I would ride our bikes and visit the railroad tracks near the depot waiting on the trains to come down the tracks, as Senator Inhofe alluded to. The passengers were long gone, but the Santa Fe still came through a few times a day. We'd race down to those tracks, place pennies on them, we'd see the wheels flatten those pennies, and wait for small cartons of milk to be tossed off the back of the caboose, the coldest milk you ever had. We'd all hurry home for supper, and it was truly an idyllic place to grow up in a rural state.

Later in my life, I got a college job loading cars onto the railroad cars as a Teamster at the Oklahoma City Chevrolet plant. We loaded celebrities and citations on seven tracks of rail in 100-degree heat. It was the hardest job I ever had. Later, I moved into the car plant as a member of the UAW union working on the assembly line.

Growing up, I collected toy trains with my dad. I had a—I still today have a sizable collection, nearly 75 locomotives and well over 300 rolling stock. I'm passionate about trains and the issues—sorry. I'm passionate about trains and railroading, and I'm very excited about this opportunity. It's truly in my DNA.

Professionally, I am currently a consultant providing corporate clients with strategic guidance. Most recently, I served in the Trump Administration and the transition team, and in the Administration for 15 months. However, the U.S. Senate is where I served the bulk of my career.

For more than 20 years, I proudly served as a staffer in various roles for this institution's members. I served as the Legislative Director for then-Senator Jeff Sessions, of Alabama, later having served for over 12 years as his Chief of Staff.

During that time, he served on the EPW Committee, and we worked on various surface transportation reauthorization bills, from ISTEA to the FAST Act. Passenger rail issues were part of our yearly routine, and our office worked on rail issues on behalf of our constituents and our country.

Though Amtrak wasn't rolled into the larger bill until the FAST Act of 2015, passenger rail issues were something we dealt with annually and did—as did most rural State offices with long distance routes.

I've also been an avid rider of the Nation's railways. I've traveled the Northeast Corridor between Washington, D.C., and New York many times, a few trips to Philly, Boston, and south to Roanoke, and I've also had a chance to take the *Cardinal* into West Virginia.

If confirmed to the Board, I will conduct myself as a responsible steward of the American public's investment on our passenger rail system. I'll have direct responsibility to monitor the leadership's financial management and operational decisions, staying up-to-date on best practices, and management and accounting throughout the rail industry.

If confirmed, high priorities of mine will be the completion of the positive train control system, the adoption of the safety management system that the new leadership team has recently initiated. I also realize the Board plays a key role in hiring the right executives and reviewing their performance.

If confirmed, I would concentrate on the key priorities I believe Amtrak must focus on to be successful and remain a vibrant mode of transportation throughout the Nation: the safety of its passengers, increasing its ridership as a competitive, convenient, clean, and comfortable mode of transportation, and the need to make smart capital investments in existing infrastructure, also looking to reduce and ultimately eliminate Amtrak's debt.

Amtrak's focus on safety must be its top priority. Its record must improve. I was encouraged by Amtrak's recent hire of a new Executive Vice President of Safety reporting directly to the CEO. Its goal should be to be in full compliance with PTC requirements, conditions, and schedules by the year-end deadline.

As for success through increasing its ridership, Amtrak should provide a service that people want to utilize. It needs to be on time, it needs to be clean, it needs to be competitive, and a good option for all travelers with other transportation modes. There are a lot of growth opportunities in short distance corridors, where Amtrak can work with their State partners to evaluate ridership and interest.

Finally, smart capital investment is needed, investment in aging infrastructure, some of which dates back to the Civil War era.

I want to thank the President for nominating me. I'm excited about the future of passenger rail in our country. And if confirmed, I'd be committed to working with my colleagues on the Board, the management of the company, the administration, and everyone here in Congress to ensure Amtrak is managed as safely, efficiently, and responsibly as possible.

Thank you for your consideration of my nomination, and I look forward to your questions.

[The prepared statement and biographical information of Mr. Dearborn follow:]

PREPARED STATEMENT OF RICK A. DEARBORN, NOMINEE TO BE A DIRECTOR,
AMTRAK BOARD OF DIRECTORS

Chairman Thune, Ranking Member Nelson, Senator Wicker, and members of the Committee, it's a pleasure to be here testifying before you today. I'd also like to thank Senators Inhofe and Shelby for introducing me to the Committee this morning.

My name is Rick Dearborn and it is truly an honor to have been nominated by the President to serve on the Amtrak Board of Directors. As you know, I was raised and grew up in Oklahoma. However, I've had the pleasure to work on behalf of the people of Alabama for twenty years here in Washington, D.C. None of this would have been possible without the love and support of my wife, Gina, who is here with me today.

From an early age, I was fascinated with trains and railroads. For many years as a kid, my sisters and I used to spend several weeks every summer with my grandparents up near the Panhandle of Oklahoma, in Waynoka.

According to the *Waynoka Historical Society*, "Colonel Charles Lindbergh chose Waynoka, Oklahoma for the location of an airport on the Transcontinental Air Transport (TAT) air-rail route between New York and Los Angeles.

Starting in 1929, TAT offered 48-hour coast-to-coast passenger transport utilizing not only its own Ford Trimotor aircraft, but also the sleeper services of the Pennsylvania Railroad and the Santa Fe Railroad for the two overnight segments of the long trip.

Waynoka was the point at which passengers transferred from the TAT plane to the Santa Fe train (going westbound), or from the Santa Fe train to the TAT plane (going eastbound). Amelia Earhart also came to Waynoka by the TAT . . . [today,] the BNSF main line from Chicago to the West Coast which passes the Waynoka depot is Oklahoma's busiest rail line."

Waynoka in those days had a population of around 1,200 to 1,500 folks, though it felt even smaller. My friends and I would ride our bikes and explore the 1,600 acres of sand dunes at the Little Sahara State Park and almost every day we would bike down to the railroad tracks near the depot, waiting on the train to come down the tracks. The passengers were long gone, but the Santa Fe still came through a few times a day.

We would race down to those tracks, place pennies on them to get flattened by the wheels of the train and wait for the conductor to toss down small cartons of the coldest milk you ever drank off the back of the caboose. We would all then race back home in time for supper. It was truly an idyllic place and a great way to grow up in a rural state.

Later in my life, I got a college job loading cars onto railroad cars as a Teamster at the Oklahoma City Chevrolet plant. We loaded Celebrities and Citations on seven tracks of rail in 100-degree heat and it was the hardest job I ever had. Later, I moved into the car plant as a member of the UAW union working on the Assembly line.

Growing up I collected toy trains with my Dad. For the past thirty years I've collected and operated O gauge model toy trains. By all accounts I have amassed a sizable model train collection of nearly 75 locomotives and well over 300 rolling stock. I am a current member of the Train Collector's Association and have been since 1999.

In the past, I built my own thirty-foot by sixteen-foot platform, a full wiring system and control panel and multiple running lines of operation. I remain hopeful in the months to come I can build out another platform in my small single car garage here in our Virginia home.

Professionally, I am currently a consultant providing my corporate clients with strategic guidance. Most recently, I served on the Trump transition team and in the Trump Administration for 15 months. However, the United States Senate is where I served the bulk of my career.

For more than 20 years, I proudly served as a staffer in various roles for this institution's Members. I served as a Legislative Director for then-Senator Jeff Sessions of Alabama, later having served for over twelve years as his Chief of Staff.

During that time, he served on the EPW Committee and the Transportation Subcommittee. We worked on various surface transportation reauthorization bills, from ISTEA through the FAST Act. Passenger rail issues were part of our yearly routine. Our office worked rail issues on behalf of our constituents and our country. Though Amtrak wasn't rolled into the larger transportation bill until the FAST Act of 2015, passenger rail issues were something we dealt with annually, as did most rural state offices with long distance routes.

I have also been an avid rider on our Nation's railways. I have travelled the Northeast Corridor between Washington, D.C. and New York many times, and a few trips to Philly, Boston, and south to Roanoke. I've also had the chance to take the *Cardinal* into West Virginia.

If confirmed to the Amtrak Board, I will conduct myself as a responsible steward of the American public's investment in our passenger rail system.

I will have a direct responsibility to monitor the executive leadership's financial, management and operational decisions, staying up to date on the best practices relating to all management and accounting standards throughout the rail industry. I would work to incorporate those best practices standards during my term.

If confirmed, a high priority of mine would be paying particular focus on the Positive Train Control (PTC) system and learn more about the Safety Management System (SMS) that the new Leadership team has recently initiated. I also realize the

Board plays a key role in hiring the right executives and reviewing their performance.

If confirmed, I would concentrate on the key priorities I believe Amtrak must focus on to be successful and remain a vibrant mode of transportation throughout the nation: the safety of its passengers; increasing its ridership as a competitive, convenient, clean and comfortable mode of transportation; and the need to make smart capital investments in existing infrastructure and the reduction and ultimate elimination of Amtrak's debt.

Amtrak's focus on safety must be its top priority. Its record must improve. I was encouraged by Amtrak's recent hire of a new Executive Vice President of Safety reporting directly to the CEO. Amtrak's goal is to be in full compliance with PTC requirements, conditions and schedules set or administered by the FRA by the year-end deadline.

As for success through increasing its ridership—Amtrak should provide a service that people want to utilize. It needs to be on-time, it needs to be clean and it needs to be a competitive option for all travelers with other transportation modes.

There are a lot of growth opportunities in short distance corridors where Amtrak can work with their state partners to evaluate ridership and interest.

Finally, smart capital investment is needed. Investment in aging infrastructure, some of which dates back to the Civil War era. Investment in new rolling stock for both the NEC and the National Network.

I want to thank the President for nominating me. I am excited about the future of passenger rail in our country. If confirmed, I would be committed to working with my colleagues on the Board, the management of the company, the Administration, and Congress to ensure Amtrak is managed as safely, efficiently, and responsibly as possible.

Thank you for your consideration of my nomination and I look forward to your questions.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used):

Ricky Allen Dearborn. I go by Rick.

2. Position to which nominated; Amtrak Board.

3. Date of Nomination: June 25, 2018.

4. Address (List current place of residence and office addresses):

Residence: Information not released to the public.

5. Date and Place of Birth: July 19, 1965 in Nashville.

6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).

Gina Rhoades Dearborn, Owner of Tucker Consulting LLC (advocacy consulting firm).

7. List all college and graduate degrees. Provide year and school attended.

Bachelor of Arts in Public Administration, University of Oklahoma 1987.

8. List all post-undergraduate employment and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

Deputy Chief of Staff for the President of the United States, Executive Director, the Presidential Transition, Senate Chief of Staff, Assistant Secretary of Congressional Affairs at the Department of Energy, Senate Legislative Director.

9. Attach a copy of your résumé.

A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last ten years. N/A

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last ten years. N/A

12. Please list each membership you have had during the past ten years or currently hold with any civic, social, charitable, educational, political, professional, fra-

ternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Grace Episcopal Church, Montgomery, AL—Member since 2011.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt. N/A

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past ten years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period.

2018—SC AG Alan Wilson—\$500; Rep. Blaine Luetkemeyer—\$1,000; Rep. Bill Huizenga—\$1,000. Campaign Manager 2014 Senate Race—Jeff Sessions of Alabama; Trump Campaign, Washington Office 2016.

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

Secretary of Energy Excellence Award 2004

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

NAM Speech—Admin Accomplishments—Jan. 2018—Philadelphia National Waste & Recycling Association—Admin Accomplishments—Feb. 2018; American Iron and Steel Institute—Experience in the WH/Admin Accomplishments—June 2018; RAGA—Experience in the WH/Admin Accomplishments—June 2018.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony.

Assistant Secretary Nomination Hearing—Spring of 2003; Senate Energy Committee

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

During my twenty-four-year career both in the Trump and Bush Administrations and working for six separate U.S. Senators I had the chance to work on transportation authorization legislation each and every year. Further, under Sen. Sessions as both his Legislative Director and his Chief of Staff I worked directly with the Senator and our legislative team on transportation needs for both Alabama and the Nation while he served both on the Senate Budget Committee as Ranking Member and as a Member on the Environment and Public Works Committee as well as the Surface Transportation Subcommittee. I've also been an avid passenger on the Northeast Corridor Regional and Acela trains for years, having travelled several times this year already on the Regional to Stamford, CT, NYC and on the Acela to Philly and NYC.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

My responsibilities would include examining the management and accounting controls put in place by Amtrak's executives. Deciding on and voting on decisions and actions put before me as a Board member, if confirmed. Monitoring the executive staff's financial, management and operational decisions and staying up to date on the best practices relating to all management and accounting standards throughout the rail industry. I would work to incorporate those best practices standards during my term, if confirmed, on the Amtrak Board. I'd be paying particular focus to the new SMS plan and PTC deadlines Amtrak has set as priorities. The Board also plays a key role in hiring the right executives and reviewing their performance.

20. What do you believe to be the top three challenges facing the department/agency, and why?

Amtrak's passenger safety must be priority one. Its record must improve in relation to the increased number of recent derailments and accidents on its routes. Amtrak has an obligation to justify its national network of routes and it must modernize its rail infrastructure to remain viable and vibrant, while being mindful of its budget limitations.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

I just retired from Federal service on March 16, 2018. My Federal pension will start its pull down shortly. I have also just joined a business/government relations consulting and strategic advisory firm and am a senior advisor to a Southeast-based law firm.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain.

I am an equity partner in an advisory and strategic consulting firm working for business clients and with the Federal Government.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

Invested in widely dispersed Mutual Funds. No conflicts that I know of.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last ten years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None that I'm aware of.

5. Describe any activity during the past ten years in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

Over the past twenty four years I've worked on numerous pieces of legislation that impacted Amtrak and commercial rail. All of that work was on behalf of either the State of Alabama or the Nation.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

I have no conflicts of interest that I know of, but will diligently work to review all contracts, agreements and associations with any entity or individual that would create a conflict a conflict.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics, professional misconduct, or retaliation by, or been the subject of a complaint to, any court, administrative agency, the Office of Special Counsel, professional association, disciplinary committee, or other professional group? No. If yes:

- Provide the name of agency, association, committee, or group;
- Provide the date the citation, disciplinary action, complaint, or personnel action was issued or initiated;
- Describe the citation, disciplinary action, complaint, or personnel action;
- Provide the results of the citation, disciplinary action, complaint, or personnel action.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county, or municipal entity, other than for a minor traffic offense? If so, please explain.

Yes, DUI in college, 1986; College sign removed from campus property, not charged—1986; Carrying an open container in Old Town, Alexandria, VA—held briefly and released, not charged—1990. Public disturbance—Pallbearer, VA, not convicted—2009.

3. Have you or any business or nonprofit of which you are or were an officer ever been involved as a party in an administrative agency proceeding, criminal proceeding, or civil litigation? If so, please explain. No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain.

DUI in 1986, college years.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain. Never.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination. Not that hasn't already been listed.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees? Yes, of course.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistleblowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

RÉSUMÉ OF RICK A. DEARBORN

Employment

The Cypress Group—April 2018–Present

Partner; Partner in a twenty-person firm that provide strategic consulting, lobbying, and independent research for a broad variety of financial services companies, trades, and funds. Representative clients include: Visa, InterContinental Exchange, Verizon, Hunt, Peabody, Lighthouse, Nomura, Barclays, BNP Paribas, Citi, Wells Fargo, Loews, PWC, Managed Funds Association, and Primerica. Hedge and private equity fund clients are confidential, but typically have over \$4 billion AUM. Formulate comprehensive government relations strategies—particularly for firms in transition—which include: risk/opportunity analysis, resource allocation, personnel review, trade association participation, PR and communications firm retention, PAC formation and management, and think tank interaction.

The President of the United States of America—January 2017–March 2018

Deputy Chief of Staff; Responsible for the day-to-day operations of ~100 staff in five separate Executive Office of the President (EOP) departments—Office of Legislative Affairs, Office of Cabinet Affairs, Office of Political Affairs, Office of Public Liaison and the Office of Intergovernmental Affairs. In addition to managing each of the outward facing offices of the White House, a main function of implementing the President's policies is achieved by active participation in Principal Committee meetings with the policy shops inside the EOP—NEC, NSC and DPC. Strategic planning and implementation on all policy fronts with each of these councils and all EOP departments managed remains both a daily and longer-term function.

President-Elect Transition Team—November 2016–January 2017

Executive Director; Managed all aspects of the President-Elect's Transition team efforts. Daily responsibility included the direction and management of the core components of the Transition Team's 400+ member Departments—Agency Action, Presidential Appointments, Policy Implementation and President-Elect Support. Led Cabinet selection efforts, policy development for guidance and pass off to WH policy councils for day one action, landing team and beachhead team development for all major Departments and Agencies and all preparations and support efforts for the President-Elect, First Lady, their family and the senior EOP team.

U.S. Senator Jeff Sessions—January 2005–January 2017

Chief of Staff/State Director; Directly managed sixty-person office/operation in Washington, D.C. and all state staff in six Alabama offices. Directly responsible for all policy/legislative matters, press, budgeting, and staffing. Managed campaign operations including press operations during Senator Session's reelection in the 2014 election cycle. Extensive interface with state/local elected officials, all state/national business interests, advocacy interests, and constituent interactions.

United States Department of Energy—March 2003–December 2004

Assistant Secretary of Congressional Affairs; Led all Congressional, Intergovernmental and tribal government outreach efforts on behalf of the Secretary. Advanced the policy priorities of the President and Department on Capitol Hill. Advised each

subcabinet department and developed legislative strategies to advance each department's policy priorities. Held the first Tribal Energy Summit by the Department. Advanced the foundation of support for the Energy Policy Act of 2005, major components were drafted in 2004, reintroduced and passed in August of 2005.

U.S. Senator Jeff Sessions—January 1997–March 2003

Legislative Director: Developed, organized and implemented all aspects of the Senator's legislative operation. Advised Senator on all roll call votes, cosponsorships, and legislative priorities. Drafted legislation and developed Committee and floor strategies for same. Passed over 40 pieces of legislation. Managed entire legislative staff and maintained a professional and cooperative work environment with little staff turnover. Maintained a strong network of contacts with industry, public policy, and advocacy groups. Approved all correspondence and floor/committee statements. Advised Senator on matters in his committees. Sen. Sessions' committees; Senate Armed Services Committee (Chairman, Fairlyland); Senate Judiciary Committee (Chairman, Admin. Oversight and the Courts); Senate Health, Education, Labor and Pensions; Senate Budget Committee; Joint Economic Cmte. Also, the Senate Environment and Public Works Committee (1997–1999).

Senate Steering Committee—July 1996–December 1996

Chairman, Senator Kay Bailey Hutchison

Executive Director: Served as the Chairman's director of strategy and floor operations. Orchestrated multiple Special Orders on the Senate Floor to highlight a more conservative policy agenda. Worked with the Senate Republican leadership, Steering Committee Senators, Committee staff and personal office staff to advance the Steering Committee's policy agenda and provide the Senate Republican leadership with alternative conservative legislative proposals on a variety of policy issues. Promoting a more conservative Judiciary was a key focus of the Steering Committee during this period.

The American Medical Association—May 1996–July 1996

Congressional Affairs

Assistant Director: Liaison between the national organization and Capitol Hill. Focused on communicating organized medicine's legislative priorities to the Senate Leadership, Senate Finance and Labor Committees. Specific responsibilities included negotiating with Members and staff on patenting of medical procedures, telemedicine and patient confidentiality, maternity stay legislation and antitrust issues. Worked to target the AMA's political action committee's (AMPAC) focus on incumbents and challengers supportive of organized medicine.

The Heritage Foundation—June 1993–May 1996

Director, Congressional Relations, U.S. Senate: Served as the Senate liaison for The Heritage Foundation to all Senate offices on Capitol Hill. Coordinated with more than 40 policy analysts to develop, package and market their policy alternatives for Senate sponsorship. Worked extensively with the Senate Commerce Committee staff and Heritage analysts to develop comprehensive Telecommunications legislation. Developed and coordinated with Heritage analysts, the Senate Finance Committee staff and key Senate offices, legislative language for inclusion in the 1996 Welfare Reform bill. Provided multiple briefings on domestic and foreign policy for key Senators and their staff. Also, assisted Heritage public relations department in coordination of editorials and letters to the editor for Senate offices on targeted issues.

Senate Republican Conference Secretary: January 1991–May 1993

Secretary, Senator Trent Lott (November 1992–May 1993)

Secretary, Senator Bob Kasten (January 1991–November 1992)

Deputy Director: Responsible for day-to-day operations of Senate Leadership offices for Senators Trent Lott and Bob Kasten. Established working relationship with the six Senate Republican Leadership offices, the Republican National Committee, the National Republican Senatorial Committee, the National Republican Congressional Committee and 44 Senate Republican personal offices. Created and disseminated the Interest Group Review reports, developed internally. Provided daily and weekly national polling data and voting attendance reports for all Senate Republican offices. Separately, developed anti-crime bills for both Senators Lott and Kasten. These bills had two primary provisions focusing on rural crime and crimes against seniors. Developed all press strategies for the legislation and traveled with Senator Kasten throughout the state of Wisconsin to promote his bill in town halls and with law enforcement officials. This legislation was adopted by the U.S. Senate in 1994.

Served as Director of Coalitions on the Kasten for Senate campaign in late summer/fall of 1992.

National Republican Senatorial Committee—March 1988–December 1990

Senior Legislative Analyst: Began in the finance division in 1988; working on low donor direct mail. Worked to develop written responses for direct mail operations. Promoted to political division in late 1988. Served as the NRSC's legislative analyst, researching and tracking roll call votes on legislation for use in campaign media development. Created strategies for paid and earned media opportunities for over 15 targeted Senate campaigns. Sent to Iowa in October of 1990 to help direct campaign field work and GOTV efforts for Congressman Tom Tauke's Senate campaign.

Education

Bachelor of Arts in Public Administration/Economics, University of Oklahoma, Norman, Oklahoma—December 1987

Semester program on Foreign Policy & International Affairs, American University, Washington, D.C.—Fall 1986

References—Available upon request

Senator WICKER. Thank you very, very much, Mr. Dearborn.

Mr. Oberman, you are recognized, and we're delighted to have you.

STATEMENT OF MARTIN J. OBERMAN, NOMINEE TO BE A MEMBER, SURFACE TRANSPORTATION BOARD

Mr. OBERMAN. Senator Wicker, Ranking Member Nelson—

Is this on? There it is.

Mr. OBERMAN.—and members of the Committee, thank you for this opportunity to appear today and for your consideration of my nomination of the Surface Transportation Board. I first want to introduce my wife, Bonnie, who has been mentioned, without whom I would not be anywhere. And also with me today are our son, Justin; our daughter, Maren; and our granddaughter, Esmae. And heads up, Esmae may seek to testify even if she is not recognized.

[Laughter.]

Mr. OBERMAN. Our family also includes our daughter-in-law, Sara; and our grandsons, Meyer and Emmet, who are watching at home.

It is an honor for me to have been nominated to the Surface Transportation Board. I have been committed from a young age to a career in public service, and it has been my privilege to have served in several public positions over the years, both elected and appointed.

Five years ago, Chicago's mayor appointed me to the Board of Metra. Although I had never worked in the railroad industry, I welcomed the opportunity to help a troubled agency regain its footing to provide honest and efficient transportation to the public. Shortly after my appointment, the other Board Members elected me Chairman, a position which enabled me to work in a bipartisan manner to undertake the enormous task of restoring Metra's public credibility and confidence. While the press and others today have referred to my success in this effort, the turnaround was the result of the entire Metra Board's effort and our outstanding CEO, Don Orseno.

My nearly four years at Metra required my total emersion and continuous education in the railroad industry. What better place to learn railroading than the Chicago terminal, the most intense railroad hub in the Western Hemisphere?

Metra operates 750 trains each day on the same tracks as 500 freights and 100 Amtrak trains. I quickly learned that all aspects of our national rail system are fundamentally interconnected and that the rail system is central to the national economy.

Railroads cannot function, or even survive, if all elements do not work smoothly together, each recognizing the interests and priorities of the other. I remember gently reminding one frustrated Metra commuter who texted to complain about another freight delay on his morning commute that his job in Chicago's Loop likely wouldn't have existed but for the contributions to the economy made by the freight railroad about which he was complaining.

I also learned the value of Metra's stellar on-time performance, better than 95 percent, despite having to co-exist with the freights and Amtrak. Any passenger service must deliver good on-time performance to survive and thrive, and one cannot lead a commuter railroad, or any railroad, for more than a few hours without coming to grips with the enormous cost of maintaining railroad infrastructure.

Having become knowledgeable about and a champion of the railroad industry, when a seat opened up on the STB, my desire to serve was as strong as ever. The longer I'm on this planet, the more aware I become that in our democracy, each of us has both the opportunity and the obligation to contribute to the common good in our own way. In my case, having gained expertise in the railroad industry, together with my many years in both public office and as a trial lawyer, I believe I have the experience to take advantage of this opportunity to continue to fill my obligations as a citizen.

If confirmed, I will also bring a fresh outlook. At Metra, it became apparent that many aspects of the railroad industry operate on the basis of, "That's always the way we have done it." Honoring precedent and not changing systems that are not broken are important values to which I adhere, and there are often sound reasons to continue operations and policies used in the past. Nevertheless, it is also critical to be willing to question practices if they appear to be archaic and ineffective at meeting the changing needs of consumers and businesses or keeping pace with technological advancement and the global economy.

Congress recognized this need in the Reauthorization Act when it directed the STB to examine large rate case methodologies and to determine whether alternatives could be developed to streamline the process. Continuing to implement this mandate, along with the STB's newly granted authority to initiate investigations, present both the opportunity to improve the regulatory system and the challenge to do it right. To be sure, the STB should move forward judiciously and with due regard to protecting the vibrancy of both railroads and shippers.

If confirmed, I will follow an approach, as I always have, of being committed to setting policy only after thorough homework and consultation with experts and the participation of all stakeholders. I will ensure that all constituents, railroads, shippers, working men and women, and communities and others are treated fairly and are afforded a forum for the constructive resolution of disputes. And I pledge to work in the same bipartisan manner that the STB was

designed to function in and which I experienced with great success at Metra.

Thank you again. And I look forward to your questions.

[The prepared statement and biographical information of Mr. Oberman follow:]

PREPARED STATEMENT OF MARTIN J. OBERMAN, NOMINEE TO BE A MEMBER,
SURFACE TRANSPORTATION BOARD

Chairman Thune, Ranking Member Nelson, members of the Committee,

Thank you for this opportunity to appear before you today and for your consideration of my nomination to the Surface Transportation Board.

First, I want to introduce my wife Bonnie without whom, of course, I would not be here—or anywhere for that matter.

Also with me today are our son, Justin, and our daughter, Maren, and our granddaughter, Esmae. Our family also includes our daughter-in-law, Sara, and our grandsons, Meyer and Emmet, who are watching at home.

It is both an honor and an exciting challenge for me to be nominated to serve on the Surface Transportation Board. It has been my commitment from a young age to devote my career to public service and it has been my privilege to have served in several public positions over the years—elected and appointed—except for a long hiatus when the voters of Illinois decided they would prefer me to work in the private sector.

Five years ago, the Mayor of Chicago appointed me to the Board of Directors of Metra. Metra is the second largest commuter railroad in the country, carrying 300,000 passengers a day. Although I had never worked in the railroad industry, I welcomed the opportunity to help what had been a troubled agency regain its footing and provide honest and efficient transportation to the public. Shortly after my appointment to the board, the other board members elected me chairman, a position which provided the opportunity to work in a bi-partisan manner with my fellow board members to undertake the enormous task of restoring Metra's public credibility and confidence. While the press has referred to my success in this effort, Metra's turnaround was the result of the hard work of Metra's entire 11 member board and our outstanding CEO, Don Orseno.

Needless to say, my nearly four years at Metra required my total immersion and continuous education in the railroad industry. What better place to learn railroading than the Chicago terminal, the most intense railroad hub in the western hemisphere, maybe the world?

Metra operates 750 trains each day on the same tracks as 500 freights and 100 Amtrak trains. I quickly learned that all aspects of our national rail system are fundamentally interconnected.

I also learned how important the rail system is to the entire national economy and that railroads cannot function, or even survive, if all elements do not work smoothly together, each recognizing the interests and priorities of the other. I remember gently reminding one frustrated Metra commuter who texted to complain about another "freight delay" on his morning commute that his job in Chicago's Loop likely wouldn't have existed but for the contributions to the economy made by the freight railroad which he was complaining about.

At the same time, I learned to value the stellar on-time performance of Metra—better than 95 percent—despite having to co-exist every minute with the freights and Amtrak. Any passenger service must deliver good on-time performance to survive and thrive. And one cannot lead a commuter railroad—or any railroad—for more than a few hours without coming to grips with the enormous cost of maintaining and improving railroad infrastructure.

Having become knowledgeable about and a champion of the railroad industry during my term at Metra, when a seat later opened up on the STB, my desire to serve was as strong as ever.

The longer I am on this planet, the more aware I become that in our democracy, each of us has both the opportunity and the obligation to contribute to the common good in our own way. In my case, having gained expertise in the railroad industry, together with my many years in both public office and as a trial lawyer, I believe I have the experience to take advantage of this opportunity to continue to fulfill my obligations as a citizen.

If confirmed, I will bring not only my past experience, but a fresh outlook. At Metra, it became apparent that many aspects of the railroad industry operate on the basis of "that's always the way we have done it." Honoring precedent and not

changing systems that are not broken are important values to which I adhere and there are often sound reasons to continue operations and policies used in the past, particularly with respect to railroads.

Nevertheless, it is also critical to be willing and able to question practices if they appear to be archaic and ineffective at meeting the changing needs of consumers and businesses or keeping pace with technological advancement and the global economy.

Congress recognized this need in the 2015 Reauthorization Act when it directed the STB to examine “whether current large rate case methodologies are sufficient, not unduly complex, and cost effective” and “whether alternative methodologies exist, or could be developed, to streamline, expedite, and address the complexity of large rate cases.”

Continuing to implement this mandate, along with the STB’s newly granted authority to initiate investigations into service issues, present both the opportunity to improve the regulatory system and the challenge to do it right. To be sure, as the STB continues to move forward under the Reauthorization Act, it should do so judiciously with due regard to protecting the vibrancy of both railroads and shippers.

My entire career has been based on a commitment to well thought-out approaches to setting government policy, pursued only after thorough homework and consultation with available experts while ensuring the participation of all stakeholders. That is the approach I will follow if confirmed to serve on the STB.

I will work to ensure that all constituents—railroads, shippers, working men and women, communities—and others are treated fairly and are afforded a forum for the constructive resolution of disputes.

Thus, it’s a great time to return to public service as a member of the STB to tackle these exciting new missions.

If confirmed, I pledge to you that I will work in the bi-partisan manner in which the STB was designed, and which I experienced with great success at Metra, to continue to bring rational and fair decisions to the railroad industry.

Thank you again for this opportunity. I look forward to your questions.

A. BIOGRAPHICAL INFORMATION

1. Name (Include any former names or nicknames used): Martin J. Oberman.
2. Position to which nominated: Member, Surface Transportation Board.
3. Date of Nomination: July 17, 2018.
4. Address (List current place of residence and office addresses):

Residence: Information not released to the public.

5. Date and Place of Birth: April 23, 1945; Springfield, Illinois.

6. Provide the name, position, and place of employment for your spouse (if married) and the names and ages of your children (including stepchildren and children by a previous marriage).

My spouse, Bonnie Oberman, is retired. We have two children, Justin, 43; and Maren, 40.

7. List all college and graduate degrees. Provide year and school attended.

Yale University, B.A. Psychology, 1966

University of Wisconsin Law School, J.D., 1969

8. List all post-undergraduate employment, and highlight all management-level jobs held and any non-managerial jobs that relate to the position for which you are nominated.

1989 to present, attorney, sole practitioner

1988–89, partner, Gould and Ratner

1975–87, Alderman, 43rd Ward, Chicago, Illinois

1977–81 (approximately) associate, Gottlieb and Schwartz

1973–74 General Counsel, Illinois Racing Board

1969–72, associate, Leibman, Williams, Bennett, Baird and Minow

Summer of 1968, law clerk, Friedman, Koven, Salzman, Koenigsberg, Shapiro, Specks, and Homer (firm, no longer exists)

Summer of 1967, laborer Rock Road Construction Co.

9. Attach a copy of your résumé.

A copy is attached.

10. List any advisory, consultative, honorary, or other part-time service or positions with Federal, State, or local governments, other than those listed above, within the last ten years.

January–September 2013, Member, Midway Airport Advisory Panel

Metra, Board member, October 2013–June 2017

Chairman, February 2014–November 2016

Board member, Chicago Metropolitan Agency for Planning, September 2017 to present

11. List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, or other business, enterprise, educational, or other institution within the last ten years.

None, other than listed above

12. Please list each membership you have had during the past ten years or currently hold with any civic, social, charitable, educational, political, professional, fraternal, benevolent or religious organization, private club, or other membership organization. Include dates of membership and any positions you have held with any organization. Please note whether any such club or organization restricts membership on the basis of sex, race, color, religion, national origin, age, or handicap.

Art Institute of Chicago

Beverly Country Club

Yale Club of New York

Chicago Council on Global Affairs

Chicago Architecture Foundation

Chicago Council of Lawyers. President, 1996–97

past member, American Bar Association

(presently a member of all these organizations except the ABA. Cannot remember dates I first joined.)

To my knowledge, none of these organizations restrict membership.

13. Have you ever been a candidate for and/or held a public office (elected, non-elected, or appointed)? If so, indicate whether any campaign has any outstanding debt, the amount, and whether you are personally liable for that debt.

Yes, I was a candidate for Alderman in Chicago in 1975, 1979, and 1983 and was elected each time. I was a candidate for Illinois Attorney General in 1981 (not on the ballot that year), 1986, and 1994 and was not elected.

There is no outstanding debt for any of these campaigns.

14. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$500 or more for the past ten years. Also list all offices you have held with, and services rendered to, a state or national political party or election committee during the same period.

I have not held any offices with a political party or rendered any services.

Contributions:

Oberman for Congress	2008	\$2,300
Democratic Senatorial Campaign Committee	2012	\$1,000
Friends of Dick Durbin	2011	\$500
ActBlue Illinois	2013	\$500
43rd Ward Democrats	2013	\$500
Friends of Michele Smith	2013	\$500
Friends of Michele Smith	2011	\$1,000
Oberman for Illinois	2009	\$2,000
Oberman for Illinois	2009	\$10,000(loan)
Mayor Rahm Emanuel	2018	\$1,000

15. List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognition for outstanding service or achievements.

None since leaving the City Council in 1987

16. Please list each book, article, column, or publication you have authored, individually or with others. Also list any speeches that you have given on topics relevant to the position for which you have been nominated. Do not attach copies of these publications unless otherwise instructed.

“Are Chicago Parks Free?” 1970 Wisconsin Law Review 515, attached

I have written numerous letters to the editor and op-ed pieces over the past 45 years. I have kept no record of these items.

As Chairman of Metra, I gave numerous public statements (none formal or written) about the status of Metra's budget, capital needs and other matters. I have no record of these statements. I have given no speeches relevant to the Surface Transportation Board.

17. Please identify each instance in which you have testified orally or in writing before Congress in a governmental or non-governmental capacity and specify the date and subject matter of each testimony.

None.

18. Given the current mission, major programs, and major operational objectives of the department/agency to which you have been nominated, what in your background or employment experience do you believe affirmatively qualifies you for appointment to the position for which you have been nominated, and why do you wish to serve in that position?

One of the STB's principal functions is adjudicating disputes over transportation matters. My 49 years as a practicing trial attorney, trying cases, and arguing appeals, has well equipped me to participate in the STB's decision making and to render decisions based on both the law and the facts.

As a railroad regulator, it is important that the STB understands how the railroad industry functions. My service as Chairman of Metra from 2014–16 required immersing myself in that industry in order to begin mastering its complexities. Serving on the STB will afford another important public service opportunity and will enable me to make a contribution to ensuring the efficient functioning of the railroad industry for all those who depend on it, including not only carriers and shippers, but also working men and women and the public at large, who depend on a healthy railroad industry for their livelihoods. Serving all of these interests is essential to the well-being of the Nation's economy as a whole.

Because Metra operates in the Chicago terminal, the busiest railroad hub in North America, my chairmanship taught me to respect the importance of the sensible and reasonable regulation of railroads. Metra operates 753 commuter trains each day throughout the Chicago region, mostly on tracks it shares with Class I railroads and Amtrak. Given the central importance of the Chicago terminal to the Nation's rail traffic, it was essential to quickly comprehend the major role that freight rail plays in the U.S. economy, and the necessity that passenger and freight rail work closely together in a cooperative manner, together with local and national governments, to ensure the optimal functioning of that economy. Further, one cannot assume leadership of a major commuter railroad such as Metra without being immediately impressed with the substantial ongoing capital investment needs of all railroads to operate safely and efficiently.

As Metra Chairman, I led the agency in formulating and adopting a 10-year capital program of just over \$2 billion dollars, primarily aimed at funding a renewal of Metra's rolling stock by acquiring more than 400 new rail cars and dozens of new locomotives over the 10-year period. The program included a plan to raise commuter fares each of the 10 years in order to fund debt service on a projected \$400 million bond issue to pay a portion of the \$2 billion cost. The plan was significant because in Metra's entire 30-year history, it had never developed such a capital plan for renewal of its rolling stock and had never provided an advance adoption of a 10-year fare increase plan which was much needed. Unfortunately, because of changes in capital funding by the State of Illinois, other fiscal setbacks, and difficulties in identifying appropriate manufacturers of rail cars, the plan has not yet been implemented as initially designed.

An important part of any agency's mission is to operate with integrity and efficiency. I became Chairman of Metra in 2014 at a time following major scandals involving Metra's top leadership in 2010 and again in 2013. Working closely with Metra's other board members and then-Executive Director Don Orseno, I led the effort to modernize Metra's corporate governance and to enact measures aimed at ending Metra's scandal-scarred history. Included in these changes were the implementation of a computerization of Metra's financial accounting and management systems, the creation of a professional internal audit department reporting directly to Metra's board, the adoption of a system to implement statutory anti-patronage rules which had been largely ignored in the past, and insisting on a more transparent agency culture and inclusive decision making among Metra's 11-member board. I believe all of these measures have put Metra on the path to operating as a professionally managed railroad corporation.

I will bring to STB service a life-long commitment to government's operating in an honest, transparent, and efficient manner. At Metra, I was adept at building and

maintaining consensus among diverse stakeholders. I functioned as Chair in a bipartisan manner. During my tenure as Chairman, there were only two roll call votes—of many dozens taken—that were not unanimous. At the STB, I will have an opportunity to apply my experience and leadership in service to the U.S. economy by working to ensure the continuation of a healthy railroad industry that serves the needs of the shipping public.

I will also bring to the STB a fresh outlook. At Metra, it became apparent that many aspects of the railroad industry operate on the basis of “that’s always the way we have done it.” Honoring precedent and not changing systems that are not broken are important values to which I adhere, and there are often sound reasons to continue operations and policies used in the past, particularly with respect to railroads. Nevertheless, it is also critical to be willing and able to question practices if they appear to be archaic and ineffective at meeting the changing needs of consumers and businesses or keeping pace with technological advancement and the global economy.

Congress recognized this need in the 2015 Reauthorization Act when it directed the STB to examine “whether current large rate case methodologies are sufficient, not unduly complex, and cost effective” and “whether alternative methodologies exist, or could be developed, to streamline, expedite, and address the complexity of large rate cases.” My entire career has been based on a commitment to well thought-out approaches to setting government policy, pursued only after thorough homework and consultation with available experts while ensuring the participation of all stakeholders. That is the approach I will follow if confirmed to serve on the STB.

19. What do you believe are your responsibilities, if confirmed, to ensure that the department/agency has proper management and accounting controls, and what experience do you have in managing a large organization?

While the Chairman has primary responsibility for managing the STB, all Board members must take responsibility to be timely informed of the agency’s operations, and to assist and support the Chairman cooperatively in carrying out those responsibilities while holding the Board and all staff accountable for proper management and fiscal practices. Referring back to my recent experience as Chairman of Metra, I led and oversaw Metra’s modernizing its management and fiscal accountability mechanisms. Other efforts I undertook to reform and modernize Metra discussed above have prepared me for the proper role of serving on a board of a large organization and holding all concerned accountable, while not micro-managing. This is the approach I would follow at the STB, if confirmed.

20. What do you believe to be the top three challenges facing the department/agency, and why?

a. The Board needs to implement the mandates in the 2015 Reauthorization Act. The Congress (and others) have made it clear that the Board’s approach to its economic regulatory function needs to be improved and determining appropriate approaches to this assignment is a top priority. In particular, examining the SAC test and exploring alternatives ranks high on the Board’s needs. Further, in light of the changes in permitted Board member communications under the Reauthorization Act, the Board must act to ensure transparency and accountability as it moves forward under these new procedures. It is my understanding that the two current Board members have already enacted procedures to accomplish these requirements and the other Board members must reinforce and commit to those efforts.

b. The Board needs to examine and implement its new responsibility to initiate investigations to ensure proper service by the railroads. Because this is a new role for the Board, the Board needs to adopt measures for the careful and judicious exercise of this responsibility. While ensuring that the Nation’s economy is well served by a high functioning and healthy railroad system is a central responsibility of the Board, the Board must nevertheless maintain a proper perspective with respect to this newly granted power.

c. The Board needs to adopt and adhere to a timely and efficient decision-making process, both with respect to cases between parties and its rule making responsibilities. With additional new board members, the Board must quickly and efficiently address the backlog of pending matters and adopt efficient procedures going forward because the Board’s constituents are entitled to timely and responsive decision making.

B. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, and other continuing dealings with business associates, clients, or customers. Please include information related to retirement accounts.

I have practiced law as a sole practitioner for nearly 30 years and have recently wound down my law practice. My one remaining pending case is a contingent fee matter pending in the Illinois Appellate Court which I have made arrangements to refer to another lawyer if I am confirmed and would anticipate retaining a percentage of the fee if one is earned. It is my understanding that the OGE has approved this arrangement.

I am counsel in one other matter which has settled and in which I have been awarded a fee and am awaiting final distribution of funds.

Both of the above matters have no relationship to the STB or the Federal Government.

I have a profit sharing plan and a separate investment account, both of which have been fully disclosed on my 278 form. The OGE has indicated in my ethics agreement those investments which must be divested at the time I begin government service and I have committed to doing so.

I am also making arrangements for both investment accounts to acquire only exempt investments, such as mutual or index funds, going forward and during the time I would serve on the STB.

2. Do you have any commitments or agreements, formal or informal, to maintain employment, affiliation, or practice with any business, association or other organization during your appointment? If so, please explain.

None other than described above.

3. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

See answer to 1, above. Those investments which would involve conflicts will be divested before beginning government service. Otherwise, none.

4. Describe any business relationship, dealing, or financial transaction which you have had during the last ten years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None, to my knowledge.

5. Describe any activity during the past ten years in which you have been engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

As Chairman of Metra, I publicly advocated for the Congress to extend the deadline for implementation of PTC because it was physically impossible for Metra to create and activate such a system within the time originally allotted.

Also, as Chairman, I regularly met with members of the Illinois Congressional delegation to urge more Federal funding for public transportation, such as Metra, which is in great need of additional funding.

I also had frequent communications with Amtrak urging a revision of the relationship between Metra and Amtrak concerning Union Station in Chicago.

6. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

I resigned from the Metra board in June, 2017 which will mean that my service on the STB, if confirmed, will be more than one year after leaving. I intend to closely monitor cases which might directly involve Metra and if I do not believe I can independently and objectively participate in such matters or if there is a concern about the appearance of impropriety, I would recuse myself from participation. I plan to seek advice and counsel on such matters from the STB's ethics officials should such situations arise.

Upon confirmation to the STB, I will completely terminate my law practice, which is nearly terminated at present, as discussed above.

I will also resign from my unpaid position on the Board of Chicago Metropolitan Agency for Planning.

C. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics, professional misconduct, or retaliation by, or been the subject of a complaint to, any court, administrative agency, the Office of Special Counsel, professional association, disciplinary committee, or other professional group? If yes:

- a. Provide the name of agency, association, committee, or group;
- b. Provide the date the citation, disciplinary action, complaint, or personnel action was issued or initiated;
- c. Describe the citation, disciplinary action, complaint, or personnel action;

d. Provide the results of the citation, disciplinary action, complaint, or personnel action.

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority of any Federal, State, county; or municipal entity, other than for a minor traffic offense? If so, please explain. No.

3. Have you or any business or nonprofit of which you are or were an officer ever been involved as a party in an administrative agency proceeding, criminal proceeding, or civil litigation? If so, please explain. No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, please explain. No.

5. Have you ever been accused, formally or informally, of sexual harassment or discrimination on the basis of sex, race, religion, or any other basis? If so, please explain. No.

6. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be disclosed in connection with your nomination.

None, other than what appears on my resume and as stated above.

D. RELATIONSHIP WITH COMMITTEE

1. Will you ensure that your department/agency complies with deadlines for information set by congressional committees?

Yes, I believe that congressional oversight is essential to our government's proper functioning and must be respected.

2. Will you ensure that your department/agency does whatever it can to protect congressional witnesses and whistle blowers from reprisal for their testimony and disclosures? Yes.

3. Will you cooperate in providing the Committee with requested witnesses, including technical experts and career employees, with firsthand knowledge of matters of interest to the Committee? Yes.

4. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

RÉSUMÉ OF MARTIN J. OBERMAN

Career Experience

Law

1989 to present, Complex civil litigation across a broad array of substantive matters, including medical and legal malpractice, commercial disputes, local taxation, constitutional rights, employment and university tenure discrimination issues, civil rights, consumer fraud, shareholders derivative, securities fraud, RICO violations, and land use. Argued appeals in Federal and state appellate courts. Admitted to practice in the U.S. Supreme Court, Illinois Supreme Court, U.S. Courts of Appeals for the Third and Seventh Circuits, and the U.S. District Court for the Northern District of Illinois.

1988–89; partner, Gould and Ratner.

1979–81 associate, Gottlieb and Schwartz.

1975–79, 1981–87, Part time private law practice while serving in City Council.

1969–72, associate, Leibman, Williams, Bennett, Baird and Minow (now Sidley & Austin).

Bar Memberships

Chicago Council of Lawyers. President, 1996–97

Past member. American Bar Association

Past member, Chicago Bar Association

Government Service

September 2017 to present Board member, Chicago Metropolitan Agency for Planning (CMAP).

February 2014–November, 2017 Chairman, Board of Directors, Metra.

2013–2017 Member, Board of Directors, Metra.

2013 Member, Midway Airport Advisory Panel, appointed by Mayor of Chicago.

1987–88, Chair, Chicago's Shoreline Protection Commission. Directed wide-ranging group of experts, government representatives, and community leaders in producing

detailed planning and engineering report for the complete rehabilitation of Chicago's shoreline while ensuring the highest degree of environmental protection.

1975–87, Alderman of Chicago's 43rd Ward.

- Engaged in detailed oversight of city budget and worked to achieve numerous cost-saving measures. Also worked for reforms to achieve a more open budget-making process, a freedom of information law and other reform measures.
- Chair, mayoral *ad hoc* commission comprised of labor and management representatives appointed to develop municipal employee collective bargaining system in order to guaranty collective bargaining rights to city employees. 1979–80
- Chair, City Council Committee on Public Records and Information, 1983–86
- Examples of legislative priorities and achievements:
 - Created Planned Manufacturing District concept, first in the United States, to protect heavy industrial areas.
 - First Chicago alderman to champion community or neighborhood team policing, a ground-breaking concept at the time.
 - Chief sponsor and catalyst for numerous anti-corruption measures, structural reforms of city government, gay rights and non-smoking ordinances.
- Best Alderman award from Independent Voters of Illinois.

1973–74, first General Counsel to the Illinois Racing Board. Handled numerous assignments, including largely rewriting the Board's regulations, advancing far reaching proposals to prevent abuse through drugging, drafting a completely new statute for the industry, and conducting investigations of corrupt activities.

Education

University of Wisconsin Law School

Honors: Wisconsin Law Review, Note Editor, 1968–69

Order of the Coif

Juris Doctor, 1969

Yale University

Bachelor of Arts, Psychology, 1966

Culver Military Academy, 1962

Class valedictorian

Personal

Married to Bonnie for 47 years. Two children, Justin and Maren.

Senator WICKER. Thank you very much.

And thanks to both of our witnesses for staying within the allotted time.

Mr. Oberman, I think Esmae behaved very well——

Mr. OBERMAN. So far.

Senator WICKER.—during your testimony. Can I assume you're a J.D. Salinger fan?

Mr. OBERMAN. Actually, my daughter selected the name. It's spelled slightly different from the "Esmé—with Love and Squalor" spelling. But I am a J.D. Salinger fan. And I wrote an honors paper at prep school on that story. So yes.

[Laughter.]

Mr. OBERMAN. And that was a long time ago.

Senator WICKER. And that will be submitted for the record without objection.

[Laughter.]

Mr. OBERMAN. If I—if I can find it.

[Laughter.]

Senator WICKER. Thank you so much.

Mr. Dearborn, let's talk about Gulf Coast rail. As you know, we had this before Hurricane Katrina, and we've gone without pas-

senger rail service since then. The Southern Rail Commission has indicated that this service will be restored. It will begin a state-supported route from New Orleans to Mobile, and with the hopes eventually of continuing that expansion on to Orlando.

Given that there is high demand, adequate population along this Gulf Coast route, and the local community is willing to provide a portion of the funding, do you believe this is economically viable for Amtrak? And what economic impacts would a passenger service from New Orleans to Mobile and back have for communities along the Gulf Coast?

Mr. DEARBORN. Senator, thank you for the question. I'm very familiar with that route. I was familiar with it when it was up and running prior to Katrina. I certainly recognize your leadership, your strong leadership, on trying to restore the route. I do think it shows promise and economic viability for the communities all along the Gulf Coast. I think it's something that deserves serious consideration. If confirmed, I would want to work with management and with you, your staff, and this Committee to do everything we could to try to reestablish that service to make sure that the ridership is up. And I do believe that it would create a good economic development along the Gulf Coast.

Senator WICKER. OK. Now let me shift to long distance service, and there may be others on the Committee that want to ask about this, too. We hear concerns from communities that rely on long distance service that Amtrak is attempting to eliminate many of these routes. What is your view on this? Are you aware of the beneficial impact of Amtrak's long distance service of the ridership that occurs on long distance service, of the effect that it has on rural communities and states, such as mine, as well as regions, like the Northeast Corridor? And will you commit to communicating with Congress on Amtrak's intentions regarding the future of the national passenger rail network, including long distance service?

Mr. DEARBORN. Yes, Senator, I think that long distance service is a critical part of the national passenger rail system. I think you hit the nail on the head with regards to communication. I think it's going to be important for the management team, as well as the Board, to work with the Members of this Committee, Congress, and the Administration to continue to support and aid a long distance service across our country. I am committed to it. I do believe it's important. It faces serious challenges, but I think those are challenges that we can work on together.

Senator WICKER. Thank you very much. And then have you familiarized yourself yet with the Federal court ruling on the provision passed by Congress to allow FRA and Amtrak to write performance metrics and standards? Is this something you have looked into yet?

Mr. DEARBORN. Senator, I'm aware of the recent court decision. I understand that FRA is now directed to go back and look at creating new metrics. But I haven't had a chance to look at it in depth. I'll make sure it's a priority of mine.

Senator WICKER. OK. Well, given this ruling, please supply then for the record what you see as the next steps for Amtrak to fix the on-time performance problem. And also I think we should note that

the Durbin-Wicker amendment was passed as an amendment to the appropriation bill this week that deals with this issue.

Thank you very much.

Mr. DEARBORN. Thank you, Senator.

Senator WICKER. Senator Nelson, you are recognized.

Senator NELSON. Mr. Chairman, I'm going to—since I deferred in giving an opening statement, I'm going to make a statement. So a quick statement, so if you would start the clock when I start the questions.

Because this is Amtrak and because you have to worry about passengers walking on a train with a gun, there is before us the allowance by the Department of Justice and the U.S. Department of State, the allowing of blueprints of 3D-printed guns to go onto the Internet August the 1st. You're starting to hear something about this. I just gave a speech yesterday on the floor about it.

I won't go into all the details. But the essence of all of our efforts, including Amtrak, to protect its passengers, obviously, TSA at airports, obviously the Sergeant-at-Arms at Capitol Police in the Capitol complex, obviously all of the myriad security inspections at courthouses and State houses, et cetera, et cetera, is going to be for naught if we suddenly have the capability of a plastic gun now having the blueprints allowed to be put out by the U.S. Government on the Internet come August the 1st.

I plead for the administration to reverse its decision. And anybody who thinks, "Oh, you'd catch it because there would be a metal bullet," not so. They've got it to where the plastic can be hard enough that the bullet can actually be plastic as well. And as a result, we have a new threat that is facing us.

There is legislation out there that would require any gun to have a metal—it's not legislation, it's law—a metal attachment, but what has happened is that they've gotten around that by making the metal part of the gun, which would be picked up by a machine, an X-ray machine, that that's detachable. And so this is the condition that we find ourselves in, and because this is Amtrak, and since you all are going to be having to do with transportation, it's an appropriate issue to bring up.

Thank you, Mr. Chairman.

Now, Mr. Dearborn, it looks like that Amtrak is further along than other passenger and commuter railroads in the Positive Train Control implementation. Do you know the status of Amtrak's progress? Do you believe they'll meet the deadline at the end of the year?

Mr. DEARBORN. Senator, thank you for the question. I think safety is the key priority. I am familiar with Positive Train Control, and I do recognize that it is Amtrak's goal to meet the deadline at the end of the year to be certified as PTC-ready and capable, and to work on any areas that aren't currently and to develop mitigation and plans to deal with the risk so that they are still operational. And they're working with all their—all the stakeholders on the rail, host railroads, commuters, and others to try to meet that deadline.

Senator NELSON. I second the comments of the Chairman about the Gulf Coast train service that was suspended after Hurricane Katrina. Those folks—you all are studying it. You've basically

given the green light, but there are hiccups along the way, and I would join the Chairman in certainly encouraging that that service be restored.

Mr. Dearborn, it is incumbent upon me, as the Ranking Member, that I need to ask you this question. We understand that you have been a part of the Senate family and that you are well regarded around here, but this issue has arisen, and it is incumbent upon this Committee that we get it on the record.

Media reports indicate that you have been the recipient of e-mails by several people associated with the Russian interest attempting to meet President Trump prior to the 2016 election. And according to these reports, at least one of these people who e-mailed you was Paul Erickson, who reached out on behalf of Aleksandr Torshin, a Deputy Governor of Russia's Central Bank and a member of Russia's President Putin's United Russia Party.

Mr. Erickson appears to be listed as U.S. Person 1 in the Special Counsel Robert Mueller's indictment of Maria Butina, who was charged with conspiracy and acting as a foreign agent in the U.S. The incidences of the Russian interference in the 2016 election, and possible interference in the upcoming election obviously is under discussion, and it's very serious. Do you have anything to comment on for the record with regard to these e-mails that came to you from Mr. Erickson?

Mr. DEARBORN. No, sir, I don't.

Senator NELSON. OK, we'll let that stand for the record.

Senator WICKER. Thank you.

And Senator Fischer is next followed by Senator Tester.

**STATEMENT OF HON. DEB FISCHER,
U.S. SENATOR FROM NEBRASKA**

Senator FISCHER. Thank you, Mr. Chairman. And thank you, gentlemen, for being here today.

Mr. Oberman, as you know, railroads are vital to our economy, but so are the shippers that they serve. If nominated, how would you ensure your work maintains that balance between shippers and railroads at the STB?

Mr. OBERMAN. Thank you for that question, Senator. The key, of course, is the word you used "balance."

[Microphone malfunctions.]

Mr. OBERMAN. So when I was on the Council, Mayor Daley frequently turned off my microphone, but I didn't have the ability to turn it back on myself.

Senator FISCHER. I had nothing to do with that.

[Laughter.]

Mr. OBERMAN. But I realize I have to act here, so I apologize.

The question is balance. And it's a very nuanced question. And as I'm sure you know and as I have been immersed in recently, the STB has before it the consideration of a number of issues that deal with that balance, an intense study of the whole rate regulation function of the Board along with a proposed rulemaking involved with competitive switching, which, of course, has to do fundamentally with that balance. And if confirmed, I can tell you that I will focus very carefully on a fair resolution of those issues.

What does impress me, as I said in my statement, is the enormous capital costs that it takes to run a railroad, and we don't want to have ratemaking which undermines the ability of the railroads to deliver and at the same time recognizing that there are situations around the country where shippers may need some relief from that, and we've got to make it practical. I think that's really the key, and that's what I would focus on if confirmed.

Senator FISCHER. In your testimony, you talked about your experience at Metra working with freight railroads in one of the busiest railroad terminals in the world. So what experience did you take away from working with all of those various interests at the Chicago terminal? And what do you think will be the number one experience that will most help you at the STB?

Mr. OBERMAN. Well, that's an excellent question, and, of course, the main railroads we dealt with go right from your state; the BN and the UP operate four of Metra's seven lines. So we interacted with those railroads on a regular basis.

I—what I found is that everybody in the railroad industry recognizes this interrelatedness that is so key when you have so much traffic operating on the same tracks together. And it won't work unless you operate daily on a cooperative basis. You can't litigate every dispute. You've got to have a way to resolve things and make the system work. And the operations folks at Metra, who I respected, particularly our then-CEO, Don Orseno, were just a genius at working out problems so that all the trains flowed through smoothly. And having a 95-percent on-time record with the passenger side and acknowledging the interests of these major freight carriers, the UP and BN, it just was a tribute to the goodwill, I think, of the people on all sides of—on both sides, on both passenger and freight. And that's really what I take away.

The STB has a wonderful staff that I'm learning—I've been meeting that do informal dispute resolution every day, and the system wouldn't work if the STB didn't have that function. So, if confirmed, I would certainly be a person who—to support the continuation of that sort of positive attitude of walking out—working out solutions so that disputes don't have to be litigated because, as a trial lawyer for 49 years, what I know is that litigation is usually the worst way to resolve a dispute.

So I think that's really the key, the cooperative interrelation between railroads, passenger, freight, shippers, labor. Everybody has got to be heard and accommodated.

Senator FISCHER. Thank you.

Mr. Dearborn, thank you for being here today, and thank you for your service in various capacities throughout the years, especially here in the Senate, and your willingness to continue to serve, sir.

Nebraska has one long distance route through the state. And I should quiz you on it, but it's the California Zephyr. And I have several constituents who have reached out to me seeking better service along that line. At the same time, the current President and CEO of Amtrak, Richard Anderson, is making a number of changes to reorganize the railroad. Do you think the goal of better service on Amtrak routes, like the California Zephyr, is compatible with the current direction of Amtrak? And if so, how?

Mr. DEARBORN. Thank you, Senator. I do think it's compatible. I think that the long distance routes are a critical part of passenger rail. I think that the opportunities, especially in State-supported services, the ability to focus on increasing ridership, whether it's interstate rail or commuter, is probably the growth for Amtrak. I think that Amtrak should be focused on is operating costs. And I think at the same time, the main focus on top of safety always is increasing its ridership, and by doing that, it also has to—by increasing its ridership, it will increase its revenue. And that, I think, will allow us to have a very robust long distance service.

Senator FISCHER. Thank you, sir.

Thank you, Mr. Chair.

Senator WICKER. Thank you.

Senator Tester, I should have recognized you early. I'm sorry for that. But before I do, let me note that we are honored today to be joined by the Chairman of the Surface Transportation Board, Ann Begeman, who is a former Staff Director of this very Committee.

So, Chair Begeman, we are delighted to have you.

Senator Tester, you are recognized.

**STATEMENT OF HON. JON TESTER,
U.S. SENATOR FROM MONTANA**

Senator TESTER. Thank you, Mr. Chairman.

And I'm going to follow up on Senator Fischer's questions just a little bit.

Increasing service, better service, and increasing ridership is kind of like the chicken and the egg, which comes first? You have ridden passenger trains here in the United States.

Mr. DEARBORN. Yes, sir.

Senator TESTER. Have you ever ridden any passenger trains in Europe?

Mr. DEARBORN. I have.

Senator TESTER. You have. I have not. I have been told that their service is better, the experience is better, and this is what I've been told, secondhand information.

So the question is, what can we do? Because I don't think the ridership comes until the service comes, myself.

Mr. DEARBORN. Right.

Senator TESTER. What can you do, being a member of the Surface Transportation Board to increase—what will you advocate for to increase the quality of service of the Amtrak experience?

Mr. DEARBORN. Well, I think it's competition. Every mode of transportation is going to require competition. You have to have a product that the consumer wants to purchase. It has to be convenient, clean, and comfortable. We have to—we have to think through, "What are the things that a rider would want on the train?", the focus on increasing Wi-Fi service, looking at what can be done on social media, entertainment, food and beverage.

When you choose your route, do I go in the car, do I take the plane, or do I have a chance to take rail? And we should do everything—I think that the Board, working with management, should do everything it possibly can to make ridership more attractive, to look for innovation.

Senator TESTER. And you will advocate for those kind of things to increase the——

Mr. DEARBORN. Yes, sir, I would.

Senator TESTER. So right now, we're kind of in a conundrum because we have the Empire Builder in our state, the Senator of Nebraska and the Chairman talked about different routes in different parts of the country, and I get the impression that Amtrak is being reduced, not built, because it's requiring taxpayer dollars. How do you feel about that? Do you think taxpayer dollars are necessary to keep Amtrak going, or do you think you should pare down to the point where you only have the lines that are profitable?

Mr. DEARBORN. Well, Senator, I don't have a crystal ball to know whether or not Amtrak——

Senator TESTER. Your personal belief.

Mr. DEARBORN. My personal belief?

Senator TESTER. Yes.

Mr. DEARBORN. I'm—I'm definitely going to share that with you, which I can't predict whether or not Amtrak in future years could operate without financial assistance. I would hope that if we do focus on creating a good product, a service that people are comfortable with, enjoy, and it's affordable, then revenues will rise, and as they rise, maybe the dependency on those Federal dollars would be less.

Senator TESTER. OK. In the meantime, I certainly hope you advocate, because I think it's an important part of infrastructure for this Nation, and I think it's a piece of infrastructure we don't utilize enough as a country.

Mr. DEARBORN. I agree.

Senator TESTER. And so—and that brings me to you, Mr. Oberman.

Mr. OBERMAN. Yes, sir.

Senator TESTER. Over the last 70 or 80 years, we've seen a lot of railroad lines abandoned for a number of reasons, and they're justifiable economically. I don't know if the Surface Transportation Board has oversight on these lines that have been abandoned after they've been abandoned. Could you enlighten me if they do?

Mr. OBERMAN. Well, I'm not yet a legal expert in the nuance of that law. In order—as I understand it, Senator, a railroad can't abandon a line totally without getting approval from the Surface Transportation Board. There is a point in the process—and a lot of this is, sort of, based on the language because abandonment, there are different kinds of abandonment.

Senator TESTER. Yes.

Mr. OBERMAN. But I think at the point where there has been a true abandonment and there is simply no more railroad and the Surface Transportation Board has approved it—I may be wrong on this—then it's over.

Senator TESTER. Yes.

Mr. OBERMAN. But there are a lot of lines which are, sort of, in abeyance or they're not being used, and the Board does have jurisdiction.

Senator TESTER. Yes. And they're not there being used, and oftentimes what they'll do is they'll store cars on them. The issue isn't that I don't—I mean, I think the bigger carriers have every

opportunity to do that, and I think that they need to. I guess the question becomes, is, when do they become available for short-line railroads to be able to utilize? As my father said, "the best way to ship weight is on the rails, not on the roads." And when would they become available for short lines to be able to use to keep that weight off the roads and, quite frankly, the traffic? Is—do you guys have any oversight over doing that? I mean, even if they're using the lines to store cars on, they're really not using the lines, if you know what I mean.

Mr. OBERMAN. Well, that is—I hesitate to give you a definitive answer—

Senator TESTER. Yes.

Mr. OBERMAN.—as a careful lawyer because I think that is a nuanced question. Certainly, the STB does have some very broad power which it doesn't use, shouldn't use, very often to direct railroads to provide service where it's not being done. And I think there are some situations, I think they're very fact-specific, where if there was a need shown, that STB could be influential in getting those decisions made, but I hesitate to go any further than that because I think it's—

Senator TESTER. You're a smart man.

Mr. OBERMAN.—a very subtle legal question.

Senator TESTER. Thank you. Thank you very much.

And thank you both for being here today.

Senator WICKER. Thank you, Senator Tester.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

As I said in my introduction, Mr. Dearborn, you have quite a love for railroads and a lot of interest, and I know that you've looked at this position probably I suspect for a long period of time as something you'd like to do.

Have you thought about what priorities you might be wanting to pursue in this position when you're confirmed?

Mr. DEARBORN. Thank you for the question, Senator. And, yes, I have. I think priority one is safety. I think this Committee, Amtrak's management, the Board, the administration, the Department of Transportation, I think everybody is focused on the safety of passenger rail. I don't think we can lose focus on that. I think that has to be job and mission priority number one.

Increasing ridership, providing alternatives for consumers so that you're competitive with not only taking a plane, but that choice of whether or not to get on a highway I think is also a critical piece to it.

Being smart about how the money is spent. I think Amtrak actually has been successful since 2007 in reducing its debt by about 60 percent, but it has some more to go. And I think as we increase ridership, as we focus on the quality of the product, the choice for the consumer, and always maintain our safety, then we probably have our priorities in line.

Senator INHOFE. Well, I understand that Richard Anderson apparently has made a lot of statements and written about changes, implementing changes, efficiencies, in this very thing that you're talking about. Have you looked at anything that is being consid-

ered by him or some of his work in terms of things you would either agree or disagree with?

Mr. DEARBORN. I've been trying to make myself familiar with—with some of the—some of the changes that he has been proposing. I know several of them are controversial. I get the sense that he is trying to make sure that Amtrak runs efficiently. I think bringing on Ken Hylander as the new Executive Vice President to focus on instituting a safety management system was one of the best changes that could have been made for Amtrak. Again, I think it goes to safety. I think that was probably the most important.

I know that there are other issues that—that I'll—I'm sure I'll be asked about or confront as a member of the Board if I was—if I'm confirmed. But I do think that the CEO and the management team, I think, has their priorities in place.

Senator INHOFE. Mm-hmm. You know, you're used to the political system and some of the competition that's out there. I think you're going to be confirmed, and when you are, there are going to be a lot of competing efforts. For example, when the Senator from Nebraska talked about the California Zephyr, and, you know, I could care less about that—

[Laughter.]

Senator INHOFE—but I am interested in the Heartland Flyer.

Mr. DEARBORN. Heartland Flyer, yes, sir.

Senator INHOFE. Which I'm sure comes as a surprise to you.

[Laughter.]

Senator INHOFE. So there are going to be times when we'll have opportunity. For the benefit of my friends on the Committee, the Heartland Flyer is one they use—it's really Dallas to Oklahoma City. Now, if you want to go anyplace on the West Coast, you have to go Tulsa to Dallas to Oklahoma City to Dallas and then start—if you want to go the other way, there is an effort and have been for as long as I remember in trying to get the Heartland route to go north of Oklahoma City. Now, that's still something that people are talking about. I don't know whether it's a consideration or not.

I guess what I'd ask you is, What is the procedure to go through, other than just political influence, I guess, in trying to get changes made that will give better service for more people, which is what you're going to try to do?

Mr. DEARBORN. Right. Well, the procedure, from what I understand it, as I made myself familiar with—with how Amtrak operates, starts with the plans that management would put before the Board to talk about efficiencies, ridership, the ability to add new lines, the ability to continue to support the lines that it has. And I think there will be multiple factors, making sure that the safety of the lines are priority one.

Senator INHOFE. Yes, but to make changes, though, is it like it would be on the Hill here, where you have an agenda. You, as a member, would put something on the agenda, a consideration of the change on one of these routes, and then they do research.

Mr. DEARBORN. Right.

Senator INHOFE. I mean, do you know what the procedure is?

Mr. DEARBORN. So I'm—at this stage, I'm not a member of the Board. I'm looking forward to being confirmed. So I'm not—I'm not really familiar with exactly the process, how they—if they bring it

up as new business, and the management then takes a look at it. But I'm happy to look into that for you and get back to you.

Senator INHOFE. Well, that's good. And when that time does come, maybe we can visit. I'd like to become familiar myself, as would everyone at this table.

Mr. DEARBORN. Well, I'll learn about it and report back.

Senator INHOFE. Sounds good to me.

Mr. DEARBORN. Thank you, sir.

Senator INHOFE. Thank you very much, Mr. Chairman.

Senator WICKER. Senator Inhofe, I would just observe that when you run for President, you're going to have some problems with those five electoral votes in Nebraska.

Senator INHOFE. And can I remind you that I'm 83 years old?

[Laughter.]

Senator WICKER. That can't possibly be true.

[Laughter.]

Senator WICKER. Senator Peters.

**STATEMENT OF HON. GARY PETERS,
U.S. SENATOR FROM MICHIGAN**

Senator PETERS. Thank you, Mr. Chairman.

Mr. Dearborn, you were a key member of the Trump campaign and the transition team. And I'm concerned because a number of campaign officials and advisors, as you know, are under investigation or arrested. And I need a better understanding of your interactions with these individuals and their activities.

Did you ever meet George Papadopoulos during the campaign?

Mr. DEARBORN. I met him one time.

Senator PETERS. Did you—did you attend an event with him, or was he present at an event?

Mr. DEARBORN. It was at the Republican Convention in Cleveland, and I met him one time. It was just, "How are you?" "Hi, I'm George." "I'm Rick." That was it.

Senator PETERS. What is your understanding of his role and involvement in the campaign?

Mr. DEARBORN. I didn't recognize that he had any role in the campaign. I've read the news stories that have different accounts, but I didn't see him as having a role per se. He was on an informal advisory board on national security.

Senator PETERS. What was your involvement in organizing the April 2016 campaign event where Trump delivered a speech on foreign policy?

Mr. DEARBORN. Just to help coordinate with the Center of National Interest. They hosted the event. It was actually their event.

Senator PETERS. You helped coordinate it?

Mr. DEARBORN. I did. I just—I worked to coordinate it at the Mayflower.

Senator PETERS. Did you invite anyone to the event?

Mr. DEARBORN. I think we invited a wide range of foreign policy experts from across Washington and the country.

Senator PETERS. Did you personally invite anyone to the event?

Mr. DEARBORN. I don't believe I did. We left most of the invitations to the Center for National Interest.

Senator PETERS. Did you have any conversations about foreign policy with anyone at that speech?

Mr. DEARBORN. No. It was a foreign policy speech. We just listened to the speech.

Senator PETERS. But you didn't talk to anybody about it?

Mr. DEARBORN. We all left after the speech was done.

Senator PETERS. What was your role in developing the 2016 Republican platform, if any?

Mr. DEARBORN. I did help. I worked with both the RNC and the campaign.

Senator PETERS. Did you play a role in determining the outcome of a platform on issues related to Russia, in particular, Russia's annexation of Crimea or providing military assistance to Ukraine?

Mr. DEARBORN. No, I didn't play a direct role.

Senator PETERS. Not a direct role? Did you play any role?

Mr. DEARBORN. I was advised of it, and that was basically the only role I played.

Senator PETERS. You played a role? You just listened to—

Mr. DEARBORN. I was told about it being an amendment that was coming up in the Subcommittee. I said make sure that we're consistent with whatever the then candidate had said on the campaign. There were six subcommittees, and I was moving in between all six.

Senator PETERS. So you're saying consistent with the campaign. So the platform dealing with annexation of Crimea and military assistance to Ukraine, that was consistent with what the candidate had said on the campaign?

Mr. DEARBORN. No, sir. I'm just saying what I said.

Senator PETERS. You said it should be consistent.

Mr. DEARBORN. I said—my only interaction was to tell folks that whatever—whatever we do, we should just be consistent with what our candidate has said.

Senator PETERS. And the platform was consistent?

Mr. DEARBORN. I'd have to get back to you on that and take a look at it directly. I—I can't remember the exact language and how that squared up with what he had said in prior speeches.

Senator PETERS. Did you attempt to connect Donald Trump or anyone in the Trump campaign with an official from the Government of Russia?

Mr. DEARBORN. No.

Senator PETERS. None whatsoever?

Mr. DEARBORN. No.

Senator PETERS. OK.

Mr. Oberman, a March alliance for automobile manufacturers' letter to the Surface Transportation Board outlines serious service issues that have been impacting the movement of finished vehicles. The alliance states that manufacturers continue to experience a serious degradation in rail service due to a slowdown in the rail network, causing a substantial delay in getting vehicles to their customers. Manufacturers have also incurred significant costs to transport and to store vehicles and are fearful they may have to temporarily at times shut down assembly plants, which, of course, is an incredibly costly thing to do.

It's not clear that the railroads necessarily have a plan to this issue, so I need to hear your commitment to dealing with this issue and how you would approach it.

Mr. OBERMAN. Yes, Senator. Thank you.

[Microphone malfunctions.]

Mr. OBERMAN. There we go again.

Of course, the Surface Transportation Board resolves service issues every day, as I mentioned earlier, on an informal basis. And, of course, shippers and manufacturers can formally bring matters to the Board. I'm not aware that there has been a formal complaint to the Board from the auto manufacturers. I know the Board is very aware of the concern, because we've talked about it, that you raised. And, of course, the Board has this—has yet unutilized due authority to instigate investigations involving service when there's a regional or national impact, which is an important threshold. And there's, of course, a number of other thresholds written into the provisions and under the new rules, which the Board did recently adopt, about what has to happen before you can do an investigation.

If I am confirmed, I have committed to very carefully looking at that newfound, newly authorized authority to respond to these kinds of important issues when they meet that threshold, and that is something I'm very much committed to examining and make sure the Board fulfills the expectations that the Congress has set for it in this area.

Senator PETERS. Thank you.

Senator WICKER. Thank you.

Senator Cortez Masto.

**STATEMENT OF HON. CATHERINE CORTEZ MASTO,
U.S. SENATOR FROM NEVADA**

Senator CORTEZ MASTO. Thank you.

Welcome, gentlemen. Congratulations on your nominations. I want to continue a discussion some of my colleagues have started with the—and raising the importance of Amtrak's long distance passenger rail service. My communities in Nevada—Elko, Winnemucca, and Reno—rely on the Amtrak service provided by the California Zephyr Amtrak line, including the annual average of about 84,000 Nevada riders who travel on the line in a year.

I just want to put it in perspective, and I know my colleagues have talked about this, but the importance to rural communities like mine. Mayor Putnam, of Winnemucca, which is a community of around 7,300 people, wrote me stating that, "Rural Nevada needs your help. The Amtrak service, train service, is an important part of the economic vitality and social fabric of my community. Many of our veterans and seniors use Amtrak to access medical services in Reno and other areas."

And also I want to reference the line is vital to the Mayor of West Wendover, who was also inquiring about an Amtrak stop and how important Amtrak is to connecting communities in rural Nevada.

And I bring this up because recently the Greyhound bus service has pulled out of this route, meaning there are even fewer towns that are able to connect to major populations for services as well.

So, Mr. Dearborn, let me start with you because I appreciate the comments that you have made already. But let me ask you this because I know one of your priorities is increasing ridership, and I'm hoping that your focus is fruitful, but in rural Nevada, it's going to be very difficult.

Mr. DEARBORN. Right.

Senator CORTEZ MASTO. Right? Because you only have so many people living there. But I will note this, I know the California Zephyr line runs through five states. Of those five states, those Senators sit on this Committee.

Mr. DEARBORN. Right.

Senator CORTEZ MASTO. And you've heard from two of them.

Mr. DEARBORN. Yes.

Senator CORTEZ MASTO. So my goal is to stress the importance and get a commitment from you about the importance, not only the Zephyr line. Yes, we want to improve ridership, but at the same time, the connectivity it brings for our rural communities to needed services and other areas, I want to stress that.

So can I ask you this, if you had a choice between lowering operating losses or shutting down a long distance line, what would you choose?

Mr. DEARBORN. I think as a national passenger rail system, I think the long distance lines are important. I hope I'm never faced with that decision, and even if I am, I would want to learn everything I possibly could. I think operating costs are important, but I think these long distance lines are an integral part as part of the national network.

Again, my focus will be on increasing ridership, making it a choice that people want to take, trying to see what we can do about taking congestion off of our roads around our major cities. And all of that revenue gain I'm hopeful will help to continue the services that we have on our long distance routes.

Senator CORTEZ MASTO. So can I get a commitment at least that you're committed to protecting Amtrak's long distance service, including working with the Senators on the California Zephyr line?

Mr. DEARBORN. You have my commitment to work with you and your staff. The long distance service for me is an important piece of the national network, and I'll do everything I can to work with you to make sure to continue its vibrancy.

Senator CORTEZ MASTO. Thank you.

Let me jump to another topic that's important for Nevada.

Mr. Oberman, again thank you for being here.

One concern in Nevada that we have, and it's unique, obviously, is there's this ill-conceived proposal to move and store nuclear waste into Nevada. One concern is the safety of transporting nuclear waste long distances by truck and rail through metropolitan areas and towns across the country. It would require the shipment of waste from 76 sites in 9,500 rail casks within 2,800 trains and 2,650 trucks hauling one case each to Yucca Mountain for over 50 years. Millions of Americans and a majority of congressional districts in the country would be impacted, and 300 miles of new railroad would be required, which brings in the STB.

On the STB's website, when it talks about Yucca, it includes a question and answer section that quotes, and it says, "Will the STB

consider safety issues?" and the answer, "Absolutely. Although freight rail safety is the primary responsibility of the Federal Railroad Administration, the STB must take safety concerns into consideration. This includes both public safety and the safety of railroad employees. Safety concerns are usually raised and addressed in the STB's environmental review process."

And then I have some context. In a recent visit by some Yucca proponents, there were two train derailments in close proximity to Las Vegas within a 36-hour period of their tour where these outsiders to Nevada implied there were no safety issues. Well, I can tell you I have concerns based on what just recently happened.

So I ask you, as a Member of the Surface Transportation Board, can I get a commitment from you that during your term on the Board, you will be transparent, consider these safety concerns, and work to include me and my office on any matters related to this flawed concept of siting any new rail lines in Nevada?

Mr. OBERMAN. The answer is yes. If I could elaborate just very briefly.

Senator CORTEZ MASTO. Please.

Mr. OBERMAN. One of the things that is drilled into the head of anybody in a railroad of any kind, and this was true at Metra, and Rick has talked about it, is safety. Safety is first in the railroad industry in every respect. If you can't be safe, you shouldn't be really—you shouldn't run the train. So I don't have to be impressed about the importance of safety; I'm already there.

The STB has a broad mandate dealing with new lines, in their words, of public necessity and convenience, and it has an environmental mandate. And so, yes, safety issues are there for the Board's consideration and the licensing function of approving new lines. So, yes, they have to be considered. As I understand it, there's a long pending application from DOE which hasn't been voted on, and I would be called—may someday be called to vote on it, so I shouldn't express an opinion on how I would vote, but I'm certainly very sensitive that those issues have to be considered if and when the Board is ever called on to take action on that application.

Senator CORTEZ MASTO. Thank you. I appreciate that. And thank you. I notice my time is up.

Thank you, Mr. Chairman.

Senator WICKER. Thank you very much, Senator Cortez Masto. Senator Blumenthal.

**STATEMENT OF HON. RICHARD BLUMENTHAL,
U.S. SENATOR FROM CONNECTICUT**

Senator BLUMENTHAL. Thanks, Mr. Chairman.

Good morning to both of you, and thank you for your service.

Mr. Dearborn, I appreciate your comments in your testimony and then in response to questions about positive train control. I hope that you agree with me that it is an essential, potentially lifesaving technology that should be installed by all railroads meeting the December 31 deadline.

Mr. DEARBORN. Yes, sir; I do.

Senator BLUMENTHAL. And that you will commit to do whatever you can—I recognize you're only one member of the Board—to

make sure it happens on Metra North and the MTA in my part of the country.

Mr. DEARBORN. If confirmed, Senator that would be a priority. I know how important that is to you and for the region.

Senator BLUMENTHAL. Thank you. I want to ask you some questions because you were very helpful to the Judiciary Committee, and I recognize that we're in a forum where it may seem unrelated to the issues of direct concern as a member of the Amtrak Board, but I feel an obligation to ask these questions, first because they bear on what you know about the Russian investigation, and then possibly on your personal qualifications for this role, and I want to make sure that you understand that they are meant in no way to impugn your integrity or be accusatory in any way.

You worked for now Attorney General Sessions when he was a United States Senator. Was part of your service during the time that he met with Russian Ambassador Kislyak?

Mr. DEARBORN. So, Senator, I probably should have said this up front. I think you alluded to it, and I think Senator Peters asked me some questions about just was I at the convention, et cetera. But you're absolutely right, I did testify before congressional committees—

Senator BLUMENTHAL. And I was there when you testified before the Judiciary Committee in closed session.

Mr. DEARBORN. That's right. Yes, sir. So—so my response to you on that or any of these lines of questions would be that I respect the procedures and process of those committees. They chose to have me answer questions in a closed and executive session. That was their decision. I feel it's appropriate—you're a member of one of those committees—but I feel it's appropriate that the members of those committees, as well as their staff, should provide the insights to all of you on this Committee in terms of any questions that relate to this issue. I hope they provide you with every answer I provided. I answered every question that they asked me. And I feel like that's the appropriate forum. And I would defer to the membership and leadership of those committees and their staff to provide you those insights.

Senator BLUMENTHAL. Well, let me ask you simply whether you know certain individuals as you sit here today?

Have you ever met Maria Butina?

Mr. DEARBORN. So, no, Senator, I haven't. But, again, I would just—at the risk of being redundant, I think any questions along those lines—

Senator BLUMENTHAL. I understand. I'm going to just ask you whether, as you sit here today, I'm not going to go into the content of any conversations you may have had with them, but just to kind of clear the air for your sake as well as the Committee's, you don't know and you've never met her.

Have you ever met Aleksandr Torshin?

Mr. DEARBORN. No, Senator. But, again, these were questions that were asked in a closed setting, and I would refer you to the committees of jurisdiction.

Senator BLUMENTHAL. Well, I was in the closed setting.

Mr. DEARBORN. Yes, sir.

Senator BLUMENTHAL. And I'm going to be very blunt with you, the closed setting in the Judiciary Committee, in my view, was completely inadequate, the reason being, quite simply, that only the staffs of the committees were permitted to ask questions, none of the Senators on either side of the aisle, not your doing, again, not meant to in any way challenge or detract from your qualifications. I'm simply seeking some facts that may not have been raised and could not have been raised, and what's more, most importantly, the American people really deserve answers to some of these questions rather than it being in a closed, completely private, off-the-record environment. So I'm not asking for your response because you didn't have anything to do with it.

Have you had any connection, or do you now, to an LLC by the name of Bridges? If you're unfamiliar with it, just say you don't.

Mr. DEARBORN. I don't know what that is. And, again, Senator, I would just refer back to my prior comment about these—this line of questioning.

Senator BLUMENTHAL. Have you had any role or ever had conversations about providing money to the Trump campaign through the NRA?

Mr. DEARBORN. No. And, again, these are questions that were asked in that same setting.

Senator BLUMENTHAL. Are you familiar or have you ever met with Konstantin Nikolaev?

Mr. DEARBORN. I have no idea who that is. And, again, these were questions that were asked in the same setting.

Senator BLUMENTHAL. You know, part of what I'm doing here is much for—it may not seem like it, but for your sake, is to establish that you had none of this knowledge or activities or connections, so that for me, when I decide how I vote, I know that you were not involved in any of these activities. I think that's important to establish.

Mr. DEARBORN. Senator, the only thing I would say is that you were there for the entire questioning period. All of these questions, and many more, were raised. I answered every question of the Committee. I've answered every question of every committee. I've been honest and truthful and forthright. I have no problem with any and all of my answers being provided to the members of this Committee. But I believe that it's—it's—it's wiser for me to defer to the members of those committees based on the processes and procedures of those committees on an ongoing investigation for the members of this Committee to work with them to receive any of this information that they would like. And I'm very hopeful that the members of these committees would wind up providing any and every answer to every question that I was asked to everyone here on the dais.

So you'll just have to forgive me if I—if I'm not answering every question that you're posing because I feel like I've asked—I've been asked all of them and answered all of them on multiple occasions. And I hope all those answers are provided to you. But, again, it is in the middle of an ongoing investigation by three committees of Congress, and I want to be respectful of those committees.

Senator WICKER. Senator Blumenthal, we can take another round, but at this point—

Senator BLUMENTHAL. I apologize, Mr. Chairman.

Senator WICKER. Thank you very much, Senator Blumenthal.

Senator Baldwin is recognized.

**STATEMENT OF HON. TAMMY BALDWIN,
U.S. SENATOR FROM WISCONSIN**

Senator BALDWIN. Thank you, Mr. Chairman.

Mr. Oberman, I want to thank you for meeting with me earlier in the week, and I'd like to further discuss one of the issues we talked about, the issue of rail service and quality of that rail service. Members of this Committee have heard me discuss rail service issues many times before, and undoubtedly have heard many of the similar concerns that I've heard in my own state of Wisconsin.

Businesses in Wisconsin rely on a freight rail system that works for everyone, and that means reasonable rates and service. When manufacturers pay more to transport their finished products, those higher costs are passed on to consumers. When agricultural producers located far distances from their markets, the same is true. And families are left with higher utility bills when energy companies are unable to receive dependable shipments.

When we met, we had a chance to catch up about my Rail Shipper Fairness Act. That Act seeks to expand competition and restore balance to the regulatory environment. The STB can and should act on its own to fulfill one piece of that legislation aimed at providing competitive rail service. If confirmed, I would ask for your commitment to moving forward with the pending rulemaking on reciprocal switching. Can I have that commitment?

Mr. OBERMAN. Yes, Senator. That is a pending matter. And I would really like to say that, first of all, the meeting with you was very enlightening, and I had asked to see the language in your bill, and your extremely able and efficient staff e-mailed it to me almost immediately, and I've got it sitting here, and I'm studying it, although I've had a lot of reading since you and I met.

But I'm well aware that there is a competitive switching proposal on the Board's agenda; it's been pending there. And it's something that I want to study very closely and specifically the language you've suggested from several areas, both the substantive policy and whether and how far the Board can go in its rulemaking function as compared to needing legislation. So both of those are very much on my agenda to study carefully.

Senator BALDWIN. I appreciate the Board's focus on service performance of Class I railroads and have followed suit to ask the Class I railroads in Wisconsin for their plans to improve service for the rest of this year. I want to hear your reaction to high-profile disruptions like that of CSX last year. We saw firsthand what happens when a hedge fund runs a railroad. And so briefly, do you believe that the STB took appropriate action in response to the CSX service disruption?

Mr. OBERMAN. I don't know all of the specifics of what the STB did. I know that the STB staff that deals with the daily resolution of complaints was in high gear and received many of the concerns and complaints about those disruptions, and from my understanding, was very active in trying to get them resolved. The STB did not initiate any formal process under its new statutory author-

ity. And I don't know enough of the actual facts beyond what I read in the media, and I was well aware of the concerns that were going on.

As to whether those disruptions would have, for example, met the standard of being of regional or national concern, they were certainly broad, broadly raised, and they may have. And as I said in my opening statement, I think the Board should proceed judiciously in initiating formal investigations. It's always better if you can resolve these disruptions informally. Whether those resolutions were adequate last year or not, I just don't have enough facts to say yea or nay.

It's my understanding the situation has vastly improved since the disruptions occurred. Whether that was because CSX righted its own ship with or without the Board's help, I don't know, but, yes, they could—service, it's a continuing issue in the railroad industry, I think, because the system is so overloaded and interact, all the different forces have to interact. To me, the way I see it and what I learned at Metra, is there is sort of a constant constructive tension to make the system work right, and I think that's where the STB can play a constructive role.

Senator BALDWIN. Well, are there additional steps you would take the next time you see this level of disruption to prevent a crisis in the freight rail network?

Mr. OBERMAN. Well, I would—if confirmed, I would certainly want to make sure that our staff, which my impression is, is quite able, is on top of those concerns immediately and making sure that the Board members are informed as to the level of the concerns so that if it's warranted to initiate more formal action, the Board is ready to do it, and that is something I am committed to keeping an eye on.

Senator WICKER. Thank you very much, Senator Baldwin.
Senator Duckworth is next.

**STATEMENT OF HON. TAMMY DUCKWORTH,
U.S. SENATOR FROM ILLINOIS**

Senator DUCKWORTH. Thank you, Mr. Chairman. And I thank you and the Ranking Member for holding today's hearing.

And I also want to thank both nominees for being here today. I know that two of my colleagues have already introduced Mr. Oberman earlier this morning, so I won't go over all of his accomplishments, although they are numerous. I do want to say that I am very impressed with Marty's commitment to public service. Having spoken with him on a number of occasions, it is clear to me that he enjoys a passion for public policy and effective government.

Given that, I want to discuss a little bit the fact that Illinois is the only State in which all seven Class I railroads operate. We have the second largest rail system in the Nation, and Chicago is by far the most dynamic rail gateway in America. The STB will benefit greatly from Marty's valuable perspective and experience. And welcome.

Mr. OBERMAN. Thank you, Senator.

Senator DUCKWORTH. Thank you.

Mr. Oberman and Mr. Dearborn, thank you for meeting with me privately to discuss rail and oversight issues important to Illinois.

Mr. Oberman, are you familiar with Amtrak's 2015 Chicago Gateway Blue Ribbon Panel report?

Mr. OBERMAN. I got that report when I was at Metra, and I was refreshed after you and I talked the other day, so yes.

Senator DUCKWORTH. Thank you.

The same question for you, Mr. Dearborn, are you familiar with this report?

Mr. DEARBORN. Yes, Senator. Your staff sent that to me a few days ago, and I had a chance to read through it.

Senator DUCKWORTH. Thank you. For those in the room who may not be familiar, Amtrak established a Blue Ribbon Panel in 2014 to identify infrastructure and operational improvements to address network congestion in Chicago, in the Chicagoland area, that adversely impacts Amtrak, commuter rail operations, and freight.

Working with academia and external policy groups, the panel's 2015 report suggested that congestion problems in the region create an economic vulnerability of nearly \$800 billion annually. The panel argued that enhanced operational coordination provides the best near-term opportunity to alleviate Chicago rail congestion. In other words, this is the low-hanging fruit on the path to modernizing our regional rail infrastructure. The panel recommended the use of a joint dispatch center to enhance operational coordination. Specifically, they recommended that the Chicago Transportation Coordination Office, which is a consortium of the major railroads in the region, work with other freight and passenger railroads to pursue this course of action.

And, Mr. Chairman, with your permission, I would like to enter this report into the record.

Senator WICKER. Is there objection?

[No response.]

Senator WICKER. Without objection.

[The information referred to follows:]

Report of the
Amtrak® Chicago Gateway
Blue Ribbon Panel



October 2015



THE CHICAGO GATEWAY BLUE RIBBON PANEL

Thomas Carper joined the Amtrak board of directors in March 2008, and was re-appointed in August 2013. He served as chairman of the board from January 2009 through March 2013. Mr. Carper was a small business owner from Macomb, Illinois, and served as mayor of Macomb from 1991 to 2003. He was appointed by the Amtrak board of directors to serve on the Amtrak mayor's advisory council and served as its chair from 2000 to 2001. From 2003 to 2010, Mr. Carper was regional director of the West Central region for Opportunity Returns, a state economic development program. He received his B.A. degree from Western Illinois University, and served in the U.S. Army from 1967 to 1970 in both Thailand and Vietnam.

Howard Learner is an experienced attorney and the founder of the Environmental Law & Policy Center (ELPC) in Chicago. As president and executive director, he is responsible for ELPC's overall strategic leadership, policy direction and financial platform. Before founding ELPC, he was the general counsel of Business and Professional People for the Public Interest, a public interest law center, specializing in complex civil litigation and policy development. Howard is also an adjunct professor at the Northwestern University Law School and the University of Michigan Law School, teaching advanced seminars in environmental and energy law and climate change solutions policy.

Linda Morgan is a partner in the Washington, D.C. office of the law firm Nossaman, LLP, where her practice is focused on railroad transactions and disputes and associated legislative and policy issues. From 1994 to 2002, Ms. Morgan was chair of the U.S. Surface Transportation Board and its predecessor, the Interstate Commerce Commission, where she presided over railroad regulatory proceedings including mergers and rail-service matters in the Houston/Gulf Coast Region and elsewhere. Prior to joining the STB, Ms. Morgan served for 15 years as counsel with the Senate Committee on Commerce, Science & Transportation, including seven years as general counsel. She received an A.B. degree from Vassar College, and a J.D. degree from the Georgetown University Law Center.

John Francis "Jack" Quinn, Jr. is the president of Erie Community College. He was a member of the United States House of Representatives from 1993 to 2005, representing a Buffalo, New York area district and serving as chairman of the Railroads Subcommittee of the House Transportation and Infrastructure Committee. Prior to his election to Congress, he was a public school teacher in Orchard Park, NY; served as a member of the Hamburg, New York town council from 1982–1984; and was Hamburg town supervisor from 1985 to 1993. Mr. Quinn holds a B.A. degree from Siena College and an M.A. from the State University of New York, Buffalo. His father was a locomotive engineer.

INTRODUCTION

Amtrak's Chicago Gateway Blue Ribbon Panel was created on October 28, 2014 by Amtrak President and Chief Executive Officer Joseph Boardman. The Panel was tasked with identifying infrastructure and operational improvements to address rail network congestion in the Chicago area that is adversely impacting Amtrak, commuter and freight train operations, and actions to advance those improvements.

The members of the Panel have many decades of governmental and private sector experience in rail policy issues. Collectively, they have broad knowledge of the many challenges the Chicago rail network faces.

Since the Panel's formation, its members have met with nearly 100 stakeholders and subject matter experts. They include federal, state and local elected and governmental officials and their staffs; freight and passenger rail executive, operations and planning officials; and transportation policy and finance experts. The Panel's members have also reviewed numerous studies and analyses, some conducted at their request, that were prepared by rail industry associations and consultants, academic institutions, and Amtrak operations and planning staffs. Panel members have also visited Chicago area rail facilities for briefings on their operation and challenges.

The Panel's purpose was not to write this report. Rather, its members hope that the Panel's analysis and recommendations will spur accelerated action to solve the challenges the report identifies, and implement the recommendations the Panel has made.

That action needs to begin immediately. Construction of new rail facilities takes many years. Rail gridlock will only get worse if aggressive steps are not taken now. Expansion of Chicago's commuter and intercity rail passenger services is not possible until rail congestion in critical chokepoints is addressed. If nothing is done, the next Chicago rail crisis is inevitable—and will cost the Nation and the region much more than the cost of addressing the problem now.

EXECUTIVE SUMMARY

Chicago is the hub of the United States' passenger and freight rail networks, and has the second largest commuter rail ridership of any U.S. city. Nearly every major North American industry, and consumers and rail passengers throughout the United States, depend upon efficient rail operations in Chicago for everything from keeping assembly lines in operation to getting Valentine's Day cards onto the shelves on time.

In recent years, Chicago rail operations have experienced recurring, long term gridlock. The major causes are increased demand for rail service, inadequate infrastructure not designed to accommodate current operations, and limited operational coordination among Chicago's 10, separately-operated, freight and passenger railroads.

Railroad and governmental stakeholders have taken significant steps to address these problems. The most notable is the 12-year old CREATE program, which has spurred joint infrastructure planning and investments that have already produced significant rail service and public benefits.

Despite these efforts, delays and inefficiencies in Chicago's rail network are still at unacceptable levels, resulting in recurring and increasingly severe crises that paralyze rail service throughout the United States. Real time operational coordination among Chicago's railroads remains an elusive goal. Funding for essential investments is lacking: nearly all of the Federal and state grant programs that have provided the majority of the funding for CREATE to date have not been funded in recent years. Things will get much worse if nothing is done, since all projections point to increased demand for both freight and passenger rail service. There will be no quick fixes when the next crisis occurs.

Unless additional actions to improve Chicago rail network infrastructure and operations begin immediately, Chicago's rail service will continue to deteriorate. Rail passengers and shippers will suffer increasing delays. Expansion of passenger and freight rail service will be impossible. The \$3.6 billion in public benefits projected from completion of the remaining CREATE projects will never be realized. Instead, there will be a huge negative impact on national, regional and local economies that are heavily dependent upon Chicago's rail network.

To avoid this outcome, the Chicago Gateway Panel makes the following recommendations:

1. Real time operational coordination among Chicago's railroads, including coordinated dispatching, is needed.
2. Railroads, including Amtrak, should continue efforts to improve operational performance within the Chicago terminal.

3. Adequate, sustained public funding must be provided for vital projects that will produce significant passenger rail and other public benefits.
4. The CREATE 75th Street Corridor and Grand Crossing Projects should be prioritized.
5. Additional investments should be made on the Porter, Indiana to Chicago Corridor.
6. Innovative financing approaches should be encouraged by RRIF loan program reforms.
7. Environmental review requirements that apply to rail projects should be consistent among transportation modes, coordinated among agencies, and prioritized for projects of national importance.



Union Pacific and Amtrak operations on Amtrak-owned trackage south of Chicago Union Station.

CHICAGO—THE CROSSROADS OF AMERICA'S RAILROADS

I. Beginnings

Since 1848, when the Galena and Chicago Union Railroad laid down the first rails out of the city, Chicago has always been a railroad town. The coming of the railroads propelled Chicago to the unique position it has enjoyed—the crossroads of America's railroad system; the gateway between the East and West; and an economy more dependent upon rail transportation than any other U.S. city.

By the middle of the 20th century, 38 railroads accessed Chicago, sharing six passenger terminals and interchanging traffic with each other at more than a score of major yards. None of these railroads ran through Chicago. Everything that passed through the city by rail—from passengers to pigs—changed trains there. Each railroad controlled the operation of trains over its own tracks and yards into and out of, but not through, the city.

The rail network that serves Chicago today was largely designed in the 19th century to meet the needs of individual railroads' operations. Although railroads have made large investments in recent decades to modernize and upgrade that network and associated rail facilities, some still-in-use Chicago rail facilities date to 19th and early 20th centuries.

The benefits from improving Chicago rail infrastructure, and of enhanced operational coordination among its railroads, have long been recognized. The ambitious 1909 Burnham Plan for Chicago, developed by Daniel Burnham, the architect who designed Washington, D.C.'s Union Station, proposed the consolidation of passenger stations and the construction of additional "belt" lines around the city on which tracks would be shared by all freight railroads. However, Burnham's vision for re-

structuring Chicago's rail network and operations was largely unrealized because the railroads were unable to reach agreements on enhancing and sharing rail facilities.

II. The Importance of Chicago to Passenger Rail

Chicago's importance as a national rail center is as great, if not greater, today than at any time in its history.

Chicago is the most important hub in Amtrak's national network. Each day, 56 Amtrak trains—15 long distance trains and 41 state-supported corridor trains—originate or terminate in Chicago. These Amtrak trains operate through the Chicago area over six different routes, shown in the accompanying map, on tracks owned by seven freight railroads and Metra. In FY 2014, Amtrak's Chicago Union Station handled almost 3.4 million Amtrak passengers (11 percent of total Amtrak ridership), many of whom were connecting between Amtrak routes. They accounted for \$206 million in ticket revenue, almost 10 percent of Amtrak's total nationwide. Most of the 1,400 Illinois residents that Amtrak employs work in Chicago.



Over the past decade, passenger rail service on Amtrak's Chicago-based Midwest corridors has experienced extraordinary growth in ridership, and huge leaps in the development of higher speed service. Much of this growth is attributable to strong regional and local support from elected and governmental officials of both political parties; longstanding partnerships between Amtrak and states that fund its Midwestern corridor services; and the unprecedented Federal funding provided in 2009–10 that illustrates what could be accomplished with adequate investment in passenger rail. The accomplishments to date include:

- Ridership on Chicago-based corridors in Illinois has increased 125 percent since the state provided funding to double service frequency in 2006.

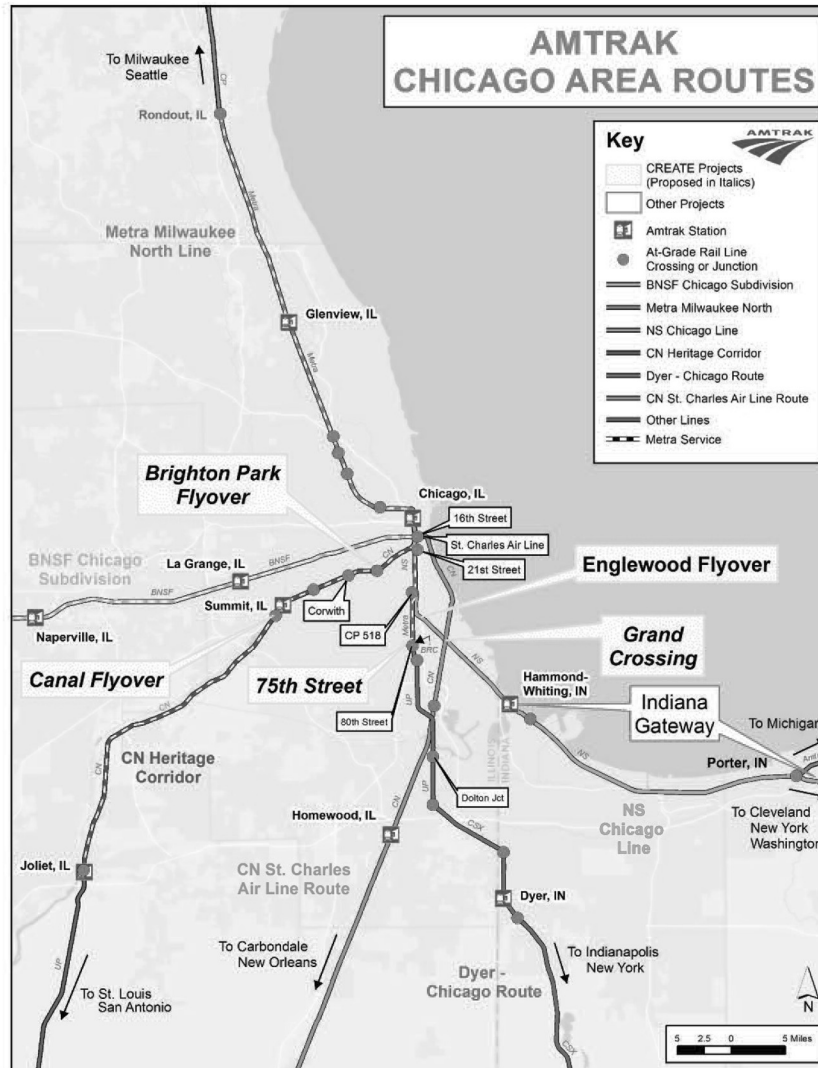
- Federal and state investments in the Chicago-to-St. Louis and Chicago-to-Detroit corridors are producing the first over 100 mph North American passenger rail service outside of the Northeastern United States.
- Investments in new intermodal stations in numerous communities in Michigan, Illinois, Missouri and Wisconsin are spurring local and regional economic development, along with enhancing connectivity and increasing ridership.

Chicago is also the natural hub of the planned high-speed rail network developed by the Midwest Regional Rail Initiative (MWRRI). The MWRRI, a partnership of nine Midwestern states, will connect Chicago with 13 large Midwestern cities and many communities in-between via trains that will provide greatly increased service on existing as well as new routes, and operate at speeds of up to 110 mph.

Chicago's Metra commuter rail service operates more than 700 weekday trains on 11 routes throughout the Chicago area, six of which originate at Chicago Union station. Metra carries more than 83 million passengers a year, the second largest commuter rail ridership in North America (surpassed only by New York City).



Amtrak's Chicago-Los Angeles Southwest Chief and Metra BNSF Line commuter train at Hinsdale, Illinois



III. The Importance of Chicago to the National Freight Network

Chicago also remains the most important freight rail hub in North America. It is the dividing point between the two major Eastern railroads—Norfolk Southern (NS) and CSX—and the two major Western freight railroads: Union Pacific (UP) and BNSF. The two major Canadian-based North American railroads—CN and CP—each have operations on both sides of the city.

Approximately 500 freight trains per day operate in the Chicago area. These trains carry a third of all rail freight traffic in the United States, and approximately 60 percent of all rail intermodal traffic (shipments in trailers and containers that move by a combination of rail and truck and/or ship). Over 600 million tons of rail freight, valued at over a trillion dollars, move through Chicago each year.



Corwith Yard, BNSF's largest Chicago intermodal terminal, which BNSF trains reach via an at-grade crossing of CN's Chicago-Joliet line over which Amtrak's Chicago-St. Louis trains and Metra Heritage Corridor trains operate.

THE PANEL'S FINDINGS

I. Recurring Gridlock Is Inevitable If Action Is Not Taken Now

The consolidation of the North American railroad industry over the past few decades into six large railroads, and significant changes in rail freight operations and traffic flows, have changed Chicago's rail transportation role. The century-old rail facilities and established operating practices have struggled to adapt to the new patterns.

For much of the 20th Century, declining freight and passenger rail traffic masked the shortcomings in Chicago's rail infrastructure and operations. But as both freight and passenger rail traffic began to surge in the 1990s, it quickly became clear that Chicago's rail network had insufficient capacity, and was poorly configured, to accommodate the growing freight traffic that moved through the city and increased demand for passenger rail service.

A. Causes of Current Congestion

A variety of factors have contributed to the gridlock that increasingly pervades Chicago's rail network.

- Today's long freight trains will not fit into the relatively short track segments between most Chicago area grade crossings. When another train is stopped ahead, freight trains must often be held miles away to avoid blocking grade crossings while they wait, which significantly reduces network capacity.
- Much of today's Chicago freight rail traffic does not move in individual freight cars on trains that terminate in the city. Instead, it travels through Chicago on unit trains carrying a single commodity (grain, coal and oil), and on run-through trains that operate directly between major yards or terminals of two different railroads. These through trains require a high level of operational coordination among multiple railroads in Chicago.
- Changes in freight railroad traffic flows over the past quarter century have disproportionately increased Chicago's rail freight traffic.
 - Railroads have concentrated traffic, particularly growing intermodal traffic, on more efficient, higher volume routings via Chicago.
 - Increased trade with and between Canada and Mexico has added new north-south rail traffic to Chicago's historically dominant east-west traffic flows.
 - When low emission coal from Wyoming's Powder River Basin began moving in unit trains to Eastern utilities, Chicago was the logical gateway.
 - Chicago is also the most direct routing for the unit oil trains that more recently have begun traveling from North Dakota's Baaken Shield to refineries and ports in the Northeast, triggering an over 21,600 percent increase in shipments of oil by rail (from just 3,000 carloads in 2006 to 650,000 carloads in 2014).
- Demand for passenger rail service in Chicago has also grown significantly, reflecting national trends. Metra ridership has increased almost 50 percent since Metra began operation in 1984. At Chicago Union Station, Metra's SouthWest Service has grown from 8 to 30 weekday trains since the early 1990s, and Metra's North Central Service, initiated in 1996, now operates 22 weekday trains. While the number of Amtrak trains serving Chicago has increased only slightly—from 52 daily trains in 2001 to 56 today—the number of Amtrak passengers at Chicago Union Station has grown more than 50 percent during the same period.

All projections point to increased future demand for rail service. States are pursuing a number of projects included in the MWRRI that would bring additional passenger trains, and higher speed service, to existing and new Chicago-based corridor routes. The volume of rail freight in the Chicago region is projected to increase 62 percent by 2040—if Chicago's rail network can handle it. And if it can't, the consequences will be dire—for rail passengers and shippers, the rail industry, the Chicago region, and the entire country.

B. Recent Crises

Gridlock on Chicago's rail network reached critical levels during the winter of 2014, impacting rail traffic throughout the United States. It created a national rail transportation crisis that reverberated for much of the year, triggering Surface Transportation Board hearings and media coverage that have focused attention to Chicago's crucial role in the national rail network and the consequences of its inability to fulfill that role.

Severe winter weather contributed to Chicago's 2014 rail crisis, but it was not the cause. As the Surface Transportation Board noted in a December 2014 decision:

While congestion in the [Chicago] area was particularly acute last winter, it has been a recurring problem at this crucial network hub.

Rail network congestion did not end when the last of the winter 2014's snow melted. Amtrak passengers and many freight shippers continued to experience severe, recurring delays due to Chicago area congestion and resulting backups on rail lines leading into Chicago. During Fiscal Year 2014 (October 2013–September 2014), the six Amtrak long distance routes with the worst endpoint on-time performance were all among the eight long distance routes that originate and terminate in Chicago. The same pattern has continued during the first 11 months of Fiscal Year 2015: seven of the eight worst performing long distance routes originated and terminated in Chicago. During both periods, less than half of the trains on these poorly performing Chicago-based routes arrived on-time—and that is with a 30 minute tolerance before trains are deemed late. Trains on some routes have experienced multi-hour delays on a near daily basis, threatening the basic viability of these services.

LONG DISTANCE ROUTE ENDPOINT ON-TIME PERFORMANCE
FISCAL YEAR 2014
(Chicago-based routes in red)

Coast Starlight	76.2%
City of New Orleans	74.5%
Auto Train	74.2%
Palmetto	66.6%
Sunset Limited	62.0%
Southwest Chief	61.6%
Crescent	55.9%
Silver Star	54.2%
Silver Meteor	52.9%
Texas Eagle	46.8%
Cardinal	40.9%
Lake Shore Limited	36.7%
California Zephyr	33.8%
Capitol Limited	32.1%
Empire Builder	26.6%

Red is indicated by light gray.

II. Significant Steps Have Been Taken to Address Chicago's Rail Crisis, But More Needs to Be Done

Over the past 15 years, the railroad industry and governmental stakeholders have taken many actions to begin to address rail congestion problems in Chicago. Without these actions, the problem would be much worse today. However, funding constraints have precluded construction of vital investments identified more than a decade ago, and real time operational coordination among Chicago's 10 major railroads remains an elusive goal.

A. CREATE Has Played a Critical Role in Improving Chicago's Rail Infrastructure, But Funding for Its Completion Has Not Been Identified

The Chicago Region Environmental and Transportation Efficiency Program (CREATE) is a partnership among Chicago's freight and passenger railroads, the State of Illinois, the City of Chicago and the U.S. Department of Transportation. Established in 2003 by a task force convened in the aftermath of a 1997 snowstorm that

paralyzed Chicago area rail traffic, CREATE has developed plans to improve Chicago rail infrastructure and worked to secure funding to implement them.

The current CREATE plan includes 70 projects to increase rail line capacity, construct rail-rail and rail-highway grade separations, and make other improvements in five major rail corridors shared by multiple railroads that traverse the Chicago area. Twenty-nine projects have been completed or are under construction, at a cost of \$1.2 billion. Railroads have provided approximately 20 percent of this amount, and the rest has come from federal, state and local governments.

Because the vast majority of CREATE projects are on freight railroad-owned rail lines, some may view CREATE as a freight railroad project. That is a misperception. Eighteen CREATE projects benefit Amtrak and 20 benefit Metra. Seventy-five percent of Amtrak's Chicago area passengers travel over rail lines that will directly benefit from CREATE. As discussed below, completion of CREATE will reduce delays and travel time for both Metra and Amtrak passengers, and is essential for future expansion of passenger rail service in Chicago and the Midwest.

Of the completed projects that benefit passenger rail, the Englewood Flyover is the most significant. Placed in service in October 2014, the Flyover is an overpass that replaced an at-grade crossing between Metra's Rock Island Line, utilized by 78 weekday commuter trains, and NS's Chicago Line, over which 14 Amtrak trains and approximately 46 NS freight trains operate each day. Completion of the Flyover has eliminated over 4,000 minutes of commuter train interference delays to Amtrak trains annually. There has also been some decrease in delays to Amtrak trains from freight trains operating on the Chicago Line, which also benefit from elimination of the at-grade crossing, although further performance improvements are needed to realize the full benefits of the project. The Englewood Flyover also sets the stage for all of the other projects below that will benefit passenger rail.

CREATE will produce other significant public benefits. It will eliminate 25 Chicago area highway grade crossings, seven of which are "911 Critical" crossings heavily used by emergency vehicles, and reduce traffic delays at many others. It will also generate significant safety and environmental benefits in both the Chicago region and throughout the United States; fewer grade crossing accidents; reduced locomotive emissions and noise from stopped trains; and more freight traffic moving by rail rather than by truck.

The 41 remaining CREATE projects will require an estimated \$2.6 billion in additional funding (in current dollars)—and Chicago's rail infrastructure needs have grown and evolved in the 12 years since the CREATE project was developed. Funding for these projects has not been identified—and, as discussed below, nearly all of the Federal and state programs that have provided the majority of CREATE funding to date currently have no additional funding available.

B. The Indiana Gateway Project Is an Important First Step in Upgrading the Critical Porter-Chicago Corridor, But Additional Investments Are Needed

The approximately 40-mile segment of Norfolk Southern's Chicago Line between Porter, Indiana and Chicago is a critical passenger and freight corridor:

- It is the entry into Chicago for 10 daily, state-supported Amtrak trains from Michigan, and the two principal Amtrak long distance routes from the Northeast: the *Lake Shore Limited* from New York/Boston, and the *Capitol Limited* from Washington, D.C.
- It is one of the most important rail freight corridors in the United States, serving as the western end of NS's primary Northeast-Chicago route and of CP's and CSX's routes from Michigan and Eastern Canada and handling approximately 90 daily freight trains.

The Federal Government and the state of Michigan have invested more than \$650 million to upgrade passenger rail service between Detroit and Chicago. These investments are transforming the Amtrak and Michigan-owned portion of the corridor between Dearborn, Michigan and Porter, Indiana into a high speed line used predominantly by passenger trains that already boasts the longest stretch of 100-plus mph track in North America outside of the Northeast. When all upgrades are completed, trains will be able to operate 110 mph over 77 percent of the 233 miles between Dearborn and Porter. The Michigan Department of Transportation projects that upgrading the entire route from Detroit to Chicago would reduce trip times by almost two hours, and plans to increase Chicago-Detroit/Pontiac service from three to 10 daily round trips by 2030.

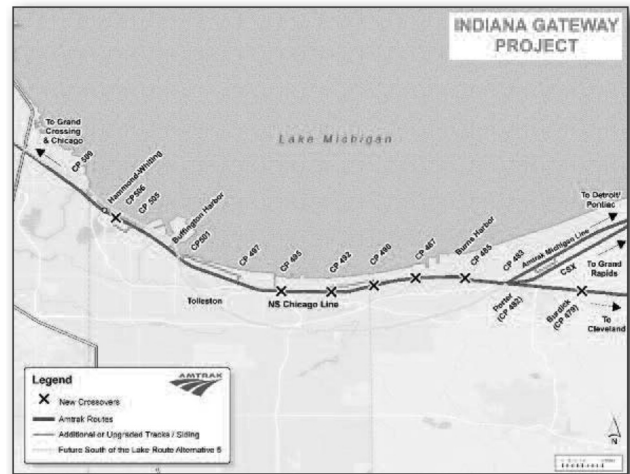
But as the map below depicts, when 110 mph Chicago-bound trains from Michigan reach Porter today, they must put on the brakes. Maximum speed between Porter and Chicago is 79 mph. Stopped freight trains waiting to enter the Chicago terminal are frequently backed up on one of the two main tracks for many miles. This

results in both east- and westbound trains alternating use of the single remaining track in this “last mile”—actually 40 mile—segment of what will soon be an almost entirely high speed passenger rail corridor.



The Indiana Gateway Project, which is currently under construction, is an important first step in upgrading rail infrastructure on the portion of the Porter-Chicago Corridor within Indiana. The project will construct seven miles of third track and crossovers at seven locations, and add or improve four sidings on or adjacent to the Corridor, to increase capacity and operational fluidity. However, it will not increase speeds, or provide capacity for planned additional passenger trains. Unless additional investments are made to address impediments to improved, expanded, higher speed service between Porter and Chicago, the benefits of the significant public investment in the Detroit-to-Chicago Corridor will not be realized.

Michigan is working with the Federal Railroad Administration on a Tier I Environmental Impact Statement and Service Development Plan, scheduled for release this year, that will identify the preferred route for a passenger-only, 110 mph, “South of the Lake” rail line between Porter and Chicago. In conjunction with the agreements that provided Federal funding for the Englewood Flyover and Indiana Gateway Projects, Amtrak, NS and Illinois/Indiana entered into Development Rights Agreements that give Amtrak the right to construct tracks dedicated to passenger/high-speed rail service within the NS right-of-way and on NS property between Porter and 21st Street in Chicago. These rights would facilitate incremental development of passenger only tracks along the Porter-Chicago Corridor, benefiting both passenger and freight service. But there is no money for additional investments beyond the Indiana Gateway Project.



C. Operational Coordination Among Chicago Railroads Has Improved, But Real Time Communication Must Be Enhanced

Train dispatching and communications practices among Chicago-area railroads were designed for an era in which each railroad operated in relative isolation, running trains predominantly over tracks it owned and terminating most trains in its own yards. Despite recent improvements, they are hard pressed to meet the demands of today's Chicago rail environment: run-through trains operating over multiple railroads; most freight car classification performed in a small number of shared yards; and record volumes of freight traffic that can quickly produce gridlock conditions.

Train dispatching in Chicago is very different from air traffic control. The railroad dispatchers responsible for the movement of trains over Chicago's rail network work for 10 different railroads. They are physically located in six different cities where those railroads operate national or regional dispatching centers. Five of these centers are in the Chicago area, but all are in different locations.



Three miles northwest of Chicago Union Station, Tower A-2, constructed in 1901, controls the movement of over 350 Amtrak, Metra and freight trains each weekday with a switching system that was installed in 1932. The open flames are used to keep switches free from ice because the tracks are not equipped with switch heaters.

Not included in these figures are the block operators who sit in towers beside the tracks—many built more than a century ago—and use hand thrown levers to control the movement of trains over interlockings visible from the towers where two or more railroad lines cross. Since the development of centralized traffic control in the 1930s, virtually all of the interlocking towers that once controlled intersecting tracks have been replaced, and only 91 remain in service throughout the United States. Thirteen are in Chicago.

By contrast, the controllers who direct the movement of planes in and out of Chicago's O'Hare Airport work for a single entity. Most sit next to each other in the same room. They communicate constantly regarding "hand-offs" of planes from one controller to another, and handle planes from all of the airlines serving O'Hare.



Amtrak's Cardinal, operating into Chicago over UP, passes the IHB-operated tower at Dolton Junction that controls the interlocking ahead.

In recent years, a number of steps have been taken to enhance operational coordination among Chicago's railroads. The Chicago Transportation Coordination Office (CTCO), created by Chicago's railroads in the aftermath of the 1999 crisis, hosts twice daily conference calls among railroads and produces a daily scorecard with Chicago rail network performance metrics. The railroads have also agreed that CTCO can require railroads to reduce freight traffic volumes in yards and on routes where metrics indicate that congestion exceeds agreed-upon thresholds. The Chicago Common Operating Picture (COP), developed as part of CREATE, integrates information from railroads' individual dispatch systems to enable dispatchers from all participating railroads to access graphic displays depicting the current location of trains operating on participating railroads throughout the Chicago area.

However, CTCO does not have any authority to coordinate rail operations. And means have not yet been developed for efficient, real time communication among the ten dispatching centers that control train operations in Chicago.

Adjoining segments on key Chicago freight corridors are dispatched by multiple railroads. Dispatchers controlling these segments need immediate notice of problems occurring on portions of the corridor controlled by other railroads, such as a broken down train at a critical chokepoint, so that they can activate contingency plans to hold or detour trains on their railroad before they enter a point of no return with resulting gridlock. Likewise, a dispatcher preparing a path for a high priority train that is stopped on another railroad needs to know not just where the train is (which the Chicago Common Operating Picture will show) but when it is likely to begin moving again, and whether it is likely to be delayed further before its arrival on the dispatcher's territory. But unlike O'Hare's air traffic controllers, the only way for a Chicago railroad dispatcher to obtain this information today is to pick up the

phone and call the dispatcher on the other railroad—and hope that the call will be answered.

The large number of dispatchers—all in different locations—who may be involved in the movement of a single train through Chicago is illustrated by the 29-mile route segment between the Amtrak station in Dyer, Indiana and Chicago Union Station over which Amtrak's New York-Chicago *Cardinal*, and state-supported Indianapolis-Chicago *Hoosier State*, operate. As shown in the table below, seven dispatchers or block operators working for seven railroads in seven different locations control the movement of Amtrak trains over just these 29 miles.

From	To	Distance (miles)	Railroad	Dispatcher Location
Dyer	Thornton Junction	7.9	CSX	Calumet City, IL
Thornton Junction	Dolton Junction	4.4	UP	Omaha, NE
Dolton Junction	Dolton Junction	0.1	UP	Dolton, IL (IHB block operator in tower)
Dolton Junction	81 st Street	6.6	UP	Omaha, NE
81 st Street	80 th Street	0.2	BRC	Bedford Park, IL
80 th Street	74 th Street	0.6	NS	Bedford Park, IL or Chicago (W. Jackson Blvd.)#
74 th Street	CP518 (40 th Street)	4.9	Metra	Chicago (W. Jackson Blvd.)
CP518 (40 th Street)	21 st Street	2.6	NS	Dearborn, MI
21 st Street	Chicago Union Station	1.6	Amtrak	Chicago (Union Station)

- Northbound signal controlled by BRC dispatcher, southbound by Metra dispatcher

D. Railroads Have Taken Actions to Alleviate Congestion

In addition to the CREATE and Indiana Gateway programs, Chicago's railroads are also making investments and operational modifications, and undertaking additional planning efforts, aimed at improving Chicago area operations and alleviating delays caused by congestion.

Amtrak has taken a number of steps aimed at improving the performance and reliability of Amtrak trains serving Chicago, and of the tracks and facilities in and around Chicago Union Station that Amtrak controls. Among other things:

- Amtrak utilized over \$100 million in Federal funding, made available under the 2009 stimulus act, for Chicago Union Station investments, included replacing and upgrading tracks, switches, and switch heaters and renovating or repairing buildings used for equipment maintenance. Included in the project was a new control center in Chicago Union Station that is responsible for dispatching the over 500 Amtrak, Metra and freight trains that operate each weekday over Amtrak-owned and operated tracks in Chicago.



Amtrak's new Chicago Control Center

- Amtrak has implemented new operating practices to facilitate on-time departures from Chicago Union Station even when trains arrive late. They include reducing how long a train departing from Chicago will be delayed to enable con-

necting passengers on late arriving trains to make their connections, and changing equipment maintenance procedures to minimize switching that adds time and increases the potential for delays.

- Amtrak has also added additional equipment sets to Chicago-based routes during periods when delays have been so severe that trains arrive too late to be serviced in time for same day departures.
- Amtrak plans to co-locate the different functions responsible for managing day-to-day Chicago operations, such as equipment servicing and crew management, and has increased real time monitoring of train performance on host railroads' Chicago area lines.

Improvements have also been made in Chicago commuter rail operations and infrastructure. In Joliet, the terminus of Metra's Rock Island District trains has been shifted to a new platform east of UD Tower, which controlled the interlocking between the east-west Rock Island Line and the four north-south tracks used by Amtrak, BNSF and UP trains. This eliminates the need for 46 weekday Metra trains to cross the interlocking—and for the 1912 built-tower and its antiquated switching system, which have been retired.

- Chicago's freight railroads have taken a number of actions that have reduced the volume of freight traffic moving through Chicago's major chokepoints. They have rerouted some freight traffic that passed through Chicago to other East-West gateways. They have constructed new intermodal terminals, and expanded existing facilities, at locations outside of Chicago's core (some hundreds of miles away) to handle traffic that formerly originated, terminated, or was switched between trains in Chicago.
- Freight railroads have also acquired Chicago-area rail lines and trackage rights over other railroads' lines, and upgraded existing lines, to increase network capacity and avoid bottlenecks. The major freight railroads have also formed an ad hoc panel, comprised of senior/retired operations and planning officials with expertise with Chicago rail operations, to identify and make recommendations for improvements.



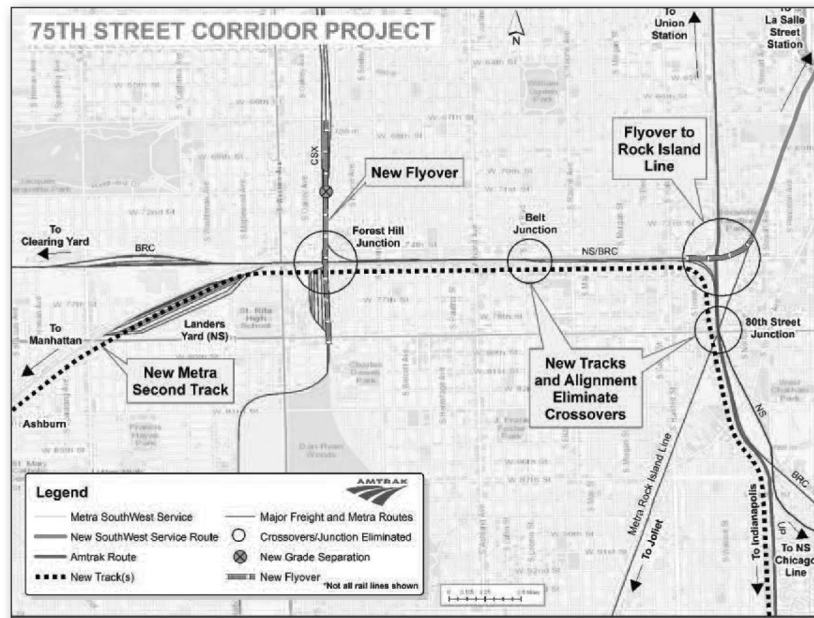
Metra Rock Island District train crosses tracks used by Amtrak Chicago-St. Louis trains, and BNSF and UP freight trains, at UD Tower in Joliet before Metra platform was relocated.

Many of the steps individual railroads have taken in response to Chicago rail network delays will enhance efficiency and improve service. But others, although necessary, will impose significant monetary and other costs. For example, when Amtrak must assign additional equipment sets to Chicago-based routes, equipment maintenance costs increase and riders and revenues that could be generated from deploying the equipment on other routes are lost. Moving rail operations away from Chicago means that the region loses railroad jobs, such as conductor and engineer positions in Chicago area yards. Since Class I railroad employees have average compensation and benefits of \$115,000 a year, the loss of these skilled jobs negatively impacts Chicago's economy, and state and local tax revenues.

III. Two CREATE Projects—75th Street and Grand Crossing—Are Key to Alleviating Gridlock and Improving and Expanding Passenger Service

Two nearly shovel-ready CREATE projects for which no funding has been identified would eliminate some of the major chokepoints on Chicago's rail network. They

would also set the stage for planned expansion of Amtrak and commuter rail service, and the development of high speed passenger service throughout the Midwest.



A. The 75th Street Corridor Is Chicago's Biggest Chokepoint

The 75th Street Corridor in South Chicago, depicted in the map below, is the most congested rail chokepoint in the Chicago area, and perhaps in the entire United States.

Ninety freight trains a day operated by four Class I railroads—CSX, NS, UP and CP—and the BRC operate along the 14 miles of rail corridors that crisscross this four square mile area bounded by 69th and 100th Streets, the Dan Ryan Expressway, and Central Park Avenue. These freight trains share track with 30 Metra SouthWest Service trains each weekday, and the daily Chicago-Indianapolis round trip provided by Amtrak's Indiana-supported, quad-weekly *Hoosier State* and tri-weekly Chicago-to-New York *Cardinal*.



Metra SouthWest Service train on 75th Street Corridor's east-west line crosses Forest Hill Junction while freight train on north-south CSX line waits.

As the map shows, nearly all of the freight trains that operate on the primary freight route along the 75th Street Corridor—which runs from west to east, and then turns south—must crawl through three major chokepoints within a two-mile maze of tracks while other trains wait.

- Forest Hill Junction, near the west end of the east-west line that parallels 75th Street, is the rail-to-rail grade crossing where CSX's north-south Western Avenue Corridor, used by 35 daily freight trains, crosses the east-west line at grade. When a freight train is operating through Forest Hill on the north-south line, the 80 daily freight and passenger trains on all four tracks of the east-west line must wait—and vice versa.



Metra SouthWest Service passes through two track funnel at Belt Junction.

- Belt Junction, less than a mile to the east, is the center of the maze. There, five tracks from the east and four tracks from the west funnel into just two tracks, as shown on the map. Making matters worse, all of the 30 Metra trains, and nearly all of the 50 freight trains, that operate on the east-west line through Belt Junction must make a crossover move there from a track on one side of the right-of-way to a track on the other side. Because of these crossover moves, at most times only a single train can operate through Belt Junction.
- At the east end of the east-west corridor, eastbound freight trains—whose rear cars are still passing through Belt Junction—make a sharp turn south and enter 80th Street Interlocking. There, NS, UP and BRC freight trains, and Amtrak's *Hoosier State/Cardinal*, must thread their way through a spaghetti-like intersection of multiple rail lines that is even more complex than Belt Junction.

Two additional complications make a bad situation even worse:

- The distance from Belt Junction to both Forest Hill Junction and 80th Street Interlocking is shorter than the 7000-plus foot length of most of today's freight trains. That means that eastbound freight trains generally must wait west of Forest Hill Junction, and west bound trains must often be held as far away as 80th Street Interlocking, until the dispatcher is certain that both Forest Hill Junction and Belt Junction will be clear for the train's passage.
- The maximum speed on the sharp curve where the west-east line turns south is 10 miles per hour, and trains are limited to that speed until the entire train has passed through the curve.

The end result of these obstacles is that it can easily take a long freight train 15–20 minutes to make the two-mile trip between 80th Street Interlocking and Forest Hill Junction—and that a single freight train will preclude most other train movements through each of those interlockings for as long as 15 minutes.

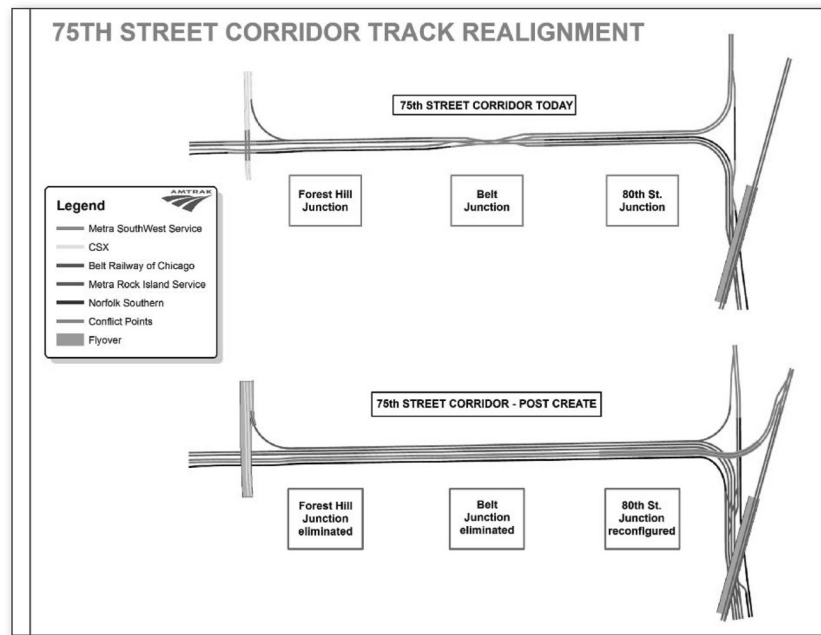
Imagine a crowded interstate highway on which all traffic must stop and wait at a traffic light-controlled intersection with another interstate highway; funnel into a single lane shared by cars traveling in both directions; and then travel at speeds of 10–25 mph for almost three miles—while all traffic in the other direction sits awaiting its turn. That is Belt Junction.

Four separate CREATE projects, with a projected total cost of approximately \$1 billion, would eliminate the conflicts between trains on different routings that affect nearly all trains operating through the 75th Street Corridor. These projects, depicted in the map above, would among other things:

- completely reconfigure existing tracks at Belt Junction and 80th Street;
- add additional tracks along most of the Corridor;
- construct a flyover at Forest Hill Junction to separate the east-west and north-south lines; and
- construct the Metra flyover discussed below.

When completed, the 75th Street Projects would almost entirely eliminate the need for trains to cross over other rail lines at grade at the 75th Street Corridor's three chokepoints, increasing the efficiency of freight movements by approximately 40 percent. They will also eliminate a "911" rail-street grade crossing at 71st Street used by emergency vehicles, and more than 80,000 hours of driver delay annually.

The "before and after" maps below illustrate the changes in the track configuration of the east-west line that will result from building the Metra flyover, untangling Belt Junction, and building the overpass at Forest Hill Junction. As the maps indicate, the number of trains that can simultaneously operate through both Belt Junction and Forest Hill Junction increases from one, or at most two, to six or seven, producing a large increase in Chicago rail network capacity.



B. Project P2, Which Would Allow Metra SouthWest Service Trains to Shift to LaSalle Street Station and Reduce Metra-Freight Conflicts, Is a Key Element of the 75th Street Project

One of the 75th Street Corridor Projects—CREATE Project P2—is very important to both the reliability and future expansion of passenger rail service in Chicago.

Project P2, whose estimated cost is approximately \$250 million, would construct a new flyover connection to Metra's Rock Island Line at Union Avenue on the east end of the 75th Street Corridor, and a second Metra track along the southwestern portion of the 75th Street Corridor. The flyover would enable Metra SouthWest Service trains, which currently terminate at Chicago Union Station, to operate into less crowded LaSalle Street Station instead. This would alleviate capacity constraints that impair existing Amtrak and Metra services at Union Station, and preclude their expansion.

Removing 30 SouthWest Service trains, most of which operate during peak commuter hours, from Union Station would benefit both Amtrak and Metra. It would reduce congestion on the crowded four-mile approach from CP-518 (40th Street) to Union Station; on the station's south side tracks and platforms that SouthWest Service trains share with Amtrak trains and Metra's BNSF and Heritage Corridor routes; and within the station itself. Overcrowding in Union Station is so severe that, when there are significant commuter rail delays, pedestrian entrances must be closed to alleviate unsafe conditions. Lack of capacity at Union Station precludes expansion of Amtrak and Metra services, and advancement of the Midwest High Speed Rail Initiative. The single track segment of Metra's SouthWest Corridor that would be double tracked by Project P2 is an additional impediment to future expansion of Metra's fastest growing route.



Chicago Union Station.

Completion of Project P2 would also be a first step in alleviating freight train congestion on the 75th Street Corridor. By bringing Metra trains onto the south side of the Corridor's east-west line, the new flyover would eliminate the Metra crossover moves at Belt Junction, making it possible to operate both a Metra train and most freight trains through Belt Junction simultaneously.

Reducing freight train delays along the 75th Street Corridor would also alleviate freight train backups on other rail lines from which trains feed into it. Many of the stopped freight trains that often tie up one of the two main line tracks approaching Chicago on NS's Chicago Line, resulting in all Amtrak and freight trains on the Porter-Chicago Corridor sharing a single track, are awaiting clearance to enter the 75th Street Corridor.

C. The Grand Crossing Project Would Improve or Replace Three Poor Performing Amtrak Routes into Chicago

The Grand Crossing Project (CREATE Project P4) includes the construction of:

- a new connection between CN and the NS Chicago Line at Grand Crossing in South Chicago;
- additional track capacity on the Chicago Line between Grand Crossing and Englewood; and

- a new connection between Englewood and the Metra line currently used by Metra South West service trains that runs parallel to the Chicago Line into Chicago Union Station.

The Grand Crossing Project would address major deficiencies and delays on three of Amtrak's Chicago area routes:

- The Grand Crossing connection would enable the six daily Amtrak trains that use CN's St. Charles Air Line Route to access Chicago Union Station—two daily state-supported Chicago-Carbondale round trips, and the daily Chicago-New Orleans *City of New Orleans*—to shift to the NS Chicago Line at Grand Crossing. This shift would reduce trip times by eliminating the slow, time consuming backup move these trains must currently make on the heavily utilized tracks south of Union Station. Shifting these six Amtrak trains to the NS Chicago Line would also eliminate existing conflicts with Metra trains at 16th Street interlocking, where the St. Charles Air Line Route crosses the route of Metra's Rock Island Line into LaSalle Street Station. These Amtrak-Metra conflicts, and resulting train delays, will increase when the P2 Project, which will shift Metra's 30 SouthWest Service trains to LaSalle Street, is completed.



Carbondale-Chicago train on St. Charles Air Line passes over Port Huron-Chicago train south of Union Station before beginning backup move into Union Station via connecting track (out of picture to left).

- The additional track capacity on the NS Chicago Line between Grand Crossing and Englewood will benefit the 14 daily Amtrak trains and 46 daily freight trains that currently operate over this segment.
- The new connection would also facilitate a reroute of the *Cardinal/Hoosier State* between Thornton Junction and Chicago Union Station onto the St. Charles Air Line Route south of Grand Crossing and the NS Chicago Line from there into Union Station. This routing would avoid major freight chokepoints on the current route, and has considerably fewer dispatcher handoffs and grade crossings.

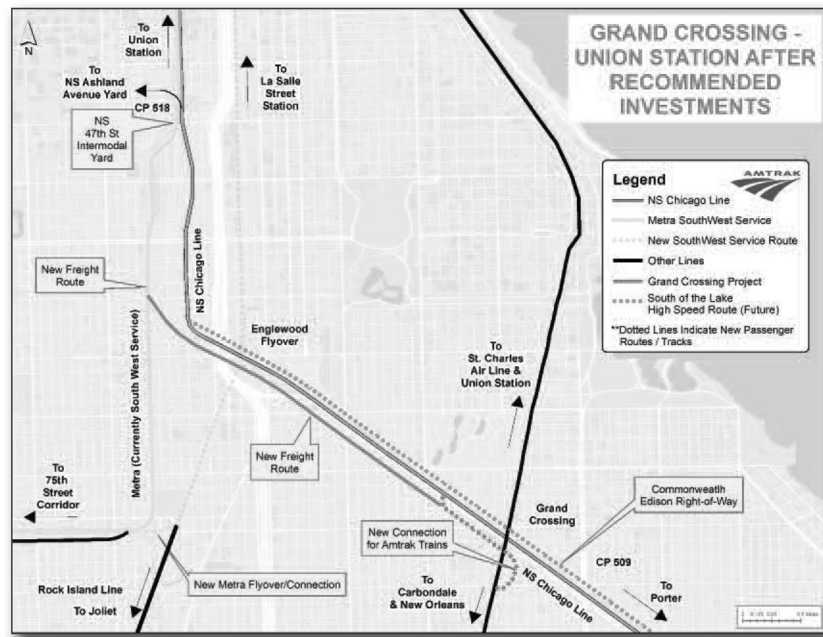
D. Completion of the 75th Street and Grand Crossing Projects Would Make Midwest High Speed Rail Possible

Perhaps most importantly, the completion of the 75th Street and Grand Crossing Projects would set the stage for implementation of MWRRI plans to develop high speed rail service between Chicago and points in Michigan, Indiana and Ohio. These projects, and the proposed Chicago East Corridor Project that is a component of the Chicago-Detroit High Speed Project, would create the operational equivalent of a new passenger route into Chicago for high speed and other intercity passenger trains from the East, while increasing capacity and fluidity for freight trains that would operate over separate tracks.

The 2011 Development Rights Agreement (DRA) for the Englewood Flyover among Illinois, Norfolk Southern and Amtrak provides for a doubling in the number of intercity trains operating over the NS Chicago Line between Grand Crossing and Chicago—from the current 14 to 28—following completion of the 75th Street and Grand Crossing Projects, and for a joint study to determine whether there is sufficient capacity for further increases in the number of intercity trains. These additional passenger trains are made possible by:

- the shift of Metra SouthWest Service trains from Metra's line north of 75th Street to the Rock Island Line following completion of 75th Street Project P2; and
- construction of the new connection from the NS Chicago Line at 61st Street (Englewood) to the Metra line, and additional track capacity between Grand Crossing and 61st Street, that are included in the Grand Crossing Project

These improvements, depicted in the map below, would allow Norfolk Southern freight trains that currently share the NS Chicago Line with Amtrak to shift to the Metra Line north of 61st Street.



Completion of these projects, and of the proposed Chicago East Corridor Project, would create the operational equivalent of a continuous two-track, eight-mile passenger rail corridor between Grand Crossing and 21st Street. The passenger corridor would connect on its western end with the Amtrak-owned tracks leading into Union Station. At Grand Crossing, it would connect with two current Amtrak routes—the CN line to Carbondale/New Orleans, and the NS Chicago Line to Detroit and the Northeast—as well as the Commonwealth Edison right-of-way, an abandoned rail line that is now utilized for power transmission lines, on which the South of the Lake high speed passenger tracks to Porter could be constructed. Deficiencies on existing passenger and freight routes into Chicago would be alleviated, and a faster, unencumbered pathway into Chicago for expanded and high speed intercity passenger rail service would be created.

IV. Lack of Adequate, Reliable Public Funding Impedes Efforts to Address Chicago's Rail Gridlock

CREATE and other investments in Chicago's rail infrastructure, produce both private and public benefits. For the private freight railroads, improved rail infrastructure that reduces transit times and delays results in significant operational and financial benefits. Members of the public benefit from improved and expanded passenger rail service; fewer trains blocking grade crossings; reduced emissions from idling and slowly moving locomotives; retention and creation of Chicago area jobs and other economic activity; and enhanced national and regional competitiveness will produce significant benefits to the general public.

What makes major transportation projects like CREATE work is the willingness and ability of both the private and public sectors to provide funding based upon the public and private benefits the project generates. Public funding—federal, state and

local—has covered approximately 80 percent of the \$1.2 billion spent or committed for CREATE's costs to date. Railroads have provided the remaining 20 percent.

However, the completion of CREATE, and other public-private partnerships to enhance rail infrastructure of national importance, is in jeopardy because of the lack of public funding to match private investments. Only one of the five Federal and state grant programs from which funding for CREATE has been cobbled together is currently funded.

CREATE has received approximately \$335 million in Federal funding from four separate Federal programs. Of these programs:

- The High Speed and Intercity Passenger Rail Program, which funded a \$133 million grant for the Englewood Flyover (and also provided \$71 million for the Indiana Gateway Project) has not received any additional funding, other than \$42 million in reprogrammed funds, since 2010.
- The Projects of National and Regional Significance Program, which provided \$100 million for CREATE, has not received any appropriations since 2009.
- The Rail Line Relocation Program, which provided a \$1.9 million grant, has not been funded since 2011.
- Transportation Investments Generating Economic Recovery (TIGER), which provided \$100 million for CREATE, received a \$500 million appropriation for 2015 grants. The United States Department of Transportation received pre-applications totaling \$14.5 billion for this funding, 29 times the level available. The FY 2016 House Transportation Appropriations Act would reduce TIGER funding to \$100 million nationwide, and limit grants to a maximum of \$15 million per project.

Significant CREATE funding—over \$400 million—has also been provided by the State of Illinois. Most of Illinois' investment came from the most recent (2009) Illinois capital infrastructure funding bill, all funding from which has been committed.

Chicago's rail network is approaching a critical juncture. The need for additional investments becomes more obvious with every crisis, and those investments would produce significant public and private benefits. But unless additional public funding is made available for projects of national significance such as CREATE, and the development of high speed and intercity passenger rail, those investments will not be made—and the cost will be enormous.

V. If Congestion in Chicago's Rail Network Is Not Addressed, Rail Passengers and Shippers, the National and Regional Economies, and the Environment Will Pay a Very High Price

The nationwide rail crisis that began in Chicago in winter 2014 demonstrated what the future holds if Chicago's rail service issues are not addressed. While freight shippers and rail passengers will suffer the most direct impacts, national and regional economies and the environment will be harmed as well.

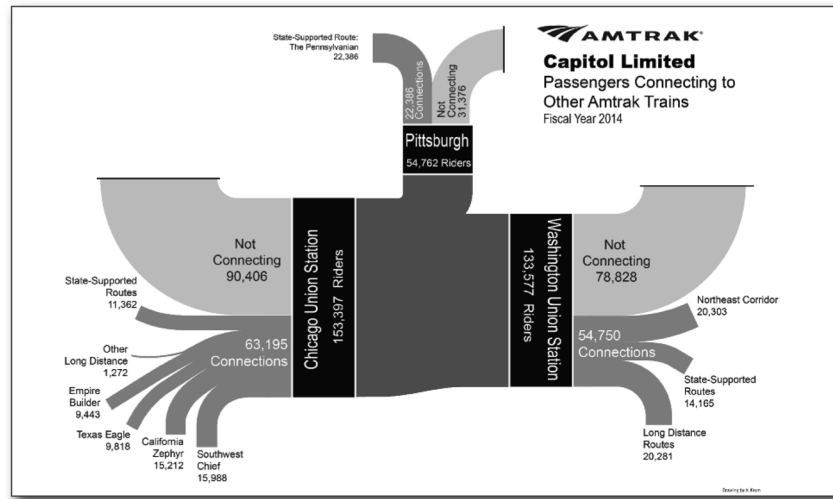
The Panel asked Frost & Sullivan (F&S), a global consulting company with expertise in the rail industry and other industries impacted by freight and passenger rail service, to analyze the national and regional impacts of failing to address Chicago area rail congestion. Working with MSY Analytics, F&S analyzed economic data and reports, and interviewed numerous rail stakeholders. F&S's report (F&S Analysis) on national economic impacts of Chicago rail congestion, which includes a supplement on Chicago region economic impacts, accompanies this report. Findings from the F&S Analysis are summarized in the discussion below.

A. Reliable and Expanded Passenger Rail Service in the Midwest Is Not Possible Unless Chicago Congestion Issues Are Addressed

Rail gridlock within the Chicago region, and resulting congestion on the Amtrak routes leading to Chicago, has severely impacted on-time performance in the most important "hub" on Amtrak's national network. The ripple effects from these delays affect passengers throughout Amtrak's system, and impose significant costs on the company that increase its Federal and state funding requirements.

A late arriving Amtrak train adversely impacts trains, passengers and Amtrak employees on the routes with which that train connects. Connecting trains must be held for passengers from the late train, causing delays along the connecting train's entire route. Or connecting trains can be dispatched on time before the late train arrives, which means that passengers connecting to other long distance routes must spend the night in Chicago and arrive at their destination a full day late. In addition, late train arrivals in Chicago often result in a late departure on the train's next outbound trip, since engineers and conductors must receive federally-mandated rest and equipment must be serviced and inspected.

The graph below depicts the passengers traveling on Amtrak's Chicago-to-Washington *Capitol Limited* who connect to and/or from one of the 27 long distance, state-supported corridor, and Northeast Corridor routes with which that train connects in Chicago, Pittsburgh, and Washington. As the graph indicates, 41 percent of *Capitol Limited* passengers boarding or detraining in Chicago, 42 percent of passengers arriving or departing from Pittsburgh, and 36 percent of *Capitol Limited* passengers getting on or off in Washington, connect to another Amtrak route. Many passengers connect with another Amtrak route at both ends of their *Capitol Limited* trip.



Late trains and missed/broken connections adversely impact both Amtrak's revenues and costs. There is a high correlation between on-time performance and both ridership and customer satisfaction. Passengers who experience or anticipate delays are less likely to travel on Amtrak, impacting current and future revenues. In addition to paying hotel and meal expenses of passengers who miss Chicago connections, Amtrak incurs significant costs for employee overtime for both on-train and station personnel—not only on the late arriving train, but on other trains impacted by its late arrival and at stations along the routes those trains serve. Consistently late Capitol Limited arrivals have required Amtrak to break same-day connections between that route and some trains with which it formerly connected.

Investments to address the Chicago area's rail congestion are also essential prerequisites to future expansion of passenger rail service in Chicago and throughout the Midwest. Additional capacity at Chicago Union Station, some of which CREATE Project P2 would provide, is required for future increases in Metra service at that station, implementation of planned increases in service on the Chicago-Detroit/Pontiac corridor and other state-funded Amtrak services in the Midwest, and to advance the multi-state MWRRI that would bring expanded, higher-speed rail service from Chicago to cities and communities throughout the Midwest.

B. Chicago's Rail Gridlock Severely Impacts Freight Rail Service Nationwide

Chicago area delays have a huge impact on transit times for freight rail shipments. CREATE has reduced the average time required for a freight train to cross Chicago. However, the average is still 30 hours—about the same amount of time it takes the same train to travel from Chicago to the East Coast. If the remaining CREATE projects are not completed, existing delays are projected to more than triple.

Because so much rail freight traffic moves through Chicago, even relatively small delays there can have a ripple effect throughout the U.S. rail network. As Scott Haas, Vice President for UPS, the largest rail intermodal shipper, explained:

A lone train stopped in Chicago can force other trains to stop or slow as far away as Los Angeles or Baltimore. It's a ripple effect—everything in my system backs up.

And when Chicago's rail network freezes up, manufacturers and retailers throughout the country—and the customers who can't wait for next week to buy their products—experience the consequences. As one retail industry official described:

The Chicago congestion problem leads to pain for everyone, trickling down the supply chain . . . [D]uring one of the most recent delays, one retail company reported that almost half of its time sensitive Valentine's products did not make it to the shelf.

C. The National Economy Depends Upon Chicago's Rail Network

Chicago is the crossroads of the American freight rail network on which much of the U.S. economy depends. The F&S Analysis and other studies have quantified the large portion of the gross domestic product that is dependent upon Chicago area rail service; the impact when performance deteriorates; and the benefits that would result from improved service.

- A 2009 study by the University of Illinois Regional Economics Applications Lab study found that, in addition to private benefits, completion of all CREATE projects would produce \$3.6 billion in public benefits, including 28,000 job years. Significantly, 75 percent of these benefits would be experienced outside of the Midwest Region, demonstrating the national importance of untangling Chicago's rail congestion.
- F&S calculated that \$657 to \$799 billion of the annual gross domestic product is dependent upon freight rail service through Chicago.
- A 2005 study by the American Association of State Highway and Transportation Officials (AASHTO) found that Illinois is—not surprisingly—the state with the highest economic dependence on Chicago's rail system. But the four other states with the greatest dependence on Chicago rail operations are spread from coast to coast, and from north to south: California, Texas, Ohio and New Jersey.

As one rail shipper interviewed for the F&S Analysis explained:

The people who suffer are not in Chicago. The people who are shipping are the ones who suffer. Such as in New York or Detroit, these are the people who suffer. This impacts the end user and the entire value chain.

D. The Performance of Chicago's Rail Network Has a Major Impact on the City's and the Region's Economy

Analyses by F&S and others have quantified the huge importance of the rail industry and rail service to Chicago and the surrounding region:

- A 2003 study found that rerouting a significant volume of rail freight traffic away from the Chicago area would reduce gross regional product (GRP) by \$1 billion to \$3 billion annually, and eliminate 5,000 to 15,000 jobs.
- The Amtrak Chicago-based corridor trains funded by Illinois, Wisconsin, Indiana and Michigan play a vital role in the viability of colleges and universities in those states. In many Amtrak-served university communities, annual Amtrak ridership significantly exceeds local populations. In the words of the mayor of Macomb, Illinois, home of Western Illinois University:

So many students from the metropolitan area of Chicago rely, absolutely rely on Amtrak to get to and from Western Illinois University . . . In many cases, it's their only reliable form of transportation to get to and from home. Not having Amtrak service could make Western Illinois less appealing when it comes to recruiting students.

The expansion of the Panama Canal, scheduled for completion later this year, creates a new competitive threat for the Chicago region. The expanded canal will allow much larger ships carrying goods imported from Asia to travel directly from Asia to East Coast ports. This will create a new and less costly routing option for shipments presently unloaded from ships at West Coast ports and moved by rail to the Northeast via Chicago. Rail's one advantage—a more direct route to the East Coast that is somewhat faster than an all-water route—will be eroded if Chicago-area congestion persists or worsens.

E. Chicago Rail Gridlock Harms the Environment

Failure to address Chicago's rail congestion problem negatively impacts the environment locally, regionally and nationally. Stopped and slow moving freight trains produce additional emissions that increase air pollution in neighborhoods traversed by Chicago's rail lines. Air quality in other regions is adversely impacted by in-

creased emissions from freight trains that are rerouted over longer, more circuitous routes to avoid Chicago.

Less obvious but even more significant are the adverse environmental impacts from freight and passengers that utilize other modes because of Chicago area delays, and the inability of its rail network to accommodate increased demand. Because passenger and freight rail service are more energy efficient than other modes, energy consumption and environmental impacts both increase when people or goods travel by automobiles, planes or trucks instead of rail.

RECOMMENDATIONS OF THE PANEL

I. Real Time Operational Coordination Among Chicago's Railroads, Including Coordinated Dispatching, Is Needed

Over the past 15 years, Chicago's 10 passenger and freight railroads have taken some steps to enhance operational coordination. But more needs to be done to eliminate physical and cultural barriers that impede improved, real time coordination of Chicago rail operations among railroads.

Other than shifting trains and traffic away from Chicago, enhanced operational coordination provides the best near-term opportunity to significantly alleviate Chicago rail network congestion. Improvements in operations and coordination are much less costly, and can be implemented relatively quickly, compared to major infrastructure projects on heavily utilized rail lines. Without such operational improvements, congestion will continue to grow.

The Panel believes that coordination of train dispatching offers an important opportunity to improve rail operations in Chicago. Joint dispatching centers, in which dispatchers from multiple railroads operating in complex terminal areas work together at single location, have been very successful in alleviating congestion and reducing delays in a variety of operational environments.

Joint dispatching centers can take different forms. Some are limited to co-location: each railroad has its own dispatchers who dispatch its lines, but all dispatchers work in the same room to facilitate coordination, typically under a jointly-appointed supervisor or a supervisor position that rotates among the participating railroads. Joint dispatching can also entail having a consolidated dispatching force in which dispatchers, although employed by an individual railroad, are assigned territories without regard to which railroad owns them.

Two examples:

- For over 20 years, Amtrak and the Long Island Rail Road (LIRR) have been jointly dispatching what may be the only portion of the U.S. rail network more challenging than Chicago: New York's Penn Station, and the adjacent rail tunnels that connect it to Queens and New Jersey. Amtrak and the LIRR alternate managerial control of the joint dispatching center, which handles over 1,000 daily Amtrak, LIRR and New Jersey Transit trains. Dispatchers are assigned without regard to which railroad is the predominant user of particular tracks and tunnels.
- In 1998, UP and BNSF established a joint dispatching center in Spring, Texas as an emergency measure to address rail network gridlock in the Houston area. Dispatchers for both railroads were co-located at the center, and a joint director was appointed to manage it. With the exception of a jointly operated line, dispatchers from each railroad continued to dispatch their own rail lines, but worked together to coordinate operations. UP and BNSF also agreed to a "clear path" protocol under which trains were routed through the Houston area on the least congested route, regardless of track ownership. The success of the Spring Dispatching Center led the two railroads to bring additional rail lines under its control, and to establish similar joint dispatching centers in San Bernardino, California and Kansas City, Kansas.

The Panel believes co-locating dispatching of Chicago area rail lines in a single location is an essential first step in enhancing operational coordination in Chicago. While each railroad could continue to dispatch its own rail lines with its own dispatchers, Chicago area dispatching would no longer be spread among ten different locations.

Coordination between different railroads' dispatchers on "handoffs" of trains traveling over multiple railroads, and in responding to service problems and emergencies, would be enhanced by having all dispatchers in the same physical location, where in-person communications would replace phone calls. Co-location would also facilitate further actions to coordinate dispatching, such as joint dispatching of shared use lines or of connecting line segments owned by different railroads.

The Panel recommends that CTCO and Chicago area freight and passenger railroads pursue implementation of co-located dispatching as soon as possible. Amtrak has expressed a willingness to consider hosting a co-located dispatching center in Chicago Union Station, which would provide a neutral location for Chicago area freight railroads. However, the Panel is not recommending any particular location for the center.

II. Railroads, Including Amtrak, Should Continue Efforts to Improve Operating Performance within the Chicago Terminal

The 2014 Chicago rail service crisis has led all of Chicago's passenger and freight railroads to refocus attention on near term actions they could take, individually and collectively, that would reduce network congestion. Many of the rail stakeholders with whom the Panel spoke noted that cooperation and communication among railroads have significantly improved since that time. Actions taken collectively through the CTCO and Chicago Planning Group, and by individual railroads, that have helped minimize reoccurrences of gridlock. The Panel urges that these efforts continue, and that they receive the necessary senior management attention and support.

With regard to Amtrak, the Panel recommends that it continue its efforts to improve those aspect of Chicago area rail operations over which it has the most control. Of particular importance is getting trains out of Chicago Union Station on time even when turnaround times are shortened due to late arrivals of incoming trains.

On-time departures facilitate smoother terminal operations, since late departing trains often delay other trains. They also ensure that Amtrak trains will be on-time when they enter the territories of Amtrak's host railroads. On-time performance is very important to Amtrak's passengers and state partners, who recognize the challenges that Amtrak faces operating trains over a rail network it does not own or dispatch but expect Amtrak to deliver high levels of performance in those areas where it has greater control.

The Panel also encourages Amtrak and Metra to pursue opportunities for enhanced coordination at Union Station, and its associated tracks and facilities, that could improve terminal on-time performance of both railroads.

III. Adequate, Sustained Public Funding Must Be Provided for Vital Projects that Will Produce Significant Passenger Rail and Other Public Benefits

The need for significant additional investments in Chicago's rail infrastructure is indisputable. But without adequate, sustained public funding for investments in transportation projects of national significance, and for intercity and commuter passenger rail, those investments are unlikely to occur.

The three projects the Panel has identified as immediate priorities—the CREATE 75th Street and Grand Crossing Projects, and additional investments in the Indiana Gateway—could be accomplished for less than \$1.5 billion. Private funding can cover some of the costs for projects that produce both private and public benefits. However, without a public funding match, private money will likely be invested on other projects that generate higher financial returns.

Additional investments must begin now. Major rail projects on heavily utilized rail lines take many years because of the very long lead times for grant applications, planning, design, environmental review and construction. Environmental reviews are valid for a limited period before they must be updated or redone, and construction of major projects on heavily utilized rail lines that cannot be shut down takes considerable time. The EIS process for the 75th Street Project took almost four-and-a-half years, and construction is expected to take five years once funding becomes available.

Funding must be found for shovel-ready projects for which environmental reviews have been completed. Otherwise, there will be no quick fixes when the next big crisis occurs, and key portions of the Chicago rail network become gridlocked.

The Panel urges Federal and state elected officials and policymakers to provide adequate, sustained funding for rail investments of national importance. This could be accomplished by reauthorizing and appropriating funds for existing unfunded or underfunded programs, such as the intercity passenger rail capital matching grant programs established by the Passenger Rail Investment and Improvement Act of 2008, or by enacting and funding new capital grant programs.

IV. The CREATE 75th Street Corridor and Grand Crossing Projects Should Be Prioritized

The Panel supports the vision embodied in the CREATE program. That initiative is necessary both to alleviate today's congestion and as a first step in positioning Chicago's rail network to accommodate projected future growth of both freight and

passenger services. The Panel also believes that planning for additional Chicago-area investments beyond CREATE needs to move forward now to prepare for future growth.

As discussed above, the two unfunded CREATE projects that would provide the greatest benefit to Amtrak, and to future expansion of passenger rail service, are the 75th Street Corridor and Grand Crossing Projects. The 75th Street Project addresses the most significant rail network chokepoint in Chicago, and permits some expansion of passenger rail service at Chicago Union Station. Grand Crossing eliminates a time-consuming backup move for Amtrak's Chicago-Carbondale-New Orleans trains, and adds new rail line capacity and connections that facilitate separation of passenger and freight operations on a heavily utilized shared corridor. Environmental reviews for both projects are complete or nearly so—but no funding has been identified for their construction. Ways to advance these two projects must be found.



Abandoned railroad bridge that will carry the new Grand Crossing Connection over CN tracks to join NS's Chicago Line.

For the 75th Street Project, if a portion of the required funding becomes available before the full amount needed is in hand, the panel recommends prioritization of the P2 project that would construct a new flyover connection to the Rock Island Line for Metra's SouthWest Service. By relocating Metra trains to the south side of the east-west 75th Street Corridor, P2 would eliminate the Metra cross-over moves at 75th Street that virtually shut down that vital freight corridor for six hours of every weekday. In addition, by shifting SouthWest Service trains to LaSalle Street Station, P2 would eliminate conflicts between Metra trains and NS/Amtrak trains north of 75th Street. It would also alleviate overcrowding and platform capacity constraints at Chicago Union Station, permitting some expansion of services at that facility.

V. Additional Investments Should Be Made on the Porter, Indiana to Chicago Corridor

The Panel believes that additional investments on the crucial Porter-Chicago Corridor, beyond the current Indiana Gateway Project, are essential. These investments are needed to alleviate the "Last Mile" bottleneck on the 110 mph Detroit-to-Chicago High Speed Corridor and improve the performance of the more than 100 passenger and freight trains that operate over the Porter-Chicago Corridor. They would also enable Michigan to implement plans to increase service frequency on the Detroit-Chicago route from three to ten round trips per day by 2030, and provide capacity for new corridor routes to Indiana and Ohio that are included in the plans of the Midwest Regional Rail Initiative.

The Panel supports construction of the proposed South of the Lake Line. It which would provide dedicated higher speed passenger tracks between Porter and Chicago that would reduce trip times and enhance reliability for all passenger and freight trains on the Porter-Chicago Corridor.

The development of a separate passenger rail corridor from Chicago Union Station to Porter is a goal that can be achieved in phases. The three CREATE projects along the NS Chicago Line—the completed Englewood Flyover, and the planned 75th Street and Grand Crossing Projects—coupled with the Development Rights Agreement discussed above that allows Amtrak to utilize surplus NS right-of-way between 21st Street in Chicago and Grand Crossing for additional passenger tracks, set the stage for development of a passenger rail corridor from Chicago Union Sta-

tion to Porter, which could be constructed eastward in phases until there are separate tracks on this entire route segment.

The Panel recommends construction of new passenger tracks on former and surplus railroad right-of-way adjacent to NS's Chicago Line between Chicago and Buffington Harbor, Indiana, and from Buffington Harbor to Porter via Tolleston, Indiana along existing freight railroad rights-of-way. Selection of this alignment, depicted in the map on page 20 and identified as Alternative 5 among the routing options evaluated in the draft EIS developed by Michigan DOT and FRA, would facilitate incremental construction of segments of passenger-only tracks between Chicago and Buffington Harbor as funding becomes available. This would produce benefits for passenger and freight service many years sooner than construction in new or predominantly new alignments. East of Buffington Harbor, this alternative would avoid environmentally sensitive National Park Service property (the Indiana Dunes National Lakeshore that borders the NS Chicago Line right-of-way), minimizing environmental impacts associated with constructing additional tracks and the costs and delays associated with remediating them.

In the period before construction of dedicated passenger tracks is completed, the Panel recommends additional investments on the NS Chicago Line between Porter and Chicago currently used by Amtrak that would benefit passenger and freight operations. Such investments would also provide capacity for projected increases in freight operations after passenger trains shift to dedicated tracks.

VI. Innovative Financing Approaches Should Be Encouraged by RRIF Loan Program Reforms

Many transportation projects that generate or have access to revenue streams that can be used to pay off debt have utilized innovative financing approaches that reduce upfront funding costs. For example, 16 percent of the cost of constructing the Alameda Corridor, a 20-mile, grade separated freight line that links the ports of Los Angeles and Long Beach to UP's and BNSF's rail networks, was funded with a low-interest Federal loan secured by the ports. The loan is being repaid with a portion of the revenues from a per car/unit charge for each railcar or container that operates over the line.

The Federal Railroad Rehabilitation and Improvement Fund (RRIF) loan program could play a significant role in providing financing for projects to increase rail network capacity. RRIF is a revolving loan and loan guarantee program administered by the Federal Railroad Administration that is authorized to make up to \$35 billion in loans to railroads and governmental entities for freight and passenger rail investments. RRIF loans carry low interest rates based upon Federal borrowing costs. They also allow for a five-year grace period before repayment begins, and a payback term of up to 35 years. These provisions are important for long-lived rail infrastructure investments that do not begin producing benefits until completion of construction that takes years.

However, the RRIF loan program has been underutilized. Over 90 percent of the authorized funding remains unused 17 years after the program came into existence, and no Class I railroad has ever taken out a RRIF loan. Railroads have cited credit-worthiness requirements that they view as overly stringent (and are applicable despite the fact that no RRIF loan has ever gone into default), and a costly and time consuming application process that can take years before a decision is made, as among the reasons for not pursuing RRIF loans.

Legislation that addresses these issues has been introduced in the current Congress. The Panel recommends that Congress enact appropriate changes in the statutory provisions governing RRIF that will remove unnecessary impediments to realizing the full potential of the RRIF program.

VII. Environmental review requirements that apply to rail projects should be consistent among transportation modes, coordinated among agencies, and prioritized for projects of national importance

Freight and passenger rail are more energy efficient than other transportation modes. Unlike highways and airports, rail line capacity can be added in most cases with little or no increase in rail's land footprint. As a result, investments to increase rail network capacity and efficiency that allow trains to carry more passengers and goods produce significant environmental benefits.

Realization of these benefits requires timely and efficient completion of environmental and other Federal reviews required for rail projects. The Panel believes that Federal regulations and processes for such reviews should be consistent among modes; that interagency coordination should be enhanced, particularly at the front end of reviews; and that reviews of projects of national importance should be prioritized.

CONCLUSION

Solving Chicago's rail problems is a huge challenge. It will require money, leadership, a willingness to pursue new approaches, and setting aside corporate and political boundaries—to say nothing of railway operating and engineering expertise. If aggressive action is not taken now to address what may well be our country's most significant transportation bottleneck, the adverse national, regional and local impacts on passenger and freight rail transportation, and on the economy, will be enormous.

However, Chicago's challenged rail operations also present a huge opportunity. It is no exaggeration to say that realizing the full potential of passenger and freight rail service in the Chicago area, the Midwest, and throughout North America, and the contribution rail service can make to local, regional and national economies, all depend on seizing that opportunity. If the necessary steps are taken to address the problems identified in this report, and to improve and expand rail service in Chicago, the future competitiveness of our Nation will be assured.



Senator DUCKWORTH. Thank you.

Mr. Dearborn, do you agree with the Blue Ribbon Panel's recommendation that joint dispatching could improve rail congestion in Chicago? And if you are confirmed, is this an issue you would be willing to discuss with Amtrak's freight partners?

Mr. DEARBORN. Senator, if confirmed, I would definitely want to look into the issue further. I was actually very surprised to find out how many different dispatches—dispatchers were in Chicago. I tried to familiarize myself with the CREATE program, all the good work that you've done there, but it is a complex issue. It does take, I believe, exactly as you said, enhanced coordination. And I would be committed to look at it further. I know how important that is to the country and to you.

Senator DUCKWORTH. Thank you. So often Amtrak's rail service is sitting on a side rail while freight trains go through.

Mr. DEARBORN. Right.

Senator DUCKWORTH. And especially at Chicago, too, the Saluki Express downstate.

Mr. Oberman, in your view, what role can STB play in facilitating this concept of joint dispatching in the Chicagoland area?

Mr. OBERMAN. Well, I'm not sure the STB has a formal role. The system is so complex, as you described and as we've talked about a little earlier, those—all these railroads do interact on a daily basis. The report's suggestion that they all get in a same room to-

gether to facilitate that communication and make it even more—operate more smoothly, it seems to me to be an idea well worth pursuing.

So on a personal basis, I thought the suggestion had merit. I'm not sure the STB itself has a formal role there unless there were some service issue in which the STB was asked to facilitate a resolution of it. It's really sort of beyond STB's role to sort of jump in and start initiating changes on how the system operates, but—unless a service problem is brought to the Board's attention. But the concept I think has a great deal of merit and ought to be seriously considered. We've got to get all the partners at the table to voluntarily cooperate.

Senator DUCKWORTH. But I think an indication of STB that this was a good idea would certainly be helpful.

Mr. OBERMAN. Well, if confirmed, it is something that I could certainly bring up with my newfound friends at the Board, several of whom are in the room today and I'm sure are listening intently to what you're saying.

Senator DUCKWORTH. Great. Thank you.

I thank you both for being here. We have to somehow solve this problem, when we have two trains coming from opposite directions that are on schedules that are met that will get them so that they all meet in the middle at the same time, and sometimes it's three or four trains. I don't know how often, Marty, you've ridden that rail service, the Saluki, but I've sat as long as 3 hours on an Amtrak train waiting for all of the freight to be deconflicted.

But thank you both. Thanks to you both for being here, and thank you for meeting with me.

Mr. DEARBORN. Thank you.

Mr. OBERMAN. Thank you, Senator.

Senator DUCKWORTH. I'm out of time.

Senator WICKER. Senator Duckworth, I'm guessing this is not the last time you're going to raise this issue—

[Laughter.]

Senator WICKER.—so I think it's worthwhile to look into.

Senator Udall, you are recognized.

STATEMENT OF HON. TOM UDALL, U.S. SENATOR FROM NEW MEXICO

Senator UDALL. Thank you, Mr. Chairman. And thank you for that recognition very much.

Mr. Dearborn, Amtrak recently presented a proposal to replace long distance train service along the *Southwest Chief*. The *Southwest Chief*, I believe, runs from Los Angeles to Chicago, up in Tammy's country, and they wanted to replace the route with bus service in certain rural communities. Every—as you probably know well, every time you have a cross-platform transfer, you lose 50 percent of your ridership. That is an enormous decrease long term.

This proposal would result in discontinuation of service altogether on the *Southwest Chief*. Stopping service would damage communities, including my home state of New Mexico. And I know you've heard many of the concerns about this plan. Do you share these concerns expressed by myself and my colleagues?

Mr. DEARBORN. Senator, I'm familiar with the concerns. I have heard something about this option being discussed. I think long distance service is an important part of the national passenger railway system. I'd like to learn more about it. And if confirmed, you have my commitment to work with you and your staff to make sure that we continue to try to focus on the *Southwest Chief* being a vibrant route.

Senator UDALL. Good. Thank you. And I hope you will come to New Mexico and ride the *Southwest Chief* and meet my constituents that love it.

Mr. DEARBORN. I'd love to do it with you.

Senator UDALL. OK.

Mr. DEARBORN. That'd be great.

Senator UDALL. You bet.

Mr. DEARBORN. Thank you.

Senator UDALL. And one of the——

Senator WICKER. Can I come?

Senator UDALL. Yes, Roger, you're invited. You're invited, Mr. Chairman, absolutely.

And one of the interesting things, in northern New Mexico, the Boy Scouts sometimes ride the train in to get to Philmont Scout Ranch, which is one of the premier places for Boy Scouts to go.

Roger, we could go there, too.

Mr. DEARBORN. That'd be great.

Senator UDALL. I'm concerned about the safety of putting train passengers on buses, and let me elaborate just a little bit. If the train terminates at La Junta, Colorado, buses would have to travel on a narrow two-lane road through a remote countryside frequently closed due to severe winter storms and a section of State road that is not plowed during the night when you have those winter storms. Terminating the train at Dodge City, Kansas, would add 200 more miles through equally remote territory affected by winter weather. And buses traveling on Interstate 25 would have to climb two mountain passes in this area, Ratón Pass at 7,800 feet elevation and Glorieta Pass, at 7,500. And that frequently—those two passes frequently experience treacherous winter driving conditions.

Has Amtrak taken into consideration the safety issues related to this proposed bus service option? All of these examples illustrate that passengers and crew are safer on train throughout this territory than a bus.

Mr. DEARBORN. Senator, I'm not familiar with whether or not Amtrak has looked at that specifically, those particular mountain routes, but you hit on something that's very important to me, and should be to all of us, and that is safety.

Senator UDALL. Yes.

Mr. DEARBORN. And I think that would be a focus of mine if confirmed on the Board to talk to them about that.

Senator UDALL. Good. Good. And I really think if you focus on the safety issues, there's no doubt that you come out on the side of keeping people on rail and keep the rail going all the way through the *Southwest Chief* route rather than trying to put people on buses in winter conditions and everything I described.

You've indicated that you understand the importance of national network trains that cover long distances, such as the *Southwest*

Chief. And I think you've committed to come and ride it with me. And we've got the Chairman there, too.

Let me just ask you a final question. You were the Director of the Congressional Communications for Heritage Foundation. And Heritage has on many occasions called on Congress to eliminate all Amtrak funding. Do you believe that Amtrak funding should be eliminated?

Mr. DEARBORN. I don't. And I think everybody is entitled to their opinion.

Senator UDALL. OK, good. And let me see, I have a couple more minutes here.

What are the ways to sustainably improve Amtrak's recovery should the rail system expand or should routes be changed?

Mr. DEARBORN. I think expansion. I think it would be fantastic to focus on maintaining the routes that we have and then look at increased ridership. Again, that's been kind of a priority of mine as I've looked into it further. You know, we have a large number of major cities that are dealing with highway congestion. If we can provide an alternative and increase ridership, increase revenue, we can not only maintain our long distance routes, but provide new opportunities and new options for travelers in these larger cities.

Senator UDALL. Thank you.

Thank you very much, Mr. Chairman.

Senator WICKER. Thank you very much, Senator Udall.

Senator Markey.

**STATEMENT OF HON. EDWARD MARKEY,
U.S. SENATOR FROM MASSACHUSETTS**

Senator MARKEY. Thank you, Mr. Chairman, very much.

For long-haul Amtrak trips where passengers could travel for several hours, adequate meals become an essential part of the trip, just like seat cushions and air conditioning, but earlier this summer, Amtrak discontinued dining car services for sleeping car passengers on a number of lines, including the South Shore Limited, which services Boston. Rather than providing hot meals from dining cars, Amtrak has replaced this service with cold, pre-made food more closely resembling airline food.

Mr. Dearborn, Amtrak passengers consistently rate the hot meals provided by dining cars as one of the most popular aspects of rail travel. Do you support the recent cuts to dining car services?

Mr. DEARBORN. Senator, I think the way to increase ridership is to focus on those things that appeal to the customer and to the passenger. As I understand it, there actually is a hot meal option. There was controversy around that. I need to learn more about it. If confirmed to the Board, I'd like to focus more on that. But I do believe that those are ways that Amtrak can be competitive with plane flight. So I think the ability to focus on the amenities that make it more attractive to increase ridership is important.

Senator MARKEY. Right. But being competitive with airlines is like saying we're going to provide you with more than a bag of pretzels, right? If that's the competitiveness then—the hot meal is what the differentiation is in terms of saying I'm getting on the train, I enjoy that more, right?

Mr. DEARBORN. Yes, sir.

Senator MARKEY. So would you commit here to reevaluating these cuts and consider reinstating dining services?

Mr. DEARBORN. I'd be happy to look into that if confirmed; yes, sir.

Senator MARKEY. OK. Regrettably, 37 percent of rail-related fatalities occur at grade crossings, where a railway line intersects with a road or a path. In March, a public works official was killed when his snowplow was struck by an Amtrak train at a rail crossing in Longmeadow, Massachusetts. This tragic event marks the fifth death and seventh collision at the location since 1975, making this crossing the deadliest in Massachusetts.

Mr. Dearborn, if confirmed, how will you ensure that Amtrak improves safety at these type of grade crossings?

Mr. DEARBORN. I believe the focus has to be safety. I think positive train control will be a part of that. Again, I was encouraged—I mentioned earlier that bringing on Ken Hylander as the new Executive Vice President to focus on the development and implementation of a safety management system, to look to predict risk, to anticipate it, to focus on how best to mitigate these risks, whether it's at grade crossings or in yards with heavy traffic. I think at the end of the day, the whole goal is to be accident-free and make sure all of our passengers are safe.

Senator MARKEY. Great. Well, for the Longmeadow Crossing, the state and local governments are seeking to implement safety improvements, adding warning lights and gates at the crossing, and have already secured over \$700,000 in Federal assistance, but to implement these safety features, Amtrak, the owner of the rail line, must first confirm that the crossing is public, approve a design and construction plan, and may need to contribute a portion of the cost.

Last year I sent a letter with Senator Warren and Congressman Neal calling on Amtrak to help address this matter, and I'm pleased Amtrak has been constructively working with the State and local governments on improving the crossing. So I hope that that would continue.

And finally what I'd like to say is I'd like to briefly voice my support for the comments made by Senator Nelson. The settlement that the Trump Administration entered into last month to allow for the online distribution of downloadable guns should be deeply disturbing to us all. Anyone, including criminals and terrorists, will now have access to blueprints for making deadly weapons, including semi-automatic firearms, like the AR-15, used in the Parkland, Florida, shooting.

So you have to let that sink in a little bit. Anyone with Internet access will be able to simply print a semi-automatic weapon with a 3D-dimensional printer. As Senator Nelson noted, these firearms are not only untraceable, but they can also be undetectable. The Commerce Committee has jurisdiction over the Transportation Security Administration, an agency that will be able to speak to the risk of 3D-printed plastic guns. And I believe that's an issue which our Committee should review in the very near future.

It's not only in the Gaza that Hamas will be able to download these guns, creating a national security set of issues, but it's also domestically here where terrorists and others will be able to download these guns, these plastic guns. We just can't have people

going to Instagram to download an “instagun” and have it be undetectable. I just think it’s going to create a whole new era in our society, and I hope that we have the hearings that reflect the danger that imposes.

Thank you, Mr. Chairman.

**STATEMENT OF HON. JOHN THUNE,
U.S. SENATOR FROM SOUTH DAKOTA**

The CHAIRMAN [presiding]. Thank you, Senator Markey.

I get that you guys are down to the last evidently here, so hopefully we’ll get you—get things wrapped up here, but I do appreciate both you, Mr. Dearborn, and you, Mr. Oberman, for your service and willingness to serve, and for Senator Wicker for serving this morning as Chairman.

As my colleagues have already noted, we have two very distinguished and well-qualified nominees before our Committee today, and, if confirmed, you’re going to serve in some critical positions in the administration for our Nation’s transportation network.

So I have a few questions I’d like to ask regarding some of the issues that I have prioritized as Chairman, and I’m sure you’ve probably heard other Members in some form ask some of these questions, but we’ll get some of them on for the record.

Mr. Dearborn, Amtrak’s CEO, Richard Anderson, previously testified before this Committee on positive train control implementation, and he specifically indicated that Amtrak’s position is that it cannot permit noncompliant equipment to be used on its tracks after the end of the year. If confirmed, you and the rest of the Amtrak Board will be charged with determining the strategic direction of Amtrak. So maybe you can tell us what your views are on how Amtrak should handle these noncompliant railroads’ operations over Amtrak-owned track?

Mr. DEARBORN. Mr. Chairman, thanks for the question. We have talked a lot today about safety and PTC. I am familiar with it. My view is that the PTC system should be up and running by the deadline, and that I know currently Amtrak is working on a daily basis with its—with the other stakeholders, commuter rail, and others, states, et cetera, to try to address and mitigate any of the risks on any section of the track that is not up to full accreditation of PTC, but that they can—they can address those risks so that those portions of the track can be operational and ultimately compliant under PTC.

The CHAIRMAN. Well, it’s going to be, as we get closer to that deadline, I think, as we all know, there are certain railroads, particularly passenger railroads in the Northeast Corridor, that are having a hard time getting—meeting the deadlines, but we, frankly, just flat have to get there. We’ve already had a number of extensions to that deadline. People know that it’s out there, and we’ve told them with lots of advanced notice, and also provided a significant amount of resources to help them achieve the goal. So we hope that in your new role that you will work with the Amtrak Board and with other carriers as well, over which whose track you operate to make sure that everybody is compliant.

Mr. Oberman, what do you see is the Board’s role in responding to rail service issues? And, if confirmed, what long-term actions do

you believe STB should take to prevent or mitigate future service delays?

Mr. OBERMAN. Thank you, Senator. First, of course, your instance with the reauthorization bill that you empowered the Board with new authority to initiate investigations concerning violations, which mostly are going to focus on service. And I indicated in my opening statement that it's important to—for the Board to proceed under that authority very carefully and judiciously. There were a number of thresholds that were written into the bill, and the Board staff, actually one of whom is sitting behind you, have ably worked on regulations to implement that new authority, and the Board has not yet utilized it.

So one of the things, if confirmed, that I would be committed to is as service issues arise, to carefully examine whether those issues are of regional and national importance and rise to a level where the Board ought to begin to take action.

Of course, the Board, on a regular basis, has staff that handles informal—informally handles concerns about service that are brought to the Board's attention, and from what I have learned, does a fairly able job at keeping the system running. You could not litigate every service issue if you want to keep a healthy system. You have to be there on a daily basis to make sure these problems are ironed out. And I would be committed, if confirmed, to make sure that the Board has a vigorous effort in continuing to do the fine work it's done there and to expand it as needed.

The CHAIRMAN. As you're probably well aware, one of the important responsibilities of STB is deciding rate cases that come before it. Unfortunately—excuse me—the Board's rate review process can be quite costly and time-consuming. And the STB Reauthorization Act of 2015, as you mentioned, sought to, among other things, improve the way that rate cases are handled.

Additionally, this spring, Chairman Begeman established an Internal Rate Reform Task Force, which is looking at and discussing with stakeholders ways to reform STB's rate review process for large cases and determine how to best provide a rate review process for smaller cases.

If confirmed, are you committed to finding a workable solution to the rate case process for smaller shippers?

Mr. OBERMAN. I am, Senator. One of the things that I'm very sensitive about, having spent much of my career as a trial lawyer, particularly on the plaintiff's side, is that it's useless to have a forum that doesn't provide a practical avenue. And if you have a theoretical solution through litigation, but one that's impractical for anybody to use, you might as well not have a forum at all.

So I think what the Board will be doing, and it's something that I would be committed to if confirmed, is coming up with a system, if needed, to make sure that there is a practical way to get rates set in a fair manner that certainly protects the interests of the railroads, but makes sure that shippers have a practical forum to get resolution. It is a very, as I am learning, rapidly a very subtle complex economic issue to come up with the right formula that's—it can't be too simple—

The CHAIRMAN. Right.

Mr. OBERMAN.—because the economics, as you well know, are quite complex, but it can't be so complex as to not be useful, and that's the balance that has to be struck.

The CHAIRMAN. And do you have any thoughts about what those next steps for establishing such a rate review process might be?

Mr. OBERMAN. Well, it just seems to me the first step is for all of us who are—if I am confirmed, and the others who are new, to grapple with this issue and to really focus on getting up to speed on the work that's been done and meeting with the various constituent groups to make sure we understand their concerns, and then, in short order, grapple with whether we're going to enact a different procedure, keep the same one, but tinker with it. But it just should be high on the—it's certainly high on my priority, to begin to grapple with that issue and come to resolution. I know a lot of people have been waiting for the Board to do it.

The CHAIRMAN. Right. As evidenced by some of my other questions, the STB has a number of pending matters that it is considering and which could have a significant impact on smaller shippers, including farmers and other rural shippers. If confirmed, which proceedings would be a top priority for you, acknowledging that decisions to proceed on rulemaking, it's another Board decision, so it would be subject to a vote of the other Board members? I'm not—you can't bind the Board obviously, and I understand that, but could you give us a little insight perhaps into how you would view the priorities that might be placed on some of these cases and proceedings that you would have to—that you would be considering as a member of the Board?

Mr. OBERMAN. Well, certainly, the ones that are at the top of the list are dealing with the rate regulation system, the standalone cost system, reexamining that. There are pending rules dealing with exemptions, and pending rules and considerations dealing with competitive switching. It seems to me those three are certainly among the top priorities. I haven't ranked them one, two, and three, but they're all right up there and I think will command the attention of all of the board members.

The CHAIRMAN. OK.

Mr. OBERMAN. I may have left one out, but those are the three—

The CHAIRMAN. Yes, no, those—and those are—yes, those are very—very relevant to all the issues that I think we deal with in terms of the cases.

During the nominations process, I imagine that you have given some thought to how you might handle cases that come before the Board or that are already before the Board involving or relating to Metra, given your previous experience as Chairman there. If confirmed as an STB Board member, do you plan to recuse yourself from cases involving Metra?

Mr. OBERMAN. To my knowledge, Senator, there is only one pending case involving Metra now. It was recently filed. And I—it's a—that's an issue that I have to examine very carefully. I left Metra a little over a year ago. The case was not filed at that time. I'm aware that the case exists, and as I understand it, it involves action taken by Amtrak long after I left the Board.

So I think recusal is a very fact-specific matter which I intend to look at very closely, and if—and consult with the Ethics Counsel and General Counsel thus to be, and if the facts warrant it, based on what I did at Metra, then I would recuse myself. I don't know yet because I haven't read the case. But I don't see any reason for a blanket——

The CHAIRMAN. Right.

Mr. OBERMAN.—recusal because I don't—cases could come up in the future which I have nothing to do with.

The CHAIRMAN. Right. OK.

This will be back for Mr. Dearborn. At the beginning of the year, Amtrak announced that it will implement a safety management system, a proactive risk management system, which builds on predictive safety management methods which have been used to improve safety in other industries, including the aviation industry. If confirmed, how would you continue to support Amtrak's efforts to improve safety using this approach?

Mr. DEARBORN. Well, I'm encouraged by it. I think one of the best developments was bringing on board new Executive Vice President Ken Hylander. He's in charge of the safety management system. He's had experience with it in the airline industry. I think any system that can help us predict, mitigate, and manage the risks so that we can focus on safety and increase our safety record is going to be important. And I look forward to working with the management team and the rest of the Board to implement the system fully.

The CHAIRMAN. And understanding the importance of that safety management system, but realizing it is one piece of an overall approach to focusing on safety, what do you see as the importance of promoting a safety culture? And how would you work to support that culture if confirmed?

Mr. DEARBORN. I think it's extremely important. I've had a chance to talk to some members of management who would like to see the culture of safety up and down the line, empowering every member of Amtrak. If they see something that would endanger a passenger or create some problem with regards to safety, that they would have the power to, if need be, stop the train.

I think that you have to empower people to have them focus on safety, to make it be job one, and I think the only way you can build that culture is for them to understand that there wouldn't be retribution. As a matter of fact, they would be encouraged to make sure to make the smart decisions to keep all passengers safe as well as the group.

The CHAIRMAN. Good. I've got a couple of other questions here I think I can probably include for the record.

I would say, you know, as we wrap this up, and I think Senator Wicker noted STB Chairwoman Ann Begeman is here today, and Board Member Deb Miller I think are here as well in the audience. And our hope, Mr. Oberman, is that you will be moved through Committee quickly so that you and our two other pending nominees can be confirmed by the full Senate. It's our goal to have a fully constituted Board at the STB as soon as possible.

And I would also suggest that, as has been kind of one of the priorities of the STB Reauthorization Act, that there be further col-

laboration among Board members by allowing them to talk with one another about official business matters with proper disclosure, of course, of such discussions, and that, to me, is something that we really need to have start to take place. And so we look forward to having you join them there as well as the other nominees and have a fully constituted Board in place for once.

But we do, again, appreciate both of you are willing to serve, and look forward to moving you quickly. And hopefully in line with that objective, I would suggest to the Members of this Committee who have questions for the record, that they submit them as quickly as possible so that we can get responses preferably by close of business tomorrow, but no later than close of business on Monday.

It is our intention to have at our Markup next week these nominations reported out of the Committee and moved to the full Senate. So in order to accommodate that, we've got a fairly shortened timeline in terms of trying to get responses to questions for the record. So hopefully Members will get those to you, and then if you could turn those around as quickly as possible. And I realize that's a fairly tight timeframe, but I think in the interest of getting both of you into your positions and working for the American people, we want to do everything we can to expedite your consideration of your nomination.

So I don't think we have anybody else coming by.

Again, thank you for being here. Thanks for your responses to our questions. And I understand I probably missed it, but some families represented here today as well.

So thank you all for your willingness to engage in public service, which ends up being a family commitment.

So thank you all very much. This hearing is adjourned.

[Whereupon, at 11:57 p.m., the hearing was adjourned.]

A P P E N D I X

JAMES LANKFORD
OKLAHOMA

COMMITTEES:
APPROPRIATIONS
CHAIRMAN
SUBCOMMITTEE ON FINANCIAL
SERVICES AND FEDERAL GOVERNMENT
INDIAN AFFAIRS
INTELLIGENCE
HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
CHAIRMAN
SUBCOMMITTEE ON REGULATORY
AFFAIRS AND FEDERAL MANAGEMENT

United States Senate

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June 30, 2018

The Honorable John Thune
Chairman
U.S. Senate Committee on
Commerce, Science, & Transportation
512 Dirksen Senate Building
Washington, D.C. 20510

The Honorable Bill Nelson
Ranking Member
U.S. Senate Committee on
Commerce, Science, & Transportation
425 Hart Senate Building
Washington, D.C. 20510

Dear Chairman Thune and Ranking Member Nelson:

It is without reservation that I write to you to provide my support and recommendation for Rick Dearborn to serve as a member of the Board of Directors of Amtrak.

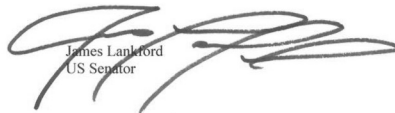
During my time in the Senate, it has been an honor to work with Mr. Dearborn. Whether it was during his service in the Senate as Chief of Staff to then Senator Sessions, as the Executive Director to the President-Elect Transition Team, or as Deputy Chief of Staff to the President, Mr. Dearborn has been consistently diligent, honest, and steadfast in his work.

Mr. Dearborn is an Oklahoma Native and it is apparent that he brought the values of his home state to the service of the entire nation in multiple different capacities.

Our nation's rail infrastructure faces many challenges and I am confident that Mr. Dearborn will serve Amtrak with the highest regard to be a good fiscal steward of the taxpayer dollars that support our rail system and the customers that rely on Amtrak service and safety.

I offer my fullest support to Mr. Dearborn and his nomination and I encourage you and your colleagues on the committee to confirm his nomination and quickly send his nomination before the full Senate.

In God We Trust,


James Lankford
US Senator

www.lankford.senate.gov

RICHARD SHELBY
ALABAMA

United States Senate
WASHINGTON, DC 20510-0103

July 30, 2018

The Honorable John Thune
Chairman, Committee on Commerce,
Science, and Transportation
United States Senate
Washington, DC 20510

The Honorable Bill Nelson
Ranking Member, Committee on
Commerce, Science, and Transportation
United States Senate
Washington, DC 2051

COMMITTEE ON
APPROPRIATIONS
CHAIRMAN

COMMITTEE ON
BANKING, HOUSING,
& URBAN AFFAIRS

COMMITTEE ON
RULES & ADMINISTRATION

COMMITTEE ON
ENVIRONMENT & PUBLIC WORKS

Dear Chairman Thune and Ranking Member Nelson,

I am writing in support of Rick Dearborn's nomination to be a Director of the Amtrak Board of Directors. Rick is a friend and a colleague who I have known and respected for over 20 years. I am proud to write to you today on his behalf.

Most recently, Rick served as the Deputy Chief of Staff to President Donald Trump. Additionally, Rick was the Executive Director of the President's Transition Team – which entailed directing and managing all operations of the transition team's 400+ staff.

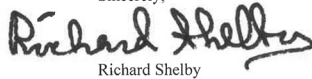
Rick Dearborn may be from Oklahoma, but he is a familiar face in the Alabama delegation. He has been a long-time advocate for Alabamians and is directly credited for assisting Jeff Sessions with all legislative matters during his time as Chief of Staff.

From an early age, Rick has been captivated by trains and railroads. Like many of us, he grew up collecting them and wanting to learn more about them – their origin, their history, their engineering, and so forth. As a young staffer in Jeff Sessions' office, Rick worked on various surface transportation reauthorization bills. His vast knowledge and understanding of passenger rail, and how it is impacted by the workings of our legislative body, is critical as the Senate considers his nomination.

The President made an excellent choice when he nominated Rick to be a Director on the Amtrak Board. I believe he is the right person for the job and have no doubt that he will excel in this role, continuing his long tenure of serving his country with honor.

Thank you for your consideration and please do not hesitate to contact me or my staff with any questions.

Sincerely,



Richard Shelby

JAMES M. INHOFE
OKLAHOMA

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United States Senate

WASHINGTON, DC 20510-3603

July 30, 2018

COMMITTEE:
ARMED SERVICES
ENVIRONMENT AND
PUBLIC WORKS
COMMERCE, SCIENCE
AND TRANSPORTATION
SMALL BUSINESS AND
ENTREPRENEURSHIP

The Honorable John Thune
Chairman
Committee on Commerce, Science, &
Transportation
United States Senate
Washington, DC 20510

The Honorable Bill Nelson
Ranking Member
Committee on Commerce, Science, &
Transportation
United States Senate
Washington, DC 20510

Dear Chairman Thune and Ranking Member Nelson:

I write to you today with my whole-hearted support for the nomination of Mr. Rick Dearborn of Oklahoma to serve as a Director on the Amtrak Board of Directors for a term of five years. I urge you to quickly consider and favorably report Mr. Dearborn from consideration by the Senate Committee on Commerce, Science, & Transportation.

Mr. Dearborn's life-long passion for railroads and trains gives him the perspective and the enthusiasm this nation needs from an Amtrak Board Member. As a young boy, Rick will tell you tales of riding his bike down to the local train depot in Waynoka, Oklahoma, nearly every summer evening. He would place a penny to be flattened on the tracks and when he was lucky, catch a cold carton of milk tossed from the caboose by a friendly conductor. Later in life, while attending the University of Oklahoma, Rick found a job working in an Oklahoma City train yard loading cars like Celebrities and Citations, three levels high into railroad cars in 100 degree heat.

In his professional life, throughout his 20-year career working on Capitol Hill and in Washington DC, trains and railroads were never far from his mind, or his home. In fact, he is an avid collector of model trains, and even went so far as to build his own model train platform. While working on Capitol Hill, Mr. Dearborn took a particularly keen interest in passenger rail. In addition to being an avid personal rider of our nation's Amtrak system, he worked on a wide variety of pertinent passenger rail issues in numerous surface transportation bills, including Tea 21, SAFETEA-LU, MAP-21, and FAST Act. As such, Mr. Dearborn has engaged on and sought concrete public policy solutions to address the vast array of challenges facing the passenger rail industry today.

I believe that Mr. Dearborn's personal passion for trains and his professional experience working railroad issues make him the ideal nominee to serve on the Amtrak Board of Directors, and I whole-heartedly support his nomination and look forward to his confirmation.

Sincerely,



James M. Inhofe

<http://inhofe.senate.gov>

DOUG JONES
ALABAMA

United States Senate

July 30, 2018

The Honorable John Thune
Chairman
U.S. Senate Committee on Commerce,
Science, and Transportation
Washington, DC 20510

The Honorable Bill Nelson
Ranking Member
U.S. Senate Committee on Commerce,
Science, and Transportation
Washington, DC 20510

COMMITTEES
BANKING, HOUSING, AND
URBAN AFFAIRS
HEALTH, EDUCATION, LABOR,
AND PENSIONS
HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
AGING

Dear Chairman Thune and Ranking Member Nelson:

It is my distinct pleasure to recommend Rick A. Dearborn for a position to the Amtrak Board of Directors. I have known Rick for more years than we both like to admit have seen firsthand his dedication to public service. From his time as Senate Republican Conference Secretary under Senators Bob Kasten and Trent Lott, to his time as Deputy Chief of Staff to President Trump, Rick has a deep understanding of what it means to be an advocate for the constituents he serves. More specifically, my first-hand knowledge of Rick's deep commitment to public service stems from his long history of serving in multiple capacities in the Office of Senator Jeff Sessions, including serving as Chief of Staff. Throughout his professional career, I have always known Rick to be an honest broker and a problem solver, traits that I know he will carry with him to the Board of Amtrak should he be confirmed.

Rick has also had a lifelong interest in trains and railroads. The arch of his professional career, moreover, has given him a unique perspective that will undoubtedly be invaluable in helping him to guide and direct Amtrak. Specifically, his knowledge of the interworking of government, both within the Executive and Legislative Branches, combined with his understanding of the passenger rail needs of rural states like Alabama and Oklahoma, where he was born, will allow him to effectively work with the leadership of Amtrak to position it for the future. His skillset and expertise is exactly what Amtrak needs as they grapple with balancing growth along the northeast corridor with the costs of maintaining the long distance routes that are essential for the viability of a national passenger rail network. He also understands the need to ensure that the entire system continues to be safe while largely operating along a more and more congested freight rail network.

Therefore, given his professional background, his strong knowledge base, and his well earned reputation for being an honest broker and problem solver, I offer my support for his confirmation as a member of the Board of Directors of Amtrak.

Sincerely,



Doug Jones
United States Senator

Congress of the United States
Washington, DC 20515

July 30, 2018

The Honorable John Thune
Chairman
U.S. Senate Committee on Commerce,
Science & Transportation
Washington, DC 20510

The Honorable Bill Nelson
Ranking Member
U.S. Senate Committee on Commerce,
Science & Transportation
Washington, DC 20510

Dear Chairman Thune and Ranking Member Nelson,

We write to provide you with our strongest and most completely unqualified recommendation of Rick Dearborn to serve as a member of the Board of Directors of Amtrak. We respectfully urge you to quickly confirm Mr. Dearborn for his nominated position.

We have known Mr. Dearborn for most of the time we have served in Congress. He always maintains the most professional and responsive relationship and consistently strives for excellence in everything he does. The Alabama delegation prides itself for our ability to work together for the common good of our beloved state and our nation. Mr. Dearborn has always been at the forefront of that effort.

We have always found Mr. Dearborn to be able to create innovative team approaches to addressing the policy and political issues we worked on together. His leadership abilities are unmatched.

We believe Mr. Dearborn will serve with the utmost distinction if confirmed by your Committee and the full Senate. His priorities in this role match up well with the needs our passenger rail system is faced with today. Those priorities are the safety of our entire rail system, the need to increase its ridership as a viable option to other forms of transportation, the smart and cost-efficient investment of capital needed to maintain our rail system and the need to address the current debt Amtrak carries and the implementation of a plan to eliminate that debt.

Ultimately, we need members of the board of Amtrak that understand the challenges we all face as Members in supporting our passenger rail system. Having someone on the board with over twenty years of Congressional experience will be a benefit to us all as we work through the safety challenges, on-time performance goals, the multiple challenges confronting us due to an aging rail, bridge and tunnel infrastructure and Amtrak funding questions that have always been controversial.

For these reasons, we write to you today to offer our fullest support for Mr. Dearborn's nomination to the Board of Amtrak and we strongly encourage you and your colleagues to support his candidacy and vote him unanimously out of Committee and the full Senate.

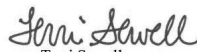
Sincerely,


Robert Aderholt
Member of Congress


Mike Rogers
Member of Congress


Mo Brooks
Member of Congress


Martha Roby
Member of Congress


Terri Sewell
Member of Congress


Bradley Byrne
Member of Congress


Gary Palmer
Member of Congress



Freight Rail Customer Alliance

July 31, 2018

Senator John Thune, Chairman
Senate Commerce, Science
and Transportation Committee
U.S. Senate
512 Dirksen Senate Office Building
Washington, DC 20510

Senator Deb Fischer, Chairwoman
Surface Transportation and Merchant Marine
Infrastructure, Safety and Security Subcommittee
Senate Commerce, Science
and Transportation Committee
U.S. Senate
427 Hart Senate Office Building
Washington, DC 20510

Senator Bill Nelson, Ranking Member
Senate Commerce, Science
and Transportation Committee
U.S. Senate
512 Dirksen Senate Office Building
Washington, DC 20510

Senator Gary Peters, Ranking Member
Surface Transportation and Merchant Marine
Infrastructure, Safety and Security Subcommittee
Senate Commerce, Science
and Transportation Committee
U.S. Senate
427 Hart Senate Office Building
Washington, DC 20510

Dear Senators Thune, Nelson, Fischer and Peters:

The Freight Rail Customer Alliance (FRCA) – an umbrella organization including trade associations representing more than 3,500 manufacturing, agriculture chemical, and alternative fuels companies, electric utilities, and their customers – strongly supports the confirmation of Mr. Martin Oberman (D) of Illinois to serve as a Member of the Surface Transportation Board (STB or Board).

Thanks to your collective leadership, the ***STB Reauthorization Act of 2015 (Act)***, P.L. 114-110, marks the first time since 1998 that the Board was reauthorized. The reauthorizing law: (1) provides much-needed reforms to the Board's process to address numerous historical shortcomings experienced by the Board and industry stakeholders; (2) improves the Board's transparency; (3) helps the Board to operate more expeditiously and efficiently; and (4) better enables the Board to strike a more equitable balance among the interests of its diverse stakeholders. The ***Act*** also expands the size of the Board from three Members to five Members to allow the agency to become more functional and collaborative.

Our country's ever-growing reliance on freight rail commands the Board to provide necessary and effective oversight, especially considering only four Class I railroads control 90% of our nation's freight rail traffic. Freight rail is a vital component of our nation's economy. Farmers rely on rail both for fertilizer to grow their crops and to deliver those crops to market, and coal-burning utilities and propane suppliers rely on rail to receive the fuel they need to serve their customers. Freight rail also enhances the growth of our economy and our global competitiveness.

Mr. Oberman's experience serving as chairman to the Chicago Metra Board of Directors offered him the unique opportunity to learn first-hand how important the rail system is to our nation's overall economy. During his tenure, he also gained important insight into how all elements of the rail industry have to work smoothly together – including recognizing the interests and priorities of each stakeholder.



Freight Rail Customer Alliance

July 31, 2018
Page Two

During the Commerce Committee's nomination hearing last week, Mr. Oberman stated his commitment to implementing the *Acr* and approaching all matters before the Board in a bi-partisan, cooperative, and balanced manner. FRCA welcomes Mr. Oberman's contributions towards identifying and achieving workable solutions to expedite rate cases – just one of the directives outlined in the *Acr* – and utilizing the Board's existing authority to examine and help solve problems that typically arise among shippers and rail carriers.

There are several major pending proceedings before the Board – some going back decades – that involve the most substantive issues of great importance to the Board, shippers, railroads, and the general public. They are technical, complex, and challenging – requiring resolution to reflect today's market conditions and freight rail demands. FRCA looks forward to Mr. Oberman's pledged unethered and cooperative style when dealing with these major proceedings including but not limited to Revenue Adequacy Considerations, Rate-Reasonableness Standards and Expediting Rate Cases, Commodity Exemption, and Competitive Switching.

FRCA views Mr. Oberman as an appropriate Democratic nominee to serve as Member of the STB and welcomes his swift confirmation.

Thank you for your continued leadership and commitment in realizing a full complement of Members to the Board as soon as possible.

Sincerely,

Ann Warner LLC
Spokesperson for FRCA

cc: Members of the Senate Commerce, Science and Transportation Committee

About FRCA

An umbrella membership organization, the Freight Rail Customer Alliance (FRCA) includes large trade associations representing more than 3,500 electric utility, agriculture, chemical, and alternative fuel companies and their consumers. Through a growing coalition of industries and associations, the mission of FRCA is to obtain changes in Federal law and policy that will provide all freight shippers with reliable rail service at competitive prices. www.railvoices.org

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. BILL NELSON TO
RICK A. DEARBORN

Passenger Rail Service. Mr. Dearborn, the administration again proposed slashing Amtrak funding in Fiscal Year 2019. This would affect service on the three long-distance train lines that run through Florida.

Question. What are your views about funding Amtrak so that it can provide high-quality rail service on these long-distance routes?

Answer. I support Federal investment in Amtrak's National Network, including long distance routes. I understand the importance of connecting communities across this Nation and I do believe long distance routes play a critical role in the Nation's transportation network.

While Amtrak should always look for opportunities to operate more efficiently and with less taxpayer subsidies, Federal funding does play a critical role in continuing long-distance routes. It is essential that Amtrak look for opportunities to increase ridership on all of its routes; if Amtrak can successfully do this, the additional revenue will be able to further support these routes.

I look forward to learning more about the long-distance network, including the service in Florida, and how best I can support these routes.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
RICK A. DEARBORN

Amtrak Safety Culture. If confirmed, you will have a leadership role in a large national transportation network that last year was responsible for keeping passengers safe on more than 31 million trips. When safety is not the top priority, tragedy can often result, as we saw in the horrific derailment in DuPont, Washington last December where three people lost their lives and over 80 people were injured.

Some of the issues that NTSB investigators focused on at their recent hearing on that incident were the inadequate training of engineers, potential flaws in the risk mitigation plan for the curve where the crash occurred, and lack of functional PTC on the new Point Defiance Bypass.

Question 1. I am sure that you have been paying careful consideration to the many issues currently facing Amtrak. Can you discuss some of your concerns about Amtrak's safety culture, the steps that are being taken to improve it, and what you will do as a Board member on an ongoing basis to ensure that Amtrak is as safe as possible?

Answer. Safety is my top priority, and this will be reflected in my work if I am fortunate enough to be confirmed. Additionally, I am committed to full PTC implementation and the establishment of a Safety Management System (SMS). It is also important to understand the root causes of the horrific accidents that occurred in the past and the steps being taken to prevent future incidents.

If I am confirmed, I will closely monitor Positive Train Control (PTC) implementation and the establishment of a SMS. I am committed to the execution of both programs ensuring plans are clearly articulated, aggressive timelines are established, deadlines are met, and results are monitored.

An SMS is a proactive risk management system which builds on predictive safety management methods. SMS moves us to a no fault, collaborative approach for safety analysis. An SMS establishes safety as an integral element of all business functions, and is built upon four components: Safety Policy, Safety Promotion, Safety Assurance and Safety Risk Management. SMS has been a cornerstone of improving safety in many industries, including aviation, health care and energy. The implementation of an SMS is a significant undertaking—it requires an organizational commitment.

Question 2. What in your background or experience has prepared you to play such an important role in a large national transportation network?

Answer. For over 20 years, I proudly served as a staffer in various roles for this institution's Members. I worked as a Staff Assistant and later as a Legislative Assistant for six Senators prior to being hired by then Senator Jeff Sessions. I served for six and a half years as his Legislative Director, later having served for over twelve years as his Chief of Staff.

During that time, then Senator Sessions served on the Environment and Public Works (EPW) Committee and the Transportation Subcommittee. We worked on various surface transportation reauthorization bills together, from ISTEA through the FAST Act. Passenger rail issues were part of our yearly routine, and our office worked rail issues on behalf of our constituents and our country. Though Amtrak wasn't rolled into the larger transportation bill until the FAST Act of 2015, pas-

senger rail issues were something we dealt with annually, as did most rural state offices with long distance routes.

On top of my direct work on transportation issues, I also ran the Congressional Affairs division at the Department of Energy from 2003–2005 in the Bush Administration. My office was one of the larger Congressional Affairs divisions and I managed close to one hundred people in Washington, D.C. and across the country at the Department's multiple laboratories. That experience afforded me the chance to manage a large team while also coordinating the Administration's and Department's policy priorities on Capitol Hill.

Directly after the 2016 Presidential election, I was asked to serve as the Executive Director for the Presidential Transition team, managing close to one thousand people. The amount of work we put into that endeavor was daunting, but highly rewarding. I was responsible for all Presidential appointments, all agency action planning, policy planning, Presidential support, and operations/logistics.

Once the transition was complete, I was asked to serve as the Deputy Chief of Staff to the President. In this role, I managed the largest number of professional staff in the White House. My duties included the management and direction of the Legislative Affairs team, the Cabinet Secretaries, the Intergovernmental Affairs team, the Office of Public Liaison, the Political Affairs Department and the President's schedule.

These experiences have prepared me well to serve as an Amtrak Board Member.

Amtrak Funding. In Washington State, riders take 1.2 million trips on Amtrak trains each year, keeping a lot of cars off of our congested highways.

President Trump's proposed budget would eliminate funding for long distance routes which would impact two National Network trains that run through Eastern Washington to Seattle, potentially ending service for over 50,000 Amtrak users in Spokane and severely curtailing service to the rest of the state.

Question 3. As White House Deputy Chief of Staff, did you help create the President's budget proposal that would eliminate long-distance Amtrak routes?

Answer. No, I did not help create the President's budget proposal that would eliminate long-distance Amtrak routes.

Question 4. As a Member of the Amtrak Board of Directors, would you support the Administration's proposed budget cuts, or would you be an effective advocate for passenger rail within the Administration?

Answer. The Amtrak Board of Directors has many fiduciary responsibilities to the company, which carry the obligation to ensure that they act in the best interests of the company.

Last year, in its 2018 General and Legislative Annual Report, Amtrak reported to Congress that the elimination of the long-distance services would cost an additional \$423 million. That would be a significant financial problem for Amtrak, and if confirmed, I would need to consult closely with the rest of the Amtrak Board and Congress.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. AMY KLOBUCHAR TO
RICK A. DEARBORN

Question. Our intercity passenger rail system carries more than 30 million passengers each year. In Minnesota, the Empire Builder provides a vital link for many rural towns. Amtrak's service helps students get to college, workers to job centers and tourists to travel destinations. For cities like Winona, Minnesota where Amtrak has a station and all the other towns along the Empire Builder, long-distance passenger service provides an important economic boost.

What would you do to ensure Amtrak continues to offer quality services for passengers that rely on long-distance routes?

Answer. I believe that long-distance routes are a critical part of our National Passenger Rail system. I'm supportive of current long-distance route services and look forward to learning more about each of them if confirmed to the Board. I understand the importance of connecting rural communities. To ensure Amtrak continues to offer quality services for passengers, I would focus on cultivating a positive passenger experience, improving on-time performance (OTP), and modernizing Amtrak's equipment across the rail system.

Passenger satisfaction is extremely important in a competitive transportation environment, and I am committed to ensuring Amtrak continues to offer safe, reliable, and clean services throughout its entire rail network. Implementing additional innovative amenities, such as offering WiFi services on routes that it is not currently offered on and improving food and beverage, will also help increase ridership—one

of my many goals. If I am fortunate enough to be confirmed, I am committed to improving the entire Amtrak experience.

Amtrak must also improve its OTP. This is especially true on the national network where Amtrak depends on host railroads for dispatching. Working to further develop improved relationships with host railroads will directly improve the quality of Amtrak's long-distance routes.

Further, Amtrak must also look at ways to modernize and improve its equipment across the rail system. I understand Amtrak is investigating procurement opportunities for new locomotives and rolling stock, and I look forward to learning more about how this could potentially improve the quality of experience on long distance routes if confirmed.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. RICHARD BLUMENTHAL TO
RICK A. DEARBORN

Russian Efforts to Influence the 2016 Election. In a pre-hearing meeting with Commerce Committee staff you indicated that you have had "at least two meetings" with the Special Counsel's staff.

Question 1. Have you cooperated with Special Counsel's office requests for information from you regarding Russian efforts to influence the 2016 election?

Answer. I have fully cooperated with the Special Counsel's investigation, and the investigative efforts of Committees from both the Senate and the House. Specifically, I have met with the Special Counsel's Office, the Senate Intelligence Committee, the Senate Judiciary Committee and the House Intelligence Committee.

As you know, your questions relate to investigations that are ongoing. As such, and because my meetings with the Congressional Committees were transcribed, I respectfully suggest you request such information from your colleagues on the Committees. I have no objection with them sharing that information with you, and I hope they will.

Question 2. Has the Office of Special Counsel indicated that you are in any legal jeopardy or that you may be a possible witness at some point in the investigation?

Answer. No, the Office of Special Counsel has not indicated that I am in any legal jeopardy.

Please see my response to question #1.

Question 3. Did you list these interviews or contacts in your responses to this Commerce Committee's questionnaire?

Answer. These interviews and contacts were not requested in the Commerce Committee's questionnaire; therefore, I did not list them.

Question 4. A *New York Times* report from December of last year indicates that in May 2016, you received an e-mail from Paul Erickson, conservative operative claiming to have close ties to the National Rifle Association (N.R.A) and Russia, bearing the subject line "Kremlin Connection." In the e-mail, Mr. Erickson said that he could arrange a back-channel meeting between then-candidate Trump and Vladimir Putin, the Russian president.

Russia, he wrote, was "quietly but actively seeking a dialogue with the U.S." and would attempt to use the N.R.A.'s annual convention in Louisville, KY, to make "first contact." We now know that Mr. Ericson was having a romantic relationship with Maria Butina and that they made contact with each other at the N.R.A. convention.

Did you receive an e-mail from Paul Erickson related to the establishment of a backchannel line of communication between Donald J. Trump and Vladimir Putin?

Answer. Please see my response to question #1.

Question 5. How did you respond to the e-mail you received from Mr. Erikson in May 2016 regarding a back-channel meeting between Donald J. Trump and Vladimir Putin?

Answer. Please see my response to question #1.

Question 6. When you received e-mails from Mr. Erikson related to the Kremlin, why didn't you immediately contact the FBI?

Answer. Please see my response to question #1.

Question 7. Did you ever discuss with then-Senator Sessions Mr. Erickson's offer to set up a meeting between then candidate Donald Trump and Vladimir Putin during the 2016 campaign? If so, what was his response?

Answer. Please see my response to question #1.

Question 8. Was anyone else on the Trump campaign aware that Mr. Erickson had contacted you with this request?

Answer. Please see my response to question #1.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. CATHERINE CORTEZ MASTO
TO RICK A. DEARBORN

Substance Abuse. As I'm sure you're aware this country is in the depths of a heartbreaking epidemic of opioid abuse. Nearly everyone I talk to can think of someone they know who has been impacted by this crisis and last year, it impacted Amtrak. In April 2016, two Amtrak employees with opioids in their system were struck and killed by a train in Pennsylvania. The train's engineer also tested positive for drugs. Random tests for railway workers in general found that positive results increased by 43 percent in 2015 after years of remaining flat. This is an issue that impacts those who suffer from addiction as well as the safety of passengers and those who live near railroads.

Question 1. What do you think can be done to ensure that Amtrak better monitors and treats substance abuse related to safety and workforce retention concerns?

Answer. I am well aware of the opioid epidemic that is continuing to plague our country, and I am committed to monitoring and treating substance abuse related safety and workforce concerns at Amtrak.

The dangers associated with substance abuse in the workplace are an important issue that needs to be addressed, and I believe Amtrak is on the right path to doing so. Earlier this year, Amtrak increased its random testing rates for both hours of service and Maintenance of Way employees. Secondly, Amtrak has expanded its testing panel to include barbiturates, benzodiazepines, methadone and oxycodone, none of which are currently included in the Federal testing panel. Further, Amtrak has recently reintroduced random testing for certain non-regulated groups.

I believe that Amtrak's robust testing regimen acts as a strong deterrence and will help Amtrak address the shifting drug and alcohol landscape across the country.

Immigration. On February 1, 2018, Border Patrol agents were filmed on an Amtrak train in Syracuse, New York asking passengers if they are American citizens. As you know, Border Patrol can question anyone about their citizenship within 100 miles of the border if they have a reasonable suspicion they are in the country illegally. But almost two thirds of Americans live in this 100-mile zone, as well as numerous Amtrak routes.

Question 2. If confirmed, do you plan to use this position to advocate for further cooperation with Border Patrol to allow these random searches to continue?

Answer. No, I do not.

Question 3. During your time in or after your tenure at the White House, have you had any discussions within the administration about increasing the use of Amtrak searches as a tool of immigration enforcement?

Answer. No, I have not.

Question 4. Do you believe racial profiling on Amtrak trains to be acceptable practice by Border Patrol agents?

Answer. I believe all law enforcement, including the Border Patrol, should enforce current and existing Federal and State laws.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JON TESTER TO
RICK A. DEARBORN

April 2016 Speech. According to your testimony under questioning from Senator Peters, your role during the April 2016 Trump event where then-candidate Trump gave a speech on foreign policy was to help coordinate with the Center of National Interest, who hosted the event.

Question 1. With whom from the Trump campaign did you work on coordinating this event? Were any outside consultants used in preparation for the event? If so, please list their names and associations.

Answer. I have fully cooperated with the Special Counsel's investigation, and the investigative efforts of Committees from both the Senate and the House. Specifically, I have met with the Special Counsel's Office, the Senate Intelligence Committee, the Senate Judiciary Committee and the House Intelligence Committee.

As you know, your questions relate to investigations that are ongoing. As such, and because my meetings with the Congressional Committees were transcribed, I respectfully suggest you request such information from your colleagues on the Com-

mittees. I have no objection with them sharing that information with you, and I hope they will.

2016 Republican Platform. You also helped develop the 2016 Republican platform. Within the platform, it has been reported that the original proposal from GOP activist Diana Denman regarding U.S. assistance to Ukraine was weakened from providing Ukraine “lethal defensive weapons” to “appropriate assistance.” Ms. Denman mentioned that “two gentlemen” who were part of the Trump campaign came over, looked at the language, and asked that it be set aside for further review.

Question 2. Could you describe the process of how the party platform was developed? Who approved each section of the platform before it was published?

Answer. Please see my response to question #1.

Question 3. For what part of the Republican platform were you responsible?

Answer. Please see my response to question #1.

Question 4. To your knowledge, how many individuals were responsible for the drafting of the 2016 Republican Party platform? Were you aware of each individual’s responsibilities in the drafting of the platform?

Answer. Please see my response to question #1.

Question 5. You mentioned during your testimony that you were advised of Russia’s relationship with Ukraine in the drafting of the platform. Who “advised” you? What specifically did they discuss with you about this section of the platform?

Answer. Please see my response to question #1.

Question 6. Given your role to develop the 2016 Republican platform and your knowledge of its drafting, are you aware of who specifically was responsible for the change in language from “lethal defensive weapons” to “appropriate assistance?” If so, who was it?

Answer. Please see my response to question #1.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. DEAN HELLER TO
MARTIN J. OBERMAN

Question 1. As you know, the Department of Energy has an application before the Surface Transportation Board for a certificate of public convenience and necessity to build the Caliente railroad to Yucca Mountain. Given Congress’ repeated refusal to fund the Yucca Mountain project, I do not believe the Surface Transportation Board should act on this application knowing that the project is not funded and that it is not going to be funded.

Do you believe the Surface Transportation Board should act on this application regardless of whether Yucca Mountain has been funded?

Answer. I do not believe that the Surface Transportation Board should act on this application if the Yucca Mountain project has not been funded and is not going to be funded.

Question 2. If confirmed, will you commit to continuing the Surface Transportation Board’s practice of not getting out in front of other agencies when it is not the lead agency on a particular matter?

Answer. If confirmed, I commit to continuing the Surface Transportation Board’s practice of not getting out in front of other agencies when it is not the lead agency on a particular matter.

Question 3. Under the Nuclear Waste Policy Act, the Federal Government is looking at shipping 9,495 rail casks in 2,800 trains and 2,650 trucks hauling one cask each to Yucca Mountain over 50 years. These shipments would use 22,000 miles of railways and 7,000 miles of highways and cross over 44 states. Under previous questioning from me at this Committee, Federal Railroad Administrator Ronald Batory and Pipeline and Hazardous Materials Safety Administrator Howard Elliott confirmed that a transportation accident with an ensuing radiological release was possible.

Given the significant number of proposed shipments, the sheer distance to be traveled, and the 50-year duration of these shipments, do you agree with Mr. Batory and Mr. Elliott that there is a real risk of at least one transportation accident with an ensuing radiological release occurring?

Answer. The Federal Railroad Administration and the Pipeline and Hazardous Materials Safety Administration have primary jurisdiction and expertise concerning the safety of the transport of spent nuclear fuel by rail. I defer to Mr. Batory and Mr. Elliott’s findings on the risk of rail transportation accidents and the potential for radiological release.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. AMY KLOBUCHAR TO
MARTIN J. OBERMAN

Question. In many rural parts of the country, shippers are served by only one railroad, so called “captive shippers.” These shippers can face increased costs in getting their products to market. Whether they are shipping grain, coal or paper the increased costs get passed on to the consumer.

Mr. Oberman, what steps would you take to ensure captive shippers have access to competitive shipping rates?

Answer. The STB plays an important role in reviewing freight rail rates paid by captive shippers. Congress recognized this role in the 2015 Reauthorization Act when it directed the STB to examine “current large rate case methodologies” and to determine “whether alternative methodologies . . . could be developed, to streamline, [and] expedite” those cases. The agency established a rate reform task force to conduct this examination, and if confirmed, I look forward to working with the task force and the Board’s many stakeholders to ensure that stakeholders have meaningful options with the STB to solve their rate disputes. I will also focus on the STB’s 2016 Advance Notice of Proposed Rulemaking on a new rate review process for small shippers, which I think will be particularly useful to agricultural stakeholders. These efforts, as well as exploring other possibilities with stakeholders, my fellow Board Members and agency experts will be my priorities if I am confirmed.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. CATHERINE CORTEZ MASTO
TO MARTIN J. OBERMAN

Substance Abuse. As I’m sure you’re aware this country is in the depths of a heartbreaking epidemic of opioid abuse. Nearly everyone I talk to can think of someone they know who has been impacted by this crisis and last year, it impacted Amtrak. In April 2016, two Amtrak employees with opioids in their system were struck and killed by a train in Pennsylvania. The train’s engineer also tested positive for drugs. Random tests for railway workers in general found that positive results increased by 43 percent in 2015 after years of remaining flat. This is an issue that impacts those who suffer from addiction as well as the safety of passengers and those who live near railroads.

Question. As a former board Chairman of Metra, what do you believe we all can be doing better to monitor and treat substance abuse related to safety and workforce retention concerns?

Answer. The opioid epidemic in America no doubt has had far-reaching impacts on public safety and industries dealing with employees afflicted by addiction. Metra has drug testing requirements and has established an employee assistance program that includes providing counseling for addiction problems. Each railroad must establish its own safety culture requiring drug testing, counseling and rehabilitation, as well as consequences for employees who do not or cannot comply with safety rules. Railroads also must work closely with the Department of Transportation and the Federal Railroad Administration to ensure that they comply with Federal drug and alcohol testing regulations and procedures. It is imperative that railroads and the government work together as our Nation grapples with this tragic public health and safety issue.