

TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2019

WEDNESDAY, MAY 16, 2018

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 3:36 p.m., in room SD-124, Dirksen Senate Office Building, Hon. Susan M. Collins (chairman) presiding.

Present: Senators Collins, Daines, Reed, and Murray.

DEPARTMENT OF TRANSPORTATION

RAILROAD SAFETY INITIATIVES

STATEMENT OF HON. RONALD BATORY, ADMINISTRATOR, FEDERAL RAILROAD ADMINISTRATION

OPENING STATEMENT OF SENATOR SUSAN M. COLLINS

Senator COLLINS. The hearing will come to order.

Good afternoon. Let me begin by apologizing to our witnesses. We are in the midst of two roll call votes. I cast the first one, the Ranking Member, Senator Jack Reed is voting right now. We are going to try to keep switching back and forth. Obviously, these votes were not scheduled at the time we scheduled this hearing. That is the way the Senate is, but we are going to proceed.

Today, our subcommittee is holding an oversight hearing on the Department of Transportation's rail safety programs. I am very pleased that I will be joined by Senator Jack Reed, the subcommittee's invaluable Ranking Member.

I also want to welcome our panel of distinguished witnesses. We are joined today by Ron Batory, the Administrator of the Federal Railroad Administration; Stephen Gardner, the Vice President and Chief Commercial Officer of Amtrak; Patricia Quinn, the Executive Director of the Northern New England Passenger Rail Authority; and Art Leahy, the CEO of Metrolink commuter rail in southern California.

The issue of railroad safety has received heightened attention recently due to several disturbing accidents.

Last December, an Amtrak train derailed in DuPont, Washington, killing 3 people and injuring 60, on the inaugural run of a new line. The engineer was speeding on a curved track nearly 50 miles per hour above the speed limit.

In January, closer to home, Members of Congress were involved in a highway-railroad grade crossing crash. Witnesses report that a truck entered the crossing when the gates were down. Unfortunately, this type of accident occurs all too frequently.

In February, another Amtrak train collided with a sitting freight train in South Carolina because it was diverted onto a track that had been taken out of service.

These three accidents illustrate the variety of challenges we face in improving the safety of our railroads.

The rail industry's safety record has improved in some areas, with the number of derailments declining by 35 percent since 2008 despite increasing service levels.

Last year, however, the number of accidents and incidents actually increased compared to 2016. Among these incidents were several serious collisions that led to fatalities that, in some cases, could have been avoided with the use of proven technologies such as Positive Train Control, or PTC, as well as improvements to the safety culture through better training.

I am all too aware of one such incident in Lac-Megantic in Quebec, Canada in 2013, which resulted in the death of 47 residents just 30 miles from the Maine border. In 2014, our subcommittee held a hearing on the Lac-Megantic accident and the transportation of crude oil by rail.

As a result, this committee increased the number of railroad inspectors at FRA, created the Short Line Safety Institute to improve the safety culture in the industry, and mandated the phase out of old tank cars that were susceptible to puncture and leakage upon derailment. Our railroads and our communities are safer today because of those new approaches.

Prior to Lac-Megantic, the horrific accident in Chatsworth, California in 2008, which resulted in 25 deaths, led Congress to mandate PTC for most Class I and passenger rail service.

PTC technology, while challenging to implement, has demonstrated that it can prevent major crashes and incidents caused by human error. PTC likely would have prevented several recent accidents, such as the one that I mentioned in Washington State.

It is imperative for railroads to implement this safety system as soon as possible. In fact, Congress has mandated that all required railroads implement PTC by December 31 of this year, with an extension until 2020 for railroads that can demonstrate their system is fully functional, but may need additional testing.

While most Class I freight companies, as well as Amtrak, are on schedule to meet the PTC deadline of December 31, 2018, last month the Federal Railroad Administration released a list of 15 railroads that are "at-risk" of neither meeting the PTC deadline nor satisfying the legal criteria to qualify for an extension until December 31, 2020. Many of the railroads on this list are commuter or other publicly subsidized railroads.

Amtrak has also recently highlighted several State supported and long distance routes that are at risk of having service curtailed due to a failure to install PTC fully.

For the Downeaster regional train in Maine, it is essential that the Massachusetts Bay Transportation Authority, or MBTA, fully implement Positive Train Control. The Massachusetts Authority

serves as the host railroad on a very small part of the Downeaster route, and is responsible for the installation of PTC on a section of track between Haverhill and Boston.

Fortunately, MBTA has made progress and is now on pace to meet the deadline at the end of the year, which will allow the Downeaster to continue to offer uninterrupted service between Maine and Boston.

Recognizing the financial costs associated with PTC deployment, our subcommittee has provided funding over the last 3 years, including up to \$593 million in the fiscal year 2018 funding bill.

With the PTC deadline just months away, however, it has taken until this week for the Department to make funding available to potential applicants. When this funding is awarded, I anticipate that it will focus on both freight and commuter railroads that are most challenged in meeting the deadlines.

It is important to note that while PTC is critical to improving rail safety, it cannot prevent all accidents.

The Amtrak train carrying Members of Congress struck a truck that should not have been on the highway-rail grade crossing, an occurrence that is, unfortunately, far too common. Almost 250 people died in similar highway-rail grade crossing collisions last year, and when combined with trespasser fatalities, they contributed to 96 percent of all rail-related deaths last year.

In an effort to address these problems, this committee has provided funding to the Department of Transportation for a media campaign to increase awareness of highway-rail grade crossings. We somehow have to get across the message that you cannot beat the train by violating the rail crossings.

Earlier this year, the Department launched these efforts, and I look forward to hearing from the Administrator on how these funds are being used and what metrics will be applied to determine effectiveness.

Let me now turn to Senator Reed for his opening remarks.

I apologize for starting before you got here, with the permission of your staff, due to the votes that we have ongoing on the floor.

STATEMENT OF SENATOR JACK REED

Senator REED. Thank you, Chairman Collins, not only for holding this important hearing, but also for your extraordinary leadership, generosity, and kindness.

We are here today to discuss a very important topic, which is rail safety. We are also responding to, as Chairman Collins pointed out, several high profile rail accidents over the past few months, some of which were Positive Train Control preventable, including tragic fatal accidents in both Washington and South Carolina.

Beyond the headlines, the FRA has also been tracking concerning statistics regarding highway-railway grade crossings and trespassing incidents. In 2017, 868 people died in rail-related accidents and incidents, with 245 of those occurring at highway-railway grade crossings and 590 from trespassing incidents. Both of those numbers are higher than in 2016.

In fact, sadly, a trespassing pedestrian was struck by an Amtrak train in Central Falls, Rhode Island just days ago and amazingly survived. Others, however, have not been as fortunate. This is the

second incident in just a year and a half in Rhode Island alone. We need to address these challenges, while also providing assistance for the implementation of Positive Train Control.

We all recognize that the safety and efficiency of our rail systems are clearly linked to investment and oversight. I am particularly proud of the rail investments and safety improvements we were able to make in the 2018 Omnibus under Senator Collins' leadership.

This subcommittee has increased funding for important safety programs, such as the Automatic Track Inspection Program and PTC oversight, at the FRA. In 2018, we provided \$592 million for CRISI Grants, with \$250 million set aside for PTC implementation. It was also particularly important that we made commuter rail agencies eligible for that PTC funding since they have the greatest need for public assistance.

Unfortunately, the FRA decided to issue a Notice of Funding Opportunity for only the \$250 million minimum set aside for PTC implementation and to hold back more than \$340 million of the remaining 2018 CRISI funding, unnecessarily delaying important safety and infrastructure projects.

PTC implementation is an eligible activity for the remainder of the CRISI funding as are highway-railway grade crossing improvements that would save lives. The decision to withhold the majority of the CRISI funding will confuse grantees, delay critical infrastructure investments, and waste time that could be spent building projects that address the other safety challenges that cause the greatest number of deaths on our railroads.

I am disappointed by the decision to separate the funds set aside for PTC implementation and strongly encourage the FRA to award all of the funding we have provided quickly and thoughtfully to address the safety risks that we face as a Nation.

In 2018, we also funded Amtrak at the highest level ever in an annual appropriations bill, with a special focus on the Northeast Corridor where there is a \$38 billion state of good repair backlog. We funded the Federal-State Partnerships for State of Good Repair program at \$250 million, the highest single appropriation as over from that program well.

Both of those programs are critical to upgrading and replacing century-old assets on Amtrak's Northeast Corridor, which connects a region that contributes 20 percent of America's Gross Domestic Product.

I am concerned that this Administration has incorrectly labeled these programs and the critical projects they address on the Northeast Corridor as "local, urban concerns." When you are dealing with 20 percent of the Gross Domestic Product, it is not a local, urban concern.

These are not local projects. They are projects of national significance, and this Administration has done a disservice to the safety and economic opportunity of Americans all along the East Coast due to their intentional bureaucratic delays. The Department of Transportation must do better as these projects move closer to construction.

In summary, Congress has done its part. Now the Administration needs to get down to work, expeditiously implement those pro-

grams and award grants to the railroads and agencies that need them.

I look forward to hearing from all of the witnesses about their state of good repair and safety challenges, as well as the best practices and opportunities for improvement on America's rail network. Rail safety is an area where we have broad, bipartisan agreement. As this subcommittee looks to 2019, your ideas and experience will help to inform our funding decisions to make America's rail system safer and more efficient.

We do not want to work together and appropriate significant money for real needs across this country and then see that money sit there because people will not do their job.

Thank you.

Senator COLLINS. Thank you very much, Senator Reed.
Administrator Batory, thank you for being here.

SUMMARY STATEMENT HON. RONALD BATORY

Mr. BATORY. Thank you, Chairman Collins, Ranking Member Reed, and members of the subcommittee.

The opportunity to testify today to discuss rail safety is an honor. I come to my position as Administrator of the Federal Railroad Administration with 45 years of experience in the railroad industry rising to become the President and Chief Operating Officer of a significant freight rail carrier in the United States.

Throughout my career, I have been focused on continually improving safety performance. I bring the same unwavering perspective to my current position at the FRA.

Railroads' implementation of PTC systems is at the top of our agenda. As we approach critical deadlines for railroads' implementation of PTC systems, FRA remains committed to working with the railroads to ensure the implementation of this important rail safety technology in a timely manner.

While railroads are making progress, most will need to request an alternative schedule that the governing statute allows. Under the direction of Secretary Chao, FRA is taking a proactive approach to assist railroads aggressively towards the implementation of PTC systems.

In that regard, FRA senior leadership met individually with executives for each of the to-be-compliant 41 railroads earlier this year. This was precedent-setting since the enactment of the original statute of 2008 along with each of the major equipment and technology suppliers representing the small, boutique market, which was also precedent-setting.

During FRA's recent meetings, railroads commonly conveyed some ongoing challenges including three: Demand and supply issues among a limited number of PTC system vendors; Ongoing technical and reliability issues with PTC system hardware and software; Last, is a lack of a cohesive progress in the realm of interoperability from both a host and a tenant perspective.

Today, the FRA believes 12 railroads are at-risk of both missing the statutory implementation deadline and failing to qualify for an alternative schedule. This assessment was based on railroad self-reported progress through the first quarter of this year. These PTC

systems are in operation on over 60 percent of the required freight railroads' route miles.

Passenger railroads, though, have made less progress, which includes commuter rail as well as intercity rail. To date, less than 25 percent of the required route miles are in service.

Fourteen railroads, though, have reported complete installation of all hardware necessary for PTC system implementation and another 13 have reported 80 percent of the required hardware installed.

Since 2008, the funding provided by this committee has enabled the Department to make available over \$2.5 billion in grants and loans to assist with PTC implementation. This amounts to nearly 20 percent of the \$14 billion the consolidated industry estimates are for the implementation of Positive Train Control.

I might also add that the majority of the \$2.5 billion was directed toward commuter rail. In addition, and a more recent note, is \$318 million awaiting award and application under Consolidated Rail Infrastructure and Safety Improvements (CRISI).

Since this Administration took office, railroads have made progress with their PTC implementation. From Quarter One of 2017 through Quarter One of 2018, railroads have increased the total amount of installed PTC system hardware from 77 percent to 93 percent. This progress has enabled the physical operating growth of PTC, which was very, very important.

At the onset of this Administration, PTC systems were in operation on approximately 18 percent of the freight railroad route miles required to be governed by a PTC system, and have now increased to a percentage in excess of 60 percent as of March 31 of this year.

On the intercity passenger and commuter railroads has been a much slower growth rate. This time last year, we were at 24 percent. This year, we are at only 25.

This progress is in the freight sector, and the commitment shown in intercity passenger and commuter railroad is a testament to Secretary Chao's commitment to ensuring our Nation's railroads are safe.

Additionally, it is a testament to the hard work and dedication of the men and women serving at FRA. Although first charged with the PTC mandate in October of 2008, the progress exhibited over the last few years shows that railroads have prioritized PTC implementation and adhered to Secretary Chao's safety charge of earlier this year concerning PTC.

Moving forward, FRA will continue to support and facilitate railroads' implementation of PTC technology by utilizing the tools afforded by Congress and providing extensive technical assistance and guidance to railroads and their suppliers.

We remain vigilant in harnessing and leveraging all personnel, financial and other resources, available to help expedite railroad implementation efforts.

We appreciate the subcommittee's support for our critical programs and we welcome your continued partnership to advance rail safety. With all that said, I sit here very honorable in front of you, look forward to listening to your concerns, and answering your questions on railroad safety.

[The statement follows:]

PREPARED STATEMENT OF HON. RONALD L. BATORY

Thank you for the opportunity to testify today to discuss rail safety. I come to my position as Administrator of the Federal Railroad Administration (FRA) with 45 years of experience in the railroad industry, rising to become the President and Chief Operating Officer of a significant freight rail carrier in the United States. Throughout my career, I have been focused on continually improving safety performance, and I bring this same perspective to my current position with FRA. The mission of FRA is to enable the safe, reliable, and efficient movement of people and goods for a strong America, now and in the future. Under the leadership of Secretary Elaine L. Chao, the FRA is executing this mission by: enforcing safety regulations; promoting non-regulatory safety improvement initiatives; managing Federal investments in rail infrastructure and service; facilitating regional rail planning; and nurturing research and development efforts to advance innovative technologies and best practices. As we approach critical deadlines for railroads' implementation of positive train control (PTC) systems, FRA remains committed to working with the railroads to ensure implementation of this important rail-safety technology in a timely manner.

POSITIVE TRAIN CONTROL IMPLEMENTATION

Railroads' implementation of PTC systems is at the top of our agenda. PTC systems represent the most fundamental change in rail safety technology since the introduction of Automatic Train Control in the 1920s. PTC is a processor-based and communication-based train control system designed to prevent certain train accidents. Specifically, a fully implemented PTC system should prevent train-to-train collisions, over-speed derailments, the movement of trains through a switch left in the wrong position, and incursions into established work zones. PTC accomplishes this by automatically controlling train speeds and movements if an operator fails to take appropriate action.

As mandated by the Rail Safety Improvement Act of 2008 (RSIA), each Class I railroad and entity providing regularly scheduled, intercity or commuter rail passenger service must implement a PTC system on certain main lines over which 5 million or more gross tons of annual traffic are transported. Specifically, railroads must implement PTC on main lines over which poison or toxic-by-inhalation hazardous materials (PIH/TIH) are transported, and main lines over which intercity or commuter rail service is regularly provided. Under RSIA, railroads were originally required to complete implementation by December 31, 2015. Approximately 2 months before that deadline, the House and Senate overwhelmingly passed, and the President signed, the Positive Train Control Enforcement and Implementation Act of 2015 (PTCEI Act), extending the deadline for full PTC system implementation to at least December 31, 2018.

In the PTCEI Act, Congress permits a railroad to request FRA's approval of an "alternative schedule" with a deadline extending beyond December 31, 2018, but no later than December 31, 2020, for PTC system implementation. The law requires FRA to approve a railroad's alternative schedule with a deadline no later than December 31, 2020, if a railroad submits a written request to FRA that demonstrates it has met the statutory criteria to qualify for such an alternative schedule. Currently, 41 railroads are required by statute to implement PTC systems: all 7 Class I freight railroads; 30 commuter and intercity passenger railroads, including the National Railroad Passenger Corporation (Amtrak); and 4 short line and terminal railroads. The technology is being implemented on approximately 60,000 miles of the 140,000-mile railroad network.

While railroads are making progress, most will need to request an alternative schedule. Under the direction of Secretary Chao, FRA is taking a proactive approach to help railroads acquire, install, test, and fully implement certified PTC systems as soon as possible. On December 27, 2017, 1 year ahead of the deadline, Secretary Chao sent letters to all railroads subject to the statutory mandate to implement PTC systems, stressing the urgency of safely implementing PTC systems and meeting the statutory deadline. At the direction of Secretary Chao, FRA senior leadership met individually with executives from each of the 41 railroads in January and February of this year. Railroads have generally been candid in detailing the challenges and obstacles confronting their properties. During the meetings, we sought to objectively evaluate each railroad's PTC deployment status, and learn what remaining steps each railroad needs to take to meet the deadline or satisfy the statutory criteria necessary to qualify for an alternative schedule.

During these meetings, the railroads commonly conveyed the following ongoing challenges:

- There is a limited number of PTC system vendors and suppliers, all of which are significantly resource-constrained and serving all 41 railroads and their tenant railroads;
- As reliability and stability of PTC systems is still immature, railroads are experiencing significant technical issues with both PTC system hardware and PTC system software that often take considerable time to diagnose and resolve, impacting current operations;
- Host railroads noted that many tenant railroads that operate on main lines requiring PTC system implementation have made variable, and often unknown, progress equipping locomotives with operational PTC technology, while some tenant railroads report that their host railroads are not providing opportunity for testing;
- Railroads have only recently begun testing PTC systems for interoperability;
- Many commuter railroads stated that negotiating legal agreements with certain vendors and suppliers often took time to complete, given various insurance, liability, and State law issues; and
- Railroads noted concern about FRA's approval review and approval cycle, given the surge in submissions requiring FRA approval in 2018–2019.

Last month, FRA sent letters to fifteen railroads that we consider to be at risk of both missing the statutory implementation deadline, and failing to qualify for an alternative schedule. This assessment was based on railroads' self-reported progress as of December 31, 2017 (Quarterly PTC Progress Reports for Quarter 4 of 2017). Based on the information provided, these railroads had installed less than 80 percent of their PTC system hardware as of December 31, 2017.

Railroads' self-reported Quarterly PTC Progress Reports for Quarter 1 of 2018 were due to FRA on April 30, 2018. During the week of May 7, 2018, FRA released a status update with infographics depicting railroads' self-reported PTC implementation progress for the first quarter of 2018. Based on railroads' self-reported progress during the first quarter, FRA is in the process of determining which railroads FRA still considers at risk of failing to meet the statutory criteria necessary to qualify for an alternative schedule. Based on FRA's preliminary review, FRA believes that approximately twelve of the fifteen railroads that were at risk as of December 31, 2017, remain at risk, as of March 31, 2018 representing a 20 percent improvement.

By law, it is the railroads' responsibility to implement PTC systems, but FRA is facilitating railroad and supplier collaboration to hasten, and urge, implementation. We have also met individually with PTC system component suppliers to learn more about their capacity to meet the high demand of railroads to achieve timely implementation. As noted in our most recent status update, as of March 31, 2018, PTC systems are in operation on approximately 60 percent of the freight railroads' route miles that are required to be governed by a PTC system. Passenger railroads have made less progress, with PTC systems in operation on 25 percent of required route miles. Fourteen railroads report they have completed installation of all hardware necessary for PTC system implementation and another thirteen report they have installed over 80 percent of the required hardware. In addition, as of March 31, 2018, all but two railroads report having acquired sufficient radio spectrum for their PTC system needs.

GRANT FUNDING AND FINANCIAL ASSISTANCE

The safety improvements PTC technology is designed to provide come with significant costs, both in terms of immediate acquisition and increased operations and maintenance costs. Industry estimates PTC acquisition will exceed \$14 billion, and maintenance will cost 10 to 20 percent of annual capital costs. Since 2008, FRA has awarded approximately \$735 million in grant funding to support railroads' implementation of PTC systems. FRA also supported the Federal Transit Administration (FTA) with its evaluation and selection of approximately \$197 million in grant fund awards to 17 commuter and intercity passenger railroads and state and local governments for installation of PTC systems, which were announced on May 31, 2017. The sources of the approximately \$932 million in FRA and FTA grant funding are:

- \$475 million from FRA's High-Speed Intercity Passenger Rail Grant Program;
- \$197 million in Section 3028 of the Fixing America's Surface Transportation Act (FAST Act) funding;

- \$120 million in annual capital grant funding to Amtrak (as of March 2018);
- \$86 million from FRA’s Railroad Safety Technology Grant Program;
- \$52 million in American Recovery and Reinvestment Act grant funding to Amtrak; and
- \$2 million in Research and Development grants.

Additionally, in May 2015, FRA issued a \$967.1 million loan to Metropolitan Transportation Authority for Long Island Rail Road’s and Metro-North Railroad’s implementation of PTC systems. And on December 8, 2017, the Build America Bureau closed on a \$162 million Transportation and Infrastructure Finance and Innovation Act loan and a \$220 million Railroad Rehabilitation and Improvement Financing loan to be issued to the Massachusetts Bay Transportation Authority for PTC system implementation.

Furthermore, the FAST Act authorized three new competitive rail development grant programs- two capital grant programs and one operating grant program; the Consolidated Rail Infrastructure and Safety Improvements (CRISI), Federal-State Partnership for the State of Good Repair, and Restoration and Enhancement. For fiscal years 2017 and 2018, Congress appropriated an additional \$961 million in funding with an emphasis on assisting PTC implementation.

- \$661 million for CRISI for capital projects, regional and corridor planning, environmental analyses, research, workforce development, and training to improve the safety, efficiency, and reliability of passenger and freight rail systems; of which, \$250 million is set aside for PTC implementation;
- \$275 million for Federal-State Partnership for State of Good Repair for capital projects on public- or Amtrak-owned infrastructure, equipment, and facilities to replace existing assets in-kind or with assets that increase capacity or service, maintain service while existing assets are brought into a state of good repair, or bring existing assets into a state of good repair; and
- \$25 million for Restoration and Enhancement Grants for operating assistance for up to 3 years per route to initiate, restore, or enhance intercity passenger rail transportation.

In the Consolidated Appropriations Act, 2018, Congress specifically made commuter railroads eligible applicants for the \$250 million set-aside in the CRISI program for PTC system implementation. As such, commuter railroads will be able to join short line railroads and public agencies seeking CRISI financial assistance to implement PTC systems. FRA is working expeditiously to make this important funding for the grant programs available to prospective grantees, with a primary focus on helping railroads implement PTC systems. In sum, thanks to the funding provided by this committee, the Department has made available over \$2.5 billion in grants and loans since 2008. This amounts to nearly 20 percent of industry estimates for PTC implementation costs.

ENFORCEMENT OF THE PTC IMPLEMENTATION MANDATE

As we move closer to the end of 2018, there are important questions about FRA’s enforcement policy. FRA is authorized to assess monetary civil penalties against any railroad that fails to implement a PTC system by the applicable statutory deadline (either December 31, 2018, or, if a railroad has an approved alternative schedule, the applicable date not later than December 31, 2020). FRA is developing an enforcement strategy consistent with governing statutes to address any instances of railroad non-compliance with the statutory deadlines.

FRA’s civil penalty schedule recommends, as guidance, a \$16,000 civil penalty for a failure to timely complete PTC implementation on a track segment where it is required. For any violation of a Federal rail safety statute, regulation, or order, however, the statutory minimum civil penalty FRA may assess is \$853, and the ordinary statutory maximum is \$27,904. FRA may assess a civil penalty for each day the non-compliance continues, but FRA may elect to take enforcement action on a one-time basis or each month, quarter, year, or other interval of time during which the non-compliance continues. FRA is currently considering all options, within the framework established by law, to determine what type of enforcement action will be most effective and appropriate under the circumstances. Our goal must be to ensure any enforcement action compels a railroad to fully implement its PTC system as efficiently and safely as possible.

HIGHWAY-RAIL GRADE CROSSING SAFETY AND TRESPASS PREVENTION

The other frequently persistent safety challenge for FRA is collisions, injuries and fatalities at highway-rail grade crossings, and the prevalence of trespassing on railroad rights-of-way. Nearly 96 percent of all rail-related fatalities are attributable to these two types of events. While significant progress has been made, in 2017, there were over 2,100 collisions between highway users and trains, resulting in 273 deaths and 813 injuries. Another 560 persons were killed as a result of being hit by trains while trespassing on railroad property.

To further address this issue, in addition to traditional brand awareness campaigns such as Operation Life Saver (OLI), the National Highway Traffic Safety Administration and FRA have partnered together to enact a national public education campaign (Stop. Trains Can't.), targeted towards rail grade crossing safety. This high-visibility campaign is now in its third year, and underscores the importance of obeying railroad crossing signs and warning devices, as well as crossing train tracks only at designated locations.

CONCLUSION

Since this Administration took office, railroads have made progress with their PTC implementation. From Quarter 1 of 2017 to Quarter 1 of 2018, railroads increased the total amount of installed PTC system hardware from 77 percent to 93 percent. Notably, intercity passenger and commuter railroads increased their total PTC system hardware by 20 percent from Quarter 1 of 2017 to Quarter 1 of 2018, with freight railroads increasing hardware installation by 16 percent during that same period. Hardware installation is an initial, yet critical, phase of implementing a PTC system.

Additionally, from Quarter 1 of 2017 to Quarter 1 of 2018, railroads acquired 23 percent of the spectrum necessary for PTC system implementation, increasing to 93 percent acquired. At the onset of this Administration, PTC systems were in operation on approximately 18 percent of the freight railroads' route miles required to be governed by a PTC system, and this increased to 60 percent as of March 31, 2018. Intercity passenger and commuter railroads also increased, albeit at a much slower rate with PTC systems in operation on approximately 24 percent of the required route miles as of March 31, 2017, and increasing to 25 percent of the required route miles as of March 31, 2018.

This progress is a testament to Secretary Chao's commitment to ensuring our nation's railroads are safe. Additionally, it is a testament to the hard work and dedication of the men and women serving at FRA. Although first charged with the PTC mandate in October of 2008, the progress exhibited over the last few years shows that many railroads have prioritized PTC implementation and adhered to Secretary Chao's safety admonition.

Moving forward, FRA will continue to support and facilitate railroads' implementation of PTC technology by utilizing the tools afforded by Congress and providing extensive technical assistance and guidance to railroads and suppliers. We remain vigilant in harnessing and leveraging all the personnel, financial, and other resources available to help expedite railroads' implementation efforts. FRA holds an unwavering commitment to the safe and effective operation of railroads across the country. We appreciate the Subcommittee's support for our critical programs, and we welcome your continued partnership to advance rail safety and service. I look forward to your questions.

Senator REED. [presiding]: Thank you, Mr. Administrator.

Senator Collins has gone to the floor for the vote and when she returns, I will go to the floor for my vote.

Mr. Gardner, your testimony, please.

**STATEMENT OF STEPHAN GARDNER, EXECUTIVE VICE PRESIDENT
AND CHIEF COMMERCIAL OFFICER, AMTRAK**

Mr. GARDNER. Thank you, Ranking Member Reed and my fellow witnesses.

Appreciate the opportunity to be here this afternoon and for the subcommittee setting aside time to focus on railroad safety.

My name is Stephan Gardner. I am Amtrak's Executive Vice President and Chief Commercial Officer. It is my pleasure to be

here on behalf of the 20,000 dedicated Amtrak employees across our network.

As the subcommittee knows, this has been a challenging fiscal year for Amtrak as we faced a series of tragic accidents, including the two accidents you mentioned in your opening statement.

These incidents have weighed heavily on all of us at Amtrak and have raised concerns, both internally and externally, about safety at the company and passenger railroading generally. I am here to share with you that we are tackling these concerns directly.

While Amtrak had already begun to implement a number of strategies to improve safety prior to these incidents, we have significantly expanded these efforts and are strengthening our policies, training, and operations to ensure they reflect the highest degree of safety.

Leading this effort is our new Chief Safety Officer, Ken Hylander, who is devoting himself to learning from the recent incidents and putting in place new safeguards for our customers and employees. Foremost amongst his duties is to lead the implementation and operation of the Safety Management System. Used by industries like aviation, healthcare, and energy, an SMS is a proactive risk management methodology that focuses systematically and cooperatively on identifying risks and instituting mitigations.

Adoption of this system follows the NTSB's recommendations that Amtrak, and our unions, implement an SMS program, and is consistent with the approach mandated by Congress in 2008, and soon required by FRA.

We have already started implementation having completed a new safety system policy, instituted our Signal Suspension Assessment initiative and root cause corrective action methodology, and we are making good progress toward our overall goal of submitting our required System Safety Program to FRA for review this fall.

A key aspect of SMS is the role of technology to mitigate risk and our highest priority on this front is to promptly achieve PTC implementation across our network.

As we said before, and in light of the recent incidents, we believe PTC, or PTC equivalent levels of safety, must be standard for all Amtrak routes and that this system will make the entire network safer for passengers, employees, and communities.

Amtrak is on track to achieve installation and operation of PTC across the territory we control by the deadline, and we are working with our partners throughout the industry to advance this system on their infrastructure.

At present, we believe most of our major partners will have PTC implemented and operational on the routes that we use by the 2018 deadline.

For the instances where this is not the case, we expect nearly all carriers will qualify for an alternative PTC implementation scheduled under law, while a very few others may not make enough progress to qualify for this extension by year's end.

For those carriers and routes operating under an extension, or under an FRA-approved exemption, Amtrak is now performing risk analyses and developing strategies for enhancing safety on a route

by route basis to ensure that come January 1, we can provide a single level of safety across our network.

For example, our safety team has built a risk assessment process for exempted routes, such as the Downeaster, the Ethan Allen, and the Vermonter. Our clear goal is to preserve service on these routes by using alternative methods to mitigate known risks, thereby allowing us to ensure that our customers, and your constituents, are as safe on those routes as they would be anywhere else on our system.

For those very limited routes where our host may not achieve an alternative schedule or an exemption by year's end, Amtrak will have to suspend service until such routes come into compliance.

Finally, we remain busy working with all of our tenant railroads that operate over Amtrak's infrastructure as they work to ensure they have sufficiently PTC-commissioned rolling stock available by the deadline to operate normal services.

Before closing, I want to thank the members of this subcommittee and their staff for their tremendous efforts in crafting and passing the fiscal year 2018 appropriations bill. Your subcommittee has championed historic investments in passenger rail that will serve as a foundation for a new era of modernization and improvement.

Like you, we see the value in industry passenger rail and we hope that as you continue to work on the fiscal year 2019 appropriations bill, that the fiscal year enacted levels for both Amtrak and the Federal Railroad Administration's grant programs will serve as the new baseline for passenger rail funding.

Thank you, again, for the opportunity to appear today. We are deeply committed to strengthening the safety of our network, improving the services we offer our customers, and effectively stewarding the funds you provide us.

We sincerely appreciate the support we have received from the subcommittee and from you, Ranking Member Reed, and I look forward to answering any questions you have.

[The statement follows:]

PREPARED STATEMENT OF STEPHEN J. GARDNER

RAILROAD SAFETY AT AMTRAK

Good afternoon. I wish to extend my thanks to Chairman Collins, Ranking Member Reed, and the whole subcommittee for setting aside time today to focus on railroad safety. My name is Stephen Gardner and I serve as Executive Vice President and Chief Commercial Officer for Amtrak and it is my pleasure to testify here today on behalf of our 20,000 dedicated employees.

While fiscal year 2018 began with a strong start operationally, the fiscal year has turned into a particularly challenging year as the company has faced a number of tragic accidents that impacted our customers and our employees. The December derailment of Train 501 near DuPont, Washington, the February collision between Train 91 and a CSX freight train in Cayce, South Carolina, several high-profile grade crossing and trespasser incidents and the recent death of an Amtrak employee in Bowie, Maryland weigh heavily on all of us at Amtrak, prompting us to review and strengthen our policies, training, and operations to ensure they reflect the highest degree of safety possible.

After the December 2017 Train 501 accident in Washington state, Amtrak decided to hire a new Chief Safety Officer who would devote all his attention to learning from the incidents in recent years and put in place new safeguards for our customers and employees. For this position, the company selected Ken Hylander, who joined the railroad in January 2018, reporting directly to CEO Richard Anderson. Ken most recently served as Chairman of the Flight Safety Foundation, previously

served as the Chief Safety Officer at Delta Air Lines, and brings more than three decades of experience in the aviation industry. He retired as a senior vice president from Delta Air Lines in 2014, where he successfully managed the occupational, operating safety, security, quality, and environmental compliance programs. Foremost among his duties is to lead the Amtrak Safety Team and whole company in its implementation and operation of a Safety Management Systems (SMS), which I am pleased to report is underway.

SMS IMPLEMENTATION PLANS

Safety Management System (SMS)

Amtrak is implementing a SMS to improve our approach to safety by primarily strengthening hazard identification and complimentary mitigation programs. An SMS is a proactive risk management system, which will move us toward a more predictive safety management method at an organizational level. Having a safety mindset that continually identifies and mitigates future risk is the demonstrated way to improve overall safety performance. It has been a cornerstone of improving safety in many industries, including aviation, healthcare, and energy—and it is the right system for Amtrak.

As a company, an effective SMS will help us gather better safety data for decisionmaking; systematically analyze safety risks before we do something, not after; and have closed-loop processes that identify hazards, mitigate them, and verify efficacy. Additionally, our safety processes will be fully integrated into our organizational decisionmaking and supported by strong oversight to ensure compliance with the practices we want to implement. At a personal level each Amtrak employee will know his or her role in the safety process.

We know that the implementation of an SMS is a significant undertaking—it requires our organizational commitment. SMS demands that all safety related procedures must be carefully documented, universally understood, and unfailingly applied. SMS is designed to advance that outcome by formalizing our knowledge into processes, procedures, and governing documentation in order to improve consistency. These efforts are in line with the NTSB's recommendation that Amtrak, and our unions, implement a SMS program and are generally consistent with the Risk Reduction Program approach mandated by Congress in the 2008 Rail Safety Improvement Act and required by FRA through the development of a System Safety Program. Amtrak believes the implementation of SMS will truly take our safety performance to the highest level of service and we are already starting to see some of the benefits of this type of system at our railroad.

SMS Implementation Governance

The Amtrak Safety Team has identified priority areas and gained support for their plans to address these issues from the Board of Directors and Amtrak leadership. These demonstrations of high-level support reinforce the message across the company that safety concerns will underpin all we do, and guide every decision we make.

As part of this effort, Amtrak's Executive Safety Council serves as a sounding board for SMS implementation across the company. Made up of representatives from across the railroad, this Council is identifying opportunities for collaboration and removing barriers to ensure coordinated execution of our safety efforts, while providing a crucial forum for communications across the organization. Similarly, a more front-line group of Safety, Compliance, and Training personnel are meeting bi-weekly to manage the implementation of SMS priorities. This multi-tiered approach involves people from many different organizations, soliciting ideas from all of them while making clear the central importance of our safety efforts.

Concurrent with these efforts and under the terms of our High Speed Rail agreement with the Federal Railroad Administration, Amtrak is required to submit a full System Safety Plan (SSP) by November 1, 2018. This plan will cover areas such as risk assessment, configuration management, and change control, and will form the blueprint for new operational practices we will adopt as part of the introduction of our second-generation Acela Express service. This SSP is being prepared within the framework of our new SMS methodologies and is a valuable opportunity for multiple disciplines across the company to work together and focus their attention onto matters of safety.

SAFETY POLICY AND PROMOTION

Amtrak Board Resolution, New Corporate Safety Policy and Annual Safety Letter

Communication is key to the success of any significant program to change behaviors across an organization. In March 2018, Amtrak’s Board of Directors passed a resolution which endorsed and required our industry-leading implementation of SMS, our Positive Train Control (PTC) compliance efforts, and the associated SMS risk assessments of territories not likely to have PTC by the December 2018 deadline. This resolution was an important step to move forward with these safety initiatives and demonstrates a commitment to safety at the very top of the Amtrak structure to all of our employees and stakeholders.

Following the Board Resolution, Amtrak Executive Leadership Team approved a new safety policy and released it to employees early April 2018.

The key points of the new safety policy are:

- Our goal is to become America’s safest passenger railroad. We believe that zero accidents and zero serious injuries is possible—and we will work together towards everyone performing at this level.
- All business functions are expected to make safety an integral element to how they operate. This commitment is central to SMS. Everything we do must consider and advance our safety performance.
- We will operate at the highest level of safety—by exceeding regulatory standards. It is not good enough for us simply to meet Federal Railroad Association (FRA) guidelines. We must do better.
- We will proactively identify and mitigate risk based on data. We are identifying new metrics that will allow us to focus on leading indicators—instead of relying on historical incident data.
- We will become a stronger “learning” organization where safety self-reporting is encouraged. We will not discipline employees for self-reporting a safety issue. We need to know where we are falling short in safety so we can study these incidents and learn from them.
- All employees are empowered to stop an operation if an unsafe condition exists. This means everyone—at any time.
- We must not tolerate an intentional disregard for safety or reckless behavior. These incidents will be handled appropriately.
- Amtrak’s Executive Leadership team also released its first annual Safety Letter as part of this policy. Going forward, we plan to refresh the policy with an annual letter to make sure the material and priorities are relevant and clearly understood across the company. While these communication steps are essential, they don’t change safety on their own. Actions and behaviors determine safety culture and outcomes and we are moving forward with concrete steps to implement SMS.

RISK MANAGEMENT

Safety Metrics

To obtain better insights into our operations and uncover potential safety issues as early as possible, Amtrak’s Safety Team is working to develop a new set of metrics, which will connect with our Operating Plan objectives. These metrics are part of a larger, more fundamental effort to move away from a “violation/discipline” mindset to something closer to what was in use at Northwest Airlines and Delta Air Lines, where both Mr. Anderson and Mr. Hylander drove world-class safety results. Our new metrics will foster a multi-variable “Safety Index” concept, which will measure customer and employee safety, along with operating anomalies and other key indicators of safety performance. Understanding data and managing outcomes driven and prioritized by that data are key principles of a SMS. These changes will cascade down through Amtrak starting at the executive level and reaching the field to provide clear and consistent expectations for our employees.

We are also implementing risk-based hazard management systems, starting with our Transportation employees. Building on lessons learned from the incidents of the past few years, we aim to provide risk assessment toolkits to our employees. We will make sure adequate training is provided so our crews can get the most out of these resources. On a related note, we are working to enhance our Voluntary Safety Program—the Confidential Close Call Reporting System (C3RS). Working together with our employees, we can make these existing programs more impactful on day-to-day performance at Amtrak.

RISK ASSESSMENT

Signal Suspension Risk Assessments

Following the tragic February Train 91 accident, we have launched a Signal Suspension Risk Assessment initiative. Driven by our determination to safeguard our customers and employees, and not simply adopt the standard operating practices of our host railroads, we now have a new review process instituted for known and planned signal suspension events. Featuring more centralized decisionmaking than past practice, the deliberations under the new policy naturally rely on input from our Transportation and Safety groups. This formalized risk assessment process helps decide what mitigation strategy or strategies need to be adopted to safely operate through these areas. Possible responses to signal suspensions include rerouting a train, operating at reduced or restricted speeds, coming to a stop before operating over switches, and even the possibility of canceling an operation entirely. Since this approach was instituted in late March 2018, it has been successfully used dozens of times.

Enhanced Route Qualification

To address opportunities to strengthen our qualifications practices coming out of Train 501, changes to our routes and services are now evaluated for impacts to safety under a

consistent and centrally managed process. This formalized process sets forth minimum acceptable engineer and conductor route qualification and training required as it relates to the number and timing of trips and the physical characteristics requirements. The new approach also stipulates post-qualification “check ride” requirements, as well as both physical observations and event recorder reviews to ensure operating rules compliance.

Inward-Facing Cameras

Following the May 2015 Train 188 accident, Amtrak announced its plans to add inward-facing cameras to the cabs of our locomotives and we have made significant progress with that effort. We now routinely review such footage as part of our safety data collection in the places where it is available. We are moving forward with installations on our current Acela trainsets, which will be completed by the end of fiscal year 2018. On the National Network diesel fleet, the outward-facing camera technology currently installed is approaching obsolescence, so we are working with vendors to develop an integrated solution which meets crash-hardened criteria and can process larger file sizes. We also continue to explore better options, as the field is advancing rapidly.

Changes to Charter and Private Car Operation Policies

Last month, Amtrak announced changes to our charter train and private car operations policy. With these new policies, we will avoid the operational risks of operations over “one-off” routes that we don’t normally serve and minimize the distractions that charter and private car operations cause, enabling our personnel to focus on our core railroad operations. In addition, our new policy on private cars will help ensure that our customers and your constituents are not delayed in order to couple a private car to an Amtrak train. Ultimately, we think this is in the best interest of all our customers and your constituents who expect, rightfully so, to have the best service our operations can provide and arrive at their destination on time.

SAFETY ASSURANCE

One of the important components to SMS is safety assurance, which requires continual data analysis, testing, monitoring and investigation of your safety system to show that it is functioning properly. These measurements are important for identifying a root cause or trend and ultimately plot a course of action moving forward. To that end, Amtrak is developing a formalized process for incident and accident investigations. We are also implementing an assessment tool through an Internal Evaluation Program (IEP) for critical self-assessment of safety processes.

Enhancing Operations and Data Collection and Analysis

We are making improvements in our internal practices and rules compliance testing, known as “efficiency testing”, with better data management and analysis software, using the test result data to drive operating improvements through our training programs. We are also focused

on our testing process to ensure the credibility of the data points and collection. We have also invested in our data management tools to enhance our analysis capa-

bilities, including our use of event recorder downloads and analysis, moving from on-demand downloads to routine downloads—all trains, every trip, every day.

POSITIVE TRAIN CONTROL

One of the most critical tools that the rail industry needs to improve safety is the prompt implementation of Positive Train Control (PTC) technology. As Richard Anderson recently testified, PTC must be standard for all Amtrak routes and this technology will make the entire U.S. rail network safer for passengers, railroad employees, and communities.

Amtrak is a leader in the installation of PTC, having already deployed systems across many of the tracks we control. As we stated in a letter to Secretary Chao, we are set to complete the required installation of PTC on the remaining elements of the infrastructure we control and on all our equipment by the December 31, 2018 deadline.

For the tracks we use but do not own or control, we are cooperating with our freight and commuter host railroads as they advance their obligations to complete PTC installations, which are required either because of the presence of passenger trains or certain hazardous material. Additionally, the various freight and commuter railroads that operate over Amtrak's infrastructure must equip their rolling stock with PTC for use on our infrastructure and we are working cooperatively with them to advance these tasks.

As the Subcommittee knows, railway operations in the United States require multiple companies and agencies to cooperate closely to ensure the safe, reliable, timely operation of various types of trains across differing networks. Integrating PTC into this complex environment is a significant undertaking for the industry and its suppliers. While Amtrak is eager to bring this technology online, it has been a difficult process and required the dedication of significant resources, both in terms of funding and personnel.

PTC relies on three interdependent elements, all of which must be in place for the system to function. The first includes equipment that must be installed on the locomotives by owners and operators. Second, trackside equipment must be installed by host railroads along the protected routes that monitor signals, switches, and track circuits. Third, there are computer systems, or back office servers (BOS), which link the locomotives and the trackside equipment while integrating more information about the network. Additionally, each host railroad and rail operator must have a BOS and ensure it is correctly integrated before the system can be operational. All of this must be done in the proper sequence, and for the carriers required to use the system, it must be achieved in accordance with the timetables set by law.

Locomotive Installation

The first part of a PTC system is the equipment installed on locomotives and cab cars, which monitors a train's position and speed and activates braking as necessary to ensure compliance with speed restriction and territorial limits. The complexity of our operations requires Amtrak to use three different PTC systems across our network. Since 2000, Amtrak's Northeast Corridor operations permitted to exceed 125 mph have depended on our first form of PTC called Advanced Civil Speed Enforcement System, or ACSES. By the end of 2015, Amtrak enabled ACSES for all our locomotives, cab cars and trainsets operating on the NEC. For equipment that operates on a 98-mile stretch of track Amtrak owns in Michigan and to permit higher speed operation on the newly purchased and upgraded line owned by the State, we have installed a second form of PTC equipment, called ITCS.

To operate across the other host railroads that make up 72 percent of the miles our trains travel, we are also installing a third form of PTC in our locomotives to integrate with another system called I-ETMS in use by freight railroads. Apart from our locomotives and rolling stock, several of our state partners also own their own equipment which we operate and maintain. Amtrak is working with these owners and various suppliers to help achieve compliance prior to year's end.

Trackside Equipment

The second part of a PTC system is the trackside equipment, which monitors railroad track signals, switches, and track circuits. By law, each railroad owner is responsible for installation of PTC equipment on the tracks within their rights-of-way. Additionally, the hosts are responsible for reporting their PTC trackside readiness schedule to the FRA. Amtrak is working with the host railroads to develop an implementation schedule for PTC integration and testing. While 9 out of 19 host railroads that will be using I-ETMS have not provided a notice of intent to start PTC

testing, the six Class I railroads that own the majority of the track over which Amtrak operates (BNSF, CSX, NS, UP, CN and CP) have all provided letters of intent.

Regarding the trackside installations for which Amtrak is responsible, Amtrak completed the ACSES PTC implementation on all but a few miles near terminals and stations on the NEC in December 2015 and on the Harrisburg Line during the first quarter of calendar year 2016. On our Michigan Line, trackside PTC implementation on our segment was fully completed in 2011 and the State-owned portion of our route to Detroit will be completed by the end of December 2018. Installation of the ACSES PTC system on Amtrak's Springfield Line will also be completed by late the end of December 2018 and we will soon begin hardware installation on the portions of the Hudson Line in New York which we control, with implementation expected by December 31, 2018.

Back Office Servers (BOS)

The third part of a PTC system is the back office server, which stores all information related to the rail network and trains, and transmits authorization for individual train movements. Each host railroad and each rail operator will have a BOS that enables the necessary information exchanges. For a BOS to be operational, the tenant who operates over a host railroad must establish a dedicated two-way communication link between their BOS and the host BOS, a process known in the field as federation. Amtrak's ACSES system does not require a BOS, so Amtrak only needs a BOS for its ITCS system in Michigan and its I-ETMS operations over freight hosts.

Amtrak's BOS will pass crew and train information to the host railroad system, as well as to the locomotives themselves. Amtrak's BOS is currently operable. The next step in the process is federating the Amtrak BOS with the 18 host railroads using I-ETMS, and current estimates suggest this will occur with twelve of them before the deadline. There are six hosts where Amtrak does not currently expect to have federation complete by the end of the year.

Potential Operational Scenarios under PTC

As a whole, the rail industry is moving forward, so as we look forward to the various scenarios we expect to encounter starting on January 1, 2019, it is important to note that some of our partners will have PTC implemented and operational in time for the December 2018 deadline. Where this is the case, Amtrak will continue to operate passenger rail service with the certainty that PTC is operational on that route.

However, a phased implementation brings us to a number of challenging policy questions facing Amtrak, FRA, Congress and the various railroads we interact with across our network. It is now clear that we are likely to encounter four different scenarios where PTC is not yet operational by the end of the year.

First, there will be carriers that made sufficient progress to apply to FRA for an alternative PTC implementation schedule under the law. In these instances, Amtrak's equipment will be ready for PTC operation, but additional work, testing or approvals are still required by the host railroad before the system is considered functional. At this time, we believe there is only a small percentage of segments outside the NEC that will face this situation.

Second, there may be carriers over which we operate who appear unlikely to achieve sufficient progress to apply for an alternative PTC implementation schedule by year's end. For any such route segments, Amtrak will suspend operations until such time as the carrier becomes compliant with the law.

Third, there are areas over which we operate for which there is an FRA "Mainline Track Exclusion Addendum" (MTEA) in place exempting that segment from the PTC requirements based on the low levels of freight and passenger train traffic or the presence of low-speed operations, such as in yards and terminals. We are currently conducting risk assessments on these routes and determining the appropriate risk mitigation efforts needed for continued operations.

Lastly, there may be railroads that operate over Amtrak tracks in the NEC which may not have sufficient PTC-commissioned rolling stock by the December 31, 2018 deadline to operate normal services. Under the present rules, Amtrak cannot permit non-compliant equipment to be used over our railroad after the deadline and we are working closely with our partners and the FRA to determine the best way to address these situations.

I want to re-emphasize that Amtrak has not made any decisions to cease train operations across our network or on any specific routes at this time. Instead, we are thoroughly analyzing each route on a case-by-case basis and considering the appropriate strategies for enhancing safety on such routes, where possible, for operations after the December 2018 deadline. In particular, as we assess these routes, we know

that some of them are shared with our commuter partners who face their own challenges to reach the deadline.

FISCAL YEAR 2018 AND 2019 APPROPRIATIONS

Before closing, I especially want to thank the members of this subcommittee and their staff for all the hard work and late nights that were dedicated to crafting, and eventually passing, the fiscal year 2018 appropriations bill. We at Amtrak know it was not an easy task, and on behalf of our CEO and Board of Directors, I wish to offer our sincere appreciation.

The fiscal year 2018 bill provided \$1.94 billion for Amtrak, an increase of more than \$400 million above last year's levels. This much needed additional funding will support long-standing critical infrastructure projects on the Northeast Corridor (NEC) and allow Amtrak to continue to improve our assets and operations across our National Network. This strong support allows us to move past simply maintaining the status quo and begin to address the twin challenges of old and unreliable assets and growing passenger demand. We look forward to working with the subcommittee as we progress the programming of these funds and you consider funding levels for fiscal year 2019.

Equally important, the bill also included funding for several Federal Railroad Administration (FRA)-administered discretionary grant programs that will supplement Amtrak's annual grant funding and will further advance intercity passenger rail. For example, the Federal State Partnership for State of Good Repair grant program now has \$250 million to help repair or replace some of the nation's most critical assets, like the tunnels and bridges that many of your constituents use every day to travel to work and support the national economy. The Consolidated Rail Infrastructure and Safety Improvements Program (CRISI) received \$592 million to improve the safety, efficiency, and reliability of rail, including funding for PTC. Additionally, the FTA Capital Investment Grant program, and in particular the funds set aside for Core Capacity, has the potential to advance key infrastructure projects that we share with our commuter partners. These grants are just a few of the programs funded in the fiscal year 2018 bill that will support passenger rail, and we fully intend to work with our various, state, commuter, and host railroad partners to pursue all appropriate grant opportunities once the official funding notices are made available by DOT.

Taken together, your subcommittee and this Congress have made historic investments in passenger rail that we believe will serve as the foundation for a new era of modernization and improvement. Like you, we see the value rail service brings to transportation, communities and our economy. We are confident in the increasing relevance of intercity passenger rail in 21st Century America, as population growth, greater urbanization, increasing air and highway congestion and a generational shift away from driving all propel consumers to our mode. From growing ridership and revenue to the significant reductions we have made in our operating losses, our progress is clear.

It is encouraging that Congress reached a two-year deal to raise the budget caps for fiscal year 2018 as well as for fiscal year 2019 which permits an increase in vital infrastructure funding. As you now begin your work on fiscal year 2019 appropriations, we hope that the fiscal year 2018 enacted levels will serve as the new baseline for funding levels for passenger rail. We have good momentum underway on improving safety and rebuilding the railroad for the future and by continuing robust levels of investment in fiscal year 2019, we can finally make sustained progress towards the major infrastructure projects and fleet needs so critical to this nation and to your constituents.

Thank you for the opportunity to appear before you today, and I welcome your questions.

Senator REED. Thank you very much, Mr. Gardner, for your testimony.

Ms. Quinn, please. Thank you.

STATEMENT OF PATRICIA QUINN, EXECUTIVE DIRECTOR, NORTHERN NEW ENGLAND PASSENGER RAIL AUTHORITY

Ms. QUINN. Good afternoon. Thank you, Ranking Member Reed and members of the committee, including Senator Collins, for inviting me here today and for addressing this extremely important topic of rail safety.

I also would like to join my panel members here in thanking you for passing the fiscal year 2018 appropriations bill, which you demonstrated the strong support for a safe, efficient, and quality passenger rail network.

My name is Patricia Quinn. I am the Executive Director of the Northern New England Passenger Rail Authority.

We are a quasi-government agency based in Maine that was formed in the late 1990's for the purpose of restoring passenger rail to Maine after about a 30 year hiatus. Those efforts were successful and since 2001, we work in partnership with Amtrak and our host railroads to manage the Amtrak Downeaster service, which has been referenced here a couple times today.

Just as a little background, the Downeaster makes five roundtrips a day between Portland and Boston. Three of those extend to Freeport and Brunswick. We operate over a 143 mile route corridor that is controlled by three host railroads, runs through three different States, and serves communities.

We transport about 500,000 people a year, which I am pretty proud of, given the fact that our State has 1.2 million people. And since we have started operating, we have transported 7 million people, the equivalent of 600 million passenger miles and stimulated a lot of economic development along our route. So it is very important to us.

In addition to being the Director of Northern New England Passenger Rail Authority (NEPRA), I also serve on a couple of committees and organizations that I would like to highlight today and are relevant to this conversation, the States for Passenger Rail Coalition, which is a membership organization, and the State-Amtrak Intercity Passenger Rail Committee, which was sanctioned by the FAST Act. SAIPRC (State-Amtrak Intercity Passenger Rail Committee) includes 21 State agencies which manage 29 Amtrak routes. Those State-supported routes represent nearly half of Amtrak's total ridership, about 15 million riders a year, and we contribute about \$750 million in revenue to Amtrak in terms of both passenger revenue and State payments.

State partners are heavily invested in their routes, and we invest heavily in our routes, and that is why we appreciate the partnership and funding. I cannot overstate the importance of sustained and dedicated funding mechanisms to help us plan for investment and actually implement investments.

That is my theme today. My theme is that almost all the projects that we execute and implement have something to do with safety, whether it be a track program, a signal program, capacity improvement, stations and platforms, grade crossings, or facilities, each one of these has a positive impact on service and safety. We believe safety is a multifaceted part of everything we do.

POSITIVE TRAIN CONTROL

As it relates to Positive Train Control, as Senator Collins has already talked about, this is a very big and important topic. The Downeaster has needs in that part of our route is required to be PTC compliant by the end of the year and the rest of it is not. The reason for that is the number of trains that are operated.

We operate 10 trains a day, or Amtrak does on our behalf, and the threshold for Positive Train Control is 12 trains. So the portion in Maine and New Hampshire, on which we operate, is exempted from PTC. However, the part on the MBTA territory is required to be PTC compliant.

Amtrak and Pan Am Railways are working in partnership with the MBTA to make sure that all of the pieces are put in place and that there will be no disruption to Amtrak Downeaster service come the first of the year. It seems to be going well and we are hopeful that it is.

There are still a lot of unknowns for us how that will work once it is implemented, being that part of the route is PTC and part is not, how that is going to impact our operations, our on time performance.

And also, what the ongoing costs are going to be because once it is installed, it is going to have to be maintained. What I have been told is that it is going to cost millions of dollars and that is probably going to come back to the customer and we are the customer. So that is a concern for us.

I also want to reiterate that just because part of the line that we will operate on will not be PTC equipped, that does not mean that it is not safe. Pan Am and Amtrak have a very solid safety record on the Downeaster service. We work together continually and invest significantly in projects that contribute to the State of Good Repair of the railroad on which we work. There are many facets to safety.

Now, Amtrak has mentioned that there was some risk of not operating trains if the line was not equipped with PTC, but I am confident that through the mechanism that was outlined by Mr. Gardner, that they are always open to enhancements, but I think we will find that we will be able to continue to operate without disruption to the Downeaster service.

We are also considering operating a seasonal pilot service to Rockland, which is a 50 mile branch railroad that is owned by the State of Maine, which is extremely scenic and it is also served by Route 1, which is extremely congested. That is our territory.

But again, looking through a protocol of looking at the specific characteristics of the railroad, I am confident that we can work with Amtrak and the State of Maine to come up with mitigations to operate that service safely as well.

Now, while I can talk about the safety record that we have and the things that we do to improve safety and ensure the safety of our passengers, I cannot speak much for motorists and pedestrians, which has been talked about quite a bit today.

Since 2011, the Downeaster has been involved in 18 accidents. Twelve of them have been associated with trespasses; six of them have been associated with grade crossing violations. None of these have been the fault of the train, but in every circumstance, the headline on the newspaper the next day was, "Train hits pedestrian, train hits car."

We need to cast a wide net on this and broaden our safety focus and share responsibility, not just with the railroad, but with the communities, with law enforcement, and with motorists to come up with innovative technology that is multifaceted.

Kind of bringing things back to local and back to the what I was trying to say is that safety happens at all levels. In my testimony, I highlighted two examples of the commitment to safety that our Downeaster crews have. When there are incidents or injuries associated with crews, they are challenged to find ways to mitigate that so that those types of occurrences do not happen again and injuries do not continue to occur.

Two specific injuries in which the crew members actually worked with local management and the local communities to come up with solutions that are now deployed nationally to make sure that there are guards on doors so that people do not get caught and also improving boarding plates, which improve both the safety of the crews and the boarding passengers. We encourage that leadership and are very proud to be part of that culture.

So in closing, I just want to reiterate that safety is part of everything we do and part of all the projects. We depend on funding for planning and implementing projects, and appreciate the flexibility to be able to tailor those investments to the specific needs that are important to specific corridors.

So on behalf of Northern New England Passenger Rail Authority (NNEPRA) and my State partner colleagues, I thank you for your interest, and engagement, and for the tools that help us be successful and safe.

Thank you and I am happy to answer any questions.
[The statement follows:]

PREPARED STATEMENT OF PATRICIA QUINN

Thank you, Senator Collins, Ranking Member Reed, and this entire subcommittee for addressing an extremely important topic—rail safety. I would also like to thank you all for passing the fiscal year 18 appropriations bill, in which you demonstrated strong support for a safe, efficient and quality passenger rail system.

My name is Patricia Quinn and I am the executive director of the Northern New England Passenger Rail Authority, which we refer to as “NNEPRA”. NNEPRA is a small quasi-government agency which was established by the State of Maine in the 1990’s, in response to a citizen’s initiative, to restore passenger rail between Maine and Boston, Massachusetts after a 30-year hiatus. As a result, the Amtrak Downeaster began in 2001, and operates 5 round trips each day between Portland and Boston, with three of those trips extending 30 miles north to Freeport and Brunswick Maine. The Downeaster operates at speeds up to 79 miles per hour along a 143-mile corridor over three host railroads, serving 12 communities in 3 states and carrying over a half a million people per year. In its 16 and a half years, the Downeaster has transported nearly 7 million passengers the equivalent of 600 million passenger miles and has stimulated tens of millions in economic development along its corridor.

I also serve in leadership roles in two organizations which are critical to this conversation—the States for Passenger Rail Coalition (SPRC), comprised of 20 state DOT’s and authorities throughout the country which work together to support the development and growth of passenger rail service and the FAST Act sanctioned State Amtrak Intercity Passenger Rail Committee (SAIPRC). SAIPRC is a collaborative partnership between Amtrak, 21 State agencies that sponsor Amtrak routes, and the Federal Railroad Administration (FRA) which supports a vibrant, safe and efficient national passenger rail network which meets the needs of the traveling public and encourages economic growth.

SAIPRC state agencies, referred to as Amtrak State Partners, participate in the planning and oversight of 29 Amtrak routes. State supported routes carry nearly 15 million passengers each year—almost half of Amtrak’s total ridership and generate about one-third of Amtrak’s operating revenues—nearly three quarters of a billion dollars each year. These revenues are generated through a combination of ticket revenues and service fees. State partners cover the costs associated with the operation of their routes and contribute significantly to costs incurred by Amtrak for the operation of shared resources and assets including stations, equipment, facilities,

and technology. Additionally, by leveraging Federal funding programs, like those passed in the fiscal year 2018 appropriations bill, Amtrak state partners have invested billions of dollars improving infrastructure, facilities and equipment that improve the quality, efficiency and safety of our nation's railroad network.

Federal infrastructure funding programs have played a critical role in these improvements and I cannot overstate the importance of dedicated, sustainable funding sources which help agencies like NNEPRA plan for and implement projects. Many of the projects undertaken by NNEPRA and other state partners throughout the country benefit not only specific routes but the national system. These are complex and expensive projects, and the ability to partner with the Federal government to plan for and implement such projects is critical. We thank you for your support and trust.

NNEPRA, like other state partners, is not a railroad or a rail operator, but contract manager for passenger rail service. NNEPRA has an operating agreement with Amtrak to provide the equipment, crews and reservation services for the operation of the Amtrak Downeaster service. Amtrak, in turn, holds agreements with host railroads for operating rights. The Downeaster operates over one mile of track in Brunswick owned by the Maine Department of Transportation (MaineDOT), 106 miles of track owned by Pan Am Railways between Brunswick and the New Hampshire (NH)/Massachusetts (MA) border, and 36 miles owned by the Massachusetts Bay Transportation Authority (MBTA) to North Station.

NNEPRA, in cooperation with the State of Maine, the Federal Transit Administration (FTA) and the Federal Railroad Administration (FRA), has funded over \$150 million in investments along the Downeaster corridor to support and grow the operation of passenger trains, in partnership with the host railroads. These improvements, which include track infrastructure upgrades such as the installation of continuously welded rail, added capacity associated with second tracks, tie replacements, grade crossing upgrades and enhanced signals systems, have improved not only the efficiency, reliability and safety of the Downeaster, but of the freight and commuter services which operate on the corridor as well. Highlighting one example, the Downeaster Expansion Project, funded through the High Speed Intercity Passenger Rail (HSIPR) grants, did more than simply allow Downeaster service to expand to new station communities. The project rehabilitated Pan Am freight track north of Portland, and included upgrades to lights, gates and communication systems at 36 public grade crossings—resulting in an improved system for all users and the public.

Positive Train Control (PTC) is an important safety system which has gained national attention and Congressional focus. As you are all aware, railroad operators are required to install PTC on corridors where more than 12 daily passenger trains operate along with freight, by December 31, 2018. While important, this has been an expensive and technologically complex system to deploy. The Downeaster service is somewhat unique because it operates 10 trains each day and is therefore below the threshold for PTC implementation on the MaineDOT and Pan Am portions of its corridor. PTC is required on the MBTA portion of the Downeaster corridor because 40 plus MBTA commuter trains co-mingle with Downeaster and freight trains each day on that 36-mile segment. A diagram is provided on the last page of this document to illustrate this scenario. Pan Am and Amtrak are working closely with the MBTA to assure that PTC installation meets the imposed deadline. The effort to deploy interactive systems compatible with all railroad operators requires significant coordination and resources including not only funding, but personnel. This is a large undertaking, and all are committed to a successful implementation.

Amtrak has assured NNEPRA that its equipment will be compliant and able to operate in the MBTA's PTC territory, and that the MBTA is making significant progress toward the implementation of PTC along its right of way. Pan Am Railways has also assured NNEPRA that it is working toward a seamless transition to PTC. This has, however, left NNEPRA and the Downeaster service, in somewhat of a vulnerable position, dependent upon its partners to get the system installed by the deadline—or meet the qualifications for an extension. We are confident and hopeful, however, that given our strong working relationships with Amtrak, Pan Am and the MBTA, that the transition will occur without disruption to Downeaster service.

Given that PTC is newly implemented technology, it is unclear at this time whether it will have an impact on train operations and what the ongoing costs of maintaining the systems will be. Given so many unknowns, ongoing coordination and communication among the host railroads, Amtrak as the operator, and state partners will be needed to fully evaluate and determine what resources may be required in the future to support PTC.

Recent incidents have heightened Amtrak's focus on safety and has led to the implementation of a new safety/risk assessment process. Amtrak leadership has also cast some doubt as to whether Amtrak will continue to operate trains in territory which is "dark" or where a PTC waiver is in place, such as the Downeaster corridor. This has added extra concern for NNEPRA and other state partners in similar situations. I understand that Amtrak will conduct its risk assessment on the portion of Downeaster corridor which is not required to be PTC compliant. After that assessment, there will be more information to determine what, if any, supplemental safety measures (and resources) may be necessary. Additionally, NNEPRA is seeking to conduct limited seasonal weekend service on the state-owned Rockland Branch in 2019 as a pilot to increase Downeaster ridership and revenue and to improve mobility along this scenic and congested coastal corridor. The Rockland Branch is dark territory, and therefore the risk assessment will be performed by Amtrak on this line as well to determine what, if any, additional safety measures may be required. We look forward to working with Amtrak and the host railroads on these assessments, tailored to the characteristics of the Downeaster, to identify improvements specific to the Downeaster operations. This seems to be a prudent approach, providing flexibility to match investment with need, and ultimately achieve the most impactful results.

It is important to note that since 2011, Downeaster trains have been involved in 18 incidents; 12 were caused by trespassers on the line and an additional 6 were caused by vehicles breaching grade crossing warning systems. In most cases there were only seconds to react, and whether controlled by a computer or the engineer, there is no way the train could stop in time to avoid the vehicle or person on the track. While these incidents did not result in any serious injuries to Downeaster passengers or crew members, many resulted in serious injury or death to the other person(s) involved, and in most cases, hours of delay to passengers on the train simply trying to get to their destination. These incidents are tough on our crews and on our passengers.

Continued support for grade crossing upgrades and separations in addition to education and outreach efforts to inform motorists and pedestrians that it is extremely dangerous to try and "beat a train" and that railroad corridors are not places for recreation. Programs such as the 130 program and other discretionary programs have and will enable states to make route-specific investments which are critically important to railroad safety. Further, funding for organizations such as Operation Lifesaver or other public safety information efforts must remain a priority.

Despite the incidents noted, the Downeaster operating team has an exceptional safety record. There have not been any significant passenger injuries since the inception of the service; crew injuries have been relatively minor, with no reportable injuries in 18 months. In fact, Amtrak crews working on the Downeaster have been proactive and innovative at finding ways to reduce and eliminate injuries. Following an incident when an engineer severed his finger on a door inside the train, the team designed a guard which would prevent the same thing from happening again. That guard has since been adopted nationally on all Amtrak trains. The placement of 32-pound metal bridge plates, deployed by conductors for passengers boarding Downeaster trains, caused some crew members to suffer shoulder injuries and/or back injuries. As a result, Amtrak's Downeaster team took the initiative to work with a local university and manufacturer to design and produce a plate made of composite material which weighs only 15 pounds. Today, a 21-pound composite plate with wheels and safety railings for boarding passengers, is now used on all Downeaster trains and is being adopted nationally.

In closing, I just want to reiterate that safety is part of everything we do, and safety improvements come in many shapes and sizes, and the need for safety improvements is continual. Working together, Amtrak, host railroads, and state partners like NNEPRA, in partnership with the Federal government, have invested wisely and have made great strides in improving railroad safety for passengers, employees and communities. Although PTC adds a significant safety feature, opportunities and efforts to improve safety must and will continue far beyond this initiative. The opportunities provided in the fiscal year 2018 appropriation, including CRISI, SOGR and BUILD grants, as well as the 130 Grade Crossing program, will enable States and Amtrak to continue to invest and improve the operation and safety of their routes. Again, sustained and dependable funding sources are the key to allowing us all to plan and ultimately improve the efficiency, quality and safety of our nation's rail system.

On behalf of NNEPRA and all state partners, I'd like to express appreciation for your continued interest and support for important rail investments and safety improvements. I appreciate the opportunity to speak with you today and am happy to answer any questions you may have.

POSITIVE TRAIN CONTROL (PTC) REQUIREMENTS FOR THE DOWNEASTER

PTC is required to be installed on lines where there are 12 or more passenger trains intermingled with freight.

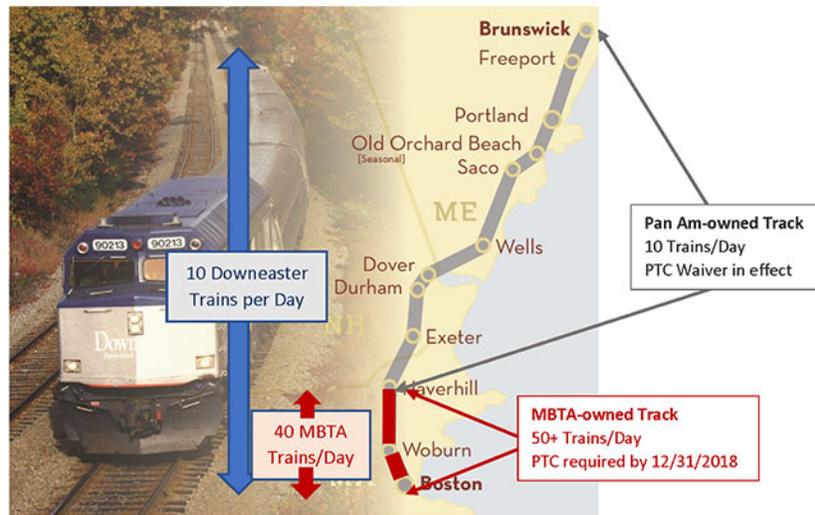
10 daily Downeaster trains operate 143 miles from Brunswick to Boston.
40 daily MBTA Commuter trains operate between Haverhill, MA and North Station.

Pan Am owns the track from Brunswick to the MA/NH State Line.
The MBTA owns the track from the MA/NH line to Boston North Station.

PTC is not required on the Pan Am-owned section of the Downeaster route because there are only 10 passenger trains on that segment.

PTC is required on the MBTA-owned portion in Massachusetts because there are 50 trains per day. MBTA and PAR are working on the installation of PTC on the MBTA line.

It is unclear if they will meet the deadline.



Senator COLLINS. [presiding]: Thank you very much, Ms. Quinn.
Mr. Leahy.

STATEMENT OF ART LEAHY, CHIEF EXECUTIVE OFFICER, METROLINK

Mr. LEAHY. Thank you. Good afternoon, Chairman Collins and Ranking Member Reed. Thank you for having us here today to comment on rail safety.

Metrolink is the first commuter railroad in the Nation to have operating PTC on all of our entire host territory. Metrolink is L.A.'s, and southern California's, regional rail provider in networks connecting six counties across seven lines that traverse more than 500 miles of track.

I should note, we operate on the LOSSAN Corridor out west, which is the second busiest Amtrak corridor in the country after the Northeast Corridor, and is one that is still rapidly growing.

Our freeways in southern California are at capacity. Our population is still growing and spreading out, so our trip lengths are getting longer. The only way to relieve traffic and congestion in Los Angeles and southern California is getting cars off the freeway, and Metrolink does that. Our folks take the train to work rather than driving.

We have done a number of things at Metrolink over the past few years because of our goal to have improved safety, inward-facing cameras, for example, and crash energy management cars were implemented years ago.

Our journey into PTC really was triggered by a tragedy on September 12, 2008. Twenty-five people lost their lives, and many more were injured, when there was a collision between our train and a freight train in Chatsworth.

I should note for you that the day of that accident, the Board of Metro and Metrolink, the mayor, and others, were at the scene and they were there all night long. They saw the horrible consequences and it was that which led to the unyielding objective of southern California to get PTC in place as soon as possible.

We have invested \$220 million to develop, install, test, and certify the PTC system. Nearly 83 percent of these dollars have been either State or local sources. We have had some Federal help from a number of agencies, FTA, FRA and others, and we appreciate that, but it has been a great deal of expense on our part to get where we are today.

Today, we are about 95 percent compliant on all of our right of way with PTC. We are completing interoperability testing with Burlington Northern and Union Pacific, and we started the initial testing of interoperability with Amtrak. We are very pleased about that.

We appreciate that Amtrak is committed to getting it done on time of the deadline and we believe the other three railroads, Metrolink included, will be as well.

I should note for you that, as was just said, that PTC costs do not stop when you begin to run it. You have to test it, maintain it. You have to have training. You have to have all these sorts of things to make sure that the system continues to operate safely. I should note for you that we expect our ongoing costs to be about \$10 million per year doing those activities that I have just mentioned.

I would note for you that, in addition to those sorts of accidents as have been referenced, we have had terrible accidents involving automobiles, involving trucks, and pedestrians. I should note that we have an increasing number of homeless encampments along our right of way and Amtrak's right of way all around southern California and that only enhances the chances of accidents occurring. So it is an issue which we are seeking to deal with.

I should note that Metrolink operates throughout southern California and we also work with the freight railroads to get our trains out. We dispatch about 300 trains a day from L.A. into the ports of L.A. and Long Beach, as you know, the busiest port complex in the United States. So we are very pleased to be doing that.

We have recently been working with the State of California for a system called SCORE, Southern California Optimized Rail Expansion, which basically seeks to enhance and increase the frequency of our trains throughout southern California area. We just received funding of \$1.2 billion of State funds to get this done all over southern California through the six counties that I have just mentioned.

We appreciate the help from this committee, our senators, and the Department of Transportation.

We all share these unique challenges of trying to run a railroad in corridors that are oftentimes not fully controlled, but we are going to keep at it until we do achieve the safety that we all want to have happen. Our goal is to provide safe, reliable service through very congested corridors all over southern California. It is simply too important to ignore.

Madam Chair, thank you for including Metrolink in this hearing. Thank you.

[The statement follows:]

PREPARED STATEMENT OF ARTHUR LEAHY

Good afternoon, Chairman Collins, Ranking Member Reed, and Members of the Subcommittee. Thank you for the invitation to join this important hearing on rail safety and for the opportunity to share Metrolink's experience as the first rail operator in the nation to have Positive Train Control (PTC) in-service across our entire host territory. Metrolink is Southern California's regional rail provider, a network connecting six counties across seven lines that traverse 538 miles of track. Serving a population of 18 million, Metrolink is responsible for moving people safely and reliably through a region of national significance that hosts the nation's largest international trading hub.

Southern California would grind to a halt without Metrolink. Each of our riders—almost 43,000 them daily—travel an average of 36 miles. The vast majority of Metrolink riders own vehicles but choose to leave them at home. As a result, our service removes up to four lanes of traffic in a region with some of the worst freeway traffic in the world. Our service gets people to and from their jobs and has the added benefit of relieving the commute for all the drivers still on the road. We are a large and vital system with a big job to do. We approach that responsibility with the principle that safety always comes first.

Metrolink's trailblazing journey to implement PTC demanded an unwavering commitment to safety, and in the process, solidified the fabric of the agency to a culture of safety first. The decision to implement PTC was born out of tragedy; on September 12th, 2008, 25 people lost their lives and many more were injured when a Metrolink train collided with a freight train in Chatsworth, California. An operational PTC system would have prevented this accident.

Following Chatworth, it was not a difficult decision to dedicate the agency to full implementation of an interoperable PTC system. The path forward, though, came with significant technological, operational and funding challenges.

Overcoming those challenges—the trial and error, the countless cycles of testing software and hardware version upgrades—has helped the technology to mature and reduced the testing burden for subsequent railroads. We played a key role in developing many of the processes, standards, agreements and submittals that the rest of the industry relies on and improved the efficiency for subsequent railroads. We take pride that Metrolink is a training ground for many staff and contractor resources that utilize their new skills to serve the entire industry to protect the safety of passengers across the country. Metrolink's trailblazing PTC effort has benefited not only Southern California, but the entire nation.

To date, the Metrolink Board has invested \$220 million to develop, install, test, and certify our PTC system. Nearly 83 percent of this funding came from state and local sources, with the Federal contribution coming from ARRA, FTA and FRA Rail Technology grants and High Speed Intercity Rail funding.

Metrolink is currently operating at 95 percent PTC compliance on our owned right-of-way. We have completed interoperability testing and are operating PTC in revenue service with Burlington Northern Santa Fe Railroad and Union Pacific. We have begun initial phases of interoperability testing with Amtrak. While we are concerned that the deadline is quickly approaching, we appreciate Amtrak's statements that they will have their PTC system fully-operational in time to meet the deadline.

Importantly, the investment for PTC does not stop at installation, implementation, or even interoperability. Operating and maintaining PTC requires sustained and reliable funding of PTC assets. Despite the progress we have made, this technology is still in its early phase. Additional capital, operating and rehab investment is required to fully deploy, operate and maintain these systems, including upgrades to leverage their full capability and tools to improve operational efficiency, reli-

ability and security. Metrolink's average yearly maintenance and operations cost to support our PTC system is approximately \$10 million, which is entirely borne by our already oversubscribed operations budget. Without additional funding to support these costs, it requires redirecting funding that could otherwise be spent on critical rehabilitation projects.

While PTC is foundational, it is not exclusive. PTC is a vital component of a complete system of rail network safety that includes keeping the railroad in a state of good repair and ensuring a safe operating environment for cars and pedestrians, as well as for passengers. Investments are needed for technological interventions and capital improvements to protect the right-of-way and improve safety at crossings to prevent strikes.

Metrolink operates throughout Southern California where almost half of our nation's imports and exports enter through the Ports of Los Angeles and Long Beach and move throughout the country by rail. Metrolink dispatches up to 300 passenger and freight trains a day on this shared corridor. Maintaining the railroad in a state of good repair, and improving the capacity of the existing system, is vital to ensuring both passengers and freight operators travel safely and efficiently through concentrated population centers.

Unfortunately, funding to support optimized rail service is not commensurate with the need. Los Angeles, the heart of the Metrolink system, has the distinction of hosting some of the worst traffic in not only the nation but the world. In addition, we operate on shared corridor that hosts the busiest freight and goods movement corridor in the nation. Targeted, smart investments in capital improvements could unlock the gridlock and unleash the economic engine for the benefit of the entire nation.

Metrolink worked in partnership with our freight partners and intercity rail to develop a roadmap to achieve optimized rail service called the Southern California Optimized Rail Expansion (SCORE) program. SCORE identifies the capital improvements necessary to achieve system wide 30-minute, bi-directional service all while accommodating increased freight capacity. If fully funded, this plan would transform mobility in the busiest corridor in the nation. We are pleased that the state just awarded Metrolink a significant down payment towards this effort with \$1.2 billion in state funds directed to achieve the first phase of our SCORE plan. We look forward to working with this Committee, and our two Senators, the Department of Transportation, and other Federal partners to build off this initial investment to achieve the full SCORE vision.

Passenger railroads across the country share these same unique challenges and opportunities. We have the task of operating on territory shared with our freight partners. Upgrades to this shared rail network- adding track and other capacity improvements- benefit goods movement and passenger movement alike. We also share the need to support the ongoing maintenance and operations of our PTC systems and must ensure they are interoperable with our freight partners.

Given these issues, which are systemic to almost all commuter railroads, we look forward to working with you to develop and recognize the unique function commuter rail can play to address the nation's transportation needs. Our mission- to provide safe, reliable service through congested corridors—is simply too important.

Senator COLLINS. Well, first of all, Mr. Leahy, congratulations to you for making such progress and such an effort in response to the crash that would have been prevented by PTC. I put up a chart of some of the crashes where lives would have been saved if PTC had been implemented. The effort you have made is truly commendable.

Mr. LEAHY. Thank you.

Senator COLLINS. Mr. Batory, I was alarmed to hear you say today, and I think this is accurate, that fewer than 25 percent of passenger miles are covered by PTC.

Did I understand you correctly?

Mr. BATORY. Yes, Chairman, you did understand me correctly because there is a difference in the criteria insofar as the prerequisites that have to be fulfilled by the railroad industry insofar as satisfying the 12/31/18 deadline.

In the case of Class I railroads, they must have 51 percent of their to-be-compliant PTC route miles up and running by 12/31/18.

Also, Amtrak must do the same. Amtrak primarily has its ownership, other than that for Michigan, over on the Northeast Corridor. Every place else they operate, they operate as a tenant. So as a result, they are far past the 25 percent.

But when you get into the commuter railroads, it is revenue demonstration that must be shown prior to 12/31/18. That is, any particular line segment that they propose to FRA, and FRA concurs for that revenue demonstration, that segment could be 5 miles; it could be 25 miles just to demonstrate that the system works. And that gets them past the 12/31/18 deadline so long as all their equipment is up and running.

I should say, up and installed and running where the revenue demonstration is.

Senator COLLINS. Right. You mentioned that you have done extensive outreach and your staff to all of the relevant railroads, and that there were three general issues that came up as obstacles.

You mentioned supply, the host-tenant issue, the reliability issue and testing. But that does not tell us why some, such as Mr. Leahy's railroads, have made so much progress and others have not. Since, presumably, all of them face those challenges that you listed in your testimony.

Could you give us more insight on why there is such a variation among passenger railroads in particular?

Mr. BATORY. Yes, let me, in respect to time, I will call it the 10 year journey, 2008 to 2018. We know that we had another statute that came about in 2015 that superseded, in part, what was set forth in 2008.

What we have found among the 41 to-be-compliant railroads is that the majority of the issues resided among the commuter railroads. There are four issues, though, that I would like to bring to light to this committee.

The first issue was the development of the technology, the intellectual property associated with that technology. The equipment that needed to be developed, and the writing of the regulations, which was first and foremost so that much of this equipment could be developed properly to fulfill the regulations; that, by itself, added to the 10-year window of approximately 2 to 3 years beyond 2008.

And it continues to evolve today as we, if you will, iron out wrinkles associated with the evolving technology because none of this is plug and play equipment.

The second item I would like to bring up, and it was very obvious among the commuter railroads, and it has nothing to do with the quality of leadership. It has to do with the quantity of leadership insofar as change.

Over this ten year period, if you look at these commuter railroads and recognize the amount of change in the leadership chairs, both at the Board of Director level, as well as in the senior leadership level, there was a considerable amount of change in comparison to what has transpired in other sectors of the railroad industry.

Leadership, sustained leadership to be committed to this statute of 2008 and 2015 is paramount and that is what we have seen among the Class I railroad community, as well as some unique

commuter agencies, such as Metrolink, such as SEPTA, which are testaments to what I am sharing with you right now.

In fact, when we started our face to face, one on one meetings with these entities, we deliberately reached out to what we term the poster children of PTC and that was Metrolink was our first meeting because we wanted to know the most we could find out about the best, followed by Burlington Northern and Santa Fe, based on what they reported. They, too, were a leader among the Class I community.

There is also an issue concerning money, and not that anyone would not accept a check, either coming into the FRA offices or leaving, but there were only two entities of the 41 to-be-compliant railroads that said they did not have money to fulfill their obligation to PTC. One was in New Mexico, the other one was in northern California. They were both unique circumstances.

But we think with what is going on right now with the money that is out there through the most recent NOFO process, as well as the one that was issued during the first quarter of this year, we might see a positive resolution to both of them.

The last one I want to talk about is the demand capacity issue in this boutique supply industry.

What was very interesting after we sat down, again, for the first time since the original statute in 2008 with the supply industry; we sat with the ten leading suppliers. We found out that 10 percent of the 41 to-be-compliant railroads engaged the supply industry prior to 2008. There was roughly 47 percent that engaged the supply industry up to 2014. There was another 40-plus percent that had done nothing in the way of engagement of the supply industry until 2014 and 2015.

So as a result, you have this boutique supply industry trying to provide customized technology to each and every railroad. And they really have suffered an avalanche of demand since 2015.

Senator COLLINS. Thank you.

Senator REED.

Senator REED. Thank you, Chairman Collins.

Administrator Batory, we know that the Notice of Funding Opportunity for the entirety of the CRISI funds appropriated in 2017 and 2018 was completed and ready to go out the door. But then yesterday, we were a bit disappointed when we found that DOT decided to change course and make available only the \$250 million for PTC implementation.

Why was that decision made?

Mr. BATORY. Well, let me segregate it, Senator Reed, this way. There was \$68 million that was announced during the first quarter of this year, which is fiscal year 2017, which will be coming due for consideration and awarding next month.

And then as of this week, we issued the \$250 million that was carved out of the total CRISI where it was PTC-specific. Rather than follow the traditional 90-day application period, we reduced it to 45 because time is of the essence and there has to be a sense of urgency.

So in addition to that, we have already embarked with the Short Line Association, regional railroads and short lines, as well as that

of APTA where we have asked them to host Webinars with their entire memberships.

Now, Webinars are not new to the FRA, but this is new where the FRA has reached out to the associations to get broad dissemination of the monies that are going to be available for PTC. And not only give clarity to that membership of what is available, vet their questions with solid answers and solicit their subscription to this available money.

It is very, very important to get this accomplished within a reasonable period of time because I currently know of 12 at-risk railroads. We have reduced it by 20 percent since the fourth quarter of last year that need this money for onboard equipment, wayside equipment, and some back office equipment.

Insofar as carving out the \$250 million out of the total CRISI, safety is of the utmost priority in all of our lives. It is, if you will, the cornerstone or the keystone at DOT. It permeates down. It does not change any at FRA.

Then when we get into areas of priorities, you have subsets of priorities and PTC is first and foremost.

Senator REED. Let me stop you right there.

Could you have allocated more than \$250 million for PTC implementation?

Mr. BATORY. There was \$318 million that was allocated.

Senator REED. Could you have allocated more in addition to what you have already allocated?

Mr. BATORY. CRISI allows you.

Senator REED. You could have made all of the appropriated funding available for PTC, if you wanted to. The minimum set aside for PTC was \$250 million. The need, I suspect, is much greater than \$250 million. And yet, you have put the remaining funding on the side. We do not know when that funding is going to be made available. And when it is NOFO-ed load, we do not know what you are going to do.

If PTC is the critical issue and if safety is the most important issue, why did you not go ahead and make as much funding available as you thought could be absorbed?

Mr. BATORY. That is not to say that there would not be further notice.

Senator REED. You made that limited amount of funding available yesterday. You decided that PTC was important, but not important enough to give more than \$250 million to it.

Mr. BATORY. PTC is at the top of our priority and the amount of applicants we get will determine whether or not the amount of money out there will suffice the need.

Senator REED. Thank you.

Ms. Quinn, how is your railroad doing with PTC implementation?

Ms. QUINN. Only the portion of the corridor that is in the State of Massachusetts is required to be PTC compliant. And according to my colleagues at Amtrak, they believe that the MBTA is going to be able to meet the deadline without interruption to the Downeaster service.

Senator REED. What about the progress of other railroads that you operate with, Mr. Gardner, in terms of PTC implementation? Is there a significant need for funding to assist those efforts, and

are they aware that it might be available or do they need a Webinar?

Mr. GARDNER. Thank you, Senator Reed.

I think there is clearly room for sufficient investment in PTC implementation primarily across the commuter railroads and smaller railroads. I am not able to give you an estimate of how much is required, but certainly the CRISI funding provides, as you said, a broad opportunity for safety investments.

We have certainly reached out with partners like Ms. Quinn to look at opportunities for partnerships between States and Amtrak to go after those investments so we can improve our system. We are anxious to do that as we can.

Senator REED. The state of good repair of a railroad, Mr. Gardner, is that a safety concern for Amtrak operations? Can you give us any examples? There is also \$275 million that is waiting to be dispersed by the FRA for those programs. Is that correct?

Mr. GARDNER. That is correct.

Senator REED. Can you give us some examples about how critical this funding is to your operations?

Mr. GARDNER. Absolutely. As you mentioned, Senator, there is a very significant backlog of State of Good Repair investments needed across the Northeast Corridor and across various parts of the rail network at work that we serve. The Northeast Corridor is the most dramatic example of this.

State of Repair is absolutely fundamental to both the safe operation of the railroad and the reliable operation of the railroad, and ultimately, its marketability.

So we need to have assets that are within their useful life and good condition because when we do not, we have unplanned disruptions. We have problems that arise that delay trains and pose safety risks.

So getting access to the dollars that you all appropriated is going to be very important. I am sure that is a high priority for all of us and we are working actively to find partnerships amongst ourselves and the commuter rails that use the Northeast Corridor, so we can go after these funds and put them to good use.

Senator REED. Thank you.

Thank you, Madam Chairman.

Senator COLLINS. Ms. Quinn, you mentioned that you are confident that the Massachusetts Bay Transportation Authority will do its part to avoid any interruption in service for the Downeaster, and that is very good news, and that is my understanding as well.

You also mentioned, however, that there are ongoing costs related to the maintenance of the PTC system.

Is it clear who will be responsible for those ongoing costs? Is it the host railroad or is it the tenant?

Ms. QUINN. Thank you for the question, Senator Collins.

I am actually not sure yet. The agreement that we have specifically with the MBTA is their contribution to the Downeaster service is that they do not charge Amtrak on our behalf for operating rights or maintenance on the line.

But again, given the order of magnitude of the maintenance and operating costs that were mentioned by Mr. Leahy, I think that it remains to be seen if that is the case going forward.

I also know that there will be additional costs potentially associated with Pan Am, who has to equip their locomotives, and there is also a tie in, and a back office, and they dispatch part of the line.

So again, with so much hyper focus on the installation, I do not think we have gotten to the point of really identifying what specifically the costs are.

And also, other impacts like resources that Pan Am is not a Class I railroad. It is a regional railroad and we have a number of projects, many of them State of Good Repair, but with smaller resources in terms of staffing. The reallocation of those to focus on PTC has been kind of an opportunity cross for us.

And so going forward, I think we have some questions and concerns about, again, the interoperability, about the impact on on-time performance. And all of these will have some level of cost associated.

I am anticipating a somewhat bumpy road and a learn-as-you-go kind of situation. Then we will probably be in a much better place 18 months from now to answer those questions than I am today.

Senator COLLINS. Well, that is something we will certainly need to keep an eye on.

Mr. Gardner, you mentioned that Amtrak has committed to improving the safety of all routes regardless of the PTC mandate.

What specific safety improvements is Amtrak contemplating for the Downeaster?

Mr. GARDNER. Well, thank you, Chairman Collins.

We are looking at, really, a process, a risk assessment process that we are applying to all of the routes where we believe an extension will be granted, or for any of the routes that have exemptions to the PTC requirement.

We have started piloting that work. In fact, we just completed our first pilot of this process for the Ethan Allen service in Vermont. This allows us to look at all the different risks that are presented on an individual segment of railroad.

On Ms. Quinn's route, you have a centralized traffic control system in place. That creates a series of safety mitigations that are helpful to that route. Other routes do not have signal systems.

And so, we look at each of these instances, come up with a series of both operating practices and investments that we can then seek to apply to the routes so that we can maintain the service levels, which is absolutely our goal. And do that in a way that has the same level of safety for your constituents in Maine that we have anywhere across our network.

We will have those analyses undertaken over the spring and summer, and then by this fall we will have, I think, a conclusion there and we will begin rolling out those mitigations.

We appreciate the subcommittee's dedication of funds in fiscal year 2018 to be able to fund some of this work. Some of it may not cost much in the way investment, but we will make sure we have appropriate mitigations.

Senator COLLINS. Thank you.

Senator Murray.

Senator MURRAY. Thank you very much, Chairman Collins. I really appreciate you holding this hearing today, and Ranking Member Reed.

As the Chairwoman mentioned, on December 18, 2017 Amtrak Cascades Train 501 derailed as it was crossing an I-5 overpass near DuPont, Washington. That tragic accident killed 3 passengers and injured 70 people, who were either on the train or in their vehicles on the road below.

The images of that wreck were just haunting and we know the NTSB investigation is ongoing. The preliminary report indicates the Positive Train Control would have prevented this terrible accident. But this is, as you know, just the most recent case in which PTC would have prevented deaths and injuries.

And leads me to ask today how we, Congress and this Administration, can do more and do everything we can to prevent future accidents, and make sure families do not get that horrific phone call families in my State got.

It is really critical that PTC is fully implemented by the 2018 deadline. So I am really deeply troubled with the Federal Railroad Administration's assessment that shows 12 out of the 41 railroads and commuter railroads required to implement PTC are at-risk of missing the December 2018 deadline and failing to qualify for an alternative schedule.

Administrator Batory, I believe the Administration is committed to achieving full PTC implementation. But I want to know specifically what you are doing to work with the railroads, with Amtrak, with commuter railroads to make sure they implement PTC.

You note in your written testimony that FRA can impose fines for missing the deadline, but the discussions on enforcement actions are still ongoing. We are less than 7 months away from this deadline.

When will FRA make a decision so that railroads know there will be consequences for failure to meet that PTC deadline?

Mr. BATORY. Thank you, Senator.

Let me address the first part of your statement, which was the accident itself with Amtrak Train 501. It was a most disheartening experience that I have shared since my retirement from the railroad industry when I saw that devastation.

When I started reading and learning more of the facts that were forthcoming, it was obvious that we had a human failure that day. PTC would have prevented that human failure because with PTC, it would have recognized that permanent speed restriction of 30 miles an hour, and that train would have slowed automatically had the engineer not done it himself. So all that said, PTC would have prevented it.

As far as what we are doing today, and what we have done thus far with the railroads in trying to move the needle, among all 41 railroads, including the 12 that we have just identified that are at-risk.

In addition to the face to face meetings, we are now in respect of their time embarking on, next week, having individual, lengthy conference calls to eliminate the travel with each of the 12 railroads, their leadership, to find out exactly what has been accomplished since their first quarter report, what needs to be accomplished in order to satisfy the prerequisites of 12/31/18 so we can ascertain what we can do to help foster and facilitate a successful resolve to their attempt to fulfill their statutory prerequisites. We

cannot do the work for them, but we can certainly give support, insight, and suggestions.

We intend to continue, during third quarter and fourth quarter after those calls are completed, to meet with those railroads individually, everybody that is at-risk, face to face not less than once a month.

Now, you might ask yourself, "What is going on during the rest of the month?" There is tactical dialogue going on every day among our staff of 16 in Washington, along with the 80-some-odd railroad inspectors we have in the signal corps across the United States.

The third item, insofar as violations and associated penalties that come with those violations, so far the FRA recently, for the first time, assessed violations and fines. Those violations that we assessed and associated fines were not that of the maximum amount.

What I have advocated to the Secretary and to the Office of Secretary's staff, as well as FRA, going forward we should do nothing less than the maximum.

PTC is never going to end once it is installed. It is a living system and you have to get people to comply with what the administrative prerequisites are to maintain PTC. And then once you have that in place, you can then administer and monitor the operation of PTC going forward.

But it is critical that people do what they are supposed to do, such as their safety plans and their implementation plans.

ENGINEER TRAINING

Senator MURRAY. Which I have a question about, and if you would indulge me, just to let me ask Mr. Gardner one question about training.

Because according to the "Seattle Times," the training of the employees is a serious concern. They outlined that employees were concerned that engineers had piled up into a single locomotive car to do the training runs as a group. Conductors were largely kept in cars further back in the train or on the trailing locomotive. Some did their familiarization runs in the dark after midnight. Supervisors were unwilling or unavailable to answer questions about key characteristics on the route. And safety starts with training, Mr. Gardner, it clearly was not adequate.

What are we doing about that?

Mr. GARDNER. Well, thank you, Senator Murray.

Not getting into the specifics of the incident given the NTSB investigation, but I can say absolutely we have very significantly reshaped our training efforts for qualifications for new routes and for routes that have undertaken any kind of change in their characteristics.

We have centralized that training. We have created a very specific process to ensure both that we have an adequate review of all of the conditions on either a new route or a changed route. And that we have a review process to determine exactly the level of training, the number of qualification runs, and the type of runs that will be made.

And then I have also instituted a process to ensure that engineers and conductors who are qualified are then quickly checked to ensure their fluency and competency for the routes.

We have significantly changed our approach here to ensure that we do have both one common standard across all of Amtrak and a much higher level standard for qualifications to ensure that every time we operate on a new route, that it is done so with the utmost level of safety.

Senator MURRAY. Okay.

And Madam Chairman, I would just ask that the FRA get back to this committee on whether they have reviewed the training programs and what their solutions are to this.

Senator COLLINS. We will make that request.

Senator MURRAY. Thank you.

Senator COLLINS. Senator Reed.

Senator REED. Thank you very much, Madam Chairman.

Mr. Leahy, thank you for being here today. Metrolink has been a model for other commuter rail in terms of PTC implementation. I cannot think of anyone better to discuss the big challenges that you faced for PTC implementation that would be instructive to other systems, and also to ask if you have any advice after going through this process.

Mr. LEAHY. Thank you, Senator.

It was a very difficult process. We started on it early on, but it was new technology that was being developed real time with us with the contractors. We had to do a great deal of troubleshooting, and training, and retesting, and validating. It took a great deal of time.

I think my recommendation to somebody would be you should start as soon as possible because you are going to confront unique challenges.

By the way, we would help any railroad in the country by sharing our experiences and bringing our people to bear on them. We have been involved in the trade associations doing that and we continue to do it with anybody who would like us to do so.

Senator REED. Mr. Leahy, part of getting started immediately is being aware that there is Federal funding available. That might not be the decisive factor, but without the availability of Federal funding, it is very difficult to get started.

Is that fair?

Mr. LEAHY. Well, in Los Angeles, we were 80 percent locally funded. So we wished there had been more money available back then, but it was not the case. Obviously, we all know if there is money available to do things that you need to do, then you have got to go and try to get the money.

Senator REED. I think that is probably true of most any place.

Mr. LEAHY. Yes.

Senator REED. Ms. Quinn, you have great experience operating commuter lines, and as we all know, your lines run to Boston to connect to the Providence train. Just for the record, Madam Chairman.

Senator COLLINS. That is very important.

Senator REED. It is very important.

FUNDING STATE-SUPPORTED ROUTES

You have been operating a State-supported Amtrak route. You have worked out an agreement with Amtrak to share the costs of that operation. You have been a leader in this discussion over many years.

The Administration's fiscal year 2019 budget proposed deep cuts to Amtrak funding and asked States to put more skin in the game.

Is that something you think you can do?

Ms. QUINN. Well, I can speak on behalf of NNEPRA and my State colleagues and say we have quite a bit of skin in the game already. States contribute significantly to Amtrak.

As I stated in my opening statements, we contribute about \$750 million a year to the operating expenses. As part of that, States do pay 100 percent of the third party costs incurred as part of their route. So that is fuel, host rate railroad costs. We also pay 100 percent of the route costs, which you might think of as kind of avoidable costs of our routes.

We share significantly, several hundred million dollars a year to support shared systems that Amtrak uses to support its entire network. Those include facilities, stations, reservations, and technology, insurance, marketing, and crew support. It is a connected system and it is all taxpayer dollars.

States are already very constrained in terms of what we contribute and since PRIIA Section 209, most of our bills have gone up significantly. Ours has gone up a couple million dollars a year.

And so, I really think what we need to do is look instead of short funding, continue to work with Amtrak to find ways to be more innovative and find ways to increase and improve efficiency, maybe doing some of the things that we do on the Downeaster service, like we outsource our food service. We have a station ambassador program, so we do not have staff stations.

Incidentally, our local communities support the stations along our route and that is their contribution. Mechanical contractors and we also own a number of the facilities.

So I think States are willing to invest if there is a value, but just creating a void and having us put money into it, it would be hard for us back home to justify that on the State level, our stakeholders. I think it could be catastrophic for the industry.

If the State-supported routes subsequently go away, you are going to see a decrease of Amtrak need on behalf of Amtrak. I know when Amtrak provides their financials, they say that State-supported routes cost about \$60 million a year. I respectfully disagree with that.

I think that we really, based on the factors that I had said before, contribute significantly to these shared services. I would think that if the State-supported routes started to go away that the balance sheet for the Northeast Corridor would look a lot different than it does right now.

Senator REED. Thank you very much.

Thank you, Madam Chairman.

Senator COLLINS. Thank you.

Ms. Quinn, your last comment actually is a great segue to a question that I want to ask Mr. Gardner.

Mr. Gardner, although it is a little bit off the focus of this hearing, I would be remiss if I did not tell you that I have heard from a number of Amtrak passenger coalitions across the country that have voiced concerns about some of the policy changes that Amtrak has recently embraced in order to generate savings.

I certainly understand the need for a business mentality to be brought to Amtrak operations and Congress has directed Amtrak to work to make the entire national network financially more sustainable. But we have also said we want you to do that without compromising service.

So the issue that I most want to bring to your attention is these coalitions of passenger groups feel excluded from the process. What I would like to get from you today is a commitment that you will increase your outreach to passenger coalitions before making fundamental changes in your operations and routes.

Mr. GARDNER. Yes, Chairman Collins, we do endeavor to do that. And, in fact, for a number of our changes have been in dialogue with the impacted parties.

I concur that some of those policies have not made all the constituencies happy, but I think we are trying our best to achieve exactly what you have described, which is ways to follow, in some respects, many of the types of initiatives that Ms. Quinn has been able to develop on the Downeaster, and apply those in other places, and reduce cost, and improve performance at the same time.

But fundamental to that is our responsibility to engage with these constituencies, and with our customers, and keep them part of the process. So we will do that.

Senator COLLINS. Thank you.

Ms. Quinn, my final question has to do with a comment that you made, which I thought was very startling. You said there had been 18 accidents involving the Downeaster over the years, and not a single one of them had been the fault of the train.

We have learned a lot in looking at rail safety about the role that is played by cars or passengers ignoring the grade crossings or just wandering onto the tracks in rural areas.

Could you talk a little bit more about what we could do to increase the safety of those trespassers, and car and truck violations that are responsible for the vast majority, and in your case, every single one of the accidents?

Ms. QUINN. Yes, and thank you for the question, Senator Collins.

I think that there are some commonsense, kind of low tech things that can be implemented. And again, the State of Good Repair funding that is provided will help us all work towards these.

First is maintaining the crossings that are there. All the crossings have different components to them, road paint, signs in advance, cantilevers, brush cutting. How many times do you drive by the road and trees are overgrown and they are blocking the sign? So making sure that the crossings that exist are maintained properly.

Also, looking at the crossings that do not have active warning systems and implementing active warning systems; meaning that some only have signs, but do not have the gates that come down.

Fencing is another important opportunity that we could use some monies to provide fencing so that people do not have access to the

right of way and also requiring channelization. It is done oftentimes when there is a quiet zone. Channelization is putting a little island or some little barriers so when the two gates come down, a car cannot “do the weave” to try to beat the train.

And, of course, grade crossing separation is the best, most expensive and least popular of all the alternatives.

I think looking towards higher technology, we did partner with the Federal Railroad Administration a couple of years ago on a pilot program which used cameras and speakers to monitor the railroad line.

When trespassers were on, it triggered; the cameras went on. A screen came on in the police department, and the police officers were actually able to speak to the person on the line and tell them to get off. In a situation, also, we are working on a system where they could then, if the person could not get off the line, notify the engineer. So I think there is some technology there.

They have now escalated that to the use of drones. So I think being able to monitor, some technology maybe to do some research and test some technology looking at drones to notify the engineer and notify the authorities when somebody is on the line.

Then, again, I do not know what is available in terms of applications or technology related to automobiles where an automobile would preempt it, and if the gates were down, the car could not go. People just need to pay more attention.

I also think another important facet of this that really has not been mentioned today, but should, is concern for mental health and support from mental health. There are a lot of instances of people who choose to take their lives using a train, which is extremely troubling for all involved. So I think that needs to be part of the conversation as well.

So I think more research and looking at these things, maintaining what we have, and exploring new technology that maybe is not quite as complex or expensive as PTC to be able to assure that the rail lines stay safe for the pedestrians, the vehicles, and the crews onboard.

Senator COLLINS. Thank you very much. That is very helpful.

SERVICE FOR LONG-DISTANCE ROUTES

Senator Daines.

Senator DAINES. Thank you, Chairman Collins.

Thank you for being here today and talking about these important rail safety initiatives. It is a big deal out in Montana. We have a lot of ground out there.

Maintaining safe and reliable rail service is absolutely critical for moving our passengers, as well as our goods, to their destinations. With 95 percent of the world’s consumers outside the United States with Montana’s number one economic driver being agriculture, without rail we do not have an agricultural economy in Montana. It is as simple as that.

I am especially pleased to see the importance Amtrak is placing on safety initiatives. As you know the Empire Builder, in fact, the Empire Builder was when my ancestors came out to Montana. They were Norwegians from Minnesota that heard the skiing was

better out there and they kept going west. They came on the Empire Builder.

It runs nearly 700 miles through the Hi-Line of Montana. It is critically important in not only keeping rural communities connected, but also transporting out of state visitors to places like Glacier National Park. It is a great way to see Glacier.

Recently, it was announced that two stations in Montana, the Havre and the Shelby stations, will be losing their onsite ticketing agents. These two towns have long been supportive partners of Amtrak. In fact, Shelby is home to one of Amtrak's crew bases.

The Empire Builder is the lifeblood of many of these rural communities and I am concerned about the impacts this decision might have on Havre as well as Shelby.

Mr. Gardner, I understand you came to the decision for economic reasons. I am sure they were sound reasons.

What specifically can Amtrak do to continue to meet the needs of rural Montanans in these communities, in many cases, the elderly who are on fixed incomes, who do not have reliable Internet access or the understanding of technology necessary to obtain electronic tickets?

Mr. GARDNER. Thank you, Senator.

I understand your concern about these two stations. You are correct that we prioritized removing staff from stations which have less than 40 daily on-offs at each station. Each one of those station positions costs roughly \$100,000.

So it is a significant expense and our aim is to improve, as Congress has directed us, improve the economic performance of the natural network while obviously focusing on keeping our service and serving the communities.

Senator DAINES. So was 40 kind of a line that you drew then?

Mr. GARDNER. We did, we did. We are continuing to look.

Senator DAINES. Are there any other stations on the Amtrak network with fewer onsite ticket purchases that still have ticket agents?

Mr. GARDNER. No, everything on the long distance network. There are some instances potentially on the State-supported portion of the natural network where States are paying for those costs. They have decided to invest.

But in general, no. We are de-staffing. We are moving staff from these locations and instead, because of the points you raised, we are using generally two strategies to make sure that we have an adequate presence.

One is to hire caretakers where we hire someone to come and open the station, make sure it is in proper condition, and close it so that it is open and available and in good shape for the period of time that this station is needed. As you know, one train a day, the station is not necessary to be open for extended periods.

Or two, our volunteer host program where we work with communities and mayors, and we are able to get staff station help through volunteers. We have this around communities all over. Ms. Quinn mentioned, in Maine, the extensive program there.

So we are anxious to work and we have been working, really, with all the communities impacted here to try and create a good footprint, a good presence to serve folks.

And, of course, the vast majority of our ticketing is done either by phone or online today.

Senator DAINES. Again, we have a generation that is not as technically savvy.

Mr. GARDNER. Yes.

Senator DAINES. The grandkids, I am sure could do it very quickly, but that is not always a solution for them.

Mr. GARDNER. Well, at this stage, passengers can call. They can make a reservation. They do not have to print their ticket. They can get on the train and the conductors, through their handheld, can look up their name and have their reservation.

So we are trying to make it as easy as we can so that folks have the ability to show up at a station.

We are also looking at our new ticketing platform and kiosks that we could make available in-station that allows customers to come and be able to both purchase and print any materials they need right away, and also access customer service through the network.

Senator DAINES. I want to keep it on the long distance service here. It is kind of related to that first question.

With the announcement of removing these ticket agents from some of these long distance stations, we have a lot of folks back home concerned that this is the first step in limiting or eliminating some of these long distance service altogether.

My staff has heard from numerous groups that there are discussions at Amtrak on reducing the Empire Builder to tri-weekly service.

As you know, Congress recently reaffirmed its commitment to the national network by providing \$1.3 billion in the Omnibus.

For many of these communities in Montana, there is no other access to the national transportation network. They are a long ways from any interstate highway and it creates a significant hardship.

Mr. Gardner, are there plans to reduce Empire Builder service and does Amtrak remain committed to long distance rail?

Mr. GARDNER. Senator, we do not plan to institute tri-weekly service on the Empire Builder. Obviously, we are operating under the FAST Act authorization that Congress authorized our network.

Any conversation about the broad future of the network, I think, is best placed in our reauthorization context as we approach the next reauthorization. Amtrak is operating, although in distress, we intend to do that.

And we will consider any future changes collectively between the Congress and the Administration and Amtrak as we look at the network ahead.

Senator DAINES. Thank you.

Madam Chair, I am out of time. I have one more question, but I want to be respectful of everybody's time.

Senator COLLINS. Go right ahead.

Senator DAINES. All right.

Senator COLLINS. My constituents, I will just blame you when I am late for the meeting with them.

[Laughter.]

Senator DAINES. My word. Let us go fast here.

Following the discussion I had with Secretary Chao at a hearing recently, Amtrak completed a study that showed adding a stop in Culbertson, Montana would actually generate a net positive financial impact of more than \$775,000 for Amtrak and would not add any additional time to the schedule.

That is right out on the edge of the Bakken. You know what is going on, certainly, with fracking and the energy industry. I worked with both the previous administration and the previous leadership of Amtrak to secure support for this project.

My question, Mr. Gardner, does Amtrak remain supportive of adding a stop at Culbertson once station infrastructure is in place?

Mr. GARDNER. We do, sir.

Senator DAINES. Thank you.

Madam Chairman, you can go see your constituents of Maine now, thank you.

Senator COLLINS. Thank you very much. Seriously, if you have an additional question you would like to ask, go right ahead.

Senator DAINES. Well, given the chance, I will finish with a statement.

Administrator Batory, in your testimony, you mentioned CRISI grants and the huge increases in funding that they received in the Omnibus. CRISI is the most obvious source of funding for Culbertson to assist in building the station necessary for the added stop; just a thought there.

I know Ranking Member Reed touched on the notice for the remaining funds, but I would also like to urge you to get this money out soon so places like Culbertson might be able to get moving forward.

Mr. BATORY. Thank you, Senator, for that statement. I will assure you that I will follow up to find out where we are in the process of pursuing the remaining CRISI funds.

Senator DAINES. Thank you.

Mr. BATORY. As we continue to get out the \$250 million plus the \$68 million for PTC.

Senator DAINES. Thank you. Appreciate it.

All right. I am really finished now.

Senator COLLINS. Thank you very much, Senator.

I want to thank all of our witnesses for being here today. This is a day where there are many conflicting hearings going on, but I can assure you that there is great interest in your testimony and in the issue of rail safety.

ADDITIONAL COMMITTEE QUESTIONS

The hearing record will remain open until next Friday, May 25, 2018. Additional questions may be coming your way in writing.

Senator COLLINS. Again, my thanks to each and every one of you for your participation and for helping us gain a better understanding of this important issue.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. RONALD BATORY

QUESTIONS SUBMITTED BY SENATOR JOHN BOOZMAN

Question. The short line tax credit, known by its tax code reference as “45G”, enables the short line railroad industry to meet significant investment needs, allowing short line railroads to invest their earnings back into maintenance such as upgrading tracks and bridges to ensure safe and efficient operations for their companies and customers.

—45G has spurred \$4 billion in private infrastructure investment since its inception in 2005.

—In 2017, I cosponsored S. 407, the Building Rail Access for Customers and the Economy or (BRACE) Act.

—This bipartisan legislation would make the 45G tax credit permanent.

—Can you please explain why 45G is important to short line railroads and more importantly, how does the 45G tax credit help improve safety for short line rail?

Answer. Class II & III Railroads, also known as short line or regional railroads, play a vital role in the U.S. transportation system, often providing the first and last mile connections to the Class I network for freight shippers and customers. There are more than 600 smaller regional and short line railroads that comprise the U.S. freight rail network. Many short line railroads lack the capital funding necessary to invest in improvements to their infrastructure and equipment. The 45G tax credit incentivizes short lines to make both safety and other rail infrastructure investments.

Question. This February, two Amtrak employees were killed and 115 passengers were injured when their train collided head-on with a CSX freight train in Cayce, South Carolina.

—The accident happened because the signal system was diverted from the main track through a misaligned switch.

—To address this accident and others, last month, the Federal Railroad Administration (FRA), released a draft safety advisory related to temporary signal suspensions.

—What have you heard from industry about the draft advisory?

Answer. In response to the safety issues underlying the February 4, 2018, accident in Cayce, South Carolina when an Amtrak train was diverted from the main track through a misaligned switch, on April 23, 2018, FRA published a draft Safety Advisory in the Federal Register. The draft Safety Advisory seeks comment on existing best practices railroads currently utilize when implementing temporary signal suspensions and contains draft recommendations that all railroads conducting rail operations under temporary signal suspensions develop and implement procedures consistent with the identified best practices. The draft Safety Advisory also contains draft recommendations related to training and operational testing to ensure the safety of railroad operations during temporary signal suspensions. The comment period for this draft advisory closed on June 22, 2018. FRA staff have received general informal feedback from some railroads indicating they are already compliant with the recommendations. FRA is reviewing all comments received and will make any necessary changes to the draft document.

Question. What is FRA doing to address grade crossing safety and trespass prevention?

Answer. FRA takes a comprehensive approach to grade crossing safety and trespass prevention by:

—Supporting numerous PTC and highway-rail grade crossing infrastructure projects, in part, with \$65 million being made available through the fiscal year 17 Consolidated Rail Infrastructure and Safety Improvements (CRISI) program. Additionally, in fiscal year 18 Congress provided \$592.5 million for CRISI grants, and FRA has made available \$250 million that was set aside specifically for PTC implementation. FRA is working expeditiously to make the balance of this grant program available, of which grade crossing and trespass prevention projects are eligible for a significant portion of this funding.

—Funding Operation Lifesaver’s public outreach campaigns to educate and raise awareness surrounding the dangers of grade crossings. FRA also collaborates with technology providers to expand use of crossing data, use predictive human

behavior modeling, enhance law enforcement and first responder strategies, and strengthen state safety action plans.

- Working with stakeholders to develop and use technologies such as vehicle proximity detection systems, video monitoring systems for crossing equipment, and in-vehicle devices.
- At the direction of Congress, FRA was instructed to develop a national strategy to prevent trespasser incidents—incorporating milestones and metrics to define success. FRA is developing the trespasser prevention strategy and it is scheduled to be finished by Congress' August 2018 deadline.

The fiscal year 2018 Omnibus Appropriations provided FRA and NHTSA \$6.5 million for a media campaign for highway-rail grade crossing safety named "Stop. Trains Can't." It is part of DOT's ongoing effort to increase public awareness around railroad tracks and reduce crossing and trespasser deaths and injuries. The campaign, national in scope, targets the highest risk demographics and states for grade crossing accidents.

QUESTIONS SUBMITTED BY SENATOR JOHN HOEVEN

Question. Mr. Batory, as you know, Positive Train Control (PTC) is one of the most ambitious, complex, and costly safety enhancements the railroad industry has ever undertaken. The rail industry has been working to implement PTC since 2008, and in 2015, Congress extended the deadline for industry to comply with PTC to the end of this year on December 31, 2018.

As we near this deadline, many railroads, such as BNSF, which owns and operates most of the railroad in North Dakota, have successfully implemented PTC on 100 percent of their mandated routes, and on 100 percent of their locomotives. However, concerns remain on interoperability of this technology.

As many Class I, commuter, and short line rail carriers operate rail owned by other railroads, what is the FRA doing to ensure that PTC systems on the locomotives of say, Amtrak, are compatible with the railroad they are operating on?

Answer. FRA considers safety, and the expeditious implementation of PTC technology, to be of paramount importance. FRA is committed to continuing to assist railroads, to the greatest extent possible, to meet the December 31, 2018, deadline for full implementation, including interoperability, or to qualify for and obtain an alternative schedule with a deadline that is as soon as practicable, but no later than December 31, 2020.

The statutory mandate and FRA's implementing regulations require a PTC system to be interoperable, meaning the locomotives of any host railroad and tenant railroad operating on the same main line will communicate with and respond to the PTC system, including uninterrupted movements over property boundaries. The statutory mandate also specifically requires railroads to implement a PTC system in accordance with their PTC Implementation Plans, which, in relevant part, provide the agreement in place between each host railroad and tenant railroad to achieve interoperability and the methods they will utilize to achieve interoperability.

FRA continues to encourage railroads to conduct the testing necessary to ensure PTC system interoperability and to provide sufficient time for joint testing between a host railroad and each of its tenant railroads. On May 15, 2018, FRA issued a status update on its website regarding each railroad's progress toward implementing a PTC system, based on railroads' self-reported data from their Quarterly PTC Progress Reports for Quarter 1 of 2018. In addition to FRA's standard status update, FRA added a new column to one of its PTC infographics that specifically depicts each railroad's progress toward achieving interoperability with each tenant railroad that operates on a main line where a PTC system must be implemented, except any tenant railroad that is subject to an exception under 49 CFR § 236.1006(b) or 49 U.S.C. § 20157(k).

In addition, on May 10, 2018, FRA published a notice in the Federal Register to inform railroads and interested parties that FRA is proposing to revise the Quarterly PTC Progress Report Form (FRA F 6180.165) and Annual PTC Progress Report Form (FRA F 6180.166) to help ensure that host railroads and tenant railroads are in fact coordinating interoperability testing. Specifically, FRA proposes adding to the existing table a column in which a host railroad would identify the scheduled completion date for interoperability testing with each of its required tenant railroads. This additional information and the rest of Section 6 will help FRA and the public better understand the progress a host railroad and each of its required tenant

railroads are jointly making toward testing and achieving PTC system interoperability. See 83 Fed. Reg. 21815, 21817 (May 10, 2018).

Also, FRA will host three PTC symposia this summer. Each of the sessions will bring together FRA's PTC experts and all 41 railroads subject to the statutory PTC mandate to discuss the requirements for the December 31, 2018, statutory deadline and answer industry questions. One symposium will focus specifically on best practices for PTC system field testing and interoperability testing. Together the symposia will cover lessons learned and best practices for the elements necessary for railroads to achieve full PTC system implementation under the statutory mandate.

Question. You mention in your testimony that you believe that 12 railroads remain at risk of missing the PTC deadline in December. How are you collaborating with them to hasten their work, and ensure that they can meet the deadline?

Answer. Based on FRA's review of self-reported data that railroads provided in their Quarterly PTC Progress Reports for Quarter 1 of 2018, FRA currently considers twelve railroads at risk of not being able to meet the statutory criteria necessary to qualify for an alternative schedule. As self-reported in their Quarter 1 of 2018 Reports, FRA considers any railroad that had installed less than 85 percent of its PTC system hardware as of March 31, 2018, to be at risk, as hardware installation is only an initial phase of implementing a PTC system, and it is only one of the statutory criteria required to qualify for an alternative schedule.

For railroads FRA deemed "at risk," FRA sent each individual railroad letters in April and June of 2018 informing them of FRA's concerns and notifying them that, at this pace, they might not make sufficient progress to meet the statutory criteria to qualify for an alternative schedule. FRA also sent letters to the governors and state transportation Secretary of each state wherein any at-risk commuter railroads operate and emphasized the importance of the state government ensuring these railroads have proper technical support and sufficient oversight of PTC system implementation.

From May 30 to June 1, 2018, FRA met again with each of the twelve at-risk railroads to review the steps each railroad is taking to ensure it complies with the statutory mandate, to discuss its implementation progress during recent months, and to offer these railroads as much technical assistance as possible during this critical time. FRA will continue to work and meet with the at-risk railroads regularly to ensure they meet the 2018 deadline or, at a minimum, meet the statutory criteria required to qualify for an alternative schedule.

In addition, FRA has invited all 41 railroads subject to the statutory mandate to three symposia this summer as part of FRA's continuing efforts to provide technical assistance and guidance to the railroad industry on the implementation of PTC systems. These symposia will provide FRA the opportunity to clarify requirements, facilitate discussion on best practices and lessons learned, and answer any questions regarding the implementation of PTC systems in advance of the end-of-year deadline.

The symposia will be held at the U.S. Department of Transportation. The dates and topics are:

- June 15: PTC Statutory Requirements for 2018
- July 16: PTC Testing and Interoperability—Guidance and Best Practices
- August 20: PTC Safety Plan Best Practices

Question. Do you believe they will ultimately need an extension?

Answer. Each railroad subject to the statutory PTC implementation mandate must complete full implementation of a PTC system on all required route miles by December 31, 2018, unless the railroad submits, and FRA approves, an "alternative schedule and sequence" with a deadline that is as soon as practicable, but no later than December 31, 2020.

Full implementation of a PTC system means that an FRA-certified and interoperable PTC system—including all hardware, software, and other components—has been fully installed, has been sufficiently tested, and is in operation on all route miles required to have operations governed by a PTC system under the statutory mandate. Based on FRA's review of the Annual PTC Progress Reports and Quarterly PTC Progress Reports railroads have submitted to date, it is likely that most railroads subject to the statutory mandate, including the twelve at-risk railroads, will need to request and obtain FRA's approval of an alternative schedule with a deadline beyond December 31, 2018, in order to continue testing, obtaining PTC System Certification, achieving interoperability, and fully implementing PTC systems.

QUESTION SUBMITTED BY SENATOR PATTY MURRAY

Question. Switching gears to the safe transport of crude-by-rail, which has been a focus of this Subcommittee since the Lac-Megantic crude oil accident in July 2013. Nearly 3 years later, we in the Northwest had our own crude oil accident when 16 tank cars in a 96-car unit train derailed near Moiser, Oregon along the Columbia River.

I continue to hear from constituents concerned with oil trains running through their towns. While I appreciate DOT's attention to this issue, a critical rulemaking on comprehensive oil spill response is years overdue. Today, we have robust requirements for oil spill response plans for pipelines and ships. We need them for railroads, too.

Administrator Batory, while not fully within your jurisdiction I must register my deep disappointment with the continual delays on the comprehensive oil spill response plan rulemaking. I ask you to do whatever FRA can to work with and assist PHMSA in completing this rulemaking to better protect our communities and the environment.

Answer. FRA is committed to working with and assisting PHMSA to address concerns with moving crude oil by rail.

 QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. Administrator Batory, I sent you a letter last week urging the FRA to take a more active role in improving Amtrak on-time performance in Illinois and around the country. What is the FRA doing NOW to improve Amtrak on-time performance?

Answer. Outside the Northeast Corridor, Amtrak trains largely operate on tracks owned and dispatched by freight railroads. According to AAR, US freight railroads saw a 3.4 percent increase in total traffic in 2017, increasing freight train interference—the most common source of delays for Amtrak trains—on many Amtrak corridors.

Regarding the Chicago-Carbondale, IL, route, Canadian National Railway (CN) has placed speed restrictions, minimum axle requirements and mandatory braking requirements on Amtrak's Illini/Saluki trains along this corridor as CN and Amtrak have identified some grade crossing activation issues. These requirements have increased the overall trip time, causing Amtrak trains to miss their schedule. CN and Amtrak are working together to identify an explanation for these activation issues, and FRA has encouraged the parties to work aggressively toward determining the cause and ensuring a safe railroad.

This year, the Trump Administration nominated a new board chairman and two new board members to the Surface Transportation Board, an agency that can investigate intercity passenger train performance.

Question. Administrator Batory, I've also pushed the STB to take a more active role on this issue, but their actions have been stopped by the courts. Given your long experience in the rail industry, what does Congress need to do to ensure better enforcement of the decades-old statutory requirement for freight trains to prioritize passenger trains?

Answer. It is important that there is continued stakeholder dialogue to address these longstanding shared use issues. Recognizing this, in the FAST Act Congress directed FRA to evaluate the shared-use of right-of-way by passenger and freight rail systems, including the operational, institutional, and legal structures that best support improvements to the U.S. rail network. Additionally, FRA is also conducting an assessment of the data needed to better support the development of an efficient and effective intercity passenger rail network. FRA is working to complete these two studies by December 2018.

As Amtrak's grantor, FRA has a financial stake in Amtrak's OTP, as poor OTP makes the service less marketable while increasing the operating costs. A 2008 DOT OIG Study concluded 85 percent OTP would:

- Increase Operating Revenues—\$120–150 million*
- Reduce Operating Costs—\$40–60 million*
- Increase Performance Payments—\$15–20 million*
- Reduce Amtrak's Operating Loss—\$140–195 million*

*Inflation adjusted for 2018

Question. The FRA recently noticed a request for information on the benefits, costs, and risk of automation in the railroad industry. Automated technology like

positive train control can greatly improve safety, but I'm concerned that the safety benefits will be short lived if the industry uses automation to reduce crew sizes. Administrator Batory, does the number of crew members on a train impact its safety?

Answer. As is the case with other modes of transportation, automated technology is expected to introduce new levels of risk mitigation and overall safety. FRA believes that adherence to Federal regulations and safe work practices while incorporating innovative technology is essential, but it is not necessarily determined by crew size.

Question. Given the recent trend toward automation in transportation, should Congress consider regulating crew size in order to protect the safety of the traveling public?

Answer. FRA does not believe it is necessary for Congress to regulate crew size in order to protect the safety of the traveling public. FRA is currently working with representatives of the rail industry as it incorporates advanced technology as part of appropriate Federal oversight, including ensuring sufficient crew resources to maintain the safety of the traveling public. Moreover, passenger railroads must staff their trains consistent with their responsibilities under FRA's existing passenger train emergency preparedness plan requirements in 49 CFR part 239.

Question. Administrator Batory, are the transportation components of the rebuilding of Chicago Union Station eligible for the appropriated rail programs under the fiscal year 2018 omnibus bill?

Answer. Yes, as an intercity passenger rail station owned by Amtrak, Chicago Union Station transportation improvements are eligible for Consolidated Rail Infrastructure and Safety Improvement Grants and Federal-State Partnership for State of Good Repair Grants. In fiscal year 2018, these grant programs were funded at \$592.5 million and \$250 million, respectively. Additionally, Amtrak can utilize its National Network funds to support rail infrastructure projects at Chicago Union Station.

Also as a significant tenant at Chicago Union Station, nearly 130,000 Metra passengers passing through the station on an average weekday and more than 42,000 each weekend, Metra could also pursue Federal investment in Chicago Union Station through Department of Transportation grant programs. The Secretary is currently accepting applications for the Better Utilizing Investments to Leverage Development (BUILD) program for surface transportation infrastructure, and applications are due on July 19, 2018. Additionally, Metra could pursue funds from the Federal Transit Administration's Capital Investment Grant program. In fiscal year 2017, these grant programs were funded at \$1.5 billion and \$2.6 billion, respectively.

QUESTIONS SUBMITTED TO STEPHEN GARDNER

QUESTIONS SUBMITTED BY SENATOR JOHN HOEVEN

Question. Over the past few months, a number of my constituents, along with Amtrak's stakeholders, have raised concerns about the direction the railroad is taking with regards to its long-distance trains, including the Empire Builder that runs through North Dakota.

The Empire Builder has seven stops in North Dakota, and serves as a vital transportation for our state's residents. Amtrak is particularly important to those traveling to and from Minot, Grand Forks, and Williston.

What changes will be made to Amtrak's most recent five-year service plan with regards to the National Network and long-distance trains in particular? What service changes could or should North Dakotans expect to the Empire Builder service?

Answer. Amtrak is required by the FAST Act to submit five-year plans annually to Congress. Each year, the plan includes an additional year of financial planning into the future. The next version of this plan will be for fiscal year 2020–fiscal year 2024 and will be considered by our Board in January of 2019 and submitted to Congress thereafter. Management does not plan on proposing any substantial changes to the Empire Builder route or the current intercity passenger rail service levels to North Dakotans, or other major changes to the Long Distance services of the National Network as part of that plan at this time. We anticipate that any proposals for changes to our network, service levels, and intercity passenger rail policy will be made by Amtrak through the reauthorization process we expect to begin next year and considered then by Congress and Administration. The one exception to this relates to the future of the Southwest Chief route due to the unique situation that applies to segments of this particular route.

Question. In testimony before the House Transportation and Infrastructure Committee in February, your CEO Richard Anderson testified that if any of the host

railroad segments over which it operates, “appear unlikely to achieve sufficient progress to apply for an alternate positive train control (PTC) (implementation) schedule” by the end of 2018, “Amtrak will suspend operations until such time as the carriers become compliant with the law.”

As there are a number of sections of track on which PTC is excluded (including, for example, a section of the Empire Builder’s route outside St. Cloud, MN), will Amtrak stop running the Empire Builder on January 1st, 2019, per Mr. Anderson’s stated commitments to cease operations on tracks where PTC is not up and running?

Answer. Amtrak plans to conduct risk assessments on MTEA (main line track exclusion addendum) territory such as the portion of the route on the Empire Builder that you reference. These assessments are being done to analyze the risks associated with continued operations over the route in absence of PTC and to help us create strategies for risk mitigation that we expect will permit continued operations across our network at a common level of safety until PTC or PTC-equivalency can be achieved. The target for completing risk assessments is by the end of October.

Question. Finally, I will be introducing legislation with Senator Duckworth that would make it a Federal offense for anyone aboard a passenger train to assault, intimidate, or interfere with the duties or performance of a crewmember.

It is my understanding that you are supportive of this legislation, are you willing to work with myself and Senator Duckworth to get this bill passed?

Answer. Amtrak supports the legislation related to assaults on train crews that you introduced with Senator Duckworth and appreciate your efforts to address this critical issue. We appreciate the progress so far and will continue to work with your office and Senator Duckworth as it moves through the legislative process.

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

Question. The Cascades accident occurred on a curve where the maximum speed limit is 30 miles per hour and the maximum speed prior to the curve is 79 miles per hour. The FAST Act required railroads to develop speed limit action plans for just this type of curve. I understand Amtrak established a plan that requires mandatory communication between the engineer and conductor when approaching speed restrictions.

Mr. Gardner, how effective has this communication been in practice on a day to day basis? Has Amtrak reviewed its speed limit action plan since the Cascades accident?

Answer. This communication is effective and it is monitored by our front line supervisors. We have reviewed the speed limit action plan. However, it is important to note that train crew communications and the speed limit action plans are supplemental tools. As an industry we must focus our attention and resources on timely PTC implementation.

Question. I understand PTC will be fully implemented on all tracks Amtrak runs on in Washington, including on the Point Defiance Bypass where the Cascades accident occurred, by the December 2018 deadline.

Mr. Gardner, is that correct? Yes or No. If no, what steps is Amtrak taking now in order to meet this critical deadline?

Answer. Yes, PTC will be fully implemented on the all tracks that Amtrak runs in the State of Washington by the deadline.

Question. PTC is vital, and long overdue, but it doesn’t address all rail safety issues and cannot prevent all accidents—mainly vehicle or pedestrian intrusions on at-grade crossings and trespassing on railroad property.

Mr. Gardner, can you share what Amtrak is doing to work with communities through which your passenger trains run? Please outline how you support physical solutions like at-grade crossings, technology solutions, education, communication, and any other mechanisms to improve safety and reduce the risk of vehicle or pedestrian accidents?

Answer. We continue to look for opportunities to address grade crossing safety and we have long supported outreach programs. The most prominent program is “Operation Lifesaver,” a nonprofit public safety education and awareness organization dedicated to reducing collisions, fatalities and injuries at highway-rail crossings and trespassing on or near railroad tracks. However, more needs to be done and we still believe the safest grade crossing is the one that does not exist. Several of the host railroads have programs in place that financially incentivize communities to remove public grade crossings and we strongly believe that more funding and focus on upgrading those grade crossings that necessary with enhanced traffic control and safe-

ty features is justified. Similarly, where new public grade crossings are introduced it is imperative that active warning devices are installed.

Question. Similarly, Amtrak must do more to improve its safety culture. I appreciate your work to implement a Safety Management System and the adoption of new safety policies.

Mr. Gardner, this all sounds good. But how will you institute these changes? Do you have an action plan with hard deadlines? What about mechanisms to determine the effectiveness of these new safety systems?

Answer. A Safety Management System (SMS) is never complete, it is an exercise in continuous improvement. We do have an action plan with incremental milestones that have been appropriately prioritized. In addition, Amtrak Board of Directors passed a resolution which required Amtrak to be the industry leader in the implementation of a SMS. The key components of our safety policy are:

- Our goal is to become America’s safest passenger railroad. We believe that zero accidents and zero serious injuries is possible—and we will work together towards everyone performing at this level.
- All business functions are expected to make safety an integral element to how they operate. This commitment is central to SMS. Everything we do must consider and advance our safety performance.
- We will operate at the highest level of safety—by exceeding regulatory standards. It is not good enough for us to simply meet Federal Railroad Administration (FRA) guidelines. We must do better.
- We will proactively identify and mitigate risk based on data. We are identifying new metrics that will allow us to focus on leading indicators—instead of relying on historical incident data.
- We will become a learning organization where safety self-reporting is encouraged. We will not discipline employees for self-reporting a safety issue. We need to know where we are falling short in safety so we can study these incidents and learn from them.
- All employees are empowered to stop an operation if an unsafe condition exists. This means everyone—at any time.
- We must not tolerate an intentional disregard for safety or reckless behavior. These incidents will be handled appropriately.

Similarly, risk management is a key component of a successful SMS. Measuring safety performance is not new to Amtrak. The effectiveness of the SMS will be monitored by safety metrics that are currently being refined. We have refocused our suite of safety metrics around customer injury, employee injury, train safety index, and trespasser/grade crossing incidents. Many of these metrics move away from the focus on discipline for violations and instead move toward a culture of safety, learning, and proactive continuous improvement.

In 2019, our strategy will be to mature these metrics and the business processes around them to increase visibility and focus on corrective actions. We have established internal goals around these metrics and they are cascaded throughout the enterprise. Meeting these goals is one component of measuring our progress as related to safety of operations.

Question. The City of Lakewood has expressed interest in locating a new Amtrak station in Lakewood. I understand this would complement a new commuter rail station in the Tillicum neighborhood, and also serve Joint Basin Lewis McChord.

Mr. Gardner, I ask that Amtrak consider conducting a Station Assessment Study to determine the feasibility of locating a new station in the City of Lakewood.

Answer. The Amtrak Cascades passenger rail program is a state-supported service of the States of Washington and Oregon, and is operated by Amtrak. Since this is a state-supported service, such requests typically are joint decisions by the various parties that support the service, which includes Amtrak, and the States of Washington and Oregon, since together, we set the overall vision for the service. For new station stops along this route, the State of Washington has developed, and implemented, a Station Stop Policy that outlines a clear process for communities seeking an Amtrak Cascades stop in their city. Guidance on conducting a preliminary evaluation, feasibility study, and submitting information for consideration is outlined in a manual on the WSDOT website.

Question. In March, Amtrak announced it would no longer operate charter services or special trains with narrow exceptions and that one-time trips and charters would be immediately discontinued. Amtrak also reduced the number of stations where private cars could be added or removed from regular Amtrak trains. The later

policy change will negatively impact a private car in Spokane, Washington. I have heard from constituents with concerns that these new policies could hurt communities by reducing economic development and tourism opportunities.

Mr. Gardner, during an April 11 hearing before the House THUD Subcommittee—our counterparts—you said Amtrak plans to constrict the number of charter train routes, not eliminate them entirely. But this is not what the Amtrak memo states. Can you clarify how exactly Amtrak's policy on charter services and special trains is changing?

Will there be a waiver process for operators of charter services or special trains to apply for the continuation of their service or special event?

In announcing this change Amtrak said it was in an effort to “operate its core train service safely, punctually, and efficiently.” Please explain how the operation of charter services or special trains impacts Amtrak's service, and provide any data on financial and schedule impacts that Amtrak used to justify this decision.

Answer. Amtrak's primary objective is to operate its core train service safely, punctually, and efficiently. Amtrak must stay focused on this objective, particularly given the significant on-time performance challenges we currently face owing to host railroad-related delays. We reevaluated our charter and private car services because of the impact they were having on our operational capacity and their cost to our company. Some instances had an effect across the system. For example, Amtrak routed 12 Amtrak single level cars to a charter in Seattle this past December which had a detrimental impact to our operations. It caused undue stress to equipment availability during service disruptions in Chicago and pushed our preventative maintenance schedule behind across the country. Those charter trains and private cars will continue which do not disrupt regularly scheduled service and are economically viable with sufficient financial benefit for Amtrak to justify the resources and the assets. Our policies for both services are posted publically on our website here:

<https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/Amtrak-Charter-Train-Guidelines-032818.pdf>

<https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/Amtrak-Private-Car-Guidelines-062118.pdf>

Question. Unfortunately, these changes aren't the only ones I'm hearing about. I understand that Amtrak also recently eliminated the food and beverage service on the Capitol Limited and Lake Shore Limited routes. This will have a direct impact on service and jobs. While these routes are not in Washington State, I am concerned with what this decision may be foreshadowing for Amtrak's Long Distance service. Amtrak's Long Distance service connects towns and cities all across America, sometimes serving as the only transportation option, and supports local economies.

a. Mr. Gardner, does Amtrak intend to maintain at least the current level of service on all Long Distance routes?

Answer. Yes, Amtrak plans to continue the current Long Distance routes and frequencies we operated in fiscal year 2018 in fiscal year 2019, with the possible exception of a portion of the Southwest Chief route, for which we have proposed instituting alternative connecting bus service in lieu of significant ongoing additional costs associated with continuing service over this segment. Congress is currently considering this issues in the fiscal year 2019 THUD Appropriations bill.

Question. Can you outline Amtrak's long-term plans, at least the next 5 years, for Long Distance service?

Answer. Amtrak will submit its next iteration of its long distance five year plans in February 2019, consistent with its statutory requirement to do so. At present, we anticipated that any Amtrak proposals for major changes to the national network or intercity passenger rail policy will be provided to Congress as part of the reauthorization of the FAST Act.

Question. Are there plans to reduce or eliminate food and beverage service on other routes? What about onboard or clerk services?

Answer. Amtrak is always interested in improving our customer experience and becoming more efficient throughout our system. Relative to our food and beverage offerings, Congress explicitly required us to vastly improve the financial performance of these amenities by eliminating all associated losses by December 2020 with the clear knowledge that achieving such a mandate would require us to significantly change our model and experiment with new approaches to serving the needs of our customers during their journey.

In regards to our new approach to food service on the Capitol Limited and the Lake Shore Limited, the main focus is not just food and beverage, although that is certainly a critical element. We are moving to a general hospitality environment that is modernized and efficient. We want to put emphasis on what the new genera-

tion of traveler expects from an experience. That does not mean the elimination of communal dining, but does mean more choice and individualized approach.

We want the customer to have a greater say on where, when and how they dine, whether that is communally, in their sleeper, alone with their media devices or a combination of all of the above during their journey. We are testing less structure—more individualization. We are increasing the quality of the food, but reducing the amount of preparation necessary which provides us with the savings needed to invest in the product. In the coming year, we plan to move toward pre-order opportunities where a customer can select what they wish, while booking their trip, or wait and decide when they board. We will still have seating in a communal café-type car. Longer terms plans may consider some minor remodeling to provide various seating options for people with various interests.

We continue to refine the product and service on the Capitol Limited and Lake Shore Limited and will be looking to expand the use of this model on other single-night overnight Long Distance trains in fiscal year 2019, as appropriate.

Question. I understand all Amtrak employees are trained to act as on site emergency responders. Did Amtrak consider impacts to Amtrak's ability to effectively respond to emergency situations when making the changes to the Capitol Limited and Lake Shore Limited routes? Did you factor this reduction in staff into Amtrak's safety plans?

Answer. Amtrak takes very seriously appropriate safety considerations in our determination of crew size. We currently provide on-board service (OBS) personnel with first aid and CPR training during their initial training. After initial training every other year OBS personnel continue to receive emergency preparedness training covering rail equipment familiarization; situational awareness; passenger evacuation; coordination of functions; and "hands-on" instruction concerning the location, function, and operation of on-board emergency equipment. Appropriate staffing levels have always been included in our safety protocols. Since conductors and engineers have primary responsibility for emergency response on a train, we do not believe that changes in general OBS personnel levels impacts our ability to sufficiently respond to an incident.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. Amtrak's Chicago-Carbondale route continues to be one of the worst performing routes in the country due to freight interference. Last year, the route was only on time 32 percent of the time because Canadian National Railway continues to give preference to its freight trains over Amtrak trains despite the decades-old statutory requirement to prioritize passenger trains. Nationally, Amtrak's long distance trains were on time at stations only 45 percent of the time in 2017, a decline of 8 percent compared to 2016.

a. Mr. Gardner, can you give us a better idea of how poor on-time performance affects Amtrak's bottom line and what Amtrak views as the primary cause of it?

Answer. Poor on-time performance (OTP) is primarily due to host responsible delays. When operating on host railroads, those hosts make all dispatching decisions regarding which trains may proceed and which trains will be held. The largest cause of delay to Amtrak trains on host railroads is Freight Train Interference (FTI). Although Federal law requires Amtrak passenger trains to receive preference over freight transportation, host railroad dispatchers often require Amtrak passenger trains to wait so that its freight trains can operate first. Sometimes a host railroad will make Amtrak passengers follow the same slow freight train for 50 to 100 miles or more, and may even make Amtrak passengers wait while individual freight cars are switched into or out of industrial facilities. Decisions by freight companies to prioritize their trains over passengers often occur when freight trains are operating late or short on crews.

Disciplined freight operators, such as BNSF and Canadian Pacific (CP) run reliable schedules that benefit both Amtrak and freight customers with significantly less FTI to passenger trains. Over the last twelve months, BNSF averaged 300 minutes of FTI per ten thousand train miles, and CP averaged 100 minutes of FTI per ten thousand train miles. BNSF and CP work cooperatively with Amtrak, respecting Federal law and actively engaging Amtrak personnel when operational challenges arise. Other freight companies, such as Norfolk Southern (NS) and Canadian National (CN), often operate freight trains many hours ahead of or behind schedule, or with no schedule at all. Over the last twelve months, CN averaged 750 minutes of FTI per ten thousand train miles, and NS averaged 1000 minutes of FTI per ten thousand train miles. These railroads regularly ignore Amtrak's statutory pref-

erence and they make unilateral operating decisions which consistently delay Amtrak passengers.

In addition to lost revenue through lost ridership, delays increase Amtrak costs, primarily by extending shifts, increasing staffing and maintenance requirements, and utilizing more fuel. In 2008, the United States Department of Transportation's Office of Inspector General (USDOT OIG) issued a report on the financial effects of poor OTP and concluded that "poor OTP has significant negative impacts on Amtrak's financial condition and may undermine Amtrak's ability to retain and grow ridership." Using fiscal year 06 performance numbers as a baseline, which are unfortunately similar to Amtrak's current long-distance OTP, the USDOT OIG found that increasing OTP to 75 percent would increase revenues by nearly \$70 million and reduce costs by \$32 million on Amtrak's long-distance network. Amtrak's 2015 study of the impact of OTP on Amtrak's operating costs demonstrated a clear statistical relationship between OTP and each of Amtrak's costs areas (maintenance, fuel, crews, etc.) with cost changes associated with every 1 percent change in performance.

OTP improvements are achievable. Amtrak's performance on host railroads improved dramatically off the USDOT OIG fiscal year 06 baseline performance after the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) was enacted. PRIIA provided broad preference enforcement authority to the Surface Transportation Board. That authority alone precipitated a nearly 67 percent drop in FTI in just 8 months. Unfortunately, legal challenges thwarted Amtrak's ability to enforce its statutory right of preference. Following the initial judicial decision in 2013, host performance began to fall. FTI delays were 50 percent higher in fiscal year 17 than in fiscal year 13, and Amtrak's OTP dropped dramatically. With a strong preference enforcement tool, such as Amtrak's fiscal year 19 legislative proposal for a private right of action, Amtrak could reverse the financial impacts of poor OTP performance on host railroads, improving its bottom line by both reducing costs and increasing ridership and revenue.

Question. Amtrak's long distance routes typically serve communities with very little other transportation options. Currently eight of Amtrak's 15 long distance trains run through Illinois.

a. Mr. Gardner, does Amtrak have any current or future plans to shorten or eliminate any of its long distance routes? What are Amtrak's long term plans in the next 5–10 years for long distance routes? Is Amtrak committed to the further development of these long distance routes as they typically service communities that have no other, or very little, transportation options?

Answer. Any discussion of major change or redevelopment of long-distance routes will be included and presented as part of Amtrak's reauthorization discussion with Congress.

The one exception is that Amtrak is currently confronted with the unique situation of the Southwest Chief and must make decisions on the route's future now. Amtrak is considering the available options for the Southwest Chief route given the unique maintenance and safety concerns on the Hutchinson, KS-Albuquerque, NM segment of that route. Amtrak raised the need for a long term financial plan in October 2017 and continues to work with stakeholders on a path forward.

This does not imply Amtrak is initiating any other changes to the National Network in fiscal year 2019. However, we are always interested in planning and developing better, faster and more efficient options for Amtrak to provide the best possible service to our customers and your constituents. We want to make sure that we're using our assets and the American taxpayers' investment, to serve as many people as possible.

Question. Mr. Gardner, what are the rental fees, and other fees, that Amtrak charges for commuter railroads around the country? How does this compare to the fees for Chicago Union Station?

Answer. Amtrak provides passenger rail services, including engineers, train crews, maintenance of equipment services, and other operational support to transit and commuter rail agencies around the country. Amtrak operates commuter rail services on behalf of three regional rail authorities—the MARC Penn Line Service in Maryland, Shore Line East in Connecticut, and Metrolink in the Los Angeles region. Amtrak also provides access to its owned infrastructure to the following transit agencies: Massachusetts Bay Transportation Authority (MBTA), Connecticut Department of Transportation (Shoreline East and CTRail commuter operations), Long Island Rail Road, New Jersey Transit, Southeastern Pennsylvania Transit Authority (SEPTA), Maryland Transit Administration (MARC), Virginia Railway Express (VRE), and Regional Transportation Authority (RTA), owner of the Metra commuter railroad operating in Chicago.

Access agreements may include access fees that compensate Amtrak for the use of Amtrak property and capacity, the proper allocation of reimbursable expenses for shared infrastructure and operational costs including station operations and maintenance, dispatching, right-of-way maintenance, electric propulsion (NJT, SEPTA, MARC), police and a contribution to fund capital investment needs. The access amounts paid to Amtrak for usage of Northeast Corridor (NEC) facilities and capital contributions for normalized replacement of existing NEC infrastructure are governed by the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) Section 212. Annual PRIIA 212 reimbursements for the applicable agencies on the NEC are calculated in accordance with the provisions of the Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy.

Metra access to and use of Chicago Union Station (CUS) is governed by an Agreement between Chicago Union Station Company, a former wholly-owned subsidiary of Amtrak, and the Northeast Illinois Regional Commuter Railroad Corporation, which was signed in 1984 and expires in 2019, and includes operational cost reimbursement last recalculated thirty years ago. Metra also periodically agrees to fund specific capital investments; this amount varies annually. Metra's current compensation to Amtrak for the use of Union Station and the associated terminal infrastructure is far below the compensation received by Amtrak from other commuter users of our assets, and is inadequate to allow for proper reinvestment in station and railroad assets.

Question. Mr. Gardner, is Amtrak under any statutory restriction to take funds made from Union Station private development in Chicago and put them into other corridors outside of Illinois? Could they legally put those funds into the New York City Amtrak service? Is the situation different for stations they own in the Northeast Corridor? Does Amtrak intend to use proceeds from the private development to improve the transportation components of Chicago Union Station, or of Illinois service? How does the accounting of these funds work, under the new accounts required from the FAST Act?

Answer. Under the FAST Act, Amtrak receives funding through two new accounts under its grant agreement from FRA. These two accounts cover our two major networks, the Northeast Corridor and the National Network, and contain the entirety of Amtrak's Federal appropriation and the various revenues associated with the activities that occur in each of these networks. The funds within these network accounts can only be used for costs and investments associated with those respective networks, meaning that revenues associated with Union Station can only be used to pay for costs or investments made in the National Network. Congress did include a provision that would permit Amtrak to transfer funds between the accounts, but this would require notification of FRA and Congress. Collectively, these measures keep the investments by Congress in the accounts where they are allocated. To date, Amtrak has never transferred funds between these two accounts.

Question. Mr. Gardner, according to Amtrak's fiscal year 19 Grant Request, Amtrak's revenue and ridership has steadily increased the last couple of fiscal years. Given these tremendous gains, the large Federal investment seen in fiscal year 18, and Amtrak's current request for increased Federal investment into its infrastructure system, does Amtrak intend on maintaining current service levels on all routes (National Network or Northeast Corridor)?

Answer. Amtrak has worked hard and is encouraged by our exponential increase in ridership and revenue and our exponential decrease in debt over the last decade. We believe in making sure every dollar invested in Amtrak by Congress goes to provide the best possible service we can provide to our customers. However, these gains do not fully address the critical need for infrastructure or equipment investment by Congress. At this time, Amtrak does not generate enough revenue to meet the significant operating or capital needs in our nationwide system. Many of our fleet, bridges, tunnels and other critical infrastructure and equipment are in need of replacement in the near future. We have begun planning now and hope that Congress will be able to help invest in the coming years to help us realize the next generation of intercity passenger rail.

Question. Mr. Gardner, does Amtrak expect to reduce or eliminate onboard or clerk services? If so, what services and why? Would these changes be gradual or immediate? Would these positions be outsourced, and how many jobs would be lost? Does Amtrak have a plan in place to retain employees for other roles with Amtrak?

Answer. It is Amtrak's duty under statute to ensure that we're spending every taxpayer dollar that we receive in the most efficient way possible. As such, we continually review our staffing levels and are always in search of opportunities to achieve good service more efficiently. As customer demand, travel patterns, and technology changes, we will continue to seek efficiencies that allow us to achieve more with the funds provided by the Federal Government and our other partners,

as any good business would. In fiscal year 2018, we reduced ticket clerks at a number of low-volume stations where the minimal ticket transactions that occur each year suggested that doing so would not unduly impact our revenues and service levels. Doing so is anticipated to save roughly \$100,000-\$120,000 per station. We made these changes without laying off any employees and we will continue to monitor ridership, revenue and customer feedback to see if any adjustments are required. At each such station, we continue to employ either caretakers or station hosts that provide various functions at such facilities.

Question. Mr. Gardner, all Amtrak employees are trained to act as on site emergency responders in emergency situations. How will the cuts in reservation or food and beverage staff impact Amtrak's ability to sufficiently respond after an incident? Has Amtrak factored this into their safety plans?

Answer. Amtrak takes safety very seriously and safety is considered as we review crew and staffing needs for any of our services and facilities.

QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

Question. I want to see Amtrak operate safe and secure trains on its routes across the country. I appreciate the focus you have placed on this issue and know that you recognize Congress also takes rail safety seriously, evidenced by the resources we provided for the corporation in the 2018 Omnibus Appropriations Act. Unfortunately, there have been a number of mixed statements coming from Amtrak leadership about its plans for continuing service along routes that will not be compliant with Positive Train Control (PTC) requirements, even on those with exemptions.

Does Amtrak plan to suspend service on low-traffic routes that are otherwise exempt from PTC requirements?

Answer. Amtrak does not intend to suspend service on such routes but final determination of our operations will be pursuant to the risk assessment and mitigation process now underway. We are currently conducting risk assessments on routes that contain FRA-granted MTEA's (main line track exclusion addendum) or do not plan to have operable PTC beginning January 1, 2019 as provided for by an FRA alternative schedule for implementation. These assessments are being done to analyze the risks associated with continued operations over the route in absence of PTC and to help us create strategies for risk mitigation that we expect will permit continued operations across our network at a common level of safety until PTC or PTC-equivalency can be achieved. The target for completing risk assessments is by the end of October.

Question. The Vermonter is an example of a state supported service that Amtrak operates on routes that have waivers from positive train control requirements.

Can you share with the Committee Amtrak's plans for operations of the Vermonter after the end of this calendar year?

Answer. Amtrak continues to conduct risk assessments to determine the necessary mitigations and enhancements for routes that have MTEAs. It is our expectation at this time that we will develop mitigations that will allow us to continue running service on the Vermonter and Ethan Allen after the end of the calendar year until PTC or PTC-equivalency can be achieved on these routes.

Question. Rail advocates in Vermont have noted there is a 50 mile stretch of track on the Vermonter route owned by the state of Massachusetts and operated by Pan Am that does not currently have a PTC waiver from FRA.

Will the status of this track impact operation of the Vermonter in 2019?

Answer. Amtrak's understanding, at this time, is that MassDOT intends to file for a mainline track exclusion addendum for this portion of the route. We will keep you updated on the progress.

SUBCOMMITTEE RECESS

Senator COLLINS. This hearing is now adjourned.

[Whereupon, at 5:05 p.m., Wednesday, May 16, the hearing was adjourned, and the subcommittee was recessed, to reconvene at a time subject to the call of the Chair.]