

AMTRAK NOW AND INTO THE FUTURE

(116-41)

HEARING

BEFORE THE

SUBCOMMITTEE ON RAILROADS, PIPELINES,
AND HAZARDOUS MATERIALS

OF THE

COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE

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U.S. House of Representatives
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NOVEMBER 8, 2019

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Railroads, Pipelines, and Hazardous Materials
FROM: Staff, Subcommittee on Railroads, Pipelines, and Hazardous Materials
RE: Subcommittee Hearing on “Amtrak Now and Into the Future.”

PURPOSE

The Subcommittee on Railroads, Pipelines, and Hazardous Materials will meet on Wednesday, November 13, 2019, at 10:00 a.m. in 2167 Rayburn House Office Building to hold a hearing titled, “Amtrak Now and Into the Future.” The hearing will review recent service changes implemented by Amtrak and consider the needs of the nation’s intercity passenger railroad to sustain and strengthen its existing network. The Subcommittee will hear testimony from Amtrak, an Oregon State Legislative Representative, the Transportation Trades Department of AFL–CIO, the Transportation Communications Union, the Rail Passengers Association, the Sheet Metal, Air, Rail and Transportation–Transportation Division, and the San Joaquin Joint Powers Authority.

BACKGROUND

ABBREVIATED HISTORY

The National Railroad Passenger Corporation, known as “Amtrak,” was created by the *Rail Passenger Service Act of 1970* (P.L. 91–518). Prior to Amtrak’s creation, privately-owned railroads provided passenger rail transportation, pursuant to their common carrier obligation, that dated back to the late 1800s. As the federal government supported the growth of airports and invested heavily to develop the expansive interstate system, travel by car and aircraft grew in popularity while passenger rail mileage declined from 40 million in 1947 to less than 8 million just two decades later.¹

In 1970, with several major railroads in or nearing bankruptcy, Congress relieved the private railroads from their obligation to provide passenger rail service by creating Amtrak as the nation’s passenger rail provider. Amtrak was established as a for-profit corporation under the laws of the District of Columbia (D.C.) but would receive government funding. Railroads bought into Amtrak and the purchase price was satisfied either by cash or rolling stock; in exchange, the railroads received common non-voting stock. Amtrak began operating passenger service on May 1, 1971.

By statute, Amtrak’s Board of Directors consists of 10 members: the Secretary of Transportation (Secretary), eight appointees selected by the President with the ad-

¹Wilner, Frank. *Amtrak: Past, Present, Future*. Omaha, Simmons-Boardman Books, Inc., 2012. Page XIV.

vice and consent of the Senate, and the President of Amtrak, who serves as a non-voting member.²

Amtrak bargains with various labor unions, and the collective bargaining agreements between Amtrak and its employees are governed by the *Railway Labor Act*. These employees are also covered by the *Railroad Retirement Act* (RRA) and the *Railroad Unemployment Insurance Act* (RUIA), both of which are unique to the railroad industry. The RRA created the railroad retirement system that provides retirement and disability benefits to railroad workers who qualify, and the RUIA provides qualifying workers with unemployment and sickness benefits.

AMTRAK'S NETWORK AND RIDERSHIP

The legislation that created Amtrak, and amendments that were made to the statute in the *Passenger Rail Investment and Improvement Act of 2008* (PRIIA 2008) (P.L. 110-432), require Amtrak to operate a national rail passenger transportation system which ties together existing and emergent regional rail passenger service and other intermodal passenger service, subject to its discontinuance authority under 49 USC 24706 and 24702.³ This system includes the Northeast Corridor, high-speed rail corridors, long-distance routes, and short-distance routes operated by Amtrak.⁴

To provide this national passenger rail service, Amtrak runs more than 300 trains per day, services over 500 stations located in 46 states and Washington, D.C. and operates a network that stretches more than 21,000 miles across the country.⁵ More than 31 million trips were taken on Amtrak in Fiscal Year 2018.⁶ Of all Amtrak passenger trips in 2018, approximately 38 percent were taken on the Northeast Corridor; 48 percent on state-supported routes; and 14 percent on long-distance routes.

Northeast Corridor

The *Railroad Revitalization and Regulatory Reform Act of 1976* enabled Amtrak to acquire rail rights-of-way between Boston, MA and Washington, D.C., referred to as the Northeast Corridor (NEC).⁷ This 457-mile rail line, of which Amtrak owns 363 miles, extends from Washington, D.C., to Boston, MA, runs through eight states and D.C, and carries nearly 2,200 commuter, passenger, and freight trains daily, making it one of the world's most complicated rail corridors.⁸ Amtrak carries more passengers within the NEC than all airlines combined in the region, providing more than 12.1 million Amtrak passenger trips in Fiscal Year (FY) 2018 alone.⁹

Amtrak provides two services on the NEC: the premier *Acela* service provides up to 33 departures daily and reaches a top speed of 150 mph, and the *Northeast Regional* has up to 36 departures each day and reaches a top speed of 125 mph. In September 2019, Amtrak launched *Acela Nonstop*, offering direct service on weekdays between Washington, D.C. Union Station and New York Penn Station.

National Network: State-Supported and Long-Distance Routes

Outside the Northeast Corridor, in FY 2018, nearly 20 million trips were taken along the state-supported and long-distance routes that comprise the National Network. The National Network provides service to the country's more rural communities. Much of these routes are operated on tracks that are owned, maintained, and dispatched by various host freight and commuter railroads.

Under Section 209 of the PRIIA 2008, Amtrak and its state partners were required to jointly develop a methodology to determine operating and capital costs of state-supported intercity passenger rail service on routes measuring not more than 750 miles. The PRIIA Section 209 methodology became effective in October 2013. Continued operation of these state-supported routes is subject to annual operating agreements and state legislative appropriations according to Section 209. In FY 2018, state contributions to Amtrak for state-supported services totaled \$233.8 mil-

² 49 U.S.C. § 24302.

³ 49 U.S.C. § 24701.

⁴ 49 U.S.C. § 24102.

⁵ Amtrak FY 2018 Company Profile. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/nationalfactsheets/Amtrak-Corporate-Profile-FY2018-0319.pdf>.

⁶ Amtrak, *Fiscal Year 2018 Route Ridership*. Available at <http://media.amtrak.com/wp-content/uploads/2018/11/FY18-Ridership-Fact-Sheet-1.pdf>.

⁷ P.L. 94-210.

⁸ Amtrak, *2019 Amtrak Five Year Service Line Plans, Base (FY2019) and Five Year Strategic Plan (FY2020-2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Service-Line-Plans-FY20-24.pdf> Page 92.

⁹ Anderson, Richard. *Testimony Before the United States Senate Commerce Committee during a Hearing on "Amtrak: Next Steps for Passenger Rail"*. June 26, 2019. Page 7.

lion for operations and \$57.2 million for equipment capital.¹⁰ Fueled by Amtrak's partnership with its state partners, state-supported routes carried 15.1 million passengers in FY 2018, an increase from 15.013 million in FY 17.¹¹

Amtrak also operates 15 long-distance routes ranging in length from 764 to 2,438 miles. Of the 46 states that have Amtrak services, 23 are only served by long-distance trains and nearly half of the stations in Amtrak's system serve long-distance routes. In total, long-distance trains carried 4.5 million passengers in FY 2018.¹²

AMTRAK FUNDING

Like several other transportation modes in the U.S., Amtrak receives funding from the General Fund through the annual appropriations process.

The Fixing America's Surface Transportation Act (FAST Act) changed the authorization structure of Amtrak to provide greater transparency and accountability by providing funding by service—the NEC and the National Network—rather than providing separate grants for operating and capital/debt service activities. Amtrak may transfer funds between accounts in two circumstances: (1) upon notification to the Amtrak Board of Directors with a subsequent report and justification by the Board to the Committee and Secretary regarding the transfer; or (2) with Secretarial approval under certain circumstances that would materially change the grant agreement.¹³ The chart below indicates Amtrak's funding levels authorized by the FAST Act and the amounts appropriated by Congress:

	Northeast Corridor		National Network	
	Authorized	Appropriated	Authorized	Appropriated
FY 16	\$450,000,000	*	\$1,000,000,000	*
FY 17	\$474,000,000	\$328,000,000	\$1,026,000,000	\$1,167,000,000
FY 18	\$515,000,000	\$650,000,000	\$1,085,000,000	\$1,291,600,000
FY 19	\$557,000,000	\$650,000,000	\$1,143,000,000	\$1,291,600,000
FY 20	\$600,000,000	N/A	\$1,200,000,000	N/A

* Amtrak received FY 16 appropriations in the format that existed prior to FAST Act enactment: \$288,500,000 in operating grants, and \$1,101,500,000 in capital and debt service grants.

Amtrak is eligible for some federal discretionary grant programs created in the FAST Act, such as the FRA's Consolidated Rail Infrastructure and Safety Improvements program focused on improving the safety, efficiency, and reliability of passenger and freight rail systems; Restoration and Enhancement Grants that support initiating, restoring, or enhancing intercity passenger rail; and the Federal-State Partnership for State of Good Repair that supports capital projects that reduce the state of good repair backlog. The railroad also is eligible to apply for long-term, low-interest loans under the Railroad Rehabilitation and Improvement Financing (RRIF) program. Amtrak has received three RRIF loans totaling \$3.1 billion, two of which have been repaid.¹⁴ Additionally, Amtrak is subject to a Buy America procurement requirement that helps ensure domestic manufacturing companies and their workers benefit when Amtrak pursues capital investments.¹⁵

Amtrak earned record revenues of \$3.4 billion and achieved 95 percent operating cost recovery in FY2018.

NETWORK MODIFICATIONS

In the last few years, Amtrak has expressed interest in altering its current network, with CEO Richard Anderson stating in June 2019 before the Senate Commerce Committee that "there's always a role for long distance, but, on the margin, we should be looking at breaking up some of those long-distance trains and figuring out how . . . to provide high quality service in short-haul markets . . ."¹⁶

In testimony, reports, and letters to Congress, Amtrak has stated that urban areas around the country are anticipated to experience major population growth in

¹⁰ State-Amtrak Intercity Passenger Rail Committee, 2018 Annual Report, Page 2.

¹¹ Amtrak, *2019 Amtrak Five Year Service Line Plans, Base (FY2019) and Five Year Strategic Plan (FY2020–2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Service-Line-Plans-FY20-24.pdf>. Page 58.

¹² Amtrak states that weather and other events impacted ridership, resulting in an estimated loss of 162,800 long-distance passengers.

¹³ 49 USC § 24317(g).

¹⁴ Build America Bureau, Railroad Rehabilitation & Improvement Financing, Available at <https://www.transportation.gov/buildamerica/programs-services/rrif>.

¹⁵ 49 USC § 24305(f).

¹⁶ Anderson, Richard, Testimony Before the United States Senate Commerce Committee, "Next Steps for Passenger Rail," June 26, 2019.

the coming decades, including “megaregions” such as Atlanta, Houston, Dallas, Orlando, Las Vegas, and others, that currently are underserved by intercity passenger rail transportation.¹⁷ Amtrak’s 5-year Strategic Plan sets out goals to “maintain and grow connectivity and access in markets that supplement Amtrak’s State Supported network.”¹⁸

SERVICE CHANGES

As Amtrak has reported, the experience of riding Amtrak is an important factor in travelers’ decisions to ride the railroad.¹⁹ Thus, maintaining a high-quality, valuable service that passengers want and expect helps attract and retain customers. Subsequent to passage of the FAST Act, Amtrak has implemented changes to some of the services and benefits offered to passengers and those seeking to travel on Amtrak.

Food and Beverage Service

Section 11207 of the FAST Act required that, within 90 days of enactment, Amtrak develop and begin implementing a plan to eliminate, within 5 years, the operating loss associated with food and beverage service. That section also prohibited any then-employed Amtrak worker from being involuntarily separated as a result of the development and implementation of the plan or any other action taken by Amtrak to implement that section.

In June 2018, traditional dining car service, which functioned as a made-to-order restaurant on wheels, was eliminated on two long-distance routes: Lake Shore Limited and Capitol Limited.²⁰ As a result, passengers traveling those routes no longer have access to meals freshly prepared onboard, including sleeper car passengers whose premium ticket fare includes meals. Instead, sleeper car passengers receive “flexible dining” service that includes reheated pre-cooked meals, and all other passengers (who previously could purchase meals at the dining car or café car) have access to quick-service foods sold in the café car, such as cheeseburgers, pizza, and snacks.²¹ Amtrak cites costs of the traditional dining cars service and a desire to attract younger passengers with a different dining model, as the reason for these changes.

In September 2019, Amtrak announced it would replicate these changes on most other eastern long-distance routes: Cardinal, City of New Orleans, Crescent, Silver Meteor, and Silver Star. On these routes—four of which exceed 24 hours of travel time—sleeping car passengers have “flexible dining” options while other passengers are limited to café car purchases.²²

Eliminating Station Agents at 15 Stations

On June 1, 2018, Amtrak eliminated station agents at stations that average fewer than 40 passengers a day. This change eliminated more than 20 agents at 15 stations throughout the country, including: Charleston, WV; Cincinnati, OH; Fort Madison, IA; Garden City, KS; Hammond, LA; Havre, MT; La Junta, CO; Lamy, NM; Marshall, TX; Meridian, MS; Ottumwa, IA; Shelby, MT; Texarkana, AR; Topeka, KS; and Tuscaloosa, AL. Station agents provide passengers access to on-site travel support, ticket sales, and customer service, and perform building maintenance tasks.

¹⁷ Anderson, Richard, Testimony Before the House Committee on Transportation and Infrastructure, “The Cost of Doing Nothing: Why Investing in Our Nation’s Infrastructure Cannot Wait,” February 7, 2019, Available at <https://transportation.house.gov/committee-activity/hearings/the-cost-of-doing-nothing-why-investing-in-our-nations-infrastructure-cannot-wait>, Page 6.

¹⁸ Amtrak, *2019 Amtrak Five Year Service Line Plans, Base (FY2019) and Five Year Strategic Plan (FY2020–2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Five-Year-Service-Plans-FY18-FY23.pdf> Page 53.

¹⁹ Amtrak, *2019 Amtrak Five Year Service Line Plans, Base (FY2019) and Five Year Strategic Plan (FY2020–2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Service-Line-Plans-FY20-24.pdf> Page 75.

²⁰ Amtrak Press Release, “New and Contemporary Dining Soon on Two Amtrak Routes,” Available at <https://media.amtrak.com/2018/04/new-contemporary-dining-soon-two-amtrak-routes/>, Dated April 19, 2018. See also Amtrak Press Release, “Contemporary Dining Menu Evolves on Two Amtrak Routes,” Available at <https://media.amtrak.com/2018/07/contemporary-dining-menu-evolves-two-amtrak-routes/>, Dated July 12, 2018.

²¹ Amtrak Flexible Dining, Available at <https://www.amtrak.com/routes/lake-shore-limited-train.html>.

²² Amtrak Press Release, “Amtrak Introduces Enhanced Menu and Flexible Dining Experience on Five Routes,” Available at <https://media.amtrak.com/2019/09/amtrak-introduces-enhanced-menu-and-flexible-dining-experience-on-five-routes/>, Dated September 13, 2019.

Closing the Riverside Call Center

In January 2019, Amtrak closed its reservation call center in Riverside, CA, where nearly 500 personnel familiar with Amtrak's routes, schedules, and amenities had remotely assisted passengers in booking and adjusting Amtrak travel. Currently, Amtrak maintains a call center in Philadelphia, PA and contracts with a call service in Florida for calls that the Philadelphia call center can't accommodate.²³

Reducing the Amtrak Police Department Workforce

The Amtrak Police Department (APD) is responsible for responding to incidents taking place onboard trains and in stations, supporting counterterrorism efforts, and stopping the illegal transport of narcotics. In May 2019, the Amtrak Fraternal Order of Police Labor Committee was informed that Amtrak intended to reduce the APD workforce by 20 percent, or roughly 100 positions. Amtrak's FY 2019 budget supported 534 positions. These anticipated cuts began taking effect in June 2019 and are anticipated to continue over the next several years. In an October 2019 letter to Chairmen DeFazio and Lipinski, the railroad stated that an assessment of the deployment of its police force found that greater police presence is needed onboard trains, rather than only stations.²⁴ Amtrak wrote that this change "will not impact the level of security we provide in stations or trains, but instead reallocate our physical presence in a more purposeful and visible manner . . ."²⁵

Reductions to Other Services and Benefits

In addition, Amtrak reduced benefits offered to riders, including ending discounts for AAA members and students while raising the qualifying age and reducing the discount for seniors. Amtrak has also nearly eliminated all charter services or special trains and has significantly scaled back opportunities for private cars to travel on Amtrak trains, instituting switching location restrictions and increasing fees.

PREFERENCE AND ON-TIME PERFORMANCE

Riders' approval of Amtrak is also impacted by the railroad's reliability.²⁶ Amtrak owns only three percent of the more than 21,000 route-miles in its network. As a result, it operates much of its service over tracks that are owned, maintained, and dispatched by the freight railroads.²⁷ Under 49 U.S.C. Section 24308(c), Amtrak trains have "preference" over freight transportation in using a rail line, junction, or crossing, except in emergencies or unless the Surface Transportation Board (STB) orders otherwise.

Section 207 of PRIIA 2008 required FRA and Amtrak, in consultation with the STB and freight and commuter railroads, to establish minimum standards for measuring the performance and service quality of intercity passenger train operations, including on-time performance (OTP). Such metrics and standards were to be incorporated into access and service contracts between Amtrak and the freight railroads. Additionally, Section 213 of PRIIA 2008 stated that if the OTP of any intercity passenger train averages less than 80 percent for any two consecutive calendar quarters, or the service quality of intercity passenger train operations for which minimum standards are established pursuant to Section 207 fails to meet those standards for two consecutive calendar quarters, the STB may initiate an investigation. Alternatively, upon filing of a complaint by Amtrak, an intercity passenger rail operator, a host freight railroad over which Amtrak operates, or an entity for which Amtrak operates intercity passenger rail service, the STB shall initiate an investigation.

In May 2010, Amtrak and FRA jointly issued metrics.²⁸ The Association of American Railroads sued the Department of Transportation over the standards, stating that Amtrak was a non-governmental entity and could not issue federal standards. Following the case moving through various courts, in June 2019, the U.S. Supreme

²³ Katzanek, Jack. "About 1 in 5 Riverside Amtrak workers headed to Philadelphia." The Press-Enterprise; January 8, 2019. Available at <https://www.pe.com/2019/01/08/about-1-in-5-riverside-amtrak-workers-headed-to-philadelphia/>.

²⁴ Stadler, D.J., Executive Vice President, Chief Administration Officer, Letter to Chairman Peter A. DeFazio and Chairman Daniel Lipinski, Dated October 21, 2019.

²⁵ *Ibid* Page 2.

²⁶ Amtrak, *2019 Amtrak Five Year Service Line Plans, Base (FY2019) and Five Year Strategic Plan (FY2020–2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Service-Line-Plans-FY20-24.pdf>. Page 83.

²⁷ Amtrak, *Amtrak Host Railroad Report Card 2018*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/HostRailroadReports/Amtrak-2018-Host-Railroad-Report-Card.pdf>. Page 3.

²⁸ Metrics and Standards for Intercity Passenger Rail Service, Issued May 12, 2010, Available at <https://www.fra.dot.gov/eLib/Details/L02875>.

Court declined a request to review a lower-court hearing, which meant the previous metrics issued were invalid and FRA and Amtrak would need to develop new metrics and standards. To date, a commonly accepted method to measure OTP still has not been determined.

Amtrak's Office of Inspector General (IG) issued a report in October 2019, which found that, in FY 2018, Amtrak trains on the NEC routes and state-supported routes arrived on time 78 percent and 81 percent, respectively; while less than half (46 percent) of long-distance trains arrived on time, with an average 49-minute delay.²⁹ Nationwide, 27 percent of trains were late. The same report identified the financial impacts of poor OTP, finding that a five percent improvement in OTP on each route could result in short-term net financial benefits of \$12.1 million in the first year. Such benefits would be realized through cost savings and additional revenues based on shorter train operating times and improved customer satisfaction.³⁰

INVESTMENT NEEDS: A SNAPSHOT

As noted above, Amtrak plays a critical role in the NEC, where it owns and controls 363 miles of track. The heavy usage of this corridor combined with the age of bridges and tunnels—many of which date back to the period between the Civil War and the New Deal—has led to major needs in maintenance and capital infrastructure improvements to remove bottlenecks and increase capacity along the corridor. As of March 2019, data from the Northeast Corridor Commission shows that more than an estimated \$21 billion remains unfunded for major rail infrastructure projects along the NEC. Some of these projects include: the Baltimore & Potomac Tunnel (\$4.59 billion project, with \$4.52 billion unfunded), which was built in 1873 and requires replacing the Civil-War era tunnel with a newer curve-moderated tunnel; replacement of the swing-span Portal North Bridge (\$1.78 billion project, with \$811 million unfunded) over the Hackensack River; and replacement of the Susquehanna River Bridge (\$1.88 billion project, with \$1.86 billion unfunded).

In addition to the NEC major projects, much of Amtrak's fleet has aged and its need of replacement. For instance, the P-40 and P-42 locomotives and the Superliner fleet used on long-distance routes and some state-supported routes are an average age of 20 years and 35 years, respectively, while the Amfleet I equipment used on Northeast Regional trains and several state-supported services is 40-years old. Amtrak defines equipment as having a useful life of 30 years for locomotives and 40 years for railcars for State-of-Good Repair purposes. Amtrak indicates that because the P-42 locomotives have low reliability, many long-distance trains operate with two of these locomotives to protect against breakdowns, which increases operating and maintenance expenses.³¹ As these locomotives and cars and others begin reaching the term of their useful life, Amtrak is planning major fleet initiatives to modernize its rolling stock by largely replacing most locomotives and railcars in service today.³² While Amtrak is experiencing additional rolling stock investment needs, Amtrak's FY 2020 grant request indicates an additional \$2.46 billion in federal funds is required for its Amfleet I, Superliner, and diesel locomotive replacements.

Amtrak maintains its fleet at more than 60 maintenance facilities located nationwide. These facilities range from rail yards where basic cleaning and light servicing work is done, to back shops where heavy overhauls and rebuilds of wrecked equipment are performed.³³ Amtrak's mechanical employees also perform various work at those facilities on equipment owned by state partners and used by commuter rail agency partners. Investments are needed at these facilities, including creating additional track and capacity at certain facilities to accommodate future expansion, modifications necessary to properly maintain locomotives, and to bring certain facilities to a state of good repair, among other needs.³⁴ Moreover, more than 500 sta-

²⁹ Here, the IG measured "on time" as how a train performs compared with its published, scheduled arrival time at each station and final destination on its route.

³⁰ Amtrak Office of Inspector General, "Train Operations: Better Estimates Needed of the Financial Impacts of Poor On-Time Performance," OIG-A-2020-001, October 14, 2019, Available at <https://amtrakog.gov/audit-documents/audit-reports/train-operations-better-estimates-needed-financial-impacts-poor-time> Pages 1, 2, 6, 7, 8.

³¹ Amtrak, *2019 Amtrak Five Year Service Line Plans, Base (FY2019) and Five Year Strategic Plan (FY2020-2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Service-Line-Plans-FY20-24.pdf> Page 71.

³² Amtrak, *Amtrak Five Year Equipment Asset Line Plan, Base (FY2019) and Five Year Strategic Plan (FY2020-2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Equipment-Asset-Line-Plan-FY20-24.pdf> Page 5.

³³ *Ibid.*, Page 18.

³⁴ *Ibid.*, Page 42.

tions owned by states, cities, host railroads, and Amtrak that comprise its network must be properly maintained. Amtrak is investing in projects that enhance passenger experience, sustain the national passenger rail network, provide much-needed additional capacity, and improve reliability and safety.³⁵ In 2016, Amtrak received a \$2.5 billion RRIF loan to purchase 28 new trains, make station improvements at Washington Union Station and Moynihan Station in New York City, and track capacity and ride quality improvements in the NEC.³⁶ Amtrak's FY 2020 grant request indicates an additional \$1.36 billion in federal funds is needed for select station and facility improvements.

Additionally, the *Americans with Disabilities Act* (ADA) required that all stations in the intercity rail transportation system be made accessible to and usable by individuals with disabilities no later than 2010.³⁷ Amtrak has sole or shared financial responsibility to bring 383 stations into compliance with ADA requirements and estimates that it will cost over \$1 billion to complete this work.

AMTRAK SAFETY

Amtrak has instituted a comprehensive new Safety Management System (SMS) to improve its safety culture. SMS is an organization-wide comprehensive and preventative approach to managing safety, intended to move Amtrak from reactive responses to individual safety events toward a continual assessment and predictive understanding of risks facing the entire organization before an unwanted event occurs. According to Amtrak, SMS will establish safety as an integral element in all operational business functions and is built upon four components: Safety Policy, Safety Promotion, Safety Assurance, and Safety Risk Management.³⁸

Amtrak has also developed a plan to systematically evaluate and reduce risks. In the *Rail Safety Improvement Act of 2008*, Congress directed DOT to issue regulations within four years requiring certain freight and passenger railroads to develop and submit to FRA for approval safety risk reduction programs. These programs are intended to systematically evaluate safety risks and manage those risks to reduce railroad accidents, incidents, injuries, and fatalities. FRA undertook a rulemaking to develop a System Safety Program (SSP) for passenger railroads, publishing an SSP final rule in August 2016; however, that rule has been stayed several times after comments from stakeholders, and the current stay extends until March 4, 2020. Despite the lack of final regulations, Amtrak moved ahead with developing its SSP plan, submitting it to the FRA in November 2018.³⁹

Positive Train Control (PTC) systems are technologies designed to automatically stop or slow a train to prevent train-to-train collisions, over-speed derailments, incursions into established work zones, and the movement of a train through a switch left in the wrong position. Congress enacted the *Rail Safety Improvement Act of 2008* (RSIA, P.L. 110-432) in October 2008, requiring each Class I railroad and each entity providing intercity or commuter rail passenger transportation to implement a PTC system governing certain operations by December 31, 2015. That deadline was extended to December 31, 2018, and the Secretary of Transportation was authorized to provide each railroad, on a case-by-case basis, with an additional extension of up-to 24 months as long as the railroad met the requirements specified in statute.⁴⁰

According to the FRA's 2019 second quarter reporting, 100 percent of Amtrak's locomotives are fully equipped and operable with PTC; 100 percent of the required track segments have PTC installed, 100 percent of the required employee training is complete, two of its three PTC systems are conditionally certified, and it has

³⁵ Amtrak, *2019 Amtrak Five Year Stations Asset Line Plan, Base (FY2019) and Five Year Strategic Plan (FY2020-2024)*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Stations-Asset-Line-Plan-FY20-24.pdf> Page 6.

³⁶ Progressive Railroading, "Amtrak Receives \$2.5 Billion RRIF Loan for Alstom Trains, Northeast Corridor Upgrades," Available at <https://www.progressiverailroading.com/amtrak/news/Amtrak-receives-25-billion-RRIF-loan-for-Alstom-trains-Northeast-Corridor-upgrades--49275>.

³⁷ 42 U.S. Code § 12162.

³⁸ Amtrak Safety Fact Sheet, Available at https://media.amtrak.com/wp-content/uploads/2019/01/Amtrak_Safety_Fact_Sheet_1-16-18.pdf Page 2.

³⁹ *Ibid.*

⁴⁰ These requirements include having: installed all PTC system hardware; acquired all specimen; in the case of a Class I railroad carrier or Amtrak, implemented PTC or initiated revenue service demonstration on 50 percent of its territories; in the case of a commuter railroad, initiated revenue service demonstration on at least one territory; and completed employee training required under the applicable regulations. See *Surface Transportation Extension Act of 2015* (P.L. 114-73).

achieved 19 percent interoperability (three of its 16 interoperable relationships are complete).⁴¹

APPENDIX
Amtrak System Map⁴²



WITNESSES

- Richard Anderson, President and CEO, Amtrak
- Nancy Nathanson, Representative, Oregon State Legislature
- Greg Regan, Secretary-Treasurer, Transportation Trades Department, AFL-CIO
- Jack Dinsdale, National Vice President, Transportation Communications Union
- Jim Mathews, President and CEO, Rail Passengers Association
- Bob Guy, Illinois State Director, Sheet Metal, Air, Rail and Transportation-Transportation Division
- Stacey Mortensen, Executive Director, San Joaquin Joint Powers Authority

⁴¹<https://www.regulations.gov/document?D=FRA-2010-0029-0124>.

⁴²The numbers on this map correspond to the routes as follows: 1. Cascades; 2. Coast Starlight; 3. Capitol Corridor, San Joaquin; 4. Pacific Surfliner; 5. Empire Builder; 6. California Zephyr; 7. Southwest Chief; 8. Sunset Limited; 9. Blue Water, Carl Sandburg, Hiawatha, Hoosier State (discontinued as of July 2019), Illini, Illinois Zephyr, Lincoln, Pere Marquette, Saluki, Wolverine; 10. Missouri River Runner; 11. Heartland Flyer; 12. Texas Eagle; 13. City of New Orleans; 14. Lake Shore Limited; 15. Capitol Limited; 16. Cardinal; 17. Crescent; 18. Maple Leaf; 19. Adirondack, Empire, Ethan Allen; 20. Keystone, Pennsylvanian; 21. Vermonter, Valley Flyer (initiated August 2019); 22. Downeaster; 23. Northeast Corridor; 24. Carolinian, Piedmont, Virginia; 25. Auto Train, Palmetto; 26. Silver Meteor, Silver Star. Where State-Supported and Long-Distance routes overlap, the State-Supported route is shown. Amtrak. *General and Legislative Annual Report & Fiscal Year 2020 Grant Request*. Available at <https://www.amtrak.com/content/dam/projects/dotcom/english/public/documents/corporate/reports/Amtrak-General-Legislative-Annual-Report-FY2020-Grant-Request.pdf>. Page 5.

AMTRAK NOW AND INTO THE FUTURE

WEDNESDAY, NOVEMBER 13, 2019

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

The subcommittee met, pursuant to call, at 10:02 a.m., in room 2167, Rayburn House Office Building, Hon. Daniel Lipinski (Chairman of the subcommittee) presiding.

Mr. LIPINSKI. The subcommittee will come to order. I ask unanimous consent that the chair be authorized to declare recesses during today's hearing.

Without objection, so ordered.

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

Without objection, so ordered.

Good morning. Welcome to today's oversight hearing of the Railroads, Pipelines, and Hazardous Materials Subcommittee, entitled "Amtrak Now and Into the Future." I am glad we have a good crowd here, as I know there is something else of interest going on right now. And Mr. Crawford was just saying it was very quiet in here. And everyone was watching the impeachment hearing on their phone. And Mr. Crawford said, I think it is on the TV in front of the witnesses. But—I don't think it really is.

But this is an important hearing that we are holding today as part of the subcommittee's continued work on Amtrak reauthorization and the surface transportation reauthorization. Both of these authorizations expire at the end of September of next year, so this is a critical time to be looking at the issues as we begin drafting this legislation. I am a strong advocate for Amtrak service and passenger rail in general. I am also frequently a passenger as recently as when I was back home in the district last week. We need to make passenger rail work. And this will require a larger Federal investment, but the reauthorization is not just going to be about providing more money, it will also be about making sure Amtrak is being run well.

Because Amtrak recently has undertaken a lot of actions that have raised concerns, we will be focusing on some of these concerns today. One concern is that Amtrak has made and continues to make significant cuts to its workforce, including cutting call center employees, food and beverage workers, station agents and police officers.

Last week, Amtrak informed the Transportation Communications Union that it is cutting an additional 89 jobs. Amtrak is even outsourcing call center jobs to a private contractor in Florida that pays the minimum wage, \$7.25 an hour with no benefits. This outsourcing is occurring after Amtrak closed the Riverside, California, facility last year, and told everyone that the jobs at the Philadelphia call center were safe.

It is insulting for Amtrak to be cutting jobs that they say are not needed, then outsourcing the same jobs to low-wage, no-benefit contractors. Amtrak clearly has a science that the way to prosperity is to have its workers pay for it. This is not the way to run this railroad. Making customer interactions, food and beverage service and police protections worse decreases Amtrak's attractiveness to potential riders. You do not get more riders or more revenue with a worse product.

I look forward to hearing from the Transportation Trades Department, Transportation Communications Union and SMART-TD today on how we start reversing this alarming trend, and get back to a place where Amtrak treats its workers with the respect and dignity they deserve, and gives passengers the quality service they deserve.

Next, I want to turn to Amtrak's intentions regarding long-distance service. When Congress created Amtrak in 1970, it clearly intended the railroads to serve the whole Nation. The word "national" is in Amtrak's official name. Amtrak's long-distance services are a critical economic lifeline to many small towns throughout the Nation. Oftentimes, Amtrak service is the only connection these towns have and are especially relied on by those who cannot drive, including seniors. Amtrak tried to end its Southwest Chief service in 2018 and Congress rejected it. Any proposals for Amtrak to end other long-distance train services will be met with similar congressional reactions.

Finally, I remain focused on a big issue to my constituents in the Chicago region: Amtrak's stewardship of Chicago's Union Station. Tens of thousands of my constituents take trains in and out of CUS every day. Ninety percent of all passengers who pass through CUS are passengers of Metra commuter rail. Amtrak has had some major issues this year at CUS, including falling concrete at the station that hit a Metra train, and a disastrous service outage in February that lasted through multiple rush hours. This issue was solely Amtrak's fault. Improvements must still be made at Chicago Union Station. I believe the best way to do this would be for Amtrak to give up operational control of the station to ensure that operations improve to a level that passengers deserve.

I look forward to hearing from all of the witnesses on these issues, as well as other issues like on-time performance. I want Amtrak to provide the quality rail travel that passengers deserve. I believe we must all work together to provide that.

[Mr. Lipinski's prepared statement follows:]

Prepared Statement of Hon. Daniel Lipinski, a Representative in Congress from the State of Illinois, and Chairman, Subcommittee on Railroads, Pipelines, and Hazardous Materials

Good morning and welcome. Today's oversight hearing of the Railroads, Pipelines and Hazardous Materials Subcommittee is entitled "Amtrak Now and Into the Future."

This hearing is part of this Subcommittee's continued work on Amtrak reauthorization and the surface transportation reauthorization. Both authorizations expire at the end of September next year so this is a critical time to be looking at these issues as we begin drafting the legislation. I am a strong advocate for Amtrak service, and passenger rail in general. I am also frequently a passenger, as recently as when I was back home in the district last week. We need to make passenger rail work, and this will require a larger federal investment. But the reauthorization is not just going to be about providing more money, it will also be about making sure Amtrak is being run well. Because Amtrak recently has undertaken a lot of actions that have raised concerns, we will be focusing on some of these concerns today.

One concern is that Amtrak has made and continues to make significant cuts to its workforce, including cutting call center employees, food and beverage workers, station agents, and police officers. Last week, Amtrak informed the Transportation Communications Union that it is cutting an additional 89 jobs. Amtrak is even outsourcing call center jobs to a private contractor in Florida that pays minimum wage, \$7.25 an hour, with no benefits. This outsourcing is occurring after Amtrak closed the Riverside, California, facility last year and told everyone that the jobs at the Philadelphia call center were safe. It is insulting for Amtrak to be cutting jobs they say are not needed and then outsourcing the same jobs to low-wage, no-benefit contractors. Amtrak clearly has decided that the way to prosperity is to have its workers pay for it. This is not the way to run this railroad. Making customer interactions, food and beverage service, and police protection worse decreases Amtrak's attractiveness to potential riders. You do not get more riders or more revenue with a worse product.

I look forward to hearing from the Transportation Trades Department, Transportation Communications Union, and SMART-UTU today on how we start reversing this alarming trend and get back to a place where Amtrak treats its workers with the respect and dignity they deserve, and gives passenger the quality service they deserve.

Next I want to turn to Amtrak's intentions regarding long distance service. When Congress created Amtrak in 1970, it clearly intended the railroad to serve the whole nation; the word "National" is in Amtrak's official name. Amtrak's long distance services are a critical economic lifeline to many small towns throughout our nation. Oftentimes, Amtrak service is the only connection these towns have and are especially relied on by those who cannot drive, including seniors. Amtrak tried to end the Southwest Chief service in 2018 and Congress roundly rejected it. Any proposals from Amtrak to end other long-distance train services will be met with similar congressional reaction.

Finally, I remain focused on a big issue to my constituents and the Chicago region, Amtrak's stewardship of Chicago Union Station (CUS). Tens of thousands of my constituents take trains in and out of CUS every day. Ninety percent of all passengers who pass through CUS are passengers of Metra commuter rail. Amtrak has had some major issues this year at CUS, including falling concrete at the station that hit a Metra train and a disastrous service outage in February that lasted through multiple rush hours that was solely Amtrak's fault. Improvements must still be made at Chicago Union Station. I believe the best way to do this would be for Amtrak to give up operational control of the station to ensure that its operations improve to the level that passengers deserve.

I look forward to hearing from all our witnesses on these issues as well as other issues like on-time performance. I want Amtrak to provide the quality rail travel that passengers deserve. I believe that we must all work together to provide that.

Mr. LIPINSKI. I will now yield back and recognize Ranking Member Crawford for an opening statement.

Mr. CRAWFORD. Thank you, Mr. Chairman. I appreciate you holding the hearing today. I want to thank our witnesses for being here as well.

As this committee begins to work to reauthorize surface transportation programs, it is critically important to explore options to

improve passenger rail service, while at the same time, reducing cost. My district is served by Amtrak's Texas Eagle long-distance route, with one station located at Walnut Ridge. I know that on-time performance has been challenging for this route among others. I look forward to hearing how on-time performance can be improved. While passenger rail moves fewer people than other modes, Congress must foster an environment that embraces innovation, provides flexibility, and makes rail service more competitive and financially viable.

I am also interested to hear about the future railroad route network envisioned by Amtrak and State railroad agencies supporting or interested in supporting State services. Today, we will hear about such a rail agency with direct experience working with Amtrak as an operator and with private contractors as operators. I look forward to discussing ideas on contracting as a way to provide the highest level of service at the lowest possible cost.

Finally, railroad innovation leads to new technologies that make operations safer and more efficient. In turn, the rail network can handle increased demand and help relieve congestion on our roads.

Thank you, again, to all of our witnesses for being here today.
[Mr. Crawford's prepared statement follows:]

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

As this Committee begins work to reauthorize surface transportation programs, it is critically important to explore options to improve passenger rail service while reducing costs.

My district is served by Amtrak's *Texas Eagle* long-distance route, with one station located at Walnut Ridge. I know that on-time performance has been challenging for this route, among others, and I look forward to hearing how on-time performance can be improved.

While passenger rail moves fewer people than other modes, Congress must foster an environment that embraces innovation, provides flexibility, and makes rail service more competitive and financially viable.

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Finally, railroad innovation leads to new technologies that make operations safer and more efficient. In turn, the rail network can handle increased demand and help relieve congestion on our roads.

Thank you to all of our witnesses for being here today.

Mr. CRAWFORD. I yield back the balance of my time.

Mr. LIPINSKI. I will now recognize the chair of the full committee, Mr. DeFazio.

Mr. DEFazio. Thank you, Mr. Chairman. And thanks to the panel. I particularly want to welcome State Representative Nancy Nathanson from the Eugene area, one of my constituents. She has been a very dogged advocate for improvements to passenger rail in the State. And I think there are elements of her testimony today that will echo challenges that we are looking at nationwide in terms of providing better service with Amtrak. We are not unique. Our Cascade, Coast Starlight and the Amtrak Cascades are sched-

uled for 2 hours and 30 minutes to Portland. It is about 108 miles to downtown Portland, the Union Station. We don't ever come close to that time, due to the challenges with the problems with freight railroads. If we could reliably get there in 2½ hours, I would never get on the Interstate 5 again. You never know. You can drive in an hour and 50 minutes, or it might be 3 or 4 hours, depending upon traffic, and accidents, and other things.

So reliability is key in terms of having a schedule that you can rely upon. And secondly, frequency is also critical. You know, there are some here who think we shouldn't have a national rail system for our country.

We are borrowing \$17 billion a year, even though we passed pay-fors when the Republicans did the FAST Act. But the fact is, we are borrowing \$17 billion a year to put into the Highway Trust Fund. Some 20 percent of that goes to transit. The rest of it goes to highways.

So that is a pretty big subsidy for highways and bridges. But there are those who think, well, we can't provide any subsidy to Amtrak. There is no passenger rail system in the world that makes money. Now, Virgin said, well, we make money in Britain. Sure you make money, the Government maintains the right-of-way in the track, and you run power over it. That is pretty damn easy. But that is not the reality in this country. Amtrak's most frequented route—and it is sort of its cash cow—we have, I think, a \$38 or \$40 billion backlog of failing investments. I took the committee on a tour up to New York. Amtrak put us on a special train with a viewing car that they used to do inspections.

We saw some of the best engineering work, incredible engineering work that was done between 1872 and 1933. Unfortunately things wear out. The tunnel under Baltimore, brick, the water mains above it, which the city hasn't maintained, are leaking, and we have a brick tunnel where it rains perpetually inside. Now how long is that going to last? If that fails, the east coast is paralyzed.

Then we get to the Portal Bridge in New Jersey, where the Trump administration is withholding approval because they are saying even though the State is going to borrow TIFIA funds, and the State has to pay them back, that doesn't count, although it always has, as a local match. You have got to pay them back. They want him to pay a higher interest rate and go borrow the money from Wall Street or Trump Inc. or something like that. I don't quite get it. And the Portal Bridge, when they open it, they have to send out a large crew of people, and one really big guy with a sledge hammer who finishes it off to get it back in place.

The design is done, we are just waiting for the administration to stop dragging its feet. Then we went under the Hudson. We came back at midnight, they closed down one the tunnels and we went in to see the improvements in the tunnel, 1933, they put in knee walls in the tunnel. They run 12,000 volt cables through there to electrify the trains going under there so people wouldn't choke on whatever it was originally, probably coal or diesel. And it got flooded during Sandy, and now the concrete is falling and every once in a while, kaboom, the 12,000 volt cable blows up, and it takes a very long time to repair it.

If either of those tunnels fail, it is \$17 billion a year to the American economy. It is not just a New York problem, not just a New Jersey problem, it is a problem for the whole Nation; \$17 billion a year in lost economic activity. It is going to cost \$16 billion to build the tunnels. But the environmental statement is sitting on Secretary Chao's desk because Trump is involved in a little boy peeing match with Chuck Schumer. Now he has moved to Florida, so he doesn't give a damn at all if that fails.

So those are issues, but then today, here with Amtrak, and I am going to give Mr. Anderson a letter from one of my constituents. We have got to question the degrading of the service, and what that means for the future of Amtrak. I know you feel you have a mandate to break even. You know, I intend to change that when we do the reauthorization. Again, there is no rail system in the world that makes money. And when you do things—I don't know where you make money, I don't know if you cost out your seats. You were in the airline industry, and I know in the airline industry, you make most of your money upfront, you don't make it with the bargain seats. And, I have friends, a couple who often go to southern California, and they prefer to take the train as to fly, and they rent a sleeper. But they have done away with the parlor car, so now the first-class people don't have a parlor car. And they go to the lounge car, and there are people camping in the lounge car. I mean, actually camping, sleeping bags, they put all their stuff, backpacks and stuff, on the seats, and no one can get into the lounge car, and then the issues with food.

So, you know, you are going to lose the high-end passengers, maybe you want to dump them. I don't know. But we have got to look really carefully and closely at what we are doing with and for Amtrak, because this is a much more energy-efficient form of transportation. We are going to deal with a lot of issues here trying to decarbonize transportation in this country, 46 percent of carbon pollution in the United States comes from transportation. Rail is so much more efficient than aviation or individual automobiles for passengers. I think it is a critical service, and we have got to look at making it better and sustainable.

[Mr. DeFazio's prepared statement follows:]

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

Thank you, Subcommittee Chairman Lipinski and Ranking Member Crawford, for holding this hearing. First, I'd like to welcome Oregon Legislative Representative Nancy Nathanson, who represents the Eugene area. She has been a long-time advocate for improvements to passenger rail in the state and I think her testimony today will echo the challenges and opportunities that many states are feeling with Amtrak service. Thank you for being here today.

Amtrak should be one of our Nation's great success stories, but it remains one of our Nation's most difficult challenges because of a belief by some in this chamber that our country shouldn't have a national passenger rail system supported by the Federal Government. We spend hundreds of billions of dollars to subsidize every form of public transportation—highways, aviation, transit—yet Amtrak gets the short end of the stick, with under \$2 billion a year from the Federal Government.

People are tired of spending an hour and a half to drive 20 miles to get home from work or spending an hour (plus) to get past airport security and to their gate only to find their flight is further delayed because of weather. Our highways and

airports are at capacity, so it makes no sense to continue to ignore the value that our passenger rail system could offer this country if we actually put some real money towards improving it.

To be clear, I don't subscribe to this notion that Amtrak needs to operate cost-neutral. China served nearly 3.4 billion people in 2018 with their rail system, which they heavily invest in to the tune of \$130 billion annually. Germany's Deutsche Bahn transports around 7.3 million passengers a day, and the German federal government plans to fund a massive modernization project totaling \$55.6 billion.

Unfortunately, we have never provided the significant capital investments necessary to allow us to enjoy the flourishing passenger rail system that so many other countries value. Instead we are left with a mess of Civil War-era bridges and tunnels that Amtrak inherited when they assumed passenger rail service from railroads on the brink of bankruptcy in the 1970s, and a network that looks about the same as it did nearly five decades ago.

Over the last two years, Amtrak has made a lot of changes to adhere to this concept of being cost-neutral. All to the detriment of customers and employees. They have eliminated the traditional dining service that Amtrak was known for on overnight routes east of the Mississippi. They've closed a call center in California that employed nearly 500 employees and assisted customers with reservations and travel adjustment. Only to contract much of this work out in Florida. Amtrak eliminated stations agents at 15 different stations across the county. They reduced the discount for seniors and announced plans to drastically reduce the number of Amtrak police officers who help keep passengers and communities safe. Amtrak has also nearly eliminated all charter services or special trains and has significantly scaled back opportunities for private cars to travel on Amtrak trains.

And the hits keep coming. On Friday, Politico reported that Amtrak has been requiring passengers to agree to an arbitration agreement when they purchase their ticket. This change was quietly put into place in January 2019, and forces customers to consent to waive their rights to sue in U.S. courts for any reason, including for catastrophic injury or wrongful death. Also last week, Amtrak announced that they would be eliminating at least another 89 clerk jobs, who are represented by TCU, who is here today. Amtrak employees are rightfully fearful for their future, because so many of these changes have put their careers on the chopping block without much explanation or notice from Amtrak.

Mr. Anderson, all we are seeing are cuts. Today, we need to hear what your long-term plans are for strengthening and growing Amtrak service. For upholding domestic procurement requirements that support good-paying jobs in this country and for adhering to the labor standards that, for decades, have created an avenue to the middle-class for Amtrak workers. Are you talking to passengers to get feedback on what they want and expect? When you initially rolled out food and beverage changes, customers weren't happy.

In August, I held a meeting in my district to talk about the state-supported service that ends in my district—the Cascades route. We have dismal ridership because passengers can't reliably expect the train to meet its destination at the scheduled time. We need to address on-time performance issues with the freight railroads, because while Amtrak has preference on these lines by statute, in practice that is not always happening, and instead passenger trains are being dispatched into sidings and forced to wait.

The thing is, people want national passenger rail service. To get there, we have to stop nickel and diming Amtrak to death and get over this notion that Amtrak can help meet the far-reaching transportation needs of our country without real federal investment that both expands services and improves the system that we have. I look forward to hearing your visions of Amtrak's future and about the ways we can strengthen and grow this national asset without harming those who rely on this system for travel and employment.

Mr. DEFAZIO. With that, Mr. Chairman, I yield back the balance of my time.

Mr. LIPINSKI. Thank you. I would now like to welcome our panel of witnesses: Mr. Richard Anderson, President and CEO of Amtrak; Ms. Nancy Nathanson, a Representative in Oregon State Legislature; Mr. Greg Regan, the secretary-treasurer of the Transportation Trades Department, AFL-CIO; Mr. Jack Dinsdale, national vice president, Transportation Communications Union; Mr. Jim Mathews, president and CEO of Rail Passengers Association; Mr. Bob

Guy, who is the Illinois State legislative director of the International Association of Sheet Metal, Air, Rail and Transportation Workers—Transportation Division.

I will give a little intro to Bob Guy, I know him from back home in Illinois. In 2012 and 2016, Bob was reelected to a new 4-year term as State director, Illinois legislative board of the Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Workers.

In June of 2009, Bob was appointed vice president of Illinois AFL—CIO, a position that he retains to this day. Bob represents SMART—TD on the U.S. Surface Transportation Board’s Rail Energy Transportation Advisory Committee, and has also served the public as a Governor appointee to Northeastern Illinois Public Transit Task Force, and is currently Illinois private sector appointee to Midwest Interstate Passenger Rail Commission. In October, Bob was elected chairperson of the commission.

And our final witness is Ms. Stacey Mortensen, executive director of San Joaquin Joint Powers Authority. I thank all of you for being here today. We look forward to your testimony.

Without objection, our witnesses’ full statements will be included in the record. Since your written testimony has been made part of the record, the subcommittee requests you limit your oral testimony to 5 minutes. So we will begin by recognizing Mr. Anderson for 5 minutes.

TESTIMONY OF RICHARD ANDERSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK); HON. NANCY NATHANSON, STATE REPRESENTATIVE, THIRTEENTH DISTRICT, OREGON STATE LEGISLATURE; GREG REGAN, SECRETARY-TREASURER, TRANSPORTATION TRADES DEPARTMENT, AFL—CIO; JACK DINSDALE, NATIONAL VICE PRESIDENT, TRANSPORTATION COMMUNICATIONS UNION (TCU/IAM); JIM MATHEWS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, RAIL PASSENGERS ASSOCIATION; BOB GUY, ILLINOIS STATE LEGISLATIVE DIRECTOR, INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND TRANSPORTATION WORKERS—TRANSPORTATION DIVISION; AND STACEY MORTENSEN, EXECUTIVE DIRECTOR, SAN JOAQUIN JOINT POWERS AUTHORITY

Mr. ANDERSON. Thank you, Mr. Chairman, and members of the committee. I appreciate the opportunity to be here today to speak on behalf of Amtrak, and the good people that work at Amtrak. Two thousand nineteen, despite some of your anecdotal comments, was a record-breaking year for Amtrak in ridership, revenue, revenue passenger miles, and customer service approval scores. But most importantly, the last time I was here two times ago, our main focus was safety, and I am pleased to report that Amtrak has had a very successful year installing PTC with our host railroads, and we are in full compliance with the PTC statute. And we have implemented the first SMS program, the safety management program, in the rail industry ahead of the FRA guidelines.

If you look across our safety statistics, we had significant improvement, in all of the key safety metrics across Amtrak. And I

think that is probably the first and foremost policy issue we should always keep in front of mind.

Let's move to reauthorization; a lot of people will make a lot of criticisms of Amtrak, and I will try to answer those as we go, but we are really here to really think about what the future is. And when we think about America adding 100 million people over the course of the next 30 to 40 years, those people are going to live in urban areas in urban corridors, we already see that. In many areas in the country, Amtrak has turned into the key intercity mode of transportation, because we have to address climate change. And we can't address climate change just by adding more lanes, because there isn't more room for more lanes on an Interstate Highway System with about 18,000 miles.

The most efficient way to get people short-hauled between cities in this country is going to be on train. We already see it in the Northeast Corridor. We carry or support 800,000 trips a day on a busy day, between Washington, DC, Boston, and Springfield. We are the number one way to travel between Milwaukee and Chicago. We are the way to travel between San Diego and Los Angeles. So as these urban areas grow, they become saturated with population, the delay miles on freeways grow and grow. The freeways can't really be expanded. We expand our carbon footprint exponentially with one car, one driver at a time.

And the ultimate answer is going to be—and the millennial generation is telling us that—living in dense, urban corridors with mass transit. And that is the trend that we are seeing, not just in intercity rail, but you see Minneapolis-St. Paul building a big light rail addition. In Denver, Colorado, it has revolutionized building in the inner core of the city. And even the city I lived in for some time, which for a long time, the northern suburbs fought having mass transit, now realize they have to have mass transit, because I-85 and I-75 are so congested.

So as we think about reauthorization, we really need to reposition Amtrak as a modern mode of transportation similar to what we see in Europe and what we see in Japan, where we provide high-quality, reliable service, 200 to 300 miles, connecting cities in dense urban corridors.

We can't afford what the highway bill is, and I loved what Chairman DeFazio said. We can spend \$2 to \$3 billion a year, the general fund, on aviation. We can borrow the money to put in the highway fund. No one ever talks about all the money we spend on locks and dams up and down the Mississippi River, or in our ports and harbors. Passenger rail is just as important. And it is the answer to global warming in terms of transportation.

So let me be really quick. The points on reauthorization: First is safety, PTC, SMS, should be first priority as a matter of policy; second, we appreciate, but want to be certain that we continue sufficient and dedicated predictable funding for Amtrak, particularly for capital. Give us the tools to address on-time performance, give us a framework to address the demands for transportation and the future intercity and short-haul markets, and let's clarify our goals and priorities for intercity passenger rail.

Thank you for the opportunity to be here today.

[Mr. Anderson's prepared statement follows:]

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Prepared Statement of Richard Anderson, President and Chief Executive Officer, National Railroad Passenger Corporation (Amtrak)

INTRODUCTION

Good morning Chairman Lipinski, Ranking Member Crawford, and all the members of this Subcommittee. Thank you for holding this important hearing on the upcoming reauthorization of Amtrak and intercity passenger rail as part of the larger renewal of the Federal surface transportation programs.

My name is Richard Anderson. I serve as President and Chief Executive Officer of Amtrak, and I am proud to be here on behalf of Amtrak's hardworking employees from across the nation. Today, I want to provide an update on where Amtrak currently finds itself and then explore the choices this nation faces as we look ahead. I hope my remarks will illustrate how Congress can help Amtrak modernize, evolve, and expand the nation's intercity passenger rail network for the future.

When I appeared before this committee's hearing on infrastructure and other assets in February, I discussed in detail the urgent need for funding to address the Northeast Corridor's \$42 billion state-of-good-repair backlog and advance vital projects such as the rehabilitation or replacement of the Portal Bridge, Susquehanna River Bridge, the Hudson Tunnel Project, East River Tunnel, and Baltimore & Potomac Tunnels. I also described our plans and need to invest in critical equipment replacement for most of our fleet that is rapidly approaching or has already reached the end of its useful life and to invest in our stations, particularly the major stations we own on the NEC and Chicago.

While improving these legacy assets is important, we must also think hard about the future and how to build a modern, improved national network for your constituents. For many months now, Amtrak has been working to develop a national network plan for our short and long distance services off the Northeast Corridor based upon assessments of existing and future markets in regions throughout the country. Our goal is to identify those markets with the greatest potential for new or enhanced intercity rail service in order to ensure we can deliver more mobility and create good value for the nation. As part of this process, Amtrak has begun to meet with state departments of transportation and local stakeholders to understand better their specific needs and preferences for rail service, such as station stops, frequencies, and schedules. We expect to complete and issue a plan for growth next year to help you make decisions about the role of intercity passenger rail in the next surface transportation bill.

THE STATE OF AMTRAK

This hearing is well timed, as Amtrak has just compiled the results of FY 2019, which ended on September 30. Thus, I can offer you full end of year results from what is by nearly every measure our best year yet.

- *Safety*: Amtrak is proud to be an industry leader in positive train control. We have installed PTC operational on 99.9% of our own track-miles, and we are pleased to report that our host railroads have operational PTC in place in 89.9% of the required host railroad track-miles over which we operate. We continue to make significant progress with our Safety Management System, which guides every aspect of our safety program. Amtrak is the first American railroad to adopt this proven method from the commercial airline industry, and we already see impressive results from the effort, such as a 26% reduction in customer incidents, 72% fewer serious employee injuries, a 10% reduction in Federal Railroad Administration reportable injuries, and a 3% reduction in trespasser and grade crossing incidents.
- In FY 2019, Amtrak carried 32,519,241 customers—more than 8000,000 higher than the prior year and a record number. This reflects both a 2.5% over the prior year and the fifteenth annual increase in the last twenty years. NEC and State Supported lines all experienced record growth in ridership, with *Acela* leading the charge at 4.3%, *Northeast Regional* at 2.9% and State Supported services at 2.4%. Long Distance ridership was up nearly 1%.
- This ridership drove a total annual unaudited revenue of \$3.3 billion, up 3.6% over FY 2018. Our disciplined execution against our strategy enabled us to generate an annual unaudited operating loss of \$29.8 million, the best operating performance in our history. We managed to improve our earnings by \$140.9 million or 82.6% over FY 2018. Looking at other domestic and foreign passenger rail operators, these results are truly industry leading, and this efficiency en-

ables us to dedicate the highest possible proportion of our federal support to vital capital investments in safety, capacity, and upgrades to enhance our customers' experience while traveling.

- We remain focused on customer service and this organizes our efforts every day as we strive to provide the most appealing transportation choices possible. Overall, nine out of ten customers surveyed expressed overall satisfaction with their experience. Amtrak achieved a year-over-year increase in customer satisfaction scores in many categories, including clean train interiors, restroom cleanliness, and information about delays. Our customers are noticing these improvements and are increasingly likely to recommend us to family, friends, and colleagues. Initial terminal performance was strong with 93% of trains across the system departing on time. The strongest performance was at our eastern hub here in Washington, D.C., where more than 97% of our trains departed on time.
- In FY 2019, we collaborated with our state partners to expand and refine the Amtrak network, including starting a new state-supported service in Western Massachusetts called the *Valley Flyer*, adjusting the *San Joaquins'* schedules to be more convenient for weekend leisure travelers, increasing *Northeast Regional* service to Norfolk, Virginia and *Downeaster* service in Maine, and adding a new Green Bay-Milwaukee Amtrak Thruway Bus Service connecting with our *Hia-watha* trains.
- This year, Amtrak received a credit upgrade to 'A' from S&P and an affirmation of an 'A1' credit rating by Moody's, reflecting significantly reduced operating losses and a stronger balance sheet, with no net debt. FY 2019 is also the first full year in which all congressionally-mandated state and commuter partner cost-sharing agreements have been in effect.

To summarize, the state of Amtrak is strong. From our safety record, to our financial health and customer service, Amtrak is operating a sound business that is delivering safe, compelling products and services to many of your constituents. Although there are always challenges, I want to be clear that Amtrak performing better now than we were even just a few years ago. Part of this improvement is directly related to the strong support Congress has provided to Amtrak in recent years, and I thank all of you for the confidence you have in Amtrak. We appreciate it, our numerous partners and stakeholders appreciate it, and our 32 million annual customers appreciate it. We see significant opportunities before us, and we hope your support continues so we can deliver safe, efficient, and effective service to even more of your constituents.

INTERCITY PASSENGER RAIL TODAY

Amtrak began operation on May 1, 1971, which means we celebrate our fiftieth anniversary in 2021. Since 1971, we have moved over 1.1 billion people almost 262 billion passenger-miles. We now serve over 500 stations in the United States and Canada—more places than are served by scheduled airline service by all the U.S. domestic carriers combined. Working with our NEC commuter partners, we have transformed the NEC into the only high-speed railroad in North America and a vital engine of the regional and the national economy. Working with state partners in 17 states, we have developed short-distance, state-supported corridor services that carried 15.4 million passengers last year, nearly half of Amtrak's ridership. A company that many expected to fail at the time of our founding has achieved levels of ridership and financial performance that once seemed like impossible goals.

Amtrak comes closest to fulfilling its potential along the NEC between Boston and Washington, D.C. where we provide frequent, high-quality service that is trip-time competitive with other modes to the NEC's 51 million residents.

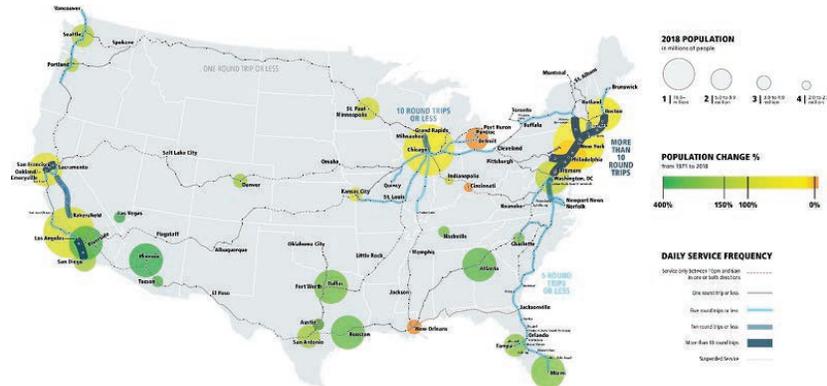
- We operate more than 140 intercity trains a day at speeds of up to 150 miles per hour (soon to be 160 mph).
- We carry more than three times as many passengers between Washington, D.C. and New York as all the airlines combined, and more passengers between New York and Boston than the airlines do.
- NEC revenues, which covered less than half of operating costs after Amtrak acquired the NEC in 1976, equaled 170% of operating costs in FY 2019 according to preliminary unaudited financial results, enabling us to reinvest an operating surplus of \$568.4 million in NEC capital projects.
- The 28 next generation, high-speed Acela trainsets we are acquiring, with financing that will be repaid from the additional revenues they will generate, will each carry 30% more passengers than the 20 trainsets they will replace. This

will significantly increase capacity and allow us to increase *Acela* service frequency.

However, the story is different on most of our National Network: the service off the Northeast Corridor “spine” in the 38 states that are served by Amtrak’s long-distance and state-supported routes. On most of the National Network, we have not even begun to realize the potential—and address the increasingly urgent need—for frequent, high-quality service that can attract passengers for whom rail could be a preferable alternative to driving or flying.

We do have some success stories. In several states, Amtrak has worked with state partners to develop competitive short-distance corridor services that have attracted significant—and rapidly growing—ridership. In California, where the number of daily corridor trains has increased from just four in 1971 to more than 70 today, we carried 5.6 million passengers in FY 2019. Ridership on our state-supported *Hia-watha* service between Chicago and Milwaukee and our state-supported corridors in Illinois has more than doubled since 2003. In just the ten years since 2009, ridership has more than doubled on our Virginia corridors and more than tripled on our *Piedmont* corridor in North Carolina. What these and our other very successful state-supported corridors have in common is that they offer multiple daily frequencies with trip times that are competitive with driving and flying.

On most of our National Network, however, our route map and service frequency, depicted in the map below, are little different from our original network in 1971. They do not reflect the changes in population distribution since then, which means that we offer little or no service in many of the most heavily populated and fastest growing cities and regions.



As in 1971, we serve many of the largest cities on the National Network with a single long-distance route that operates only once a day, or in some cases just three days a week. That is the case in six of the eight major metropolitan areas that have grown the fastest since 1971: Tampa, Atlanta, Denver, Phoenix, Houston and Riverside, California. The other two, Miami and Dallas/Fort Worth, have only two round trips a day. A long-distance train operating three times a week provides the only Amtrak service to Houston, the fifth largest metropolitan area in the United States, and to the Phoenix metropolitan area, the eleventh largest, where it stops 35 miles away from downtown. Long-distance trains provide the only Amtrak service in the Mountain West and most of the South and Southwest, the fastest growing regions of the country. Texas and Florida, the second and third largest states whose combined population of over 50 million will soon surpass that of the NEC, are both served by three routes that operate once a day or less. We provide less service in Florida now than we did in 1971, when its population was a third of what it is today.

We spend a large portion of our federal funding on Long Distance trains: they accounted for 38% of our FY 2019 national train service operating costs while carrying 14% of our passengers, and the federal government is their only source of capital funding. While they play an important role in some small communities, they do not meet the needs of travelers in the growing cities and short-distance corridors where they provide the only Amtrak service. By their very nature, daily or tri-weekly Long Distance trains traveling upwards of 2,000 miles and serving many stations in the middle of the night are ill-suited to provide reliable and convenient service for the

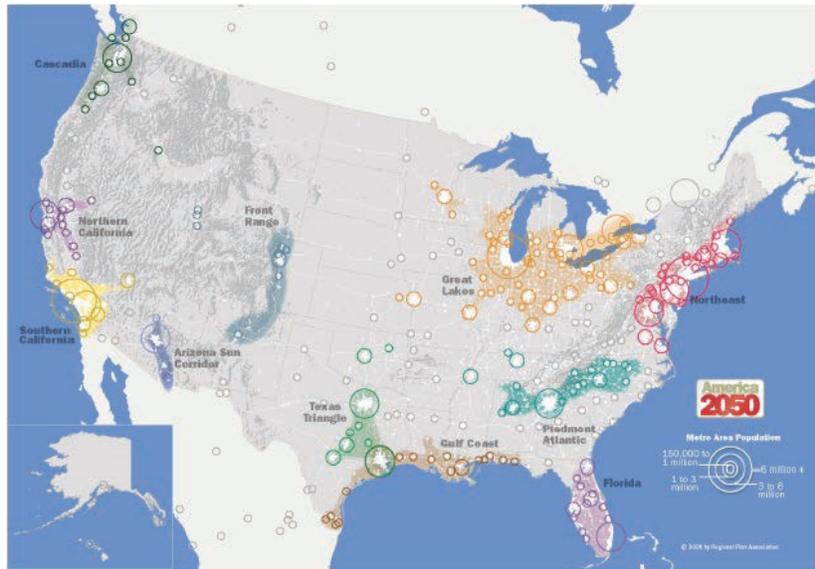
under 250-mile trips that contribute 83% of Amtrak's total ridership. Even so, such short trips make up a growing share of passenger demand on Long Distance routes reflecting the latent demand for alternatives to driving or flying in many of these markets. (The number of long-distance passengers traveling over 600 miles fell 21% from FY 2010 to FY 2018.)

THE NEED FOR MORE INTERCITY PASSENGER RAIL

As you know, Amtrak's statutory mission given to us by Congress is to provide "high quality service that is trip-time competitive with other intercity travel options." (49 USC 24101(b)). The need for such has never been greater, especially in short-distance corridors between major cities that are too far to drive and too short to fly. All the trends suggest that demand for such service will only continue to grow. This provides a great opportunity and a way for the United States to accommodate increased intercity travel demand in a sustainable manner without exacerbating congestion in other modes.

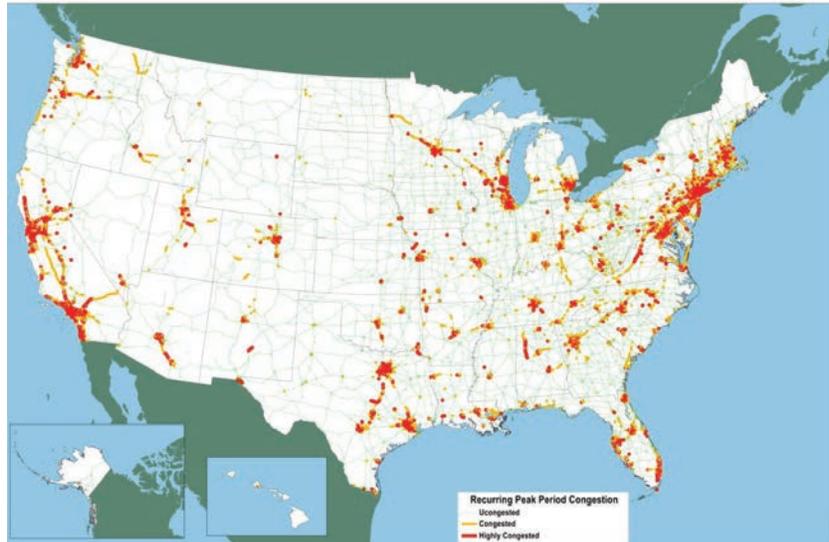
As Amtrak has mentioned at prior hearings, there are several key factors that we are considering as we plan for how Amtrak can better serve your constituents, including:

- *The U.S. population is growing and increasingly urban:* The U.S. population is projected to increase from the current 327 million to 438 million by 2050. Nearly all that growth is occurring in the urban areas where 90% of Millennials, our largest age cohort, live. Intercity passenger rail is the ideal way to link the population centers in the eleven megaregions, the interconnected metropolitan areas that by 2025 will be home to 80% of Americans. Rail stations are or can be centrally located in city centers with connectivity to local transit. A single train can directly serve multiple cities, as well as suburban and airport stops, along megaregion corridors.

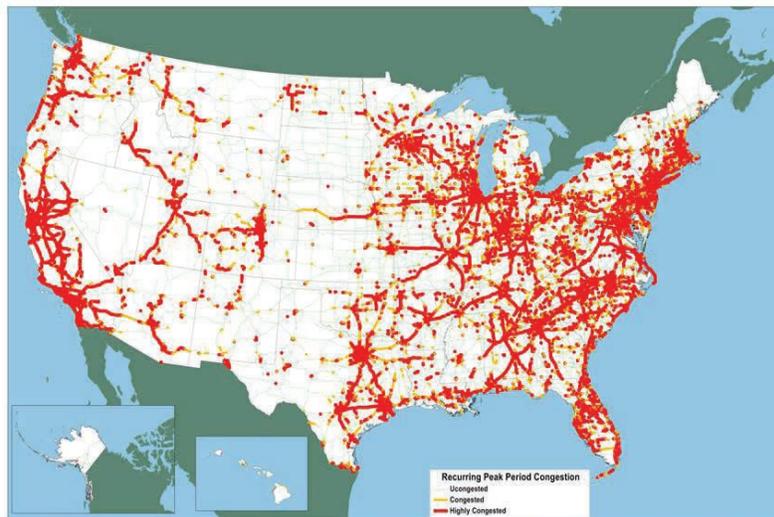


- *Highway congestion is spreading and getting worse.* Rapid population growth and increased travel per capita will exacerbate existing congestion on highways, which accommodate the vast majority of intercity trips that are made by automobile. The Federal Highway Administration (FHWA) projects that vehicle-miles traveled on our highways will increase 27% by 2036, and that the percentage of the National Highway System with recurring peak period congestion will increase from 8% in 2012 to 35% in 2045. What that means is that the gridlock travelers experience today on highways in many urban areas, where 43% of interstate highway miles are congested, will become the norm on much of the highway system between major cities as well.

Peak Period Congestion on National Highway System: 2012



Peak Period Congestion on National Highway System: 2045



Notes: Highly congested segments are stop-and-go conditions with volume/service flow ratios greater than 0.95. Congested segments have reduced traffic speeds with volume/service flow ratios between 0.75 and 0.95. The volume/service flow ratio is estimated using the procedures outlined in the HPMS Field Manual Appendix N
 Source: U.S. Department of Transportation, Federal Highway Administration, Office of Freight Management and Operations, Freight Analysis Framework, version 4.3, 2017.

- *Air travel in short-distance markets is declining.* Air travel demand is growing overall. The number of domestic airline passengers increased 24% from 2010 to 2018, and the Federal Aviation Administration (FAA) projects an additional 44% increase by 2039. However, the number of passengers and flights on short-distance routes where rail is most competitive is declining because airlines make more money from longer flights and increased security screening and air travel delays have made flying less attractive for short trips. A Bombardier study found that air passenger trips in under 500-mile domestic city pairs fell 30% from 2000 to 2016.

- *Sustainability is a growing concern for travelers.* The desire for more sustainable travel options has reached fever pitch in Europe, where KLM Airlines has been running ads urging travelers to consider taking the train. In the United States, a recent National Geographic survey and Amtrak's customer surveys show a high level of interest in sustainable travel, particularly among Millennials. That plays to Amtrak's strength: our trains use 47% less energy per passenger mile than automobiles and 33% less than travel by air according to the Department of Energy's Oak Ridge National Laboratory.

OPPORTUNITIES UNTAPPED

Because long-distance trains provide the only service on most of Amtrak's route network, we have not even begun to realize intercity passenger rail's potential in many of the most promising corridors outside of the NEC. Since 1991, Congress and USDOT have designated 9,200 miles of high-speed rail corridors in addition to the NEC on which trains were reasonably expected to reach speeds of 90 mph or more. After 28 years, only 213 of those 9,200 miles have satisfied the 90-mph threshold. More than half are served only by Long Distance trains or have no Amtrak service at all.

Outside of the NEC, Amtrak carries more passengers than the airlines in only one major city pair—Seattle-Portland—served by the Cascades route between Seattle and Vancouver. On that 187-mile corridor, a strong state and host railroad partnership have produced an increase in service frequency and reduced trip time to an air-competitive three and a half hours, allowing Amtrak to attract 58% of the combined air-rail market.

We should be carrying more passengers than airlines in many other city pairs, for example: Chicago to Indianapolis. This city pair has a lot of similarities to Seattle-to-Portland: cities less than 200 miles apart with large metropolitan area populations (Indianapolis is larger than Portland, and Chicago has three times Seattle's population) between which driving or flying are unattractive options. The Chicago area has the third worst traffic congestion of any U.S. city according to Texas A&M's Texas Transportation Institute. Midway Airport had the highest percentage of delayed or canceled flights of any U.S. airport in 2018; O'Hare was third; and the FAA is predicting a 79% increase in passengers at both airports by 2045.

Instead, the state-supported Amtrak train between Chicago and Indianapolis, the *Hoosier State*, was recently discontinued because the current realities of the route did not live up to its potential and the state decided to stop funding it. The *Hoosier State* operated only four days a week: on other days an often-late long-distance train served the same schedule. The trip took five hours, which was not competitive with three and a half hours by car or bus and much too slow to lure business travelers out of airplanes. Not surprisingly, the *Hoosier State* attracted very few passengers and state subsidies were high. These communities deserve better.

Why do we not have competitive rail service in corridors like Chicago to Indianapolis? The main reason is funding. Intercity passenger rail is the only major surface transportation mode that does not receive dedicated, predictable funding through a trust fund and contract authority at levels set by Congressional authorizations. If a state wants to add lanes to an interstate highway, the federal government will pay 80 to 90 percent of the cost out of the Highway Trust Fund. Yet throughout nearly all of Amtrak's history there has been no significant federal funding to develop and improve intercity passenger rail corridors. While there have been a few small grants from matching grant programs such as CRISI and BUILD, the *total* amount such programs have provided for intercity passenger rail projects from appropriations since 2010 is less than the federal government gives highways each week. That makes no sense. As the Congressional Research Service recently concluded:

The federal government's current approach to funding passenger rail differs from its approach to funding highways and transit ... Amtrak funding is subject to the annual appropriations process, while many highway and transit programs are funded automatically out of Highway Trust Fund balances ... [I]t is difficult to provide significant amounts of funding on a predictable basis to a grant program that depends on the Treasury general fund ...¹

Is passenger rail's inability to fund a trust fund through user fees a justification for having assured funding for highways but not for intercity passenger rail. If that was ever the case, it is no longer the case. Since 2008, Congress has been covering

¹ Congressional Research Service, *Improving Intercity Passenger Rail Service in the United States*, June 25, 2019 (CRS), p. 18.

the increasing gap between gas tax revenues and highway trust fund outlays with general revenues or borrowed money. To date, \$143 billion has been authorized for this purpose, more than three times the *total* amount appropriated for Amtrak over the past 49 years. By 2021, the Congressional Budget Office estimates the annual shortfall will be \$16 billion annually.

Other federal funding programs have restrictions against use of funds for intercity passenger rail development that run counter to those programs' goals. For example, the Congestion Mitigation and Air Quality (CMAQ) program is intended to do what passenger rail does best: improve air quality and reduce congestion by taking cars off the road. However, the current program is limited to eligible costs under Chapter 53 of Title 49, and therefore intercity passenger rail is generally not eligible. The governing statute of the Federal Transit Administration (FTA) defines "public transportation" as explicitly not including intercity passenger rail provided by Amtrak. This inhibits efforts by Amtrak and its commuter rail partners to advance rail projects on the NEC and other shared infrastructure that will benefit both commuter and intercity passenger rail.

We know from what we have accomplished in the NEC, and from working with our state partners elsewhere, what frequent, reliable, trip time-competitive Amtrak service can do to attract new customers in short distance city pairs and alleviate congestion on other modes. We are seeing increasing evidence that there is a huge unmet demand for Amtrak service in other short-distance corridors that we do not serve, or serve only with long-distance trains, today.

- In a recent survey of residents living near the proposed Pueblo-Denver-Fort Collins Front Range corridor, a route Amtrak has never served, 85% expressed support for passenger rail and 61% favored an increase in the sales tax to pay for it.
- Amtrak has identified over 60 city pairs located no more than 300 miles from one another where the cities today have either minimal or no Amtrak service. Surveys of those cities' residents showed that over 40% of respondents would either definitely or probably travel by train, if that service included multiple daily departures and was trip time competitive with driving. Not surprisingly, six of the seven city pairs with the largest percentage of affirmative responses—all 55% or higher—were in Texas and Florida.

REAUTHORIZATION

As Congress begins the process of drafting a surface transportation reauthorization bill, it is critical that you consider Amtrak's role in the larger transportation network and the tools and funding levels necessary for Amtrak fulfill its mission. Let me highlight just a few of Amtrak's priorities for reauthorization:

- *Safety*: Congress should continue to support programs and policies that improve safety throughout the nation's intercity passenger rail network. In particular, PTC or PTC-equivalency should be required on all regularly scheduled, passenger rail operations nationwide. Similarly, continued investment in grade crossing safety is a vital need.
- *Mission*: Congress should clarify the role of intercity passenger rail within the nation's transportation system and Amtrak's mission and goals. It should identify what goals it wishes to achieve through the intercity passenger rail network, and how those goals are to be prioritized. Market demand, changing demographics, and ridership (both current levels and future projections) should be the primary drivers for service level decisions. Clarity on this point will prevent future misunderstandings when we take actions to modernize our services to adapt to changing customer preferences and achieve cost savings.
- *Funding Levels and Parity*: Congress should ensure dedicated, predictable funding levels for Amtrak and intercity passenger rail grant programs, especially to bring our assets, such as infrastructure, fleet and stations, into and maintained in a state of good repair. The funding levels must be adequate to fulfill the role and goals that Congress expects of Amtrak (i.e., if Congress wants us to serve more of their constituents, more frequently, to additional destinations, we will require additional funding). Also, restrictions on using existing surface transportation programs like CMAQ to fund intercity passenger rail service should be eliminated. Further, if a portion of the Highway Trust Fund outlays continues to be funded from general revenues and borrowings, then states should be given the right to flex that portion of their FHWA and FTA funds for intercity passenger rail projects. To be clear, we are not asking for a mandate that they do so, but simply providing states additional flexibility to serve their indi-

vidual transportation needs better given the HTF solvency now depends on general funds.

- *National Network Growth*: In Amtrak's two most recent authorizations, the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) and the FAST Act, Congress formalized and established consistent, equitable terms for the partnerships between Amtrak and the states that want state-supported short corridor rail service. While this helped improve a legacy system of short corridor routes, the nation must now look forward and adopt a more robust, national approach to developing high-quality intercity passenger rail short corridor services in underserved communities. Congress should provide the framework and resources needed to develop new or expanded high-quality, trip time- competitive rail service throughout the nation.
- *Host Railroads*: Another reason service on Amtrak's National Network is not realizing its full potential is that many of our host railroads are not complying with their statutory obligations given to them by Congress. Host railroads were responsible for 67% of the delay minutes on Amtrak trains operating over their lines in FY2019, and freight train interference accounted for one-third of host railroad-responsible delays. In total, delays due to freight train interference added more than one million minutes to the travel time of Amtrak trains in FY2019. Congress needs to provide effective mechanisms for Amtrak to enforce its statutory right of preference over freight traffic, and to gain access to host railroad lines on reasonable terms for the operation of additional and new services.

CONCLUSION

Amtrak's growing ridership, strong financial results, and our achievements on the NEC and some of our other short corridors where we have strong partnerships, demonstrate the potential of intercity passenger rail. We know what works well and we want to create more convenience and value for your constituents and this nation. Doing so will require enhanced tools and increased funding levels from Congress.

If these tools and/or increased funding levels for growth are not provided in the next reauthorization, then Congress will need to provide Amtrak with some direction on how to prioritize investment given a lack of adequate resources. I remain optimistic that Congress will find a way to create a modern and expanded intercity passenger rail system and Amtrak is ready to do its part. We aim to release our own detailed reauthorization proposal and National Network Plan and look forward to working with you and the full Committee on this important effort.

I appreciate your time this morning and will be happy to answer any questions you may have.

Mr. LIPINSKI. I now recognize Representative Nathanson for 5 minutes.

Ms. NATHANSON. Chairman Lipinski, Ranking Member Crawford, Chairman DeFazio, and other distinguished members of the Subcommittee on Railroads, Pipelines, and Hazardous Materials, thank you very much for the opportunity to be with you today and provide testimony. My name is Nancy Nathanson, I am a member of the Oregon State Legislature in my 13th year. I represent a district in Eugene, which is the southern terminus for the Pacific Northwest Rail Corridor. That is the economic engine for the Pacific Northwest. It is a 466-mile route from Eugene through Portland, up to Seattle and up to Vancouver, BC. Prior to the legislature, I served for a dozen years on Eugene's city council.

Eugene is the second largest city in Oregon, home to the University of Oregon, and a rapidly growing tech business scene. We are connected to Portland and Seattle by the Cascades service; that is a State-supported service. With over 806,000 riders in the last fiscal year, Amtrak Cascades is one of the most heavily traveled corridors in the country.

Amtrak is a vital transportation service. Instead of getting driver's licenses, young generations are turning to ride-hailing services, bikes, and trains. Seniors are driving less. Workers and students

are choosing to take the train, because they want to be productive on their commutes rather than gripping the wheel on a clogged highway.

During the 2015 Oregon legislative session, funding for our passenger rail service was on the chopping block. I convened meetings with colleagues. I testified in legislative committee hearings. And by the end of the session, funding was restored to maintain passenger train service in this corridor so that Eugene could be connected by train to the rest of the Pacific Northwest.

Oregon is not a rich State. Still, we choose to invest in infrastructure and operations for passenger rail. We picked up the cost of the State routes. We picked up the increasing cost of Amtrak. We purchased and maintained train sets. We invest in upgrades, like replacing an old 1906 rail bridge that was slowing us down. By replacing it, we were able to increase speed from 30 to 70 miles an hour on that stretch of track. And in 2017, we designated about \$2.67 million for new siding.

In the last few years, the State has been spending about \$12 billion a year on passenger rail. Passenger rail is underfunded, and we could use a Federal partner. In my district, and across the State, we have an immediate need for better service and more trains to increase mobility and to support our regional economy and workforce.

There are issues Congress can address:

Funding to support service. Oregon has a 20-year plan to expand passenger rail service with up to six round trips between Eugene and Portland, plus the eastern part of the State is looking to restore service on the Pioneer route. We know the demand is there and the demand would be even greater with more reliable service and more frequent options. This is the most congested transportation corridor, and it is getting more so.

Two, funding for infrastructure. Our constituents face frequent delays, and our economy is held back by a sluggish system. It suffers from at-grade crossings, antiquated switching equipment, and lack of sidings long enough to accommodate extended trains.

Commerce and emergency services are suffering from these blocked and congested crossings. And I hear the same from legislators representing rural districts, it is not just an urban problem. Congress could invest in improvements and see major local benefits.

And lastly, performance. In addition to more speed and more service, we need reliable schedules. Passenger trains are often delayed. It has happened to me and to my constituents. Cascades has a 73-percent on-time performance, roughly three-quarters of the delays are due to freight rail interference.

Although Federal law requires railroads to give preference to Amtrak passenger trains, there are no national standards for measuring on-time performance. And without some clear metrics, I don't see how we are going to see improvements. We need metrics, and we need enforcement. Our constituents are asking us to fix the problem.

Just last week, I talked again with a successful, high-tech business owner in Eugene who travels frequently to Portland where the other half of his staff is located. He chooses to ride the train, be-

cause he wants to use his time, not waste his time. A retired real estate broker continually presses me at Chamber of Commerce meetings asking me to support and work for more frequent train options and better service. Our young population, our seniors, our gig economy, and our tech workforce, they all see the value of passenger trains, and they are asking for more.

Investing dollars and time in passenger rail meets multiple objectives in economy, environment and energy. It is time to put more muscle into a platform in operations and infrastructure that is safe and efficient so that Amtrak can succeed.

Thank you.

[Ms. Nathanson's prepared statement follows:]

**Prepared Statement of Hon. Nancy Nathanson, State Representative,
Thirteenth District, Oregon State Legislature**

Chairman Lipinski, Ranking Member Crawford, and other distinguished members of the Subcommittee on Railroads, Pipelines, and Hazardous Materials:

Thank you for allowing me the opportunity to submit written testimony for this important hearing "Amtrak Now and Into The Future." My name is Nancy Nathanson; I am in my 13th year as an elected member of the Oregon State Legislature. I represent a district in Eugene, home to the University of Oregon and a rapidly growing tech business scene. Eugene is also the southern terminus for the 466-mile Pacific Northwest Rail Corridor, which is one of eleven federally designated higher-speed rail corridors in the United States. This corridor runs through the economic engine for the Pacific Northwest, from Eugene through Portland, Seattle, and up to Vancouver B.C. Prior to my service in the legislature I served for a dozen years on the Eugene City Council, and that's when I started working on passenger rail issues, attending an inaugural meeting for the Cascadia Innovation Corridor in the 1990s and convening a forum in Eugene in the 2000s.

I am proud to be here today representing an area that is in the Congressional district of Chairman Peter DeFazio. Oregonians across our state, but particularly those of us in the 4th Congressional District, have benefited from Congressman DeFazio's commitment to critical infrastructure investment, and safety and modernization projects in road, rail, and ports, and for pedestrians and bikes. We appreciate his support for and leadership of innovative solutions addressing transportation challenges.

Like the Chairman, I have been a strong supporter of passenger rail in Oregon. For example, after passage and implementation of the Passenger Rail Investment and Improvement Act of 2008, the states of Oregon and Washington were required to assume the full cost of operations of the Amtrak Cascades Service. The resulting spike in costs led to serious funding challenges for Oregon. During the 2015 legislative session, funding for Amtrak service between Eugene and Portland was threatened to be cut off. This would have been a tremendous blow to Eugene, and my constituents strongly spoke out in favor of preserving this important service. I am proud to say that Amtrak Cascades is still successfully operating today, and I believe the importance of this service to our state and region will only continue to grow over time.

One reason for my passenger rail optimism is that I know people in my community want transportation options. Whether they are young or old, students or commuters, they want to be able to get around easily and have a choice about whether they drive or not. Indeed, there is a wide variety of research indicating young drivers today are getting licenses at lower rates. For example, a 2017 article in the *Journal of Safety Research* concluded that between 2006 and 2015 the proportion of high school seniors with driver's licenses declined from 81% to 72%.¹ A study from the University of Michigan Transportation Research Institute illustrates that

¹Shults, Ruth A., and Allan F. Williams. "Trends in Teen Driver Licensure, Driving Patterns and Crash Involvement in the United States, 2006-2015." *Journal of Safety Research* 62 (2017): 181-84. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5712438/>

the percentage of 18 years olds with driver licenses declined from 80.4 percent in 1983 to 60.1 percent in 2014.²

The American Driving Survey 2015–16 produced by American Automobile Association (AAA) indicates that senior citizens may be driving at lower rates. AAA reports reductions in number of driving trips made per day and a reduction of average daily number of minutes spent driving for drivers aged 65 to 74.³ Further, students and working people want to be productive on their commute, not gripping the wheel driving congested highways.

I have heard from my constituents and from Oregonians that passenger rail service is vitally important for Oregon and the broader region, and that is why I have been working to ensure it continues to be available as a key link in our region's multimodal transportation system.

BACKGROUND ON PASSENGER RAIL SERVICE IN OREGON

Amtrak operates two national network trains, also known as long distance trains, in Oregon. The Coast Starlight and the Empire Builder run daily service with stops in Oregon. While that once-a-day service is helpful for many travelers on longer journeys heading into or out of the state, the service simply is not as useful for people who want to take day trips or move more quickly around Oregon and the region by rail.

In 1994, the Oregon Department of Transportation (ODOT) contracted with Amtrak to extend an existing short-distance train between Portland and Seattle down to Eugene with intermediate stops at Salem and Albany. This short distance service continued to grow and in 2000 ODOT added an additional train between Eugene and Portland.

Today, this short-distance service, known as Amtrak Cascades, is a state-supported Amtrak route with two roundtrips between Eugene and Portland, four roundtrips between Portland and Seattle, and two roundtrips between Seattle and Vancouver. With over 800,000 riders in FY18, the Amtrak Cascades service is one of the most heavily traveled corridors in the country.

The Amtrak Cascades service is also an example of how states can work together with Amtrak to address the service needs of a region. ODOT and the Washington State Department of Transportation (WSDOT) entered into an Interstate Agreement (IGA) that commits the two agencies to the concept of joint operation of the Amtrak Cascades service as a single corridor. The states split funding for the service. Oregon provides funding for the operation of the Portland-Eugene route and for the operation of several buses that feed into the route. ODOT also purchased two new 13-car trainsets that went into service in November 2013 on the Amtrak Cascades service. The Oregon trainsets joined the existing fleet of five trainsets providing the Amtrak Cascades service. By owning trains, Oregon has a stronger role as a partner in the Amtrak Cascades service.

Both Amtrak Cascades trains and the long-distance trains are operated on the tracks of privately owned host railroads in both Oregon and in Washington. In Oregon, trains run on Union Pacific-owned track and in Washington, they run on BNSF Railway tracks. Union Pacific handles all train dispatching in Oregon.

CHALLENGES FOR STATES

Funding Challenges

Oregon provides significant funding to ensure continued operations passenger rail service. For its portion of the Amtrak Cascades service, Oregon funds both capital and operating expenses. On the capital side, Oregon invested \$38.4 million in two new trainsets in 2013 in order to support the expansion of Cascades service. Oregon state programs have also invested significant funds in improving the host railroads' underlying infrastructure. In 2015, ODOT's ConnectOregon program provided \$4 million to the modernization of Union Pacific's Harrisburg Bridge, which allowed train speeds to increase from 30 to 70 miles per hour on the bridge. Work on the North Portland and Peninsula Junction Connection Improvements project is currently underway to upgrade switches and straighten track at two key junctions in North Portland to allow for faster train speeds and less congestion on the rail network. This \$17.5 million effort was funded in part by an \$8 million grant from the

²Sivak, Michael, and Brandon Schoettle. "Recent Decreases in the Proportion of Persons with a Driver's License Across All Age Groups." *University of Michigan Transportation Research Institute* (2016).

³https://aaafoundation.org/wp-content/uploads/2018/01/19-0226_AAFTS-2018-ADAS-Research-Brief-Update_v1.pdf

state-funded ConnectOregon program. Further, the Oregon State Legislature provided \$2.6 million in state funds for the construction of a new rail siding at Brooks in the busy Willamette Valley portion of the corridor.

The Passenger Rail Investment and Improvement Act of 2008 shifted operations cost for short-distance Amtrak routes to the states. Since 2013, Oregon has stepped up to cover these additional costs and keep the Amtrak Cascades trains running. In addition to these increased operations costs, Amtrak costs are increasing as well. In 2009, Amtrak's bill to Oregon for running the Cascades trains was \$4.9 million. By 2013, that had risen to \$6.7 million—an increase of 36 percent in four years, even before the higher costs under PRIIA began to incur. For 2019, these costs have reached \$10.1 million. While it has been a struggle for those of us in the Oregon State Legislature, we have continually cobbled together the necessary resources to keep this service operating because, again, it is incredibly important to our constituents and to the region.

Oregon has dedicated significant state resources to improving this service, and the state continues to look for infrastructure projects that will improve passenger rail on time performance and the passenger experience. While states like Oregon have stepped up to help provide this funding, the state also needs a strong federal partner and sufficient funding to truly improve rail service.

On Time Performance (OTP)

For the year 2018, Amtrak Cascades trains were on time in Oregon 73.3 percent of the time. That is the average rate for all trains, so it follows then that some trains would have better OTP rates (like the 86.6 percent rate for the northbound morning train) and some would be worse (like the 39.3 percent rate for the southbound evening train). An OTP rating of less than 40 percent is less than worse, it is simply abysmal.

Oregon and Washington are investing millions of dollars in keeping this service operating every year. These states are working incredibly hard to expand service and grow ridership, but with OTP rates that do not even approach the 80 percent goals, it is nearly impossible to attract new riders. Business travelers cannot keep to their strict schedules if they arrive on time only 40 percent of the time. University students will choose other modes if they cannot get to and from school on time. Travelers will simply choose faster, more reliable modes if we cannot get this right. Our constituents are asking us to fix this problem.

A growing challenge for OTP in Oregon is freight rail interference, which accounts for nearly $\frac{3}{4}$ of the delay time. In the first quarter of 2019 alone, there were nearly 7,000 hours of freight rail related delay on the Union Pacific system in Oregon. While federal law may give passenger trains preference over freight trains, this has not been Oregon's experience in practice.

Other Challenges

The Government Accountability Office (GAO) has conclusively documented that freight train length among all seven Class I railroads has increased in recent years. According to GAO "... two Class I railroads indicated that their average train length has increased by about 25 percent since 2008, with average train lengths of 1.2 and 1.4 miles in 2017." One railroad even reported running a three-mile-long train twice a week.⁴ Longer trains are frustrating to motorists who get stuck at grade crossings for increasing amounts of time and interfere with routine business and commerce. They also pose serious challenges for public health and safety as emergency vehicle access can be blocked for longer periods.

For the purposes of passenger rail, longer freight trains translate into longer delays for passenger trains. In Oregon's Willamette Valley, most sidings are not long enough to accommodate these ever longer trains. Passenger trains are forced onto sidings giving way to the longer, slower trains. Longer trains take more time to walk and inspect to identify problems in the event of a breakdown. It also takes longer trains more time to get up to speed.

Signals for train crew communications equipment can often be impeded by distance, terrain, weather, and obstructions. In testimony to an Oregon legislative committee on which I serve, we heard that the conductor and engineer sometimes cannot even communicate with each other by radio, and they travel through areas with no cell phone service. That's not just inconvenient, that's dangerous. One conductor described having to walk the length of the train, alone, to detect the location of a problem, in sometimes dark or severe weather conditions. This problem is about worker safety as well as extended delay.

⁴<https://www.gao.gov/products/GAO-19-443>

Aging infrastructure and outdated equipment also contribute to delays. In addition to the major capital projects described above, Oregon's experience shows that the age and obsolescence of even smaller pieces of railroad infrastructure can have impacts on passenger rail service. During a recent winter freezing spell, a passenger train experienced a significant delay because of a frozen railroad switch. All passengers on board the train were forced to sit and wait as a crew member went out in the snow and sleet to move the switch manually. It is clear that upgrades are needed throughout the system.

POTENTIAL SOLUTIONS

Provide States with Operating Funds

Reliable passenger train service will become an even more important mode of travel as governments at all levels work to address the impacts of increasing highway congestion, population growth, and climate change. These are not solely state and local issues. In recent years, states have stepped into the breach and have continued funding short distance intercity passenger rail operations, but in order to truly grow the service, states need a strong federal partner. By restoring funding for passenger rail operations, Congress can help cities, regions, and states across the country deal with some of their most urgent problems.

More Reliable Capital Funding

Reliable federal funding for capital projects will also help strengthen and grow passenger rail service. The Fixing America's Surface Transportation Act rail grants have been incredibly helpful to states, and by now these grants have funded billions of dollars of improvements in the nation's passenger and freight rail systems. Indeed, Oregon itself has benefitted from a Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant to uncork a key bottleneck in the state's rail system. However, these general fund supported grants are not reliably funded from year to year. Some years they receive hundreds of millions of dollars and some years they are completely zeroed out. Having reliable and predictable capital funding available every year will allow states and their partners to better plan for capital improvements that will benefit passenger and freight rail alike.

Further, passenger rail has been significantly underfunded. Each year, Amtrak receives approximately \$1.5 billion to address passenger rail needs nationwide. This funding must cover everything from large-scale, capital projects on the Northeast Corridor to the operation of National Network trains around the country. A lack of reliable and robust funding makes it nearly impossible to meet all of the needs and challenges faced by Amtrak.

More capital funding for grant programs and Amtrak will allow states to have better and more efficient rail service, construct more separated grade crossings, eliminate more points of rail system congestion, and ensure a better customer experience.

Address Train Length

Many challenges to public health and safety arise from longer freight trains. Impacts are also being felt on passenger rail OTP and ridership. States cannot resolve this problem alone. We have neither the funding to fix every siding and blocked crossing nor do we have the authority to address the length of trains. Congress and the Administration can reduce adverse impacts on communities and improve safety and passenger service by addressing train length.

Improve On Time Performance

Taken together, increased funding for capital projects and common sense limits on train length can certainly improve OTP. However, more must be done to address on time performance. I fear that without further action, we will continue on the trend of increased freight rail interference and lower OTP. Giving the Federal Rail Administration the tools it needs to achieve true passenger rail preference would be incredibly helpful for promoting better OTP.

As a member of the Governor's Passenger Rail Leadership Council I had the opportunity to hear and read comments about passenger rail from Oregonians around the state. And just a week ago I talked again with a successful high tech business owner in Eugene who takes the train frequently to Portland where the other half of his staff are located, because he wants to use his time, not waste his time. A retired real estate broker continually presses me at chamber of commerce meetings to support more and better train options.

Our young population, our seniors, our gig economy and tech ... they all see the value of passenger trains, and they want more.

Investing dollars and time in passenger rail is smart policy, meeting multiple objectives in economy, energy, and environment. It's time to put more muscle into supporting a safe, efficient platform for Amtrak to succeed.

Chairman Lipinski and Ranking Member Crawford, thank you again for the opportunity to appear before you today.

Mr. LIPINSKI. Thank you, Representative.

I now recognize Mr. Regan for 5 minutes.

Mr. REGAN. Thank you, Chairman Lipinski, Ranking Member Crawford and Chairman DeFazio. On behalf of TTD and our 33 affiliated unions, I am very pleased to be here today. Our unions represent frontline workers across America's passenger rail network, including those who operate trains, maintain and repair equipment, provide quality customer service, both on and off board, and who construct this facility. There is no one who knows Amtrak like these workers. And you will not find a greater advocate for passenger rail in this country than transportation labor.

Historically, we have been the loudest voice pushing for more funding for Amtrak, for increasing and improving service, and for modernizing the infrastructure equipment that moved passengers on 32 million trips last year, across more than 20,000 miles of track.

We know firsthand the economic value that Amtrak brings to the communities it serves. And we know the vital role that Amtrak plays in connecting our entire Nation across this vast multimodal network. We also know that Amtrak must grow significantly in the years ahead to keep pace with the demands placed on the network. Amtrak workforce stands ready to do our part, but in order to do so effectively, we need a dependable partner in Amtrak and we need your help to provide the funding and policy necessary to drive that growth.

Specifically, we are calling for meaningful funding increases, policies that support middle-class rail jobs, much-needed safety improvements, preservation of Amtrak's national network, and the outright rejection of plans to slash or degrade service.

First, we need a significant boost in Federal investment for Amtrak, as I know many people have already said today. For too long, shoestring budgets have crippled this carrier's ability to make forward-thinking investments and long-term capital improvements. This is evidenced by Amtrak's \$33 billion repair backlog, \$28 billion of which is needed for repairs in the Northeast Corridor, where workers and passengers rely on bridges and tunnels that are more than a century old. We simply cannot meet the demands of the future if we let assets languish and fall behind due to chronic underfunding.

And to those who think investments in this carrier only benefit the Northeast, I ask you to look at Amtrak's extensive network, which connects more than 500 towns and cities in 46 States. Just as on the Northeast Corridor, each community depends on adequate authorizing levels to address their own needs and maintenance backlogs.

Greater investment will also allow Amtrak to expand service not just to the communities it already serves, but also to new, high-density service corridors such as those suggested by Mr. Anderson earlier, an idea we fully support as long it does not come at the

expense of Amtrak's long-distance service, or its national network. Doing away with the cross-country system would be catastrophic for the communities that rely on Amtrak service, and would eliminate thousands of good jobs. These routes also serve as a feeder system that brings passengers to higher density routes, such as the Northeast Corridor, and our State-supported routes. Rail service must not be treated as a zero-sum game, and Congress should use the reauthorization process to cement Amtrak's role as a true national passenger railroad.

We also know that Amtrak's success is the direct result of the hard work of its dedicated, skilled, and experienced workforce. Our unions stand ready to move forward with Amtrak, but their members cannot be left behind. Efforts to cut jobs or outsource existing Amtrak functions to low-wage, antiunion contractors will not be tolerated by our unions. The resulting drop in quality will not be tolerated by the American public, and neither should it be tolerated by this body. Reauthorization is also an opportunity for Congress to end this micromanagement of food and beverage service by removing a provision of the FAST Act that directed Amtrak to eliminate these so-called operating losses.

Further, any expansion of faster rail service must not be used as an opportunity to gut existing rail-specific worker protections. These asks are based on deeply held beliefs that a strong union workforce promotes a better Amtrak that provides a high standard of service which incentivizes ridership and strengthens the company.

Unfortunately, we are concerned that Amtrak's current leadership does not share this vision. Instead, the carrier seems more interested in outsourcing good jobs to the lowest bidder than meeting mandates established by Congress, and in turn, serving the American public.

Finally, Amtrak reauthorization is an opportunity to improve safety on the railroad for both its passengers and its employees. We have previously proposed legislation to address the scourge of assaults against passenger rail workers, including the 2017 shooting of an Amtrak conductor in Illinois. We ask that both Amtrak and the commuter railroads be required to develop plans that will help prevent violence, deescalate in-progress events, and help employees manage the aftermath of assaults when they do occur. Passenger rail employees deserve a safe workplace and a development of these plans would be a step in the right direction.

TTD and our affiliated unions look forward to working with you, strengthening Amtrak and passenger rail throughout the country. Thank you for providing the opportunity to testify before you.

[Mr. Regan's prepared statement follows:]

**Prepared Statement of Greg Regan, Secretary-Treasurer, Transportation
Trades Department, AFL-CIO**

On behalf of the Transportation Trades Department, AFL-CIO (TTD) and our 33 affiliated unions, I want to first thank Chairman Lipinski and Ranking Member Crawford for inviting me to testify before you today.

As this committee begins to consider Amtrak reauthorization, and the intercity passenger rail networks of the future, we are proud to present a unique perspective from the Amtrak workforce. In addition to the TTD affiliated unions also testifying

today, our unions represent workers across nearly every position in the passenger rail network—these are the workers who operate trains, maintain and repair equipment, oversee safe operations along routes, provide high quality customer service both on and off-board, and construct facilities. They are the workers who ensure that the 32 million trips taken on Amtrak every year, across more than 20,000 miles of track, and in nearly every state in this country, are met with the highest level of service and safety possible.

There is no one who knows Amtrak like these workers, and you will not find a greater advocate for robust passenger rail service in this country than transportation labor. Historically, we have been the loudest voice pushing for more funding for Amtrak, better and more service options, and modernizing its infrastructure and equipment. We understand the economic value that Amtrak brings to the communities it serves and to the nation as a whole, and we know the vital role that Amtrak plays in our vast, multi-modal transportation network.

This country deserves a passenger rail system that rivals any in the world. Polls have repeatedly shown that Americans want more rail service and are willing to pay for it, and we firmly believe that the quality of service that our workers provide is the reason why we see such strong levels of support. Amtrak's workforce stands ready to do our part, but we should be clear: we cannot do it alone. Congress must show the leadership this moment deserves by investing resources necessary to deliver world-class intercity passenger rail, adopting policies that will support and preserve good jobs building and operating this network and rejecting short-sighted plans to slash or degrade service which will do little more than drive customers away.

FEDERAL INVESTMENT IS VITAL TO AMTRAK'S FUTURE

Amtrak's reauthorization is an important opportunity for Congress to ensure that intercity passenger rail supports good jobs, provides customers with an outstanding product, and connects communities through a national and inter-connected network. Unfortunately, Amtrak's current leadership too often appears more interested in outsourcing work to the lowest bidder while walking away from its commitment to long-distance service in a misguided attempt to appeal to austerity-driven political forces. Fortunately, Congress has the ability to craft policies that reject these efforts.

We do agree with Amtrak's leadership that the status quo is not the path forward. For too long, Amtrak has been forced to make due with a subsistence budget that cripples its ability to make forward thinking investments and long-term capital improvements. While the FAST Act was a step in the right direction, this Congress must build on that progress by providing funding levels that unlock Amtrak's potential—as this hearing asks—both now and in the future.

Today, Amtrak's network is overwhelmed by "now" needs—the railroad's state of good repair backlog is estimated at \$33.3 billion, with \$28.1 billion of that on the Northeast Corridor. These numbers are not intangible, every unspent dollar corresponds to decaying infrastructure and facilities in your districts and in the districts your constituents travel through.

The Baltimore and Potomac Tunnel is glaring example. This nearly 150-year-old tunnel serves Amtrak, commuter and freight rail operations; however drastic speed restrictions due to its deteriorating condition and insufficient capacity have turned the tunnel into a 1.4-mile bottleneck in the heart of the Northeast Corridor. The Federal Railroad Administration has identified the tunnel as structurally deficient and in need of replacement or rebuilding. Until that day, it will continue to badly snarl the heavy traffic that its builders never imagined when it was erected—in 1873.

Similarly, TTD has on many occasions—including before this Committee—called for action on the Gateway Program and Hudson Tunnel Project. While the tunnel is a comparatively youthful 109 years old, the unrealized impacts of the project represent billions of dollars in economic benefits both to the Northeast Corridor and to the country at large, including a staggering \$3.87 in benefit per every \$1 spent. Failure to move forward on this critical project is unacceptable, yet a steady stream of finger pointing and political bickering has allowed the project to languish.

While these NEC projects are badly needed, it would be a mistake to assume that money invested in Amtrak solely benefits those who ride trains in the Corridor. Amtrak's extensive network of long-distance and state supported routes each have their own needs and maintenance backlogs. A serious approach to adequate authorizing levels ensures that riders and communities across the United States are the beneficiaries of Congress' decisions.

Failing to adequately invest in Amtrak's future also dilutes the benefit of its current investments. Amtrak's ongoing procurement of Avelia Liberty trainsets, capable of travelling 200 MPH and made domestically by IAM employees in Hornell, NY, should be a boon to service on the NEC. When these high-speed trains encounter ancient infrastructure like the B&P, however, they are subject to speed restrictions of 30 MPH or less. Put simply, we are squandering the benefits promised to Amtrak's riders. It is up to Congress to fund Amtrak at levels that will allow for real service improvements, increased accessibility, and a better passenger experience.

STRONG LABOR PROTECTIONS ENSURE MIDDLE CLASS JOBS

What can never be lost in the discussion of Amtrak's future is that its success is predicated on the hard work of its dedicated, skilled and experienced workforce. Our unions stand ready to move forward with Amtrak, but their members cannot be left behind. Labor protections that have long ensured that rail jobs support middle class families must be at the heart of any reauthorization considered by Congress. Rail-specific statutes, including the Railway Labor Act, Railroad Retirement Act and Railroad Unemployment Insurance Act provide employees with the right to collectively bargain, and coverage under retirement, occupational disability, and unemployment benefits specific to this industry. Employees currently covered under these laws must continue to receive coverage.

As Congress explores new ways to expand rail service to more Americans, it may also consider new ways to fund intercity passenger rail, or to permit existing funding streams to be blended across modal agencies and accounts. Congress must not allow novel funding strategies to deny an employee appropriate protections and duly earned benefits. Inadvertently stripping these rights from workers would be a mistake.

We also call for action to expand safety nets for employees who lose their job through no fault of their own. These changes should seek to mitigate adverse impacts to employees based on Amtrak's procurements and deployment of new equipment, as well as the effects of federal funding and grant making decisions. Protections like these are hardly unprecedented. Decades-old labor safeguards that already exist at Amtrak can be expanded to better suit the modern workforce, and statutory protections that are commonplace in other modes of transportation may be appropriately adapted to also cover these employees.

These actions are particularly needed when Amtrak is taking every available opportunity to slash its dedicated workforce in favor of non-union, low-wage contractors. As TCU will discuss, Amtrak recently shuttered its Riverside, CA call center, offering some of its 500 employees the untenable decision of moving across the country to another facility or losing their livelihood. Amtrak claimed that this was in response to decreased call volumes. However, no sooner did it close Riverside than it contracted hundreds of non-union workers at a call center in Florida to perform the same job. Reports of similar efforts to contract out well-paying jobs to low-wage, no-benefit contractors are becoming commonplace throughout the company. Amtrak has even gone as far as to argue for a misapplication of statutory requirements on contracting to permit it to violate collective bargaining agreements at will, and replace furloughed employees with non-union contractors.

TTD also strongly opposes proposals to turn over Amtrak operations to entities who promise cost savings on the backs of workers and quality service. In the FAST Act, Congress authorized the Amtrak Competitiveness Pilot Program, which allowed for limited privatized service on certain routes. Interested for-profit companies blatantly admitted that their concepts relied on reduced service, cutting employee benefits, and receiving unheard of exemptions from federal law. On prospective bidder, Iowa Pacific, wrote that "Labor's hardline position would effectively derail this program" and that traditional worker protections were nothing more than "provisions crafted for a totally different situation". Labor's "hardline position" was simply that a private carrier cannot shirk long-time statutory mandates that currently apply to Amtrak workers in order to save money. This position was also enshrined in the language that implemented the program. When the FRA declined to permit private operators to ignore federal law at their own discretion, none of these entities submitted a bid.

We also urge Congress to require that the Amtrak Board of Directors have a permanent seat for member representing labor. Amtrak often makes decisions without adequate input from its workforce, resulting in determinations and initiatives that do not reflect the needs of the railroad or of its customers. There is no clearer demonstration of this than current slate of nominees to serve on the Board—two of whom are former members of Congress who have taken votes to defund the system

entirely. Congress can rectify this disconnect with a modification of the Board make-up.

These positions are based on a deeply held belief that a strong union workforce promotes a better Amtrak that provides a high standard of service, incentivizes ridership and strengthens the company in the decades to come. Unfortunately, we are deeply concerned that this is not the Amtrak's vision for the future.

CONGRESS MUST GUARANTEE A TRULY NATIONAL NETWORK

The company has made no secret of its desire to eliminate the long-distance routes that make up the National Network and provide important transportation service for millions of Americans in rural states. We reject the characterization of the National Network as a vestigial component of Amtrak that can or should be jettisoned to satisfy a balance sheet. Amtrak's long-distance routes are critical to the communities they serve, and create thousands of good jobs. Arguments in favor of cutting these routes neglect the fact that many long-distance riders use this service to connect to other Amtrak service, like the Northeast Corridor or other regional trains. Cutting these passengers off by shrinking Amtrak's reach only reduces its customer base and overall ridership. Amtrak must continue to operate as a true nationwide intercity passenger rail carrier, and commit to preserving and improving its long-distance service.

Further, long-distance routes need not be sacrificed to implement other positive changes on the network. When Mr. Anderson testified before the full Committee in February, he stated that "The demand is clearly there for additional short-corridor service throughout the U.S., which includes both additional frequencies for existing routes and establishing new routes between city pairs". We are highly supportive of Amtrak pursuing new business opportunities, including the creation of new routes and increased services over the routes experiencing the highest ridership. Strategies that increase ridership and make Amtrak a more appealing transportation option create jobs for our member unions and support the sector. However, we reject the premise that this must be a zero-sum calculation wherein new improvements can only occur through the elimination of existing service.

Efforts by Amtrak and Congress to degrade the customer service experience on Amtrak, and use that as justification for eliminating routes and services is similarly a losing proposal. The FAST Act included language that directed Amtrak to eliminate the operating losses on its onboard food and beverage service. This shortsighted and burdensome approach degrades the passenger experience, making Amtrak less appealing to current and future customers. Financial benefits gained are outstripped by the financial costs of dissatisfied customers and lower ridership. To date, the provision has not led to meaningful savings, but it has led to management decisions that downgrade the quality of offerings on-board, or in some cases, remove traditional food service entirely. This has frustrated long-time customers and damaged Amtrak's public image. Congress must remove this provision in the next reauthorization.

Similarly, we call on Congress to take action to ensure that station agents appropriately staff rural stations. Amtrak's decision to remove these workers from 15 stations, and therefore the ability of riders to purchase a ticket directly from an Amtrak employee, is deeply unpopular with customers. We note that both chambers have adopted report language in their respective FY '20 appropriations bills directing Amtrak to reverse its position and to improve its relationship with local partners. Enshrining this position into law would ensure Amtrak does not meddle with this critical customer-facing function.

POLICIES FOR A SAFER FUTURE

TTD calls for the inclusion of provisions that will enhance the safety of Amtrak and passenger rail more broadly. Specifically, Congress should consider the creation and deployment of a Confidential Close Call Reporting System (C3RS) on Amtrak. C3RS is a voluntary reporting program that allows employees to report close calls without fear of discipline and railroads to do the same without incurring penalties from the FRA. FRA began piloting the C3RS program in 2007, and within eight years participating railroads and railroad workers had submitted over 5,000 reports of close call incidents. Since then, the program has expanded substantially to additional railroads, TTD rail unions report that the program is invaluable in improving safety culture in a collaborative fashion, and that its expansion to Amtrak can have positive benefits for safety at the company.

Finally, Congress should take action to protect workers from violent assault. Assaults against employees are all too common, including the 2017 shooting of an Amtrak conductor onboard a train. Both Amtrak and commuter railroads should be re-

quired to develop plans that seek to prevent violence preemptively, deescalate an in-progress event, and help employees manage the aftermath of an assault. Passenger rail employees deserve a safe workplace, and the development of these plans would be a step in the right direction.

We urge this Committee to pursue a reauthorization of Amtrak that creates a service that works better for its customers, its employees, and communities that depend on safe and efficient passenger rail. At the same time, Congress must reject efforts to eliminate transportation options for riders across the country, degrade customer service, or pursue misguided outsourcing or privatizing schemes that undermine rail service and good jobs in this sector.

TTD and our affiliated rail unions look forward to working with you to strengthen Amtrak and passenger rail throughout the country. Thank you for providing us the opportunity to testify before you.

Mr. LIPINSKI. Thank you, Mr. Regan. I now recognize Mr. Dinsdale for 5 minutes.

Mr. DINSDALE. Good morning, Chairman Lipinski, Ranking Member Crawford, members of the subcommittee, thank you for the opportunity to testify. My name is Jack Dinsdale. I am national vice president for the Transportation Communications Union. TCU represents approximately 46,000 members, including over 6,000 Amtrak employees in various crafts. I have 45 years of experience working for Amtrak, and as a representative for its employees. Amtrak has, indeed, been my life's work, and I am extremely proud to be part of America's passenger railroad.

I am here primarily to speak about the change in culture at Amtrak, from what it once was—a proud and enviable workplace—to one where employees currently live in fear for their livelihoods and their careers. I am also here as an advocate for Amtrak service, for what it is, and what it could be.

Under its current leadership, Amtrak is engaged in a systematic campaign of union busting, outsourcing good skilled jobs of dedicated career employees to low-wage contractors with little to no experience, doing everything they can to reduce unionized head counts and giving false pretenses to Congress and the general public about their actions.

Amtrak workers were extremely grateful that Chairman Lipinski and DeFazio wrote a bipartisan letter cosigned by 89 of their colleagues which questioned Amtrak about many of their labor practices. Amtrak stated in their response, and I quote, "We will not improve Amtrak on the backs of labor," unquote.

Under current leadership, Amtrak has abolished at least 700 TCU members' jobs, and we have been told there are more on the way. Sadly, when it comes to Amtrak, all too often we get mired in spreadsheets and data that our employees view as just numbers to be played with from a cubicle in Washington, DC. For onboard service, we are seeing Amtrak weaponize the FAST Act language that mandates they eliminate losses on food and beverage. Unfortunately, instead of viewing the food and beverage language as an incentive to increase revenue or enhance service level, Amtrak used it as a license to reduce head counts and degrade service by turning quality fresh meals into indescribable, reheated, airline calories. How else do you explain the current leadership's abandonment of the Coast Starlight's joint oversight committee: A labor-management collaborative that formulated and executed new services and products that added millions in revenue and helped better the bottom line.

Indeed, it appears Amtrak is reliving the past by adopting the same, self-sabotaging tactics that freights used when they wanted to jettison passenger service. It is important to remember the human impact of these cuts, especially since they are coming off the backs of Amtrak's frontline workers.

The onboard service personnel are skilled professionals, like the crew of the Coast Starlight train No. 11 from last February whose heroic actions were lauded by the passengers they served for 36 straight hours. In addition, these employees are trained as first responders, in first aid, and identifying threats such as terrorism or human trafficking.

Another instance of Amtrak's antiunion campaign would be the elimination of rural station agents in 2018. Fortunately, there was a large public pushback in the House and Senate fiscal year 2020 appropriations bills, both bills direct Amtrak to restaff these stations. Our members are eager for that bill to pass so they can get back to work.

Perhaps the most egregious and callous of Amtrak's outsourcing was Riverside call center, where Amtrak ignored bipartisan calls from over 40 Members of the House and Senate, and abolished over 500 jobs, and all because of the supposed drop in call volumes, in a push to get real estate off their books.

Today, Amtrak still owns the Riverside facility and their outsourcing facilities employ at least 350 people and counting. Riverside was never about call volumes, it was about union busting, period.

As part of my testimony, I have attached an interview of former Amtrak CEO, the late Joe Boardman, where he detailed the many flaws he saw with Amtrak's current direction, including how Amtrak is treating its employees. This interview provides food for thought.

As we enter reauthorization, we have outlined how Congress could provide a new leadership structured for the railroad while reforming Amtrak's board of directors. We believe the board should be comprised of various stakeholders, whose interests are aligned with the success of Amtrak and who have experience delivering passenger rail solutions for this country. However, we would caution this Congress about waiting for reauthorization, because as we see it, there may not be much of a railroad left to save. In the near term, Congress must hold Amtrak accountable through the appropriations process, and ensure that Amtrak abides by the national vision set forth in current law, not the mission its current leadership seems to be forging ahead with.

Finally, our intention in testifying today was not just to talk about job losses, or outsourcing, or the conversion of good middle-class careers into low-wage jobs. Our intention is to see Amtrak thrive and grow. Our members want Amtrak to be successful, because it is the railroad they have serviced and loved, and it is their life's work and who wouldn't want their life's work to succeed?

Thank you for the opportunity to testify.

[Mr. Dinsdale's prepared statement follows:]

**Prepared Statement of Jack Dinsdale, National Vice President,
Transportation Communications Union (TCU/IAM)**

Chairman Lipinski, Ranking Member Crawford, Members of the Subcommittee, thank you for the opportunity to testify.

My name is Jack Dinsdale, and I am a National Vice President for the Transportation Communications Union (TCU/IAM). TCU is the largest union at Amtrak, representing over 6,000 ticket agents, red caps, customer service representatives, onboard service personnel, supervisors, carmen, coach cleaners, and others.

I have over 24 years of experience working for Amtrak, and an additional 21 years as a union representative for Amtrak employees. I have personal experience working in Amtrak's call center, as a ticket agent, in the commissary, as a baggage handler, in material control, as a maintenance yard clerk, in crew base operations, in time keeping and in other positions. And because of this broad experience I am well acquainted with the various work roles that exist at Amtrak.

Amtrak, including its employees, and the service we provide as a team, has been my life's work. I am extremely proud to be a part of our nation's storied passenger railroad.

The title of this hearing is "Amtrak Now and Into the Future," and it couldn't have come at a more appropriate time for Amtrak and its workforce. I am here primarily to speak about the changing culture at Amtrak, from what was once an enviable and proud workforce, to one that is full of employees who currently live in fear for their livelihoods and careers. But I will also speak as an advocate for Amtrak service, for what it was, and what the future could hold for our nation's passenger railroad.

I believe my 45 years of experience with Amtrak will provide useful insight into the history of the company, where it can improve, what various managements have failed to do, what various Congresses have tried and failed to do, and—hopefully—my testimony will provide some insight for you all as you embark on a new authorization effort.

Under its current leadership, Amtrak is engaged in a systematic campaign of union busting and union avoidance maneuvers: outsourcing good, skilled jobs of dedicated career employees to low-wage contractors with little to no experience; doing everything they can to reduce the internal, unionized headcounts, and giving false pretenses to Congress and the general public about their actions.

These actions, combined with efforts to sabotage its own services, point to only one conclusion: Amtrak will be asking Congress to make a false choice—to choose between long-distance service or a significantly reduced regional structure that only serves portions of America.

I am here to ask you not to fall for that trap. And I presume some of the other witnesses will ask the same.

Do not buy into Amtrak's narrative that tells of a declining long-distance ridership; or that certain services are not wanted or needed; or that customers like boxed lunches and re-heated airline food.

Do not be swayed by Amtrak's excuses that they are simply "following the law," and are continuing to operate as directed by Congress. These are, at-best, half-truths designed to deflect blame; and, at worst, they appear to be intentional attempts to mislead Congress while it executes its own internal vision of a regional route structure.¹

Amtrak workers were extremely grateful that Chairmen Lipinski and DeFazio led a bipartisan letter, cosigned by 89 of their colleagues, that questioned Amtrak about many of their labor practices. In Amtrak's response, Mr. Anderson stated that "we will not improve Amtrak on the backs of labor." To date, Amtrak has abolished at least 700 TCU members' jobs, and we've been told more are on the way.

ONBOARD SERVICE CUTS

Let me start by talking about cuts to onboard service. TCU is part of the Amtrak Service Workers Council (ASWC), a group of three unions that also includes the Transport Workers Union (TWU) and Unite-HERE. Together we represent all of Amtrak's approximately 1600 onboard service personnel throughout the country. These include service attendants, dining car attendants, chefs, cooks, and others. And these aren't just "jobs" either, but careers that have provided a pathway for so many families to the middle class. They are the kinds of jobs that are the foundation our communities are built upon.

¹Figure 1, "Rail Corridors Network—2030" map.

Our members are some of the most dedicated, hardworking employees at Amtrak. And they serve as the face of Amtrak every day.

These employees know how to put a smile on the faces of customers, they attend to families, they prepare meals from scratch, they turn down beds. In other words, they are skilled customer service professionals whose mission it is to make your ride on Amtrak as enjoyable as possible, and to keep you coming back. What often goes unmentioned and unnoticed is that these onboard employees know the equipment they work on and regularly perform maintenance enroute.

Whether it be getting inoperable bathrooms to work, or fixing the air conditioning in 100 degree heat, they have acquired these additional skills through their commitment to Amtrak and pride in delivering best possible experience to the traveling public.

Per federal regulations (49 CFR Part 239), these employees must be trained as first responders, ready to act at a moments' notice. They are trained in first aid and emergency evacuations. They are trained to identify human trafficking, and to be the eyes and ears for bomb and terrorist threats, or other criminal activity. For those handling foods, staff must be trained and certified on Food & Drug Administration (FDA) requirements.

But none of that does justice for the work our members perform when a disaster occurs.

In late February, 2019, the Coast Starlight 11 was travelling through a blizzard outside Oakridge, Oregon when the train struck a downed tree. The locomotive was immobilized from the collision, and approximately 200 passengers and personnel were left stranded for over 36 hours.

Amtrak's onboard personnel did not panic, but jumped into action, going above-and-beyond to ensure passengers were adequately cared for. When diapers ran short, a crewmember fashioned replacements out of napkins and safety pins. One passenger remarked that the "train crew was amazing. They were so professional and so kind. We really wanted for nothing except for maybe someplace comfortable to lie down."² Another passenger said of the crew's actions: "It rekindled my faith in humans . . . I've been so disappointed so many times in the last few years with how people treat each other. It gave me hope that maybe we haven't lost our humanity after all."³

When it comes to Amtrak, all too often we get mired in spreadsheets and data; that our employees are just numbers to be played with from a cubicle in Washington.

But these kinds of stories remind us that serving and caring for our customers is the primary goal of any transportation system. That our customers are not cattle to be herded and shuttled from station to station, but regular people that want to be treated with quality and dignity—the kind that attracts ridership, the kind that inspired the romantic description of train travel in the first place.

This is the Amtrak I grew up working on, riding, and loving. Sadly, under its current direction, that Amtrak is fading more and more every day.

When I hired on at Amtrak in 1974, the goal was actually to rehabilitate the dining service from the self-sabotaging efforts the freights had inflicted upon their own passenger trains. In fact, one of the first advertisement campaigns Amtrak ran after being created was "We're Making the Trains Worth Riding Again."

In fact, as recently as 2017, our union was actively included in being part of the solution. In an attempt to better the financial performance of the Coast Starlight, our members—including chefs, service attendants and train attendants—were part of a labor-management collaborative whose mission statement was as follows: "Create and sustain a culture that fosters all departments working together in unity, for our people, for our customers, for our service. One Amtrak."⁴

The collaborative successfully rethought onboard services, expanded products, increased revenue, which even resulted in reduced labor costs. The changes made included "Just for You" meals where the team designed a new fresh, affordable menu for coach passengers—a revenue increase of \$422,158; a business class initiative that converted "kiddie cars" into an entire new service class that resulted in \$3.4 million in revenue; and a "Cocktails on the Rails" program to offer signature cocktails to enhance the Pacific Parlour Car experience and resulted in an increase of

²Selsky, Andrew. "Passengers Band Together on Train Stuck in Oregon Mountains." AP NEWS, Associated Press, 27 Feb. 2019, apnews.com/61a38cbfd504bed8e2d159f4999d360.

³McDaniel, Piper. "When Amtrak Train Stalled in Oregon Snow, Crewman Emerged as 'Source of Comfort.'" Oregonlive, The Oregonian, 1 Mar. 2019, www.oregonlive.com/news/2019/03/when-amtrak-train-stalled-in-oregon-snow-crewman-emerged-as-source-of-comfort.html.

⁴See attachment—"Starlight Highlights" document

\$71k in revenue (over only a short time—before Amtrak pulled the Parlour car altogether).

Unfortunately, Amtrak eliminated that collaborative effort that was successfully *working to reduce* the operating loss on food and beverage. The “Just for You” meals were eliminated a year ago, and Amtrak management has jettisoned any collaborative approach to improve service and revenue—opting for a my-way-or-the-high-way attitude.

Today, Amtrak is doing exactly what the freights did by degrading the services instead of improving them. By weaponizing the FAST Act language, Amtrak is destroying fresh dining and food service options, and interpreting the mandate to eliminate losses on food and beverage service as a ban on loss-leader service products. They are interpreting the language as license to turn quality fresh meals into indescribable re-heated airline calories, with little regard to the overall bottom line.

Amtrak’s changes to “contemporary dining” options has resulted in the elimination of the jobs of our members, including chefs and service attendants. And on the routes that first observed these changes in 2018—the Capitol Limited and the Lake Shore Limited—it appears the service has resulted in decreased ridership. For the rest of the routes, it’s admittedly too early to definitively quantify the impact of the service changes. However, this is becoming increasingly difficult considering the omission of Amtrak’s route-specific data reporting that conveniently coincided with these changes.

Indeed, we would urge the Committee to obtain this data, since it’s obviously available internally at Amtrak. In addition, we would urge Congress to mandate the publication of route-specific ridership data in reauthorization.

Amtrak blames Congress and the FAST Act for mandating these service shifts, and they blame millennials for demanding seclusion from others and not caring for fresh food choices. They blame anyone, but themselves. And, as the father of a few millennials, I think they’d take issue with Amtrak’s reductive assertion. Indeed, where’s the fresh avocado toast?

One such millennial pushed back against Amtrak’s service changes in an op-ed published in the New York Times:

The desire to “lure a younger generation of riders,” cited as part of the reason for the change, is an example of what feels like a message from society to millennials in particular: We’re going to offer less and expect you to get more out of it. The suggestion that, as a 26-year-old, I should find meaning in something that’s sparse, impersonal and temporary feels all too familiar.⁵

Our point is not to say that we shouldn’t have change at Amtrak, or adapt to modern times and tastes. Rather, we would argue that the changes being deployed are not to better the experience of the traveling public, and they’re certainly not good for those working the trains. Indeed, the only beneficiary of these changes are the managers reaping bonuses for cutting costs, and the leadership that wants to stop running long-distance trains all together.

Finally, we must remember the people who are impacted by these cuts. Again, these are not part-time jobs filled by unskilled workers. These are career positions of people who’ve dedicated their lives to this railroad, certified in emergency preparedness, and/or trained at culinary schools. They are good jobs, with quality benefits, and railroad retirement. They are the kinds of jobs that enable people to buy homes and send their kids to college. The kinds of jobs we hold in high regard in this country.

RURAL STATION AGENTS

Another source of public and employee frustration has been the arbitrary removal of station agents at 15 rural stations throughout the country. In 2018, Amtrak eliminated station agents as part of another misguided attempt to cut costs on the back of working people, and further degrade service for their rural ridership.

When Amtrak removed staff from these stations it replaced them with contract “caretakers” whose job was only—supposedly—to open and close stations, and take out the trash.

No ticket sales, no store operations.

In many of these stations, Amtrak runs long-distance trains that can be anywhere from one to ten hours late. That’s a lot of time for passengers to wait at a station—even longer at one that isn’t staffed. In addition to selling tickets, our station agent

⁵ Stauffer, Rainesford. “The Sterile, Efficient Life of a Millennial.” The New York Times, 28 Sept. 2019, www.nytimes.com/2019/09/28/opinion/sunday/millennial-dining-car-amtrak.html.

members cleaned the station and bathrooms, often sold ancillary items, shoveled platforms during snow storms, helped load baggage, chaperoned underage riders, and helped disabled passengers get on and off trains. In Cincinnati, one of the stations that was de-staffed in 2018, the station is particularly challenging for passengers as it includes multiple levels.

These agents are not simply loitering behind a glass window, as some of Amtrak's headquarters managers have suggested. Rather, they are an integral part of a customer service product, and they are valued members of the community.

The public backlash Amtrak faced from the small towns was immense. And, to be completely honest, we were blown away by the fight these small towns and cities put up. Town and City Hall meetings were held, articles were published, letters were written, calls were made—all in defense of their community's station agents. For me, it was a truly heartwarming moment and validated what I've always known: that our station agents aren't just ticket-selling automatons, but are valued neighbors, woven into the community. Unfortunately, Amtrak doesn't see them the way I do, nor do they appear interested in the opinions of rural America.



Amtrak Station Agent Matt Crouch in Charleston, WV, whose job was eliminated in Amtrak's 2018 cuts, along with many others.

Nevertheless, the response on Capitol Hill has been clear: both the FY2020 House and Senate appropriations bills include report language directing Amtrak to re-staff these stations with ticket agents. And, on behalf of our members who lost their jobs from these cuts, I will say that they are eager to come back home and get back to work.

Unfortunately, I was told last week that Amtrak will be cutting an additional 90 clerks from stations and facilities across the country—70% of which work in customer service positions. It's important to note that, yet again, this was a “this is happening” conversation, not a negotiation. And it all stems from a directive from Amtrak leadership to cut \$8 million from stations across the country. My point being: these are not carefully thought out abolishments due to decreased service or need, but rather arbitrary cost-cutting without thought to how service will be impacted.

OUTSOURCING CALL CENTER JOBS

The last example of outsourcing is perhaps the most egregious and callous: the closure of the Riverside, California call center on January 18th, 2019.

For background: in early 2018, Amtrak announced that it was contracting with business process outsourcer Teleperformance in Port St. Lucie, FL, to “work alongside” our in-house customer service representatives. At the time, we expressed concern that Amtrak was outsourcing our jobs, but were reassured several times—albeit verbally—that “No, we are not closing either of the in-house call centers,” and that the outsourcer was simply for “peaks and valleys” in call volumes and staffing levels.



Amtrak call center employees rallying and marching at Riverside City Hall to save their jobs.
[Photo credit: Riverside Press-Enterprise]

Amtrak proceeded to have our members fly out to the outsourcer to train these new customer service representatives, under the pretense that nobody would be losing their jobs back home.

That was a lie. Plain and simple.

On November 16th, 2018, Amtrak announced it would be closing the Riverside call center, and consolidating operations at its last remaining facility in Philadelphia. The 500+ employees at Riverside were blindsided by this announcement, made worse by the downright callous timeframe of 60 days—60 days with Thanksgiving and Christmas right in the middle. 60 days to figure out how to sell your home, break your lease, take your kids out of school, and move across the country. All because Amtrak was afraid that Congress would stop it.

And stop it they tried. During this 60 days, Congressmen Mark Takano and Ken Calvert led a bipartisan effort to stop the closure of the call center; or, at the very least, give employees more time to make such a life-changing decision.

Unfortunately, the government shutdown carried past the date of the call center closure. And despite bipartisan calls from 39 of California's House members and both Senators to halt the facility's closure, Amtrak continued unabated.



Amtrak call center employees rallied in response to being lied to by Amtrak management
[Photo credit: of Riverside Press Enterprise]

On the union side, our team—myself included—made every attempt to save these jobs: offering amendments to the agreements, and anything possible to save the company money and keep the work in Riverside. Nothing would sway Amtrak from closing the call center.

The end result was that some of our members took jobs elsewhere in the system, some took buyouts and early retirements, and a handful moved to Philadelphia. Many simply lost their job, like U.S. Army veteran Theresa Kolaras, whose position at the call center was perfect for her because she needed a position sitting down due to a service-related disability.⁶

But the story doesn't end there.

Amtrak claimed that the main reason for the consolidation of the work in Philadelphia was because of reduced call volumes and more passengers utilizing the website and mobile apps for booking reservations.

We would argue that point in itself, along with Amtrak's reluctance to provide such data to anyone, including Congress.

⁶Figure 2—Theresa Kolaras' letter that Congressman Takano read on the House floor.

Regardless, we have now learned that Amtrak is employing at least 320 people at the Port St. Lucie outsourcer, and that they've contracted for a second facility in Westerville, OH, where they currently employ 35 people and are training two additional classes.

I count myself as among the great majority that can't just pack up on such short notice, and leave. I have small children and share custody, and I legally can't move my kids out of state....Telling my boys we can't have a real Christmas was hard, but telling them Mom will not be working for the train...that was the hardest.

- Theresa Kolaras
Former Amtrak Riverside employee
& U.S. Army Veteran

500 jobs were abolished in Riverside because of a supposed lack of call volume. There are now a combined 350 people working at the outsourcing facilities—the same facility that Amtrak said was only for “peaks and valleys.”

Amtrak management lied. They lied to us, and they lied to their employees—and, effectively, they lied to you.

This was never about lower call volumes. It was always about union busting. It was about taking good, union jobs with healthcare and railroad retirement benefits, and turning them into low-wage, no-benefit jobs.

CUTS FOR CUTS-SAKE

In my 45 years at Amtrak, I have never seen morale lower than it is today. And the impact isn't just affecting working people, it's affecting service. Since the changes have been put in place, many stations have seen steep drops in their Customer Satisfaction Index scores, and ridership on many of our storied long-distance trains is down as customers are frustrated at the continued degradation of the railroad they know and love (again, the Committee should demand route-specific data from Amtrak).

In total, 700 TCU jobs have been abolished under Amtrak's current leadership. Unfortunately, this is what happens when the incentives for Amtrak's management are so heavily focused on cutting costs alone. In fact, Amtrak's Short-term Incentive Program for managers weighs 70% on financial goals, while a measly 20% is based on customer service, and a sad 10% on ridership.

Translation: Amtrak's management bonus structure is about cutting the railroad to the bone until there is no one left to defend it. Not about providing quality services, or improving ridership. It's about cuts. Period.

But don't just take my word for it. Here are the words of the former Amtrak CEO, the late Joe Boardman, when he was asked about Amtrak's management incentives, and what is different now:

Cost has become a driver in a way that it has begun to damage the system. We had an overall revenue goal. But individual management goals that influence monetary bonuses were based on cost targets, not revenue. The incentive program needs to be revamped so cutting expenses is not the sole focus. I mean, eventually what are you going to cut if it is the sole focus? Everything? And not run the trains?

The intent of Congress was to do as good a job as we could, but now it's just plain cost cutting: Throwing employees out of the stations and reservation centers, cutting meal service.

This is what is amazing to me: The board felt they became more knowledgeable only because they had better financial information. I insisted on transparency. [You're] going to have the confidence of Congress if [you] are telling them exactly what the numbers are. And that's exactly what they're not doing—on purpose—now, because they think they are smarter than everyone else. [Amtrak Chairman Anthony Coscia wants numbers lumped together] because they seem to agree with the blockheaded moves manage-

ment is making right now. I don't think Richard Anderson ever did an honest assessment of what [the board was] up to and where they were going.⁷

A VISION FOR AMTRAK

But this hearing is not just about where Amtrak was or is, but what it could be. And to that we would offer a few comments.

The entire history of Amtrak has been a lack of proper financing married to a national vision. The politics at play result in the goalposts constantly shifting for Amtrak, often creating inconsistent services, and having customers, workers and communities caught in the middle.

Again, I'd compare Amtrak's current vision to that of former Amtrak CEO, the late Joe Boardman. When asked about "running Amtrak as a business," Boardman replied:

Running this company like a business means the United States of America is a customer. They are paying the cost of maintaining the mobility. Making that mobility available. They're making an availability payment. They're not subsidizing this railroad, they're paying the cost of providing it.

The thing I see here is not only an imbalance in what the funding is, but a lack of understanding of what they're paying for. They're paying for this mobility and this connectivity and making this available to the residents of every one of the states of this union, except for two in the lower 48. Forty-six states, over 500 stations, get Amtrak service. And when you ride those long-distance trains, you will see sometimes a seven-passenger minivan that's in business to provide that last mile of service from some of those sparsely populated areas where we have stations.

We bring business. I don't get it that people don't understand that.⁸

One method by which to cure Amtrak's maladies may be for Congress to rethink its approach to Amtrak leadership. By reforming the Amtrak Board of Directors, Congress could rejuvenate Amtrak by properly addressing the needs of the country, and give voices to the stakeholders that actually care about passenger rail service and improving Amtrak rather than gutting it for its parts.

A new Board of Directors that properly represents various groups, communities, service lines, and workers would allow better, more thoughtful decision-making. These decisions would not be hampered by conflicting interests on the Board, but rather enhanced through negotiation and careful consultation. Such a Board—just like this Committee—should be familiar with such work, as it is often the most bipartisan, productive committee in Congress, and routinely works to get things done rather than quibble and posture.

Imagine an Amtrak Board that worked the same way, and that was full of people whose mission it is to see the railroad succeed, rather than a Board chock full of political appointments who view their position as little more than resume builders. A Board that agrees with people like Chairman DeFazio or Senator Moran, who both liken the importance of Amtrak's service to that of the U.S. Post Office—a service that may not make money, but provides vital transportation access to millions while spurring economic growth.

That kind of leadership could take Amtrak to the next level, and beyond.

However, I caution this Congress about waiting for Reauthorization to draw a new future for Amtrak. As we see it, by the time Congress completes its reauthorization effort, there may not be much of a railroad left.

In the near term, Congress must hold Amtrak accountable through the appropriations process, and ensure that Amtrak commits to, and abides by, the *national* vision set forth in current law—not the mission its current leadership seems to be forging ahead with, regardless of Congressional directive. Amtrak, after all, is not our regional or corridor but our National Railroad Passenger Corporation. And we must fight to preserve it as such.

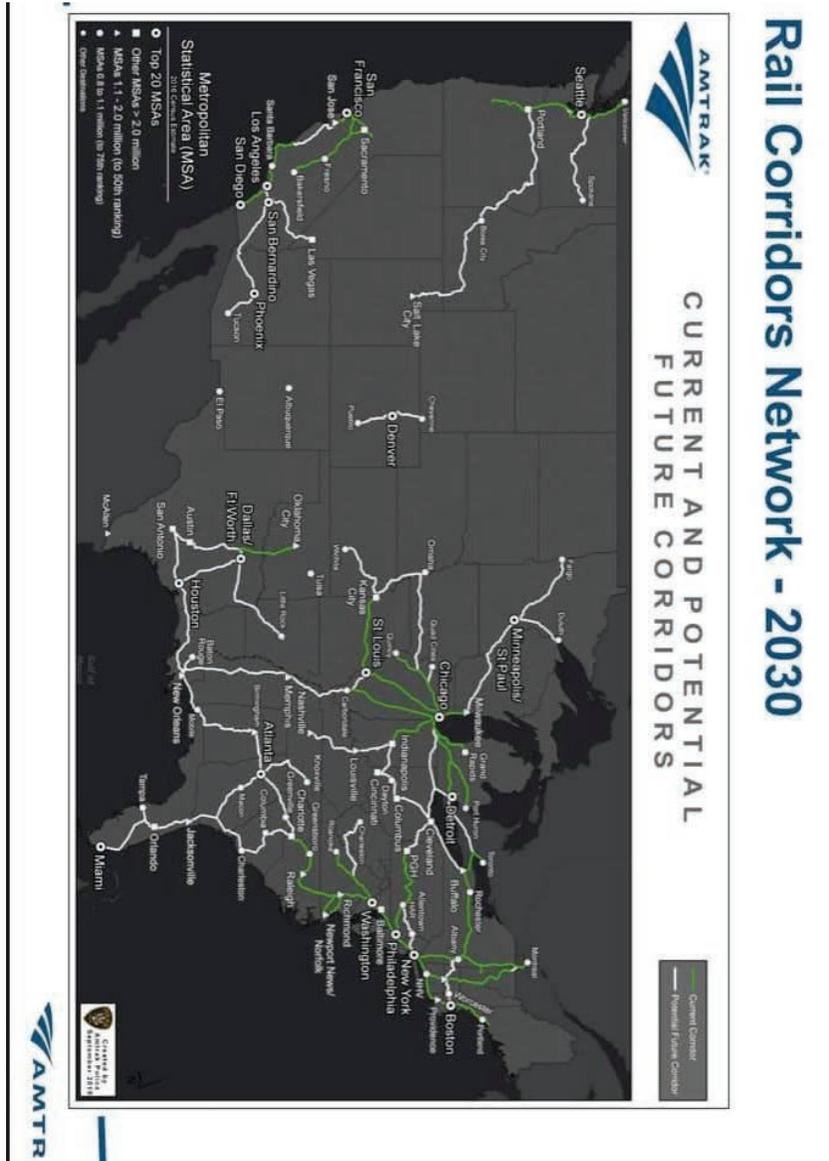
Finally, our intention in testifying today was not just to talk about job losses or outsourcing or the conversion of good middle class careers into low-wage jobs. Our intention is to see Amtrak thrive and grow. Our members want Amtrak to be successful because it's the railroad they've known and loved, and it's their life's work. And who wouldn't want their life's work to succeed.

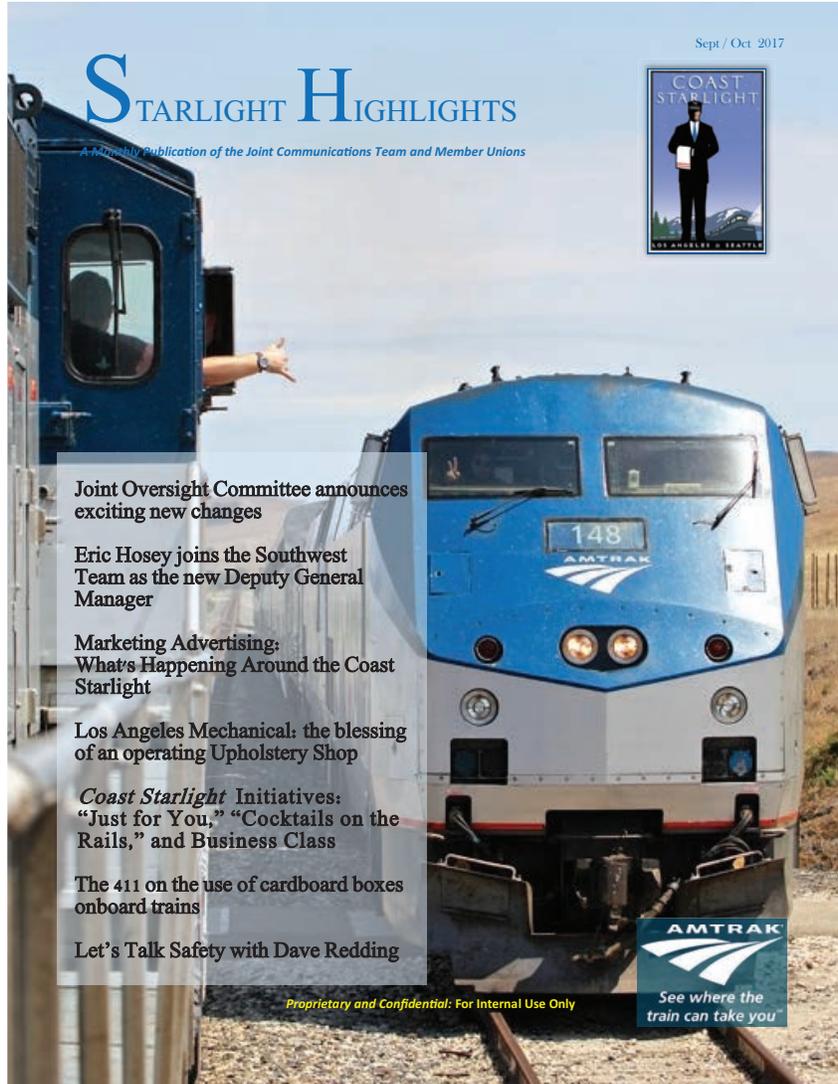
⁷Johnston, Bob. "Trains' Last Interview with Former Amtrak President Joe Boardman." *TrainsMag.com*, *Trains Magazine*, 7 Mar. 2019, trn.trains.com/news/news-wire/2019/03/08-trains-last-interview-with-former-amtrak-president-joe-boardman.

⁸ibid

Thank you for the opportunity to testify.

FIGURE 1. AMTRAK'S PROPOSED ROUTE STRUCTURE





Sept / Oct 2017

STARLIGHT HIGHLIGHTS

A Monthly Publication of the Joint Communications Team and Member Unions

COAST STARLIGHT
LOS ANGELES • SEATTLE

Joint Oversight Committee announces exciting new changes

Eric Hosey joins the Southwest Team as the new Deputy General Manager

Marketing Advertising: What's Happening Around the Coast Starlight

Los Angeles Mechanical: the blessing of an operating Upholstery Shop

***Coast Starlight* Initiatives: "Just for You," "Cocktails on the Rails," and Business Class**

The 411 on the use of cardboard boxes onboard trains

Let's Talk Safety with Dave Redding

AMTRAK
See where the train can take you

Proprietary and Confidential: For Internal Use Only

Exciting New Changes to Come!

As you know, for the past several years, the *Coast Starlight* has been participating in a pilot project to close the Food & Beverage gap by increasing revenue with projects like the “Just for You” Meals and “Cocktails on the Rails.” Each project has been supported through a Union/Management collaboration by the *Coast Starlight* Joint Leadership Team (CSJLT) with the intent of improving the customer experience and increasing employee involvement with the *Coast Starlight* as the test train.

On September 7th, the Joint Oversight Committee (JOC), Tom Hall, Jack Dinsdale, Charlie Woodcock, Donald Boyd and Gary Maslanka met in Los Angeles. The purpose of the meeting was to agree on a plan for expanding the CSJLT labor management collaborative process to all Los Angeles based trains and operations. The labor management collaborative process will be the foundation for everything we do, moving forward. The resilient labor and efforts contributing to increasing revenue and sustained cost avoidance initiatives by all Onboard Service employees were acknowledged by JOC members. The JOC recognizes the labor management collaborative process is a direct path towards controlling our own destiny and the way Amtrak conducts business.

The CSJLT met on September 14th that outline a strategic plan for the new Los Angeles Joint Leadership Team. The Los Angeles JLT will apply lessons learned from the *Coast Starlight* process by utilizing the labor management collaborative process as a catalyst to improving Los Angeles based trains and operations.

Jack Dinsdale said, “We have a seat at the table and this is our opportunity to effect change.”

Coast Starlight Food & Beverage Report July 2017

by Oscar Viramontes, Budgeting and Planning Manager

	YTD for the Period Ending July 2017	YTD for the Period Ending July 2016	Variance vs. Prior Year Fav/(Unfav)
FY17 vs. FY16			
Revenue	\$6,870,000	\$7,047,000	(\$177,000)
Costs	\$13,701,000	\$14,699,000	\$998,000
Contribution/(Loss)	(\$6,831,000)	(\$7,652,000)	\$821,000
	YTD for the Period Ending July 2017	YTD for the Period Ending July 2015	Variance vs. Prior Year Fav/(Unfav)
FY17 vs. FY15			
Revenue	\$6,870,000	\$6,165,000	\$705,000
Costs	\$13,701,000	\$15,570,000	\$1,869,000
Contribution/(Loss)	(\$6,831,000)	(\$9,405,000)	\$2,574,000
	YTD for the Period Ending July 2017	YTD for the Period Ending July 2014	Variance vs. Prior Year Fav/(Unfav)
FY17 vs. FY14			
Revenue	\$6,870,000	\$6,098,000	\$772,000
Costs	\$13,701,000	\$17,703,000	\$4,002,000
Contribution/(Loss)	(\$6,831,000)	(\$11,605,000)	\$4,774,000

The *Coast Starlight* continues to make remarkable progress in reducing its Food and Beverage operating loss in FY17. Food & Beverage operating losses thru July 2017, compared to July 2016, are \$821,000 lower. We have seen a decrease in revenue of \$177,000, however combined with a decline in costs of \$998,000, the total operating loss has been reduced by \$821,000. The two most significant drivers for the decrease in costs are On Board Service Labor at \$493,000 and Commissary Provisions at \$240,000. Unfortunately, we have seen an increase of \$74,000 in Fuel costs. The reduction in the F&B operating loss is even more significant when we compare July 2017 to July 2015. Specifically, we have seen a reduction of \$2,574,000 (27.4%), and a reduction of \$4,774,000 (41.1%) when compared to July 2014. The tables above compare July 2017 to July 2016, 2015 and 2014.

CONSTARLIGHTING IMPROVEMENT TEAM REVENUE INITIATIVES TOTAL GAINS \$4,546,022						
ACTION TEAMS	PROJECT NAME	Team Leader	Start Date	Relatives	Current Status	% Complete
ORS Committee	Business Class Initiative	Erik Smith	June 15	Improve Customer Service and Experience	Business Class has generated \$4,185,521 with maintenance cost of \$37,247 and \$144,256	50%
ORS Committee	Cocktails on the Rails	Erik Smith	April 16	Improve Customer Experience, Increase Revenue	Revenue of \$1,251,212 from 2016 to 2017	100%
ORS Committee	Food For You Meals	Tim Colvin, Josh Lujan	June 16	Improve Customer Experience	Show start of \$1.2M for Year 2017	100%
ORS Committee	Top Off	Tim Colvin, Josh Lujan	June 16	Improve operating hours, Cut down on supplies, improve supply holding	\$124.2K	75%
ORS Committee	Improve Defect Reporting	Joan Matamoros	June 16	Equipment Reliability, Customer Experience	Part program OHS will allow of email	75%
Mechanical Committee	Improve Train Turnover	Joan Matamoros	June 16	Equipment Reliability, Customer Experience	Interdepartmental train are receiving	20%
Mechanical Committee	Partner car improvements	Miguel Chavez, Joaquin Matamoros	December 16	Equipment Reliability	One Partner car is moving into PM risks	50%
Mechanical Committee	Sharifal Highlight	David Jasso	December 17	Communication and Business Education	Rebuilding 4 car moving into PM risks	100%
Mechanical Committee	Equip operations and service	Blair Lutz, Mark Chabon	June 16	Customer experience, Equipment	Rebuilding 4 car moving into PM risks	20%
Mechanical Committee	Equip operations and service	Blair Lutz, Mark Chabon	June 16	Customer experience, Equipment	Rebuilding 4 car moving into PM risks	20%
Mechanical Committee	Equip operations and service	Blair Lutz, David Perez	June 16	Customer experience, Customer	Rebuilding 4 car moving into PM risks	10%
Mechanical Committee	Equip operations and service	Blair Lutz, David Perez	June 16	Customer experience, Customer	Rebuilding 4 car moving into PM risks	50%
Mechanical Committee	Equip operations and service	Blair Lutz, David Perez	June 16	Customer experience, Customer	Rebuilding 4 car moving into PM risks	75%
ORS Committee	Equip operations and service	Blair Lutz, David Perez	June 16	Customer experience, Customer	Rebuilding 4 car moving into PM risks	30%
ORS Committee	Equip operations and service	Blair Lutz, David Perez	June 16	Customer experience, Customer	Rebuilding 4 car moving into PM risks	5%
ORS Committee	Equip operations and service	Blair Lutz, David Perez	June 17	Customer experience	Rebuilding 4 car moving into PM risks	10%
ORS Committee	Equip operations and service	Blair Lutz, David Perez	June 17	Customer experience	Rebuilding 4 car moving into PM risks	30%
ORS Committee	Equip operations and service	Blair Lutz, David Perez	June 17	Customer experience	Rebuilding 4 car moving into PM risks	100%

FIGURE 2. LETTER FROM THERESA KOLARAS, AN AMTRAK EMPLOYEE IN RIVERSIDE & U.S. ARMY VETERAN

Growing up it was my dream to serve my country. That's why I joined the JROTC program in High School. And after 9/11, I enlisted with the U.S. Army with hopes of making a difference, and happy to have a career. My job wasn't glamorous: I was a Unit Support Specialist—MOS: 92 Yankee. But I was proud to be serving during a difficult time for our country.

Unfortunately, just as my platoon was readying to deploy, I suffered successive fractures in my foot that wouldn't heal. I was honorably discharged due to the injury, and just like that my dreams were cut short. At the time, nothing saddened me more than having to watch my friends deploy without me.

Saddled with my foot that wouldn't heal, I now had to figure out what to do with my life. Jobs were hard to find due to having to choose ones that kept me off my

feet so much. I found many odd jobs here and there, and, within a few years, I started a family and continued my education.

In 2014, I was ecstatic to find out I was hired with Amtrak, as I come from a railroad family and was proud to continue the tradition. Being able to work at our call center in Riverside was a blessing for my family and I.

Amtrak's reputation for its passengers and its employees gave me hope for a brighter future. Living in California is nearly impossible, with its high cost of living. Especially being a single mother with two boys.

I was able to take care of my kids on the great benefits and wages at Amtrak. My boys love the train and enjoy our many trips we were able to take.

On Nov 14th, I got a sudden awakening as I got notice that Amtrak would be closing our call center in Riverside. A week before Thanksgiving and a month before Christmas.

Now, I was more than shocked, as in June we employees got a letter stating our jobs were *not at risk*, even though Amtrak was choosing to open up another call center in Florida.

Amtrak reassured us employees our jobs were secure. As the months went by, Amtrak started closing stations, putting employees out of work—and many of us in Riverside started to worry more about our jobs.

Now that feeling of worry is a *reality*, and we're left wondering why Amtrak has been so dishonest?

Amtrak sent out a letter to us stating they are not laying us off, but we are able to go to its Philadelphia call center. How does Amtrak think people in two months can get up and move to the East coast?

Amtrak knows not everyone can just get up and go as people have homes and families. Is this why they decided not to give its employees notice?

Amtrak has opened up its non-union call center in Florida and the worst part being is them openly denying that they've done just that.

I count myself as among the great majority that can't just pack up on such short notice and leave. I have small children and share custody, and I legally can't move my kids out of state.

I honestly have no idea where my children and I will go. We have a month to figure out where to live, as I can't pay rent without a job, along with this injury that I still deal with every day.

Telling my boys we can't have a real Christmas was hard, but telling them Mom will not be working for the train . . . that was the hardest.

I am one of the many employees who are at a hardship, and one month away from closing we still don't have any real answers, or hope that we would at least have a severance package.

Amtrak has been quiet, and I am still in disbelief that this was once a company that was known for its employee and customer loyalty.

Many of us loved our jobs because we were proud of the railroad, proud to wear the name, and proud to help our customers plan their trips.

Now, at work these last few days, I see people with despair in their faces, and loss of hope in their eyes. Amtrak should ask themselves, is this the treatment they want to give its most dedicated employee base? I still have hope that Amtrak will wake up and realize that the direction they are going is hurting its customers and its employees, which are their biggest fans.

Is sacrificing the quality service Amtrak has provided (not just in Riverside but nationwide) worth losing to save money? On top of the numerous stations that have been closed under your regime, you are now putting not just 500 employees but 500 employees and THEIR FAMILIES in dire straits. This decision is both ethically and morally wrong. It's only fair to those hard working employees here in Riverside that we hear an answer.

SINCERELY,
Theresa Kolaras.



NEWS

THE TRAINS INTERVIEW

Boardman talks to TRAINS

Retired Amtrak CEO offers unvarnished opinions on the railroad since he left it

▲ Amtrak's westbound *Southwest Chief* approaches Lamy, N.M., on juneau rail in 2014. As the only train on this track, the Federal Railroad Administration maintains that positive train control is not required, but Amtrak management insists it is. Two photos, Bob Johnson

SINCE RETURNING as Amtrak's president and CEO in 2016 after eight years on the job, Joe Boardman has actively monitored developments at the company as Wick Moorman and Richard Anderson successively assumed his former role in each of the following years. He has been open in expressing opinions about apparent changes in the company's priorities since he left Washington for his home in Rome, N.Y. TRAINS spoke with Boardman to further explore his concerns and put perspective on his tenure.

there a day or two per week. Decisions were made without reviewing the impact to safety, revenue generation, and customer service of allowing 400 non-union management people to leave the company in buyouts. After the accidents in Washington state [Amtrak *Cascade* No. 501 in December 2017] and the southbound *Silver Star* in South Carolina two

control would have protected those trains, but we've been running a safe railroad long before PTC. The closest thing would be automatic train stop — ATS — on the *Southwest Chief* route and that's one they don't want to run at all.

□ How do you feel about Amtrak's different approach to working with BNSF Railway, states, and communities to keep the *Southwest Chief* on its route?

▲ They talk about freight delays on the national network. Probably the most reliable service we could run is from Kansas City, Mo., to Albuquerque, N.M., about 950 miles where we are the only trains operating. That was my vision: No freight interference. Because the line has ATS at some point we can increase that to 90 mph across Kansas and have even faster, more reliable service.

I really fault Amtrak management in pushing for positive train control on the exempted service right now. [There is no] way it should cost \$8 million a year to maintain a signal system. For Amtrak management to stonewall now [by not providing a \$3-million match to leverage a \$25-million federal

□ What changes do you believe managers have made to Amtrak safety initiatives?

▲ We had a program that trained employees with extensive railroad knowledge — engineers and in some cases conductors and road foremen — as behavioral-based safety people and coordinators that could help us with risk assessment, but Moorman killed it. And the budget was wiped out for the Zero Defect Safety program at [New York] Penn Station under Wick's watch.

So that's why the [March and April 2017] Penn Station derailments occurred. Wick wasn't paying attention, he was only



Joe Boardman

months later, senior leadership began to talk about Amtrak as being unsafe without positive train control. My argument is that Richard Anderson's comments were damaging to the company when there was no reason or necessity for that damage other than to cover your tracks.

I don't dispute the fact that operational positive train

Public service

- In military service**
 - U.S. Air Force Vietnam veteran
- In New York service**
 - Plan transit authorities in Oneida and Broome counties in NY, 1975-1988
 - NY, Transportation Commissioner 1993-2005
- In Federal service**
 - Federal Railroad Administration administrator 2005-2008
 - Amtrak president and CEO 2008-2016
- Retirement in Rome, NY.**
 - Rome Community Foundation 2017-present

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2/25/2019

ZINIO

NEWS

infrastructure improvement grant] about what really could happen to improve that line is beyond me. ...

The Federal Railroad Administration has to be completely responsible for oversight of safety. For Amtrak to come in and say that it had decided to do something safer on an exempt from-PTC route such as the *Southwest Chief's* — and then say it's too expensive so we won't run it — doesn't balance the risk with the need to provide the service. The Amtrak board's job is to carry out the national rail system policy of Congress, but instead they pass a mealy-mouthed policy saying they will only run on tracks that have that. And yet, they've asked for [PTC implementation] extensions.

Q Management argues the train is too expensive to operate. How was your administration more revenue focused?

A One of the things you find out when you get to Amtrak is that you just don't put bits in seats to maximize revenue. If you listen to the customers, they are willing to pay a greater amount for better service. We talked a lot about things we'd like to do with the dining cars, but if you'll remember, we had this Congressman [former U.S. Rep. John Mica, R-Fla.] who constantly



Joe Boardman used a *Southwest Chief* inspection train stop at Las Vegas, N.M., in August 2014, to meet U.S. Sen. Martin Heinrich, D-N.M., (left), and local civic leaders. *Sen. Heinrich*

complained that you couldn't sell food unless you were making a profit with it.

We also viewed private cars and charters as a revenue opportunity. Once the short platform problem at the Miami station was mitigated and we were able to run trains in there, we put head-end power on some of the tracks at the existing station so we could generate revenue there. But now they don't want charters or the private-car business. Here's the problem: if you don't

follow through on what previous CEOs have done, then you lose your credibility as an organization.

Q Amtrak had management incentives when you were running the company. What is different now?

A Cost has become a driver in a way that it has begun to damage the system. We had an overall revenue goal. But individual

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management goals that influence monetary bonuses were based on cost targets, not revenue. The incentive program needs to be revamped so cutting expenses is not the sole focus. I mean, eventually what are you going to cut if it is not the sole focus? Everything? And not run the trains? The intent of Congress was to do as good a job as we could, but now it's just plain cost cutting. Throwing employees out of the stations and reservation centers, cutting meal service. ...

This is what is amazing to me: The board felt they became more knowledgeable only because they had better financial information. I insisted on transparency. [You're] going to have the confidence of Congress if [you] are telling them exactly what the numbers are. And that's exactly what they're not doing — on purpose — now, because they think they are smarter than everyone else. [Amtrak Chairman Anthony Coscia wants numbers lumped together] because they seem to agree with the blockheaded moves management is making right now. I don't think Richard Anderson ever did an honest assessment of what [the board was] up to and where they were going.

Q What structural changes would you like to see?

A Amtrak wasn't created to run the Northeast Corridor, it was created to operate the national network, which they are trying to get out of running on a regular basis. The

NEC's infrastructure needs to be owned and built by the U.S. government, and they can defer to the states using the Interstate Highway System model for the most efficient operation of Amtrak, NJ Transit, Metro-North, and the Long Island [Rail Road] — all publicly owned railroads in their own right.

I think a federal administration with an administrator should be responsible for Amtrak and run passenger rail in the U.S.; the person should have a five- to 10-year appointment. For that to happen, there needs to be a real passenger-rail-transportation policy — not policies that are half-hearted

"ONE OF THE THINGS YOU FIND OUT WHEN YOU GET TO AMTRAK IS THAT YOU JUST DON'T PUT BUTTS IN SEATS TO MAXIMIZE REVENUE."

— JOE BOARDMAN, FORMER AMTRAK PRESIDENT

deflections to the Federal Transit Administration or the Federal Railroad Administration. The administrator should run it with a fairly small staff able to tap knowledge of real railroaders and demand transparency and accountability from management. We need a CEO who recognizes

what needs to be done on behalf of a national system and a board that needs to get the hell out of the way. If the board is only interested in the Northeast Corridor or [real estate] development, then they are missing their primary obligation of running a railroad.

A lot of those [Amtrak's directors] are honestly good people but they are not knowledgeable enough about policies that they should be about long distance trains. My view is that the investment we are making in the national network provides a backbone for the nation in the future, and is the core of Amtrak. — Bob Johnston

NEWS BRIEFS

Canada forces changes to railroader work rules

WORK RULES are changing for Canadian railroaders after Canada's Minister of Transport ordered the nation's railroads to update their work rules to address crew-fatigue issues in December, Transport Minister Marc Garneau says companies must submit updated rules for review by May 18, with the government to approve the updated rules by the end of June.

"We now have a better understanding of the extent to which fatigue can affect human performance and ultimately compromise railway safety. We need to make changes now," Garneau says.

Garneau's order requires railroads to revise worker schedules to account for minimum rest periods and cumulative time on duty, among other elements.



Seven Philadelphia "toaster" locomotives are avoiding the scrapper's torch for at least a little while as the Southeastern Pennsylvania Transportation Authority leases six **GE** locomotives and one **ALP-44** to NJ Transit for six months. Knowledgeable photographers spotted the string of locomotives on a SEPTA line before a move to NJ Transit just before Christmas. Gary Pencaieve

Mr. LIPINSKI. Thank you, Mr. Dinsdale. I now recognize Mr. Mathews for 5 minutes. Mr. MATHEWS. Thank you. Good morning, Mr. Lipinski, Mr. Chairman; Ranking Member Crawford, Chairman DeFazio, and all the members of the subcommittee. Thank you for inviting me to share our views on the present and future of Amtrak. And thank you for your leadership of a national conversation about Amtrak's future that is critical to tens of millions of people in hundreds of American towns. I am Jim Mathews, president and CEO of the Rail Passengers Association. We are the oldest and the largest organization speaking for the more than 40 million Americans who rely on trains of all kinds. Our 28,000 members work every day for

more trains, better trains, and stronger infrastructure. This makes communities safer, more accessible, more productive, and improves the lives of everyone who lives and works in towns all across America.

It is an exciting time to consider rail's future, but it is also a challenging time fraught with risk if we make the wrong decisions, decisions that will be felt for decades to come. People are embracing rail to solve America's growing mobility problem, passenger trains are enjoying their strongest support in decades. Amtrak had a record 32 million passengers this year. Ridership is up across much of the system.

This Congress has demonstrated real vision in recent years by making sensible rail investments to serve people, not just cars. And it is not just Congress that is investing. There is great work being done by States in the private sector to bring next generation service to America's three most populous States: Virgin's Brightline between Miami and Orlando; Texas Central's all private Houston-Dallas high-speed line; and, of course, the California high-speed rail project connecting San Francisco to Los Angeles. Better yet, Amtrak, for the first time in many years, is itself advancing a growth vision, looking ahead to more than just operating the same network it has for decades. We are excited when we talk with Amtrak leadership about, for example, expanding the Heartland Flyer, or opening Colorado's Front Range service.

We applaud this vision and will do everything we can to see more Americans in more places get more train service, with dedicated funding for new cities and frequencies in short-corridor markets that are ripe for better service.

But Amtrak sometimes talks about a future that leaves out many Americans, hinting that there aren't enough demand indicators to justify connecting places like Kansas or New Mexico to the rest of the country, or to staff call centers or smaller stations, or to feed passengers on longer journeys.

Now, that might make sense for a private company, but we all know that Amtrak has a different mission. Congress created Amtrak expressly to provide service to places that need it, and where the private sector cannot profitably provide it. The single mom in Walnut Ridge, Arkansas, deserves to use the Texas Eagle just as much as a Wall Street banker using the Acela; it is one of our country's core values. Besides, it is not whether a particular route makes money. It is about who makes money from a given route. Through research and modeling, we have quantified that return on equity for the taxpayer's investment all across the country.

Just one example, we found that Amtrak's Empire Builder is worth \$327 million every year to the economies of the States it serves, six times what we spend on it. We have reported similar findings on other routes. Part of the problem may be policymakers demand indicators. Current legislation requires Amtrak to minimize Federal subsidies, to make States pay for routes under 750 miles, and to break even on food and beverage service.

Let's be clear: Congress eliminated the profit requirement in 1978 when it modified the Rail Passengers Service Act. Congress said, quote, "This amendment recognizes that Amtrak is not a for-profit corporation."

So let's stop talking about profits and use the reauthorization to address real challenges in Amtrak's future. On-time performance is the biggest threat, and a lot of the blame rests with the host railroads. Hosts have also hamstrung Amtrak on new service, declaring, for example, that it could cost \$2 billion to connect New Orleans to Jacksonville. That is how much it cost NASA to send a rover to Mars. We need congressional leadership to set up a shared-use corridor advisory committee involving all stakeholders, including riders, to work out a truce so that Amtrak can get down to the business of connecting America.

We also think it is time to help Amtrak enforce passengers' rights to be on time. It is time to enshrine Amtrak's national network mission into law. It is time to create a predictable, dedicated funding stream for rail travel. It is time to create and fund new service where it is needed, and to buy new coaches and dining cars. That includes fully funding Amtrak's outline to refresh and replace superliners. That can't come soon enough for our members, who carry self-help kits like mine when they travel.

It is time to accelerate Amtrak's fleet plan. It is time for Congress to act to be sure local investments are not stranded by network planning over which communities have little say. And it is time for more transparency and data-driven decisionmaking, both at Amtrak and at the FRA. It is time Amtrak adopted the avoidable cost accounting method required by statute. And we think FRA could be more effective if we can gather and report on railroad metrics in the same way that the FAA does for airlines.

Today's Americans expect a modern, frequent, reliable and safe rail system as part of a robust ecosystem of travel choices, from ridesharing and bikes, to cars, trains and jetliners. It is what America deserves. We and rail passengers stand ready to work with authorizers and all stakeholders to make it happen.

Thank you.

[Mr. Mathews' prepared statement follows:]

**Prepared Statement of Jim Mathews, President and Chief Executive
Officer, Rail Passengers Association**

INTRODUCTION

Good morning, and thank you Chairman Lipinski, Ranking Member Crawford, and all of the members of this subcommittee for inviting me to share our views on the present and future of Amtrak. I appreciate this subcommittee taking leadership of the national conversation about the Amtrak's future, which is critical to tens of millions of people and hundreds of towns across America.

My name is Jim Mathews, and I am the President and CEO of the Rail Passengers Association, the oldest and largest national organization serving as a voice for the more than 40 million rail passengers in the U.S. Our mission is to improve and expand conventional intercity and regional passenger train services, support higher speed rail initiatives, increase connectivity among all forms of transportation and ensure safety for our country's trains and passengers. All of this makes communities safer, more accessible and more productive, improving the lives of everyone who lives, works and plays in towns all across America. It is my pleasure to testify before you today on behalf of our 28,000 members from all across the U.S.

Today, I will speak about the state of the American passenger in 2019. That passenger faces unprecedented challenges at a network level, but also sees the promising early stages of a passenger rail renaissance—the first since the ascendancy of the federal highway program more than a half-century ago. I will also lay out what our coalition believes are fundamental elements for the creation of an equitable pas-

senger rail network, where growth does not require one American getting better service at the expense of another American's train. With strong Congressional leadership and a long-term policy and financial commitment, we believe Amtrak is capable of fulfilling its legislative mandate to be America's Railroad.

THE STATE OF THE U.S. PASSENGER

It is clear that in the U.S. today we have arrived at a unique moment in passenger rail. Passenger trains generally—and Amtrak specifically—are enjoying some of their strongest support in decades, reflecting the reality that much of the American public is demanding more and better trains. Amtrak carried over 32 million customer trips this year, seeing ridership increases across the Northeast Corridor and state-supported business lines. With steady increases in federal appropriations in FY2018 and FY2019, Congress is demonstrating a willingness to make sensible investments in a multimodal transportation system in the U.S. that serves people, not cars.

There is more work being done at the state level and the private sector as well, with great strides in bringing next-generation passenger service in our nation's three most populous states: the Miami–Orlando *Brighline* service being operated and developed by Virgin Trains USA in Florida; the Houston–Dallas high-speed rail line under development by Texas Central; and the San Francisco–Los Angeles corridor currently being constructed by the California High-Speed Rail Authority.

For the first time in a long time, Amtrak leaders are talking about truly growing service, adding to the offering, and buying new equipment for the long-distance services. We've talked with Amtrak leadership about exciting growth plans on select short-distance corridors, including expanding the *Heartland Flyer*, the Front Range Corridor, and bringing passenger rail back to the Gulf Coast. CEO Richard Anderson has proven his commitment to improving the safety culture at the railroad, as well as looking for ways to satisfy the tastes and demands of a new generation of fare-paying riders with improved rolling stock and new on-board amenities.

However, fundamental problems remain, problems that threaten the viability of passenger rail service across much of our nation. Growing delays on host railroad-owned corridors, aging infrastructure and equipment, and a distressing shift in the understanding of Amtrak's core mission within the railroad's own executives will—if left unaddressed—lead to a future where the benefits of rail travel are reserved for a few well-off megaregions, with the rest of the country becoming more and more disconnected from a rapidly transforming 21st century economy.

I will briefly describe the scope of these problems before outlining some possible solutions that we hope will be included in the final surface transportation reauthorization—including an explicit recommitment to Amtrak's founding purpose.

Host Railroad Delays Threaten National Network Viability

The most common problem for Amtrak passengers outside of the Northeast Corridor (NEC) is delays stemming from freight train interference. Roughly 54 percent of all long-distance trains are delayed, which translates to two-thirds of the passengers on these interstate corridors arriving at their destination late. While the average delay for these long-distance passengers is 49 minutes, it is often much longer, with one in every five long-distance trips resulting in delays of two hours or more. This has had an unmistakable impact on ridership across these long, interstate corridors, which have seen ridership decline from peak of 4.8 million in 2013 to 4.5 million in the previous fiscal year.

State corridor trains are hurt too, such as the route between Chicago and Carbondale IL, where host railroad performance delivers passenger trains on time for only 35% of trips. Across the entire network, delays caused by freight trains totaled nearly 1.2 million minutes of delay to Amtrak trains in FY 2018—that's more than two years of lost time.

But numbers aren't the only way to tell this story. Many irreplaceable personal moments have been disrupted by freight-interference delays, with crucial medical transports affected, weddings and funerals missed, and rare home visits by deployed service-members cut short or even cancelled altogether. Each of these hundreds of stories—and we supplied more than 1,300 such stories to STB in October of 2014—add up to more than mere temporary inconvenience, and in many cases, impose real dollar costs on vulnerable travelers.

- There's the story of Kristy Roberson of Beckley, WV, who rode the Cardinal to see her grandson's baseball game. Kristy's grandson asked her to walk on to the field with him as part of introductions, but hours stuck behind a CSX train meant she missed the start of that game, and never got to share that moment with her grandson.

- There's the story of Philip Fraulino from Silver Spring, MD, whose daily commute home has grown longer because of delays to his MARC train that uses CSX tracks.
- There was Jane Dwingell of Burlington, VT, who was delayed 12 hours on the Lake Shore Limited, causing her to miss her connection to the Southwest Chief. This in turn caused her to miss a full day of a professional conference she was attending in San Diego.
- There's the story of Michael Zhakharov of Rockville, MD, who uses the train to access cycling trails in Appalachian region and is regularly is delayed behind CSX trains when riding the Capitol Limited. Michael has grown used to these delays, but he was traveling with an active-duty Naval officer heading to Newport News, who missed his connection and thus his reporting time by being delayed overnight in Washington, DC.
- There's the story of Richard Lidbom of Greensboro, NC, who experienced a cascading series of delays beginning on the Crescent that cost him and his wife 32 hours of their vacation and a \$500 non-refundable reservation.
- There's the story told by Allen Brougham, not about his own travails, but on behalf of the Amish families he sees on nearly every long-distance train he rides. When he talks to these Amish families, they tell him the train is the only connection they have to their family and to medical services, and he is concerned what the delays mean to them.

Yet here we are, five years later, and we're still dealing with the same problems. And perhaps the largest untold story from these chronic delays are the novice passengers who give up on train service after being trapped for hours on a siding. We've heard from dozens of our members who had first-time passengers tell them "never again." If the U.S. is to have a healthy, functioning passenger rail network, we must enforce a basic standard of service.

Unfortunately, many host railroads have demonstrated repeatedly that when there is insufficient enforcement of their statutory obligation to grant preferential dispatching to Amtrak trains, they will default to treating passengers as simply another form of freight. Without some kind of action, this will happen again—and is already happening.

Our organization was dismayed—but not shocked—to read an August 2017 *Journal & Courier* story that provided hard evidence of Amtrak passengers being illegally delayed in favor of freight. In an email obtained by the *Journal & Courier*, a CSX supervisor wrote: "Give high priority to (freight trains) Q031/Q032. If we are meeting with Amtrak make the delay on Amtrak first. If Amtrak is running down one of these trains go ahead and get to the point Amtrak is seeing the (end of the freight train) before we get them around." Based upon the direct experience of our members, we believe this to be a common dispatching practice.

Passengers at the Mercy of Aging Fleet

Worse yet, passengers are having to deal with these record delays while trapped on trains that are woefully out of date. Amtrak's fleet averages nearly 33 years of age and its diesel locomotives average nearly 21 years of age. The picture on the National Network is even more stark: as of last year, the railroad's 461 Amfleet I's ranged from 41 to 44 years old, with the 145 Amfleet II's averaging 38 years of age.

What does that mean in practice? Many of our members describe the experience as akin to traveling on a rolling museum. It is common practice for our members to assemble their own "travel kits" for National Network travel; something has gone seriously wrong when citizens of the richest nation on earth are forced to bring shims and duct tape to jury-rig repairs to their interstate transportation systems.



We are pleased with the initial steps Amtrak and its state partners have taken to procure new equipment (and, as an intermediary step, refresh existing equipment), including:

- 125 new CAF sleeping cars, Baggage-Dormitory car, baggage cars, and Dining cars;
- 137 Siemens railcars and 63 Siemens Charger diesel locomotives ordered by Midwest and California state partners;
- 28 Alstom Avelia high speed trainsets for the NEC;
- 75 new Siemens Charger diesel locomotives, with options for up to 100 additional units;
- 2019 Request for Proposals (RFP) for up to 75 new Amfleet I replacement trainsets for the Northeast and Mid-Atlantic;
- Completed refresh of equipment has for Amfleet I coaches and business class, and planned refresh of Amfleet II long-distance coaches and Horizon cars.

However, these steps just aren't enough when compared with the actual fleet needs. It would take 929 new cars to replace all cars over 37 years of age in Amtrak's fleet—and an even greater number to retain existing capacity given the fleetwide transition from bi-level railcars to single-level railcars dictated by domestic manufacturing capabilities.

Amtrak has taken the first steps in the critical re-fleeting process, but the railroad's ability to move ahead requires a strong federal partner. By Amtrak's estimate, the outstanding fleet acquisitions alone will approach an estimated \$3.5 billion through FY 2024—which doesn't even address the needs of the Amfleet II and Superliner fleets. If Americans want to keep a national network, we must be willing to pay the true cost of maintaining it.

Clock Ticking on Aging Amtrak Infrastructure

Thirdly, there are the significant capital investment needs of Amtrak-owned infrastructure, which exists mostly along the Northeast Corridor (NEC). While the NEC accounts for roughly a third of Amtrak's ridership, it accounts for the vast majority of the railroad's state of good repair backlog (SOGR)—around \$40 billion out of \$45.2 billion in total. That figure includes several time-sensitive projects critical to the daily operations of the entire corridor, such as the Hudson River rail tunnels and Portal Bridge Replacement.

This Committee will be well aware of these problems, particularly given the extent to which commuters throughout the region depend upon the NEC—fewer than 7% of the 260 million annual trips taken on the NEC happen aboard Amtrak trains, which translates to 780,000 commuter passengers per day.

Given all this, it's understandable that Amtrak has directed a significant percentage of its near-term planning resources to the infrastructure it owns along the NEC. Many of our members depend each and every day on the commuter services that operate along this corridor. Additionally, the NEC carries not only passengers from the Northeast and Mid-Atlantic, but from across the country as well, serving as a terminus for the operations of seven long-distance trains.

But it would be a mistake to let the NEC's infrastructure crisis narrow the scope of our ambition in the upcoming rail reauthorization. Indeed, as we've seen in other transportation programs, maintaining the national character of America's passenger rail system is essential to its success.

RECOMMITTING TO AMTRAK'S FOUNDING PRINCIPLES

To that end, and while I have great respect for the quality of Mr. Anderson's leadership, I am forced to disagree with him on one of the guiding principles of his tenure at Amtrak: the notion that Amtrak's highest calling is to maximize profit, and that the railroad should operate purely as a business.

Mr. Anderson, to his credit, acknowledges and recognizes that the law supports a National Network, declaring that "we follow the law at Amtrak," and that "Congress has told us clearly that that's an important part of our mission." Which is why I would like to draw his attention, and the attention of this Committee, to Section 301 of the Rail Passengers Service Act. This section, still in effect today, was amended to modify the term "a for profit corporation" by inserting the term "operated and managed as" (Amtrak Improvement Act of 1978). This wording was deliberate, as indicated by the report language accompanying the bill (H.R. Rep. No. 1182, 95th Congress, Second Session, 15):

"Section 9 amends section 301 of the RPSA...to conform the law to reality, providing that Amtrak shall be 'operated and managed as' a for-profit corporation. This amendment recognizes that Amtrak is *not* a for-profit corporation." [Emphasis added.]

If Amtrak were a true private corporation, then the idea of eliminating all but a few of the "experiential" long-distance trains and focusing entirely on urban corridors in response to demand indicators would make perfect sense. It's why in the 1970s America almost lost all long-distance service: with consumer "demand indicators" suppressed by government subsidies of competing modes, the largely unsubsidized private railroads responded by dropping passenger service.

However, the American people, acting through their elected representatives, decided there was more value to this kind of service than what was profitable to the individual railroads. The people created Amtrak, with the help of our Association. Amtrak exists, and collects public funds, expressly to provide service to places that need it and where the private sector cannot profitably provide it—where the "demand indicators" aren't enough to satisfy private shareholders.

Amtrak is one of the ways the U.S. government acts to support the common good, the "general welfare." Every Amtrak long-distance route creates a return on equity for the communities that have invested in it over the past few decades. And thanks to rigorous economic modeling this Association has developed over the past year, we have been able to quantify that return in a way that hasn't been done previously:

- We found the Empire Builder is worth \$327 million every year to the economies of the states it serves, and by extension the entire U.S. economy. American taxpayers pay roughly \$57 million every year to run it. That is a bargain. For small communities along the route, it's a lifeline. Just to take one instance, Cut Bank, Montana, and its roughly 3,000 citizens derive nearly \$400,000 worth of economic benefit from the existence of the train.
- In response to an Amtrak proposal to discontinue train service along a segment of the Southwest Chief corridor, we took a closer look at the service and found

that the Chief brings \$180 million in annual economic benefits to New Mexico, Colorado and Kansas.

- A study done by Transportation for America and the Southern Rail commission found that restoring passenger rail between Mobile and New Orleans would produce \$216 million in annual economic benefits for Mississippi, Louisiana and Alabama, despite costing the three states only about \$7 million each year.

It's not about whether a route makes money—it's about who makes money from a particular route. Trains make money by acting as economic engines in the communities they serve. Normal, Illinois, Meridian, Mississippi, Denver, Colorado, and many other communities large and small have seen returns on their rail investment many times over—in jobs, in new retail, in mobility, in tourism and in real-estate development. That's where the "profit" goes: to the communities served, and often to the tune of billions of dollars, even though it's not necessarily to Amtrak as the operator.

Providing Service to America's Main Streets

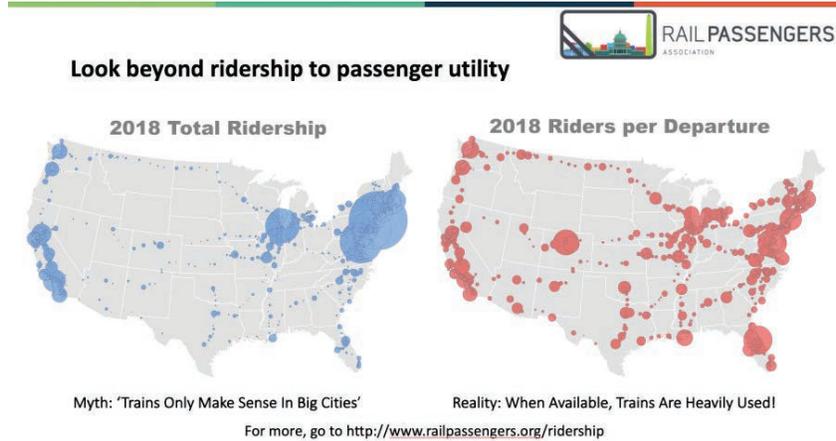
This is why Amtrak's National Network, with its 15 long-distance routes connecting a series of state-supported services, is such an essential transportation service to the 40 percent of the nation's small and rural communities that it serves, establishing a vital link between Small Town and Big City America. 62 million people live in this so-called "flyover country," a quarter of whom are veterans, another quarter are senior citizens over the age 65. With few alternatives, driving plays an outsized role, and it does so at a cost: despite making up only 19% of the population, accidents on rural road networks account for 49% of the total number of traffic fatalities nationwide.

Intercity rail plays an important role in these communities; almost one-fifth of Amtrak's passengers travel to or from a rural station with no access to air service. As the term "flyover country" suggests, private-sector airlines have long ago moved away from these communities, if they ever served them to begin with. While this may have been the right business decision, it has come at a cost to the residents of these communities. For some rural, elderly and disabled passengers, Amtrak is the only plausible or affordable choice.

Just consider Fargo to Minneapolis, a \$37 Amtrak coach fare compared with a \$403 flight. Or Cut Bank, Montana, to Spokane? Yes, it's a three-hour flight versus an eight-hour train ride, but that doesn't include the 88-mile drive from Cut Bank to Glacier's airport. And the fares are not even close: \$64 for Amtrak, \$252 to drive and then fly. And that's assuming Grandma can even drive in the snowy dark winter.

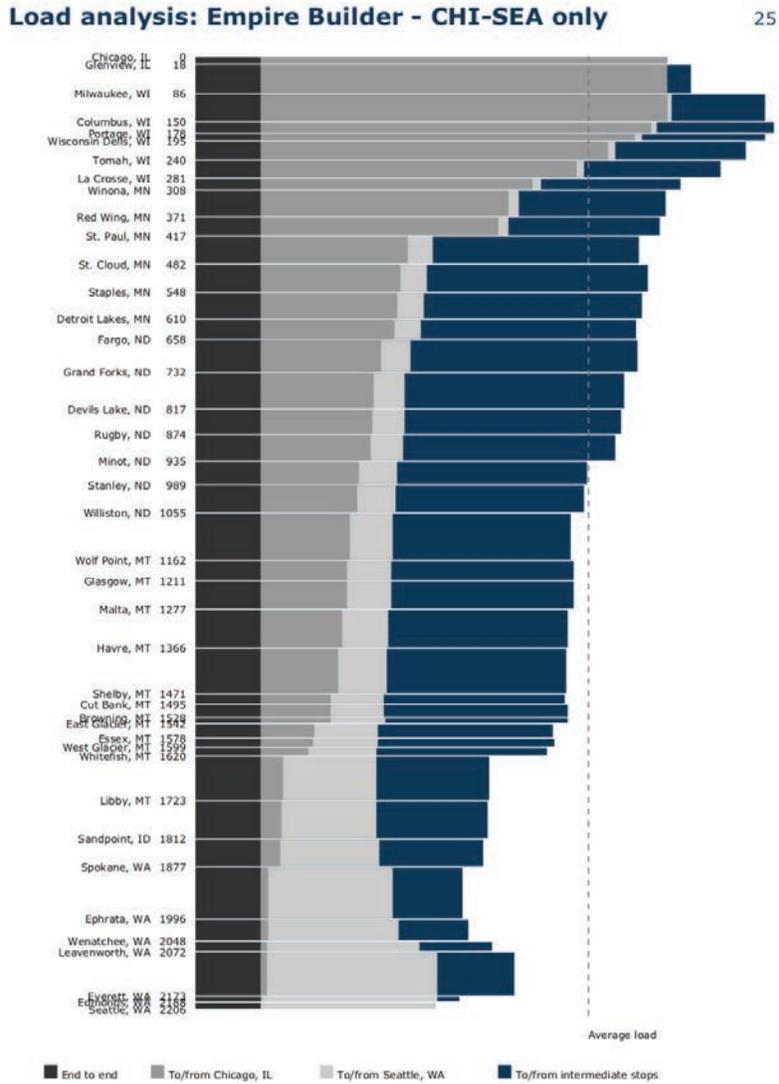
The argument that there is not enough demand in these towns falls away quickly when you look more closely. Just consider the comparison between simply measuring the total ridership and looking at the number of riders per departure—i.e., if the train only runs three days a week, normalize the ridership figure to account for the four days that it doesn't run. The map included is one I use a lot to tell that story when I present to elected and appointed officials. The picture is indeed worth a thousand words and clearly shows a National Network that is well-used and vital to communities across the country.

FIGURE 1



And just as few passengers take the Acela from Washington, DC, all the way to Boston, so too do long-distance trains serve a number of intermediary corridors. The *Empire Builder* doesn't exist solely to take people from Seattle to Chicago; only ten percent of the half million people it carries each year do. Overwhelmingly, passengers ride between intermediate stations. Some people argue that since only one-in-ten people take a train from end-to-end, you can provide the same level of public utility at a lower price by eliminating the middle segment. This is equivalent to thinking that since only one-in-ten people ride an elevator from the ground floor to the top floor, you can move people around a building more cost-effectively by eliminating the elevator shaft for the middle floors. These are more than just long-distance trains—they are interstate transit networks.

FIGURE 2



The Northeast Corridor is, without question, an outstanding market for Amtrak and other forms of public transportation. It is important to note that, with just 2% of the U.S. land area and 17% of the nation's population, half of the wealthiest counties in America are located in the NEC region. It's also important to acknowledge that when we talk about eliminating corridors on the National Network—and the associated economic opportunities that come with access to interstate train service—we're talking about eliminating service for less affluent and less well-educated communities. When we say a single mother in Walnut Ridge, Arkansas deserves access to the same fundamental services as a banker on Wall Street, we're not making an economic assertion—we're making a statement about our country's core values.

Consider the *City of New Orleans*, which stretches from Chicago, IL, to New Orleans, LA. Just 2 of the 19 stations served by the “City of New Orleans” route enjoy a Median Household Income just slightly above the national average, while the entire route serves working class cities and towns with relatively modest incomes. If you eliminated this train, service to 11 of the 19 stations would be eliminated. All 11 stations serve communities where the Median Household Income falls well below the national average of \$53,889. I’ve included a full breakdown of median income of communities along three Amtrak routes from our September 2017 report “Dis-mantling a National Transportation Network” (which we produced in response to the Trump Administration’s proposal to eliminate all National Network rail service) in an appendix to this statement.

We taxpayers support Amtrak’s National Network in part because we want these towns to thrive and their citizens to have access to jobs and mobility. We all need the economy to grow and be strong. We all have an interest in preventing towns in America’s heartland from decaying and drying up—because paying for the consequences of that is often much more expensive than just paying to keep them linked to the rest of the country. If we have the foresight to invest in middle America, the whole nation would reap the benefits.

BLUEPRINT FOR A BETTER PASSENGER RAIL NETWORK

1. *Enshrining National Network Service*

Rail Passengers does support meaningful change for the U.S. rail network. By all means, grow, adapt, evolve and position for a stronger more self-sustaining future. It is time for Amtrak to embrace the new century. But it’s important that no community served today should see their service degraded, and Rural America should not be shortchanged by investments in metropolitan regions. Amtrak has a mission beyond the balance sheet, a fact enshrined in law. As we have said repeatedly, Amtrak is a taxpayer-supported enterprise, whose core mission is to provide mobility and access to communities that need it and where private industry cannot profitably provide it.

That doesn’t mean the nature of that service can’t change, but no community should see its train service taken away so that another city can get a second daily frequency. We believe a prudently run network and a truly National Network are not only compatible, but complementary.

We thank the Congress for the leadership it has shown on this issue and were heartened by a July 2018 vote on the floor of the U.S. Senate, where an important amendment to the FY 2018 T-HUD funding bill passed by a vote of 95–4. That amendment stated:

“it is the sense of Congress that 1) long-distance passenger rail routes provide much-needed transportation access for 4,700,000 riders in 325 communities in 40 States and are particularly important in rural areas; and 2) long-distance passenger rail routes and services should be sustained to ensure connectivity throughout the National Network.”

It is time to protect these communities, by statute, from the consequences of devastating decisions by unelected officials acting under color of business logic.

2. *Predictable, Dedicated Funding*

Passenger rail needs predictable dedicated funding, and a lot more of it. For a long time, the savvy policy stance for transportation wonks was “more money isn’t coming for passenger trains, so don’t bother asking.” While it’s never enjoyable to be the bearer of bad news, I feel obligated to tell the truth: if our country does not find a way to dramatically increase public investment in rail, then the opportunity to build a functional passenger rail network in the U.S. that carries a meaningful amount of Americans will never become reality—and the benefits to our environment, our health, and our neighborhoods that come with these systems will also fail to materialize.

Neither can we afford any longer to direct Amtrak to play a greater role in the U.S. transportation network, while providing an annual budget that merely allows it to limp along.

Since 2008, Congress has sustained highway spending by transferring \$143 billion in general revenues to the HTF, including \$70 billion in 2016 as a result of the FAST Act. This amounts to a debt-financed lifeline for a status quo that has been broken for a long time. The time to move decisively in support of passenger trains is now.

Rail Passengers is calling for a significant increase in dedicated passenger rail investment to address decades of stagnant funding. Learning from the experience of

the High-Speed and Intercity Passenger Rail Program, Rail Passengers has outlined a steady increase across funding categories, which will enable the Federal Railroad Administration to slowly build up its grantmaking capacity. We've outlined a 10% year-over-year increase in funding (using FY2019 enacted levels as a baseline) for the Northeast Corridor, and a 5% year-over-year increase for the National Network.

We've outlined a more aggressive increase in funding for the Consolidated Rail Infrastructure & Safety Grants, Federal State Partnership for State of Good Repair, and Restoration & Enhancement Grants. We based our funding requests upon a survey of submissions to the HSIPR and TIGER grant programs, which we believe demonstrates the scope of pent-up demand at the state level. Additionally:

- Based upon the disappointing pace of review and the projects selected by the Federal Railroad Administration, we hope to work with Congressional authorizers to provide additional guidance and streamlining to the competitive grant programs created by the FAST Act to ensure that passenger rail projects of regional and national significance are given priority.
- Rail Passengers is ready to work with Congress to identify pay-fors, including intercity Railroad Passenger Tax assessed at point of sale; per Barrel Tax on crude oil; E-Commerce Transportation Tax for online sales; General Sales Tax, similar to those established by the Commonwealth of Virginia to fund rail infrastructure and operations; or a broadly-based Station Area Value Capture Tax program for NEC and National Network-served train stations.
- We are calling for a dedicated set-aside within CRISI for rail transit and commuter agencies to meet the ongoing costs of operations and maintenance of Positive Train Control, which these agencies project at \$130 million per year.
- To the extent that non-road user revenue is directed to the transportation, states should be able to flex these funds to non-highway projects. Granting local officials discretion in modal allocation of general revenue funds will allow states to direct resources to the highest impact projects.
- Intercity rail connects with and supports transit rail systems across the U.S. States and municipalities should be able to flex transit funds to intercity rail projects that support local transit systems.

Passenger Rail Funding (in millions)

	FY2021	FY2022	FY2023	FY2024	FY2025
Program					
Amtrak—National Network	\$1,280.6	\$1,344.6	\$1,411.8	\$1,482.4	\$1,556.6
Amtrak—NEC	\$715.0	\$786.5	\$865.2	\$951.7	\$1,046.8
Consolidated Rail Infrastructure & Safety Grants	\$1,968.0	\$2,187.0	\$2,430.0	\$2,700.0	\$3,000.0
Federal State Partnership for State of Good Repair	\$1,312.2	\$1,458.0	\$1,620.0	\$1,800.0	\$2,000.0
Restoration & Enhancement Grants	\$262.4	\$291.6	\$324.0	\$360.0	\$400.0
Total	\$5,538.2	\$6,067.7	\$6,651.0	\$7,294.1	\$8,003.4

3. More Trains, Better Trains

Millions of Americans believe in the vision of an Amtrak worthy of a 21st Century America. Towards that end, we believe Congress should fund an aggressive new vision for growth, with more frequencies in dense corridors, new rolling stock, and modern safety measures. Amtrak's new emphasis on 400- to 500-mile corridors is a good idea, positioning Amtrak to fill a unique role that other travel modes can't fill. By 2045, 89% of Americans are expected to live in urban areas. At the same time, during the next 20 years Baby Boomers are expected to grow the senior population by 30 million people—a demographic that often faces travel challenges from vision, hearing and mobility constraints. Corridors can't supplant Amtrak's congressional mandate to serve all Americans, but Rail Passengers also believes that the mandate shouldn't stifle Amtrak from thinking about a robust future, which may look different from today.

Fully and enthusiastically embrace a customer-centric view of passenger service, ensuring that trains' basic services—like toilets and air-conditioning—are reliable and sound while improving the experience for each and every traveler. It is long past time to replace the rolling museum that is today's Amtrak with modern equipment with lower operating and maintenance costs, which will result in a better deal for the taxpayer as well as the passenger.

Eliminate the folly of thrice-weekly service and insist upon daily as the minimum threshold for service. Trains that come only three times per week do not provide a meaningful level of service for modern American travelers and guarantee poor financial performance. Amtrak must start laying the groundwork for a rapid return to a Daily Sunset and a Daily Cardinal service.

4. *Supporting Amtrak's Safety Initiatives*

This Association was forced to confront the tragedy that arises from the failure of rail safety systems during the 2017 Amtrak Train 501 derailment in Washington State, when we lost two of our members—one of whom served on our board of directors.

So it is with great feeling that I commend Amtrak for getting out ahead of the rest of the rail industry in the installation of Positive Train Control systems across its network, ahead of schedule. I've also been heartened by the introduction of Amtrak's enhanced Safety Management System—a proactive, data-driven safety program used in many complex industries including aviation—designed to assist in targeted risk assessments and mitigation strategy. Congress should recognize Amtrak's leadership role when formulating new safety regulations and providing funding for maintenance of PTC systems.

Moving forward, it is also important for Congress and Amtrak to not let the desire to extend PTC coverage extend beyond what is currently required by statute or become an obstacle to maintaining existing trains and introducing new services. The simple truth is that you're 17 times more likely to die traveling the same distance in a car than on an Amtrak train. Reducing access to passenger rail only makes travelers less safe.

We also are concerned over how staffing reductions might affect the ability of Amtrak's on-board personnel to assist passengers—many of whom are aged or infirm—in a timely and efficient fashion in the unlikely event of a safety incident.

5. *Addressing Equipment Shortfalls*

Reauthorizers must work with States and Amtrak to establish a stable funding mechanism that allows for critical investments in equipment to meet public demand for reliable, energy-efficient equipment with modern amenities.

The Amtrak Five Year Equipment Asset Line Plan (March 2019) has fleshed out a fleet renewal plan that identifies a schedule for replacing and expanding its fleet. In its FY2020 General and Legislative Annual Report, Amtrak identifies \$907.2 million for National Network equipment and another \$145 million for new diesel locomotives. Authorizers should give these requests due consideration when authorizing funding levels. In particular, Amtrak outlined a need for roughly \$450 million to refurbish Superliner Is and another \$1.5 billion to procure a replacement fleet for the Superliners. The railroad also needs to find ways to invest in the rolling stock needed to grow in the short corridors which we all agree look so promising.

Rail Passengers believes that accelerating the delivery of Amtrak's fleet plan would be good for America's passengers, for job growth, and for the rail industry.

In the U.S. aviation industry, maintaining the "U.S. industrial base" in critical aviation equipment is an overriding concern for policymakers. The same concepts apply to passenger rail. A steady stream of orders and solid prospects gives the entire private-sector supply chain confidence to invest. These companies hire craftsmen. They build plants. They do research and development aimed at continuous improvement, to develop modular upgrades that can be injected into the fleet. And the unit cost for coaches will be driven lower, by volume, by economies of scale, and by the need to remain competitive.

6. *Repairing the Host Railroad Relationship*

One of the fundamental peculiarities of the U.S. passenger rail system—its reliance on freight railroad-owned tracks to operate a blended system—will also be a fundamental obstacle to the growth of passenger services. When asked what it would take to run one round-trip passenger train a day the 549 miles between New Orleans, Louisiana and Mobile, Alabama, CSX told the three states involved in the Gulf Coast Rail restoration project that it would cost \$2 billion. That is the equivalent of the value of CSX's total annual capital expenditure program ... or what it cost NASA to put a rover on the surface of Mars some 139 million miles from Earth. It is also a fairly unsubtle message to the states: "we don't want your business."

With that dynamic in mind, the U.S. should pursue a policy of passenger and freight separation wherever the potential ridership population allows for it. There are plenty of policies that authorizers could bring to bear in pursuit of that goal, which we attempt to outline in our reauthorization blueprint:

- The creation a federal grant program to allow states and municipalities to purchase abandoned and underutilized corridors from freight railroads;
- Authorize states, railroads, and all relevant operating authorities to engage in the advance acquisition of railroad ROWs;
- Amend the FTA Fixed Guideway Capital Investment Grants authorizing language allowing non-federal expenditures to acquire property, prior to the award of a grant, to be included in the non-federal share of total project costs;
- Authorize a tax credit program that incentives private sector donation of underutilized and abandoned ROWs.

Realistically, however, funding constraints will limit the ability of transportation agencies to establish dedicated rights of way for passenger rail. Policymakers must engage in an open conversation with host railroads and regulators about better, less-contentious approaches to shared-use corridors that promote investment in more network fluidity and a better passenger experience. The current financial relationship between Amtrak, the host railroads, and the states has failed to deliver the frequency and dependability needed to attract large numbers of travelers. Commercial and political success require that interested parties be incentivized to develop practical solutions.

To that end, Rail Passengers is calling on Congress to establish a charter for a Shared-Use Corridor Advisory Committee (S-CAC). This committee will develop new regulatory standards through a collaborative process, with all segments of the rail community—including stakeholders—working together to fashion mutually satisfactory solutions on shared-use operations. This committee would seek agreement on the facts and data underlying any real or perceived shared-used operations problems; identify cost effective solutions based on the agreed-upon facts; and identify regulatory options where necessary to implement those solutions.

A blueprint already exists in the Regional Rail Studies performed under the auspices of the FRA. The Southwest Regional Rail Study was released September 2014. The Southeast and Midwest Regional Rail studies, though completed, have yet to be released by the FRA. I was fortunate enough to able to participate in these stakeholder workshops and can vouch for the quality of the work they produced. Congressional authorizers would be well advised to assist in disseminating the final versions of these studies to the public, and incorporate the lessons learned to better facilitate corridor development.

Rail Passengers is also asking Congress to grant Amtrak a Private Right of Action to enforce dispatching preference, as described in Amtrak’s FY2019 General and Legislative Grant Request. In the absence of effective oversight, host railroads have failed to live up to contractual agreements establishing minimum OTP. A private right of action would allow Amtrak to engage the Surface Transportation Board (STB) in a remedial process with host railroads who engage in unlawful dispatching practices. The STB is the rightful venue for these disputes because passengers, like captive shippers, have no corrective market power over freight railroads’ behavior. Amtrak, like captive shippers, can’t simply shop around for another railroad with better OTP.

7. Protecting Stakeholder Equity

As a result of several policy changes at the federal level—most notably the creation of the Sec. 209 program in PRIIA—states and local agencies have been asked to play a greater role in financing passenger rail services over the past decade. Questions have been raised over the intervening years about what protections exist to ensure local investment is not stranded by network planning over which these communities have little say.

Congress recognizes this imbalance and is taking steps to correct it, with House Appropriators using the report language accompanying the Fiscal 2020 Transportation-HUD bill to encourage greater communication between Amtrak and local stakeholders:

“Amtrak has made changes to policies and procedures relating to charter trains, private cars, station agents, call centers, food and beverage service, and law enforcement, all of which have impacts on its ridership, employees, and communities. *Therefore, the Committee directs Amtrak to increase engagement with customers, employees, stakeholders, and the public on proposals to change operations and services, including providing an opportunity to comment on policies prior to finalizing decisions.*” [Emphasis added]

Appropriators further directed Amtrak to “conduct comprehensive outreach and consultation” with a whole range of stakeholders, including “passenger rail organizations,” noting that Amtrak “must engage in an open and transparent process” which takes into account anyone who might be affected by changes, for good or ill.

We are grateful for the work that this Congress has already carried out and would ask this subcommittee to continue to advance these goals in the upcoming reauthorization, working to ensure stakeholders have access to a fair and equitable process in determining any and all planning decisions that affect the national rail network and the communities served.

8. *Invest in Sustainable Service Levels*

Rail Passengers understands the constraints under which Amtrak operates—both legal and fiscal—and we want very much to be good partners in fighting for the best passenger-rail service possible. But our members also insist that a basic level of service, at stations and on-board, must be protected for these services to maintain their long-term viability. It is simply unsustainable to ask passengers to pay thousands of dollars in train fare and serve them meals from the freezer aisle—even if it’s the freezer aisle at Whole Foods. And the death by a thousand cuts that flow out of this degradation to service isn’t any better than a sudden decision to eliminate a corridor.

When analyzed in terms of its effect on ticket revenue—not as a stand-alone profit center—food and beverage service on most trains, if not all, generates more in revenue than it costs to provide. In other words, food and beverage (F&B) service is incrementally profitable. We believe it satisfies the two requirements that the U.S. DOT Inspector General set forth in its report: that food & beverage service be provided “at no net cost to the taxpayer” and have “a positive effective on net cash flow.”

We have also publicly shared our disappointment in the new contemporary food and beverage service as it was executed on the Lake Shore and Capitol Limited lines. Among the issues we raised:

- The need for more hot choices;
- Consideration for dietary needs such as kosher requirements, vegetarian, low-sodium/healthy, and common allergies;
- Better presentation (no more dinner-in-a-box!);
- Better provisioning (diners should not run out of food in the first few hours of an overnight journey);
- Continue to allow Coach passengers to buy meals in the diner if they choose;

Amtrak tried to address some of the issues we’ve raised, notably the addition of more hot items, but food continues to run short during service and special dietary needs remain a challenge. Moreover, Amtrak remains many months away from the ability to allow coach passengers to buy a meal—for any price—while traveling on a long-distance train. This alone is a significant degradation in passenger service, especially for those traveling more than six or seven hours.

9. *Increased Transparency in the Rail Sector*

Rail Passengers strongly believes that the continuing debate concerning the future shape of Amtrak’s National Network has been distorted by an overreliance on fully allocated costs rather than avoidable costs, as required by statute.

For more than 13 years, Congress, federal agencies, and states have called for more accurate, precise and transparent reporting of Amtrak’s component routes. Numerous arms of government including the Federal Railroad Administration, the USDOT Office of Inspector General (OIG) and the General Accounting Office have all found Amtrak’s route accounting system deficient and not compliant with federal statute requiring disclosure of avoidable costs. Rail Passengers believes that reauthorizers should direct Amtrak to publicly report the financial performance of each individual route employing the avoidable cost methodology.

The U.S. DOT for decades has already developed and refined a working model to a high level of maturity for addressing precisely the kind of transparency in another travel mode: airlines. The type of information gathered in Form 41 financial filings and T100 market data filings is ideal for developing an informed picture of the state of America’s air-transportation enterprise.

Existing FRA datasets do a reasonably good job of capturing commodity shipments, for example, but lack the depth and consistency that a Form 41/T100 approach could produce. In rail operations, new metrics could be derived from better data collection and more complete fact gathering. These could, and should, inform public policy.

As just one small example, Rail Passengers believes that by gathering and publishing such data, FRA could beneficially help to set not only a minimum on-time performance standard, but a data-driven target for exceeding minimum standards that could offer significant financial incentives to host railroads that not only deliver superior OTP but reduced trip times and greater frequencies. This could perhaps take the form of bonus payments that rise on a scale calibrated to OTP achieve-

ments, incentivizing private investments in a rail network that can serve not only freight customers but passenger trains at the high service levels a robust national infrastructure demands.

A systematic, transparent and detailed data-collection regime that mirrors the statistics now gathered and reported in air travel could also lead to more nuanced regulatory approaches to addressing the multiple root causes of persistent delays. With more reliable information as to the costs and benefits of such investment, additional agreements could be more easily made creating an influx of public investment into the national rail system, easing more than just passenger bottlenecks.

CONCLUSION

Rail Passengers is working for “A Connected America,” a concept our association developed that aims to put 80 percent of Americans within 25 miles of a rail station within 25 years. A Connected America is not only good for passengers but good for America’s cities and towns, an economic engine in the communities it serves. We believe passengers should be able to drive, bike, walk or take transit to those stations as they choose, whether traveling for work, school or leisure. They should have the choice of multiple frequencies each day in dense corridors. They should be able to take the train to airports to continue their journeys onward. In short, they expect a modern, frequent, reliable and safe service as part of a robust ecosystem of travel choices, from ride-sharing vehicles and bikes to cars, trains and jetliners. It’s what America deserves.

We stand ready to work with authorizers to create a collaborative process involving all of Amtrak’s important stakeholders: mayors, employees, and yes, passengers. We are excited to work with Congress and Amtrak to redraw the map of America’s passenger rail network for 2040 and beyond.

Acela Express Route

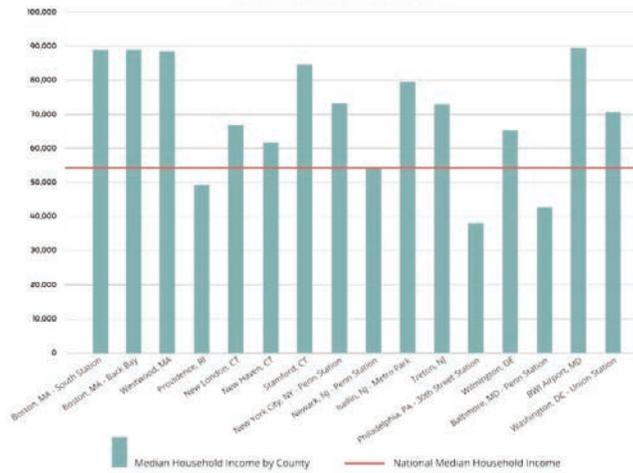
The Acela Express, Amtrak's premium service, is available only in the Northeast Corridor. The service runs from Washington, DC, to Boston, MA.

Most of the communities served by Acela trains enjoy a Median Household Income that is well above the national average.

Service along this route would be preserved and enhanced under the Trump budget proposal.



Acela Express Stations
Median Household Income

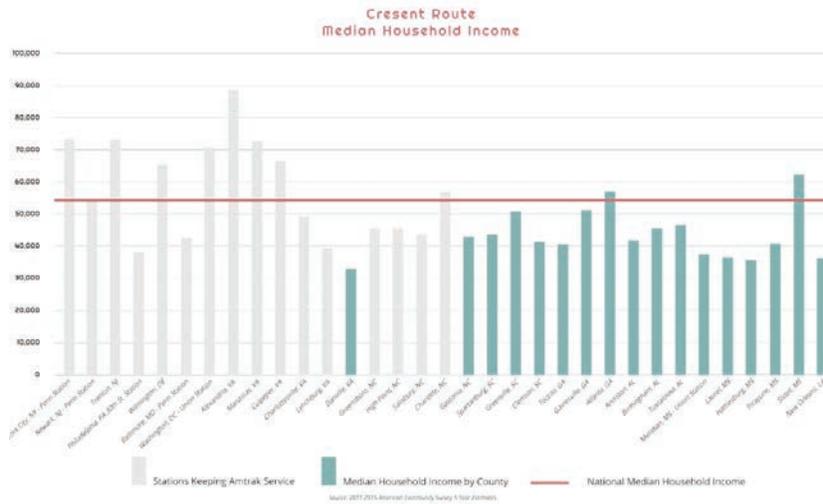


Source: 2013-2015 American Community Survey 5 Year Estimates

"Crescent" Route

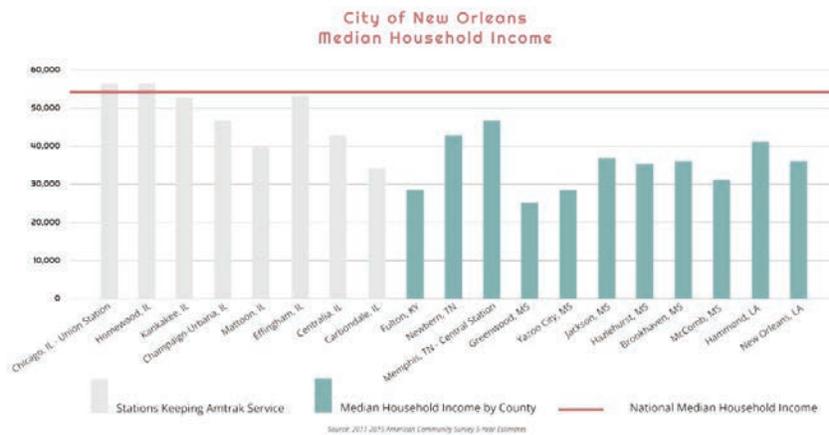
The "Crescent" route stretches from New York City to New Orleans. One-half of the stations served by the "Crescent" route are part of the Northeast Corridor or a state-supported corridor and service to these stations would be preserved.

The remaining 17 communities would lose service. In 15 of those 17 communities, the Median Household Income falls below the national average.



“City of New Orleans” Route

The “City of New Orleans” route stretches from Chicago, IL, to New Orleans, LA. Although 2 of the 19 stations served by the “City of New Orleans” route enjoy a Median Household Income that is just slightly above the national average, the entire route serves working class cities and towns with relatively modest incomes. Under the Trump proposal, service to 11 of the 19 stations would be eliminated. All 11 stations serve communities where the Median Household Income falls well below the national average of \$53,889.¹¹



¹¹ Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates.

Mr. LIPINSKI. Thank you, Mr. Mathews.
 I now recognize Mr. Guy for 5 minutes.
 Mr. GUY. Thank you, Chairman. Thank you, Ranking Member Crawford, and Chairman DeFazio for holding this hearing today. It is an honor to be a part of the panel.
 As you said, my name is Bob Guy. I serve as State legislative director in Illinois for SMART—Transportation Division. Actually we have—
 Mr. LIPINSKI. Can you pull your mic a little closer?
 Mr. GUY. You bet.
 Nationally, we represent 80,000 transportation workers, most of whom work in the passenger and freight rail operating crafts. As Congress undertakes reauthorization of the FAST Act, it is impor-

tant to note that in 2015, for the first time in legislative history, intercity passenger rail and Amtrak reauthorization language were included as part of this comprehensive 5-year surface transportation reauthorization. In doing so, Congress laid the groundwork for the development of a truly multimodal transportation system. Congress should build on that momentum by increasing Amtrak funding levels, which allow for current operations to flourish, and be able to plan for future growth throughout the entire network. There is no better way to accomplish those goals than having predictable dedicated funding that will help preserve and grow the Amtrak authorization provisions in title XI of the FAST Act.

As with all modes of transportation, long-term, robust, stable, Federal funding for Amtrak service and development is crucial to its success. We ask that Congress reauthorize and continue strong funding for Amtrak and the three rail grants created in the FAST Act. These grants administered by the Federal Railroad Administration would also greatly benefit State corridor service that has seen substantial ridership and revenue growth over the last decade. There is already a buzz in the Midwest with the announcement last week of FRA's Restoration and Enhancement Grant fund availability of \$24 million.

These grants are successful and they work. The grants would also solidify Amtrak partnerships with States by preserving the reliable Federal funding that is needed to expand and improve service along these successful corridors.

Along with strong Federal funding, Congress should also identify possible revenue streams, solely for the use by Amtrak and intercity passenger rail projects, that benefit State-supported service and the national network.

State-supported corridor service should supplement, not replace, Amtrak's national network. Far too many rural communities would lose vital transportation service if long-distance service was reduced and/or eliminated. In the Midwest alone, we have seen modest ridership growth in the eight long-distance routes that originate in the Nation's largest rail hub of Chicago. We have 80 station stops in the Midwest, with many of them in rural communities not served by other reliable means of transportation. Long-distance service must be protected.

As railroad workers, we want a strong rail industry, both freight and passenger. Our members, and railway labor in general, provide vital work that allows our economy to thrive and people to get to where they need to be in an environmentally friendly and safe fashion.

The reauthorization must continue to ensure that strong worker protections are in place for those who perform core traditional railroad work. Congress must ensure worker protections provided under rail specific statutes, like the Railway Labor Act, the Railroad Retirement Act, and the Railroad Unemployment Insurance Act remain intact.

Rail workers are stakeholders in the industry, and these protections allow us to partner with Amtrak and States to help improve and expand service across the country. These worker protections are most important when considering risky privatization agendas that some might have. Permitting private companies to seize cer-

tain routes or segments of the Amtrak system would give investors the perceived authority to extract profits from assets paid for over many decades by American taxpayers and rail passengers.

Freight railroads, who were the masters at generating revenue, couldn't make passenger rail profitable. It was crippling their freight network, which is why Congress created Amtrak some 40 years ago. Amtrak was established to save passenger rail service in America. Congress should allow Amtrak to be America's railroad and support their ability to maintain a qualified workforce that meets customers' demands now and well into the future.

We also can't discuss reauthorization without talking about safety. Preserving and increasing the Amtrak authorization provisions in title XI of the FAST Act will allow continued elevation of safety levels across the Amtrak system. Along with new locomotives and passenger coaches, it would drive another ridership surge as younger professionals are driving less and seeking more environmentally and electronic-device friendly transportation options.

Other points of priority for Amtrak reauthorization should be to allow Amtrak a private right of action to address a host railroad's handling of statutorily protected preferences for passenger rail. Amtrak needs to have more options when dealing with delays caused solely by a host railroad. Additionally, for many years, Amtrak has been forced to pay millions of dollars resulting from accidents occurring on other railroads, even though Amtrak was not negligent. When other railroads are responsible, those carriers should pay the damages, not Amtrak. This has added to the necessity for Congress to appropriate funds to keep Amtrak operating. We have included some legislative language in the written testimony that was submitted. Congress should also strongly consider adding a labor representative to the Amtrak board of directors. Railroad employees have a wealth of expertise on the needs for Amtrak. Having input from the rail labor stakeholders also would help Amtrak avoid making decisions that could negatively impact service or customers' needs. There is already a model on the Federal level and that is the Railroad Retirement Board, where you have a three-member board consisting of labor-management and the chairman.

Reauthorization should also include a path forward to legislatively address the disturbing and upward trend of assaults on passenger and commuter rail workers. Currently, our members are not offered any type of standard deescalation or self-defense training by the carriers, nor do they receive any mandated counseling or psychological assistance post-incident.

Mr. Regan noted one of my Illinois members who was shot in 2017; that brother's name is Michael Case. He was performing his duties at a station stop in Naperville, Illinois. And while that is an extreme example, we could probably fill the hearing room any day to hear about the assaults and attacks on passenger rail and commuter rail employees.

There have also been some efforts already as a result of that 2017 incident, our own Illinois Senator, Tammy Duckworth, introduced the Passenger Rail Crew Protection Parity Act, and there are currently two pieces of transit employee assault legislation in both the Senate and the House. Such legislation could simply provide

passenger and commuter rail crewmembers the same Federal protections as airline crewmembers.

Finally, Congress, when considering Amtrak reauthorization, must also take a hard look at the effects that longer freight trains and so-called Precision Scheduled Railroading are having on passenger rail on-time performance. A recent Government Accountability Office report found that freight trains are 25 percent longer, and a byproduct of PSR. Poor on-time performance costs Amtrak and State-supported service ridership which, in turn, costs revenue. We have a corridor in Illinois where on-time performance sits below 30 percent; that is simply unacceptable.

Public dollars, both Federal and State, are invested in the private host railroad infrastructure for the purpose of benefiting passenger rail, not the other way around. Congress needs to hold the host railroads responsible for their handling of passenger rail because the protection of public funds warrants it. Once again, thank you. And I look forward to answering any questions. Thank you.

[Mr. Guy's prepared statement follows:]

Prepared Statement of Bob Guy, Illinois State Legislative Director, International Association of Sheet Metal, Air, Rail and Transportation Workers-Transportation Division

My name is Bob Guy and I am the Illinois State Legislative Director for the Transportation Division of the International Association of Sheet Metal, Air, Rail and Transportation Workers (SMART TD). SMART TD is an organization representing approximately 80,000 transportation workers most of whom are employed in freight and passenger rail operating crafts.

I want to thank Chairman Lipinski and Ranking Member Crawford for holding this timely and vital hearing, and for inviting me to join this panel.

As Congress undertakes reauthorization of the FAST Act, it is important to note that in 2015, and for the first time in legislative history, intercity passenger rail and Amtrak reauthorization language were included as part of this comprehensive five-year surface transportation reauthorization. For that we say thank you. In doing so, Congress has laid the groundwork for the development of a truly multi-modal transportation system. Congress should build on that momentum by increasing Amtrak funding levels which allow for current operations to flourish and to be able to plan for future growth throughout the entire network.

There's no better way to accomplish those goals than having predictable, dedicated funding that will help preserve and grow the Amtrak authorization provisions in Title XI of the FAST Act within reauthorization. As with all modes of transportation, long term, robust, stable federal funding for Amtrak service and development is crucial to its success. We ask that Congress reauthorize and continue strong funding for Amtrak and the three rail grants created in the FAST Act. These grants, administered by the Federal Railroad Administration (FRA), would also greatly benefit state corridor service that has seen substantial ridership and revenue growth over the last decade. The grants would also solidify Amtrak partnerships with states by preserving the reliable federal funding that is needed to expand and improve service along these corridors. Along with strong federal funding, Congress should also identify possible revenue streams solely for the use by Amtrak and Intercity Passenger Rail projects that benefit state supported service and the national network.

State supported corridor service should also supplement, not replace, Amtrak's national network. Far too many rural communities would lose vital transportation service if long distance service was reduced and/or eliminated. In the Midwest alone, where I'm from, we've seen modest ridership growth on the eight long-distance routes that originate in the nation's largest rail hub, Chicago. We have 80 station stops in the Midwest, with many of them in rural communities not served by other reliable forms of transportation. The long-distance service must be protected.

As railroad workers, we want a strong rail industry, both on freight and passenger rail. Our members, and rail labor in general, provide vital work that allows our economy to thrive and people to get to where they need to be in an environ-

mentally friendly and safe fashion. Reauthorization must continue to ensure that strong worker protections are in place for those who perform core traditional railroad work. Congress must ensure worker protections provided under rail-specific statutes like the Railway Labor Act, Railroad Retirement Act and the Railroad Unemployment Insurance Act remain intact. Rail workers are stakeholders in the industry, and these protections allow us to partner with Amtrak and states to help improve and expand service across the country.

These worker protections are most important when considering risky privatization agendas that some might have. Permitting private companies to seize certain routes or segments of the Amtrak system would give investors the perceived authority to extract profits from assets paid for over many decades by American taxpayers and rail passengers. Freight railroads, who are masters at generating revenue, couldn't make passenger rail profitable as it was crippling its freight network, which is why Congress created Amtrak some 40 years ago. Amtrak was established to save passenger rail service in America. Congress should allow Amtrak to be America's railroad and support their ability to maintain a qualified workforce and meet customer's demands, now and well into the future.

We also can't discuss reauthorization without talking about safety. Preserving and increasing the Amtrak authorization provisions in Title XI of the FAST Act within reauthorization would allow continued elevation of safety levels across the Amtrak system. Along with new locomotives and passenger coaches, it will drive another ridership surge as younger professionals are driving less and seeking more environmentally and electronic-device friendly transportation options.

Other points of priority for Amtrak reauthorization should be to allow Amtrak a private right of action to address a host railroad's handling of statutorily protected preference for passenger rail. Amtrak needs to have more options when dealing with delays caused solely by a host railroad.

Additionally, for many years Amtrak has been forced to pay millions of dollars resulting from accidents occurring on other railroads, even though Amtrak was not negligent. When other railroads are responsible, those carriers should pay the damages, not Amtrak. This has added to the necessity for Congress to appropriate funds to keep Amtrak operating. Therefore, we offer the following amendment for your consideration:

“Notwithstanding any other statutory, common law, or public policy or agreement, the National Railroad Passenger Corporation shall not be liable for damages or liability, in a claim arising out of an accident or incident, unless the said Corporation is negligent in causing the accident or incident.”

Congress should also strongly consider adding a labor representative to the Amtrak Board of Directors. Railroad employees have a wealth of expertise on the needs for Amtrak. Having input from the rail labor stakeholders also would help Amtrak avoid making decisions that could negatively impact service or customer's needs.

Reauthorization should also include a path forward to legislatively address the disturbing and upward trend of assaults on passenger and commuter rail workers. Currently, our members are not offered any type of standard de-escalation or self-defense training by the carriers, nor do they receive any mandated counseling or psychological assistance post incident. It is unconscionable to fathom that an employee be expected to live with the consequences of an attack, much less be required to finish their assigned trip. However, compounding this issue even further is the fact that an employee is often unable to report the assault until after the crew reaches its final destination, which can be hundreds of miles away. Legislation is needed to establish federal jurisdiction for passenger and commuter rail operations, as assaulted employees are not always able to seek help or file a report within the same jurisdiction as the incident occurred. All too often, assaulted employees find themselves under the jurisdiction of a local government agency that unfortunately does not take assaults quite as seriously or is uncertain as how to best progress the complaint. Therefore, having a federal statute would not only provide much needed consistency and transparency for all stakeholders, but it would also provide an unconvoluted process. I'm particularly sensitive on this topic, as one of my own Illinois members was shot while he was performing duties during a station stop in 2017 in Naperville, IL. I'm happy to report that he has physically recovered the best that he could but would never wish for any of his fellow rail workers to experience what he did that day.

In closing, Congress, when considering Amtrak reauthorization, must also take a hard look at the effects that longer freight trains and so-called Precision Scheduled Railroading (PSR) are having on passenger rail on-time performance (OTP). A recent Government Accountability Office Report (GAO) found that freight trains are

25% longer and a by-product of PSR. Poor OTP costs Amtrak, and state supported service, ridership which in turn costs revenue. We have a corridor in Illinois where OTP performance sits below 30%, that's simply unacceptable, especially considering that Amtrak shoots for an 80% OTP across the board. Public dollars, both federal and state, are invested into private host railroads infrastructure for the purpose of benefitting passenger rail, not the other way around. Congress needs to hold the host railroads responsible for their handling of passenger rail, because the protection of public funds warrants it.

I once again thank you for the opportunity to testify before your Committee.

Mr. LIPINSKI. Thank you, Mr. Guy.

I finally recognize Ms. Mortensen for 5 minutes.

Ms. MORTENSEN. Thank you, Chairman Lipinski, Ranking Member Crawford, and Chair DeFazio, and the other members of the esteemed committee. I served in two oversight roles in California that are relevant to the discussion before you today. I am the executive director of the authority that manages the San Joaquin Amtrak intercity service, the sixth largest corridor in the Nation. I have also shepherded the ACE commuter rail program based out of Stockton in the Central Valley for the last 20 years. Both these services do run through the Central Valley and into the urban areas of the Greater San Francisco Bay Area and Sacramento. From these two roles, I have developed the unique perspective on the differences between managing an Amtrak contract and managing Herzog, a private sector unionized contractor, on two systems that are both fully funded by the State and local taxpayers. Shockingly, despite both of these being publicly funded, one route costs three times as much as the other on a per-passenger-mile basis.

While working on this testimony, I was inspired by the great Charles Dickens and the following is my tale of two services—ACE and the San Joaquin. It was the best of times, it was the worst of times. One of our operators focuses on customer responsiveness, data sharing, collaboration and shared performance expectations. Costs are rational, they are developed jointly with our agency and worked in a true partnership. Because of these factors, this service is growing.

The other operator focuses a lot on protecting its proprietary data, solely develops its own service plan, staffing allocation and other costs without our input, and has no shared performance objectives with our governing board. Costs are not rationally tied to actual service provided. Management suggestions by the agencies are often discarded, and the operator seems to have no incentive or interest in partnership. Because of these factors, this service is declining. I would ask you which operator you would want running your business, or even your district office.

One operator, Herzog, actively controls expenses and comes in under budget year after year. And during the last California recession, they worked with me to both tighten our belts, so that no rail service was cut, and no employees were laid off.

The other operator, Amtrak, exceeds its own budget projections year after year, with little, if any, explanation. Their only remedy has been to seek additional funding from our State. To doublecheck these trends, we aggregated data from the 2018 National Transit Database. We wanted to compare our ACE service and our commuter rail peers with the Amtrak San Joaquin contract. Not sur-

prising, but still shocking, we found that they were triple the cost, not only of ACE, but of our peer commuter rail properties as well. How do we reconcile knowing both are funded publicly by our State and local taxpayers? Going back to the days of Mr. Joe Boardman, myself, and our agency, we have asked for critical cost-sharing data; we have asked for explanations of significant cost increases; we have asked to try to at least get to the middle on the food and beverage program. I believe it is an amenity that passengers want, but we are losing almost \$2.5 million a year, and we have just asked to try to close that gap.

We would like to be able to collaborate on maintenance practices on the equipment that we own. And we like rationale for why when service cuts are put in place as a management decision to control costs, costs instead go up with no explanation. Our attempts to discuss these issues with various Amtrak leadership typically start with, we will look into it, ultimately though transition to defensiveness, resistance, and then, in the end, just futility.

But this critique of national Amtrak is by no means intended as an indictment of the hardworking men and women of Amtrak in California. In fact, there have been many local Amtrak personnel who have swum upstream against the current on our behalf, and their efforts are greatly appreciated. But the fact of the matter is, local Amtrak employees are held hostage to this same broken national structure. We have been struggling for years to make this make sense for the California taxpayers. And yet to be fair, Amtrak is almost forced to seize our State funding as bankroll to meet some congressional mandates placed upon them.

I know it can and should work much better than this; I have that experience, that comparison. The San Joaquin service can thrive and grow. The California taxpayers can get affordable, high-quality service equal to their investment. We already have the living proof for how that can be done. I hope our agency can work with members of this committee to craft some solution to improve what goes into the reauthorization bill.

Thank you.

[Ms. Mortensen's prepared statement follows:]

Prepared Statement of Stacey Mortensen, Executive Director, San Joaquin Joint Powers Authority

Good morning Chairman Lipinski, Ranking Member Crawford, and Members of this esteemed Subcommittee. My name is Stacey Mortensen and I am the Executive Director of the San Joaquin Joint Powers Authority (SJJPA), which oversees a state supported Amtrak route known as the San Joaquin service. I also serve as Executive Director of the San Joaquin Regional Rail Commission (SJRRRC) which oversees the successful Altamont Corridor Express (ACE) commuter rail service. Both services run through California's Central Valley and into the metropolitan areas of Sacramento and the San Francisco Bay Area. Through these two roles, I have developed a unique perspective on the differences between managing Amtrak on a state/locally funded service and managing Herzog Transit Services Inc. (Herzog), a private contractor, on a state/locally funded service.

Let me first begin by commending the tremendous leadership of Congressman DeSaulnier, who is our valued resource on all transportation issues affecting the greater San Francisco Bay-area. We are honored to have the opportunity to serve his constituents on the San Joaquin route. We would also like to thank our local representatives Congressman Harder and Congressman McNerney, who have been tremendous advocates for increased rail service around the greater Stockton-area.

Congressman Harder has also been a tremendous asset to us as we continue to work together on potential legislative solutions to ensure efficient and cost-effective passenger rail in the Central Valley.

In 2012, the California legislature passed AB 1779 to protect and improve existing rail service through the San Joaquin Corridor. The San Joaquins have been entirely funded by the state for many years. The corridor runs up the Central Valley from Bakersfield to Stockton and then splits to take riders to Sacramento or Oakland. The route spans 365 miles and has 18 stations. The San Joaquins are Amtrak's sixth-busiest state supported service and include a \$25 million per year Connecting Bus program, which is as big or bigger than many of the other state supported routes. During fiscal year (FY) 2018, the San Joaquins carried 1.1 million passengers and the state provided nearly \$46 million in subsidies. State funding for FY 2020 is projected to exceed \$50 million. AB 1779, enabled regional government agencies to form the SJJPA to more actively manage the service and create better responsiveness to passenger needs. However, the structural limitations of our Amtrak contract coupled with the Passenger Rail Investment and Improvement Act (PRIIA) Section 209 cost methodology process has rendered our reorganization effort nearly useless.

My experience leads me to a tale of two services. I was part of the start-up of the ACE commuter rail program in 1998 and through a competitive solicitation, we selected Herzog as our operations and maintenance contractor. ACE has 4 weekday trains in the peak period and runs over an 86-mile route between the Central Valley and Silicon Valley. ACE trains carry 6,500 daily passenger trips and over 1.5 million riders annually. This nearly equals the ridership of the Capitol Corridor, Amtrak's 4th busiest route with 15 daily trains running 7 days a week.

With Herzog as our ACE partner, we collaborate daily on fleet deployment issues, such as bike cars, where we often need to accommodate over 250 bikes each way on just four trains. Other daily and weekly collaboration efforts include evaluating on and off at station locations to assess dwell time issues, developing custom public address announcements, often with only a few hours' notice, to ensure our customers are informed of critical information, and determining whether or not we need additional fare inspectors based upon passenger loads. We evaluate the condition of the fleet, schedule overhauls and minor modifications together and jointly budget for annual capital expenditures. We regularly meet to evaluate vacant positions, new positions and the performance of staff, in both agencies. Herzog prides themselves on coming in under budget and returning unused public funds, allowing us to further improve the ACE service for the riders.

The dedicated Herzog employees are represented by the Northern California Carpenters Regional Council (NCCRC). The Carpenters have been a tremendous partner in supporting passenger rail efforts across Northern California and we have greatly benefitted from their members' commitment to safety, efficiency and ongoing skill building. Herzog performs as an extension of our agency and as a reflection of the goals and objectives of our Rail Commission governing board. The relationship with Herzog has been an instrumental part of the ongoing and growing ACE success.

Additionally, we work closely with our host railroad partners in the ACE corridor—Union Pacific and Caltrain—and appreciate those relationships. Despite being a smaller railroad agency, we have had a very successful history with Union Pacific in terms of access agreements and mutually beneficial network improvements. Our long partnership ensured implementation of Positive Train Control (PTC) within the mandatory deadline last year. We recently launched our first Saturday service and look forward to continually improving and expanding our service to meet the needs of the region.

In summary, the ACE is serviced by a responsive contractor that is motivated to achieve our shared goals and objectives in a cost-effective manner, and host railroads who find value in our partnership and work to make our service a success.

The tale of the San Joaquin Amtrak service began even before the state legislation in 2012. Significant state funding had been invested in the rail network and Amtrak's annual operating costs were escalating quickly. Yet, despite the investments and rising costs, on-time performance was on the decline and no new service had been introduced in over 10 years. The goals of the new governing board were reasonable: normalize the San Joaquin expenses closer to the services being provided, and form a direct working relationship with Burlington Northern Santa Fe (BNSF) Railway, similar to our successful and valued relationship with Union Pacific.

However, we have encountered significant, structural challenges with our attempts to manage the San Joaquin service. Amtrak's lack of data transparency, resistance to data sharing and collaboration, inability to fairly determine a cost shar-

ing formula and, higher-than-average costs when compared to other public passenger rail services has caused our agency to question the future viability of the service under this structure. Going back to the days of Mr. Joe Boardman, our agency has repeatedly requested critical data sharing information; explanations of significant cost increases; resolution of repeated Food and Beverage losses of \$2–2.5 million annually; increased involvement in host railroad incentive payments; collaboration in the maintenance procedures on the state-owned equipment; and a rationale for why service cuts end up costing as much or more than the previous service. In a recent meeting with Amtrak, I was told very directly that service cuts or reducing the number of railcars used would not necessarily save us any money. I find that absolutely astonishing. Further, attempts to discuss these issues with Amtrak’s leadership are often met with resistance and defensiveness and have left me with the impression that they feel our agency has no right to involve ourselves in something they see as their own service, despite its state/local funding source.

This critique of national Amtrak is by no means intended as indictment of the hard-working men and women of Amtrak in California. In fact, there have been several local Amtrak personnel who have tried to swim upstream on our behalf and their efforts are greatly appreciated. But, the fact of the matter is local Amtrak employees are held hostage to a broken national structure. When it comes to any of our requested changes, the structural limitations of Amtrak have crushed any attempt at resolution, despite having local Amtrak employee buy-in. We have been struggling for several years to justify the continued, disparate financial burden the Amtrak contract places on California taxpayers.

In summary, San Joaquin service is run by an operator that firewalls staff from meaningful collaboration, follows its own goals and objectives that may not be compatible with the San Joaquin governing board, is unable to make service adjustments to control costs, and creates a barrier for direct discussion with the host railroad. And since we have not made any headway with Amtrak changing some of its practices, I believe we have been forced into looking for a different operator for this service.

As this Subcommittee is well aware, these issues with state supported routes are neither novel nor isolated to our experience. In 2016, the Government Accountability Office (GAO) conducted a study to review Amtrak’s efforts to reorganize and implement PRIIA provisions intended to reform it. The report found that “Amtrak has not developed clear information detailing the specific costs and activities,” of its state supported route segment and that “several material weaknesses and significant deficiencies” have hindered Amtrak’s ability to create consistent and timely accounting documents and financial information to support service decisions.

The GAO report also highlighted several complaints from our sister rail agencies and state Departments of Transportation (DOT) over cost and transparency issues. In some cases, certain state DOTs reported that Amtrak nearly doubled their taxpayer cost burdens for their state supported routes from year-to-year. Since the PRIIA 209 program requires states to pay whatever costs Amtrak identifies, there is no real incentive for Amtrak to hold down costs or find ways to perform its work more efficiently. These trends are particularly troubling considering that Amtrak’s leadership has identified routes between 100–400 miles as a growth opportunity for the corporation.¹ If Amtrak does believe these routes are a growth opportunity, this Congress must require Amtrak to undergo significant changes to ensure it is also a steward of local and state taxpayer dollars and ensures their dollars do not subsidize Amtrak’s other business segments, which already receive ample federal subsidies.

Our main objectives in overseeing the two passenger rail services entrusted to us is to set reasonable and transparent expectations for the service, contract with qualified entities to provide the service, and pay those contractors and workers fairly for the service provided. Recently, our team utilized aggregated data from the Federal Transit Administration’s (FTA) National Transit Database (NTD) to compare the costs of our commuter rail service to our commuter rail peers and to our San Joaquin Amtrak route. Our initial findings were shocking. For 2018, we found that Amtrak’s costs were triple the costs of our ACE service—on a per passenger mile basis. In our role as stewards of state taxpayer money, we are struggling to find any legitimate justifications for Amtrak to charge an operation cost that is three times more expensive than our unionized private contractor for our ACE service—both of which are funded by the people of California. Despite this disheartening cost disparity, we have continued to meet all of our Amtrak state supported route contract requirements and Section 209 payments.

¹ Saporta, Maria. “Why Delta’s Richard Anderson Went from Planes to Trains.” *Atlanta Business Chronicle*. 27 Sept. 2017.

We appreciate our burgeoning relationship with the BNSF, as they host the majority of the San Joaquin service over their network. But we find that with Amtrak in the middle, mixed signals are often sent about the service priorities and performance incentives. Further, we have no issue with paying our fair share to access infrastructure owned by private entities and value creating propositions for both private companies and California intercity passenger rail travelers.

Our experience with our state supported route has led us to believe that we can do a better job of providing publicly funded intercity passenger rail services, that make the best use of state taxpayer dollars and provide strong labor protections, by contracting out, rather than continuing our agreement with Amtrak. While Section 217 of PRIIA allows us to contract out our service today, we believe Congress could ensure certain operating capacity and labor and safety requirements on the part of a state rail agency and certain cooperation requirements on the part of Amtrak to protect intercity passenger rail service from disruption, in a contracting-out scenario. Again, our issues have never been with the local Amtrak personnel and we would suggest displaced Amtrak workers maintain hiring preferences with whomever wins an intercity passenger rail contract.

We believe we already meet any potential threshold for making capital improvements in the San Joaquin corridor, and we continue to meet and exceed stringent Federal Railroad Administration (FRA) standards for the ACE System Safety Program Plan, and have the personnel and policies in place to complete the same program for the San Joaquins. We constructed our own maintenance facility to service ACE trains in 2014, and it will soon expand its services to begin safety testing and preventive maintenance for new Siemens railcars that will be utilized on the San Joaquin route. We are proud this facility houses nearly 80 jobs for Herzog, SJJRC, and Siemens employees. We believe this investment in a state-of-the-art rail maintenance facility is a type of capacity investment that Congress could require of state rail agencies that contract out, to ensure they are capable of effectively managing and maintaining their state supported route. Additionally, our enabling state legislation contemplated the future potential for contracting out and, in consultation with labor groups in California, includes a provision for compliance with the Railway Labor Act.

In conclusion, we have experienced *A Tale of the Two Services*. One service contractor focuses on responsiveness, data sharing, collaboration and shared performance expectations. Costs are rational, correlated to actual service and developed jointly between the two partners. This service is growing.

The other service contractor overly focuses on protecting its *proprietary* data, solely determines resource allocations and planning decisions, and has no shared performance objectives. Costs cannot be rationally tied to actual service and cost methodologies cannot be developed jointly. Due to these factors, service is declining.

We cannot, in good conscience, continue with the current Amtrak arrangement knowing that we have no way to control costs or improve the service, and that meanwhile we are burdening taxpayers with three times the cost for a comparable service. We have made every possible attempt over the last several years to request that Amtrak meet us in the middle, but have made no progress. In fact, we have no issue with Amtrak making a profit—as any corporation should be able to—but not at the expense of transparency, collaboration, and fairness. We would like to begin the process of contracting out and ask for your assistance and guidance to ensure there are no related service disruptions. We look forward to working with this Subcommittee as it contemplates surface transportation and Amtrak reauthorization bills in the coming months.

I look forward to answering any questions the Subcommittee may have about our story and unique experience managing two, publicly funded passenger rail services.

Mr. LIPINSKI. Thank you. I want to thank everyone for your testimony today. Before we move to questions, I would like to ask unanimous consent to enter into the record a statement from the Transport Workers Union of America. Without objection so ordered.

[The information follows:]

**Statement of the Transport Workers Union of America, AFL-CIO,
Submitted for the Record by Hon. Daniel Lipinski**

Chairman Lipinski, Ranking Member Crawford, and members of the committee,
on behalf of the members of the Transport Workers Union of America, AFL-CIO,

thank you for the opportunity to discuss issues related to the future of Amtrak and its hard-working employees. The Transport Workers Union represents over 151,000 members across the railroad, airline, transit, universities, utilities and services sectors. The TWU is submitting this testimony on behalf of its Amtrak members.

Amtrak is an essential component of our national transportation system and must be supported, not dismantled, privatized or starved into bankruptcy. Amtrak offers the only national intercity passenger rail service in the U.S., providing a vital transportation link for millions of people across the country. Amtrak's popularity continues to grow, setting a record for ridership in fiscal year 2019 by carrying 32.5 million passengers. Amtrak's 20,000 employees make this service possible. They include the TWU members who work onboard providing food and beverage service to passengers, and in shops as carmen and cleaners, maintaining, repairing and servicing Amtrak cars.

Each year, Congress provides Amtrak with federal funds to support the railroad's operations, infrastructure, and equipment needs. Amtrak uses these funds to provide rail service across the country—to rural, suburban and urban communities—via its Northeast Corridor, Long-Distance, and State-supported routes. Increasingly, the Administration, some members of Congress, and Amtrak's board have sought to use federal funds to pay contractors to provide core Amtrak services, including on-board services. Amtrak's on-board service workers' main priority is to keep passengers safe. Their job duties are unique and demanding and require intensive training that prepares them to respond to a wide range of potential events, including derailments, medical emergencies, terrorist threats, and fires. On-board workers are the essential eyes, ears, and first responders on the railroad.

These workers also provide food and beverage services—an essential part of the passenger rail experience and one that many Amtrak customers depend on during their trips.

On board service workers work long, grueling hours. Single shifts on the Northeast Corridor, for example, usually last 12 to 18 hours. On long distance trains, the job functions and environment are even more demanding. During three- to six-day trips, on-board workers generally are on duty for 16 hours each day.

Unlike many workers, on-board employees do not make overtime pay after working eight hours in a day or even 40 hours in a week. It is common for on-board attendants to work 18-hour days with a minimal crew. Efforts to privatize these services in the name of cost savings ignore the unique working conditions onboard Amtrak and the level of specialized training required of the workforce. Outsourcing these jobs will not result in a cheaper, safer workforce—it will simply undermine passenger safety and the rights of existing workers who have dedicated their careers to the railroad.

Privatization efforts also ignore the fact that passengers don't want the quality of their onboard services to decline. Amtrak has made several attempts in the past to change its onboard service and they always have resulted in a decrease in customer satisfaction. For instance, the recent change to boxed lunches on long distance trains east of the Mississippi resulted in an online petition in support of traditional dining car service, which has been signed by more than 118,000 riders.

Ultimately, past outsourcing efforts have failed because they have been based on politics rather than on sound business practices. Airlines don't contract out their flight attendants because they know that doing so would diminish customers' experience of their service. Installing vending machines onboard trains or replacing freshly made meals with a boxed lunches results in the same decrease in customer satisfaction and will only hurt the railroad's reputation.

CONCLUSION

Congress's investment in Amtrak is vital to maintaining a safe and reliable national passenger railroad. It is essential that Amtrak workers, as stakeholders and frontline experts in on-board services, facilities, equipment and on time performance, be involved in discussions about the future of the railroad. Management that seeks to ignore workers' perspectives or that believes it can replace workers with vending machines is undermining its financial performance and endangering the long-term prospects of the railroad. We encourage the committee to exercise the full extent of its oversight powers to bring Amtrak management's goals back into alignment with the broader needs of our American economy and its working families.

Mr. LIPINSKI. We will now move on to Member questions, each Member will be recognized for 5 minutes. I will begin by recognizing the chair of the full committee, Mr. DeFazio.

Mr. DEFAZIO. Thank you, Mr. Chairman.

Mr. Anderson, you mentioned the tools for online performance. We heard a little bit about Precision Scheduled Railroading, we had some very disappointing testimony from Mr. Batory from the FRA regarding some of these 3-mile-long trains and issues with that. And as Ms. Nathanson pointed out, they don't have a 3-mile-long siding in the Willamette Valley, and I assume elsewhere around the country. So what tools do you need?

Mr. ANDERSON. First, we need the FRA to complete the standards in metrics, which was created by this committee, I think when Congressman Oberstar was chair, to set up an on-time metric system. We litigated it for 10 years, finally won after two trips to the Supreme Court. So we need that finalized.

Second, as a number of the panelists said, a private right of action in order to enforce preference rights that we have under Federal law. In the 40 years since Amtrak has been created, we only had one situation where the Department of Justice sought to enforce our preference right.

So the bottom line is, we need the standards and metrics completed by the FRA with a real enforcement mechanism, and then we need to have an Amtrak private right of action. Because the single biggest threat to Amtrak's long-term viability is host railroad delays. It is about 80 percent of the delays on the national network. And when you can't run on time, it is just core to the product.

Mr. DEFAZIO. Also, in reference to my constituents who purchase sleeper cars, they would like, I won't go into it now, but a sort of analysis of what your revenues are, or potential revenues from that kind of service versus full coach car, and how that all pencils out because I mean—and I will hand you this letter on the way out. I have to leave early, but I would like to know. Also, last week it came to our attention, we weren't aware of it, it actually came from Politico, that you instituted a mandatory arbitration policy, which seems—I have read it, it is pretty tough. We did address issues of aggregate liability by limiting claims to \$200 million back to 1997, perhaps that should have been indexed. In any case that is existing law. So I am curious why we need this mandatory arbitration policy for covering every and any kind of complaint customers could have?

Mr. ANDERSON. It is pretty standard, mandatory arbitration. I mean, if you think about how we deal with all our claims under the Railway Labor Act, there is a system board of adjustment. It is a pretty common way of trying to streamline and make the claims process more efficient. As you said, we have a statutory limit on damages, and on top of that, there are no punitive damages.

And the arbitration actually is faster. It gives all the same remedies so our goal is to—actually, we spend a fair amount on service and recovery at Amtrak, and you have probably read some of the articles in the Washington Post about that. Because we want to be a customer friendly railroad. But at the same time, we want to have an efficient, lawful method for promptly and fairly resolving any passenger claims.

Mr. DEFAZIO. OK. Mr. Mathews, what is in the survival pack? What do we need? I only ride the Northeast Corridor or Portland to Eugene, I don't do the long-distance train.

Mr. MATHEWS. So for a lot of our long-distance passengers, particularly in the sleeper cars, we have kind of a rolling museum out there as you know.

So the savvy passenger carries duct tape, shims, plastic and wooden, to kind of keep the doors from rattling, Velcro that holds the curtains together, so that way you can actually keep your curtains closed.

There is usually—I have got in here a little hand sanitizer, because you never know, and then also a power strip because there is really never enough power in the cabin to do what you got to do. But everyone has their own version of this. But Velcro and duct tape are pretty common.

Mr. DEFAZIO. Mr. Anderson?

Mr. ANDERSON. We are making really big investments in the long-distance equipment right now. We are replacing all the locomotives. We took our grant from last year. We are going to make an \$800 million investment on all new locomotives for the long-distance network.

We are replacing all the bedding, all the pillows, all the mattresses in the long-distance and the Superliner II's and Amfleet II's which are the coach cars, we are putting through complete overhauls in our shops in Beech Grove.

So we are making a lot of investment, and to your point, we grew long-distance revenue and long-distance passengers this year faster than Amtrak has grown it in probably the last 10 years.

Mr. DEFAZIO. Yeah.

Mr. ANDERSON. And next year, we are going to grow the long-distance network passenger accounts even higher. So we are making a lot of investments there. We hear you loud and clear about the importance of the national network, but we can't do it if our passengers have equipment that is not in good shape.

So we are putting a lot of the national grant, probably, all in, about \$900 million into the long-distance service.

Mr. DEFAZIO. Yeah. OK. About 10 years ago—and I will be done in a moment, Mr. Chairman—I remember having Mr. Boardman here, and I was predicting with the baby boomers retiring and with the air travel so unpleasant, that more and more people who had time would opt to do that. And I think you are seeing some of that, but we do have to provide them a quality product. Thank you.

Thank you, Mr. Chairman.

Mr. LIPINSKI. The Chair now recognizes Mr. Crawford, Ranking Member Crawford, for 5 minutes.

Mr. CRAWFORD. Thank you, Mr. Chairman. Mr. Anderson, I hear you right, you are replacing your locomotives?

Mr. ANDERSON. Yes, sir.

Mr. CRAWFORD. Let's talk about that. Some of your creditors recently filed suit, alleging inappropriate handling of Amtrak's Bombardier-Alstom HHP-8 locomotives. Is it true that Amtrak has retired all those locomotives after only 10 years of revenue service?

Mr. ANDERSON. I know we are retiring those locomotives, but those locomotives weren't on the national network. The locomotives

that I am talking about are the P42s. Those are diesel locomotives that handle the long-haul trains in the national network.

Those locomotives are worn out, and we did an RFP, and probably the most important thing we can do for Amtrak is to replace the P42 long-haul locomotives.

Mr. CRAWFORD. What is Amtrak doing with the HHP-8 locomotives today?

Mr. ANDERSON. Those locomotives were retired, and they are being maintained because they are on leases. They were replaced several years back by the ACS-64s up and down the corridor.

Mr. CRAWFORD. Switching gears just real quick, it is my understanding that some Amtrak trains operate with one crewmember in the cabin of a locomotive, and is that accurate?

Mr. ANDERSON. It is accurate.

Mr. CRAWFORD. And can you tell me if you believe that is a safe way to operate?

Mr. ANDERSON. It is a safe way to operate in the places where—remember we have a conductor on the train, too. So we have a locomotive engineer in the cabin, a conductor. On some of the longer routes like the Coast Starlight, we have two engineers in the cab. So we aren't engaged at all in the issues on the freight side about crew size. We are pleased with how it operates, and I think our engineers do a great job operating the railroad.

Mr. CRAWFORD. Ms. Mortensen, in your testimony, you mentioned your unique experience operating both an intercity passenger rail service, operated by Amtrak, and a commuter rail line that utilizes a private operator. Groups such as the National Railroad Construction and Maintenance Association like to remind us of the many costs and efficiency benefits of contracting work to private contractors.

Can you expand on the pros and cons of contracting out in your experience with private operators?

Ms. MORTENSEN. Well, and I want to be clear that this is still a unionized workforce. I think there was some concern that contracting out always means nonunion, and that is not true in our case. I would say that when we first went out to bid Amtrak Bombardier and Herzog bid, and the cost structure is one very large factor, but I think the partnership approach, working together with the agency, working as an extension of staff, following performance metrics, I think that is a big, big difference than Amtrak operating State-supported routes from a national perspective.

Mr. CRAWFORD. Thank you. I yield back.

Mr. LIPINSKI. OK. I will now recognize myself for 5 minutes. I want to first start with some things that I think the panel has agreement on. First of all, I assume everyone agrees increased infrastructure spending for Amtrak would be helpful to Amtrak, in this next bill would be something good to do?

I think everyone's nodding yes.

Does everyone agree, a little more thorny point, but I think everyone seems to agree on giving Amtrak a private right of action. Anyone disagree with that?

All right. So we will start—because we have things that there is agreement on. So let me move on to some other issues. I want to

ask Mr. Regan, Mr. Guy, and Mr. Dinsdale, how do cuts to Amtrak employees hurt, one, safety, and two, has it hurt Amtrak service?

If you could be quick, just give me a couple of examples on each. Let's start with Mr. Regan.

Mr. REGAN. Well, I think if you look at the services being provided, I think it hurts ridership. If you are cutting back on food and beverage employees, for instance, if you are cutting back on call center employees, if you are cutting back on the station agents, you are hurting the customer experience in that regard. And I think it is going to drive down ridership in the long-term, not be healthy for the railroad.

Mr. LIPINSKI. Mr. Dinsdale?

Mr. DINSDALE. Yes. In regards to the safety issue, Amtrak employees are trained in emergency evacuation, first aid, and on the other side, as far as the service, it is important to understand how skilled these people are.

Now, you saw this bag. Every train attendant that I know carries something in their bag that they have fashioned out of their own home because of things that go wrong on the train, whether it is air conditioning or toilets, something that they have, that they can fix en route, instead of telling a passenger, look, we have no one on here, we are going to have to wait until we get to Albuquerque or Denver.

And so I think by replacing them with unskilled, unqualified people, is both a safety issue and a service problem.

Mr. LIPINSKI. Thank you. Mr. Guy, do you—

Mr. GUY. I think when you talk about reducing a workforce, then you are leaving those that remain to do more. And when you are reducing a workforce that is in charge of inspections and fixing equipment and what not, it makes it harder to keep that up to a state of good repair, regardless if new equipment is coming.

So wouldn't want to see worker reductions to the point where safety is jeopardized. We don't think it is, but that is a path we don't want to see.

Mr. LIPINSKI. And Mr. Guy, you had mentioned having a labor representative on the board of Amtrak. How do you think that would help change the current situation?

Mr. GUY. We consider ourselves sort of the face of Amtrak. The passengers interact with our members, you know, on board trains most often. So we can hear concerns and complaints at times for those, and we can sprinkle that up to our leadership. And having that at a board level will better help Amtrak make decisions that could potentially impact negatively and positively the service.

Mr. LIPINSKI. Mr. Dinsdale, I think it was you who had in your testimony, correct me if I'm wrong, about some cuts that Amtrak had made, and you were saying if they had spoken to Amtrak employees—Amtrak wound up going, turning those around. And if they had actually spoken to Amtrak employees when cuts occurred, that they probably would not have done that in the first place. Can you expand on that?

Mr. DINSDALE. Yeah, I didn't quite hear the whole question.

Mr. LIPINSKI. Was there a situation where Amtrak had made cuts to employees that they wound up going back on? I believe it

was your testimony, I could be wrong on that, but Amtrak then wound up changing their mind and eliminating those cuts?

Mr. DINSDALE. Well, the only part I can think of in my written statement was the hiring of the outsource people. Initially the story was, the call volume was down, and they didn't need as many employees. Well, they, in fact, have as many employees at the outsource company as they had before.

Mr. LIPINSKI. It was the—let me be a little more clear on this. The food and beverage, the cutting of the food and beverage service.

Mr. DINSDALE. Yeah. In Florida, they had an issue where when they make these cuts, they come to us to try to avoid violating law, by offering an early retirement, enhanced retirement package, or a straight buy-out. And a number of people applied in Florida to go to different cities, and they had to withdraw their offer to let them transfer because they needed them in Florida.

Mr. LIPINSKI. I thank you.

I may come back for more questions. I have questions for Mr. Anderson about Chicago Union Station and also some questions for the panel about cost transparency, but I will yield back, and I will recognize Mr. Smucker for 5 minutes.

Mr. SMUCKER. Thank you. I would like to start by saying I support the goal of ensuring we have passenger train service available, and we should continue to grow that. It is important in my area. I am in Pennsylvania, sort of central southeast Pennsylvania, Keystone line, travel on a regular basis and then travel here on a regular basis as well.

I do have questions, Mr. Anderson. I have concerns about what is happening with the arrangements with Amtrak and SEPTA in the southeast Pennsylvania region. I know that Federal law encourages Amtrak to make agreements with the private sector in order to maximize revenue and reduce reliance. We expect you to try to increase revenue where you can, but do you consider public commuter railroads to be private entities?

Mr. ANDERSON. No.

Mr. SMUCKER. Can you tell me a little bit about your view of the dispute with SEPTA in southeast Pennsylvania, then?

Mr. ANDERSON. Yeah. Historically, they basically used a lot of Amtrak stations and real estate for free, and that lease is up. And under Federal statute, we are not supposed to cross-subsidize commuters. It is pretty clear. And so it has been submitted to the Surface Transportation Board.

All we really have to have out of that is to make sure there is no cross subsidies and we tried to work with SEPTA to negotiate that. I actually think SEPTA does a really good job, and it is a well-run railroad.

Mr. SMUCKER. I think both Amtrak and SEPTA are very, very important to the region, but when—I think what you are attempting to do is impose rent.

Mr. ANDERSON. Pardon?

Mr. SMUCKER. I think what you are attempting to do is impose rent on stations that Amtrak owns but are really only serviced by commuter railroads. Wouldn't co-development agreements with the commuter railroads be a more effective way to generate revenue

while preserving and improving critical commuter rail service on which our communities rely?

Mr. ANDERSON. You know, in theory that would be true, but I just don't know the answer to your question. I could go do some research on it, but I don't know specifically about co-development agreements with SEPTA.

But I mean, we have done some with—the Paoli station is a great example of a great success with SEPTA. So I am hopeful that through the STB process, we have had a great relationship with SEPTA for a very long time. It has had very strong management. They run a very good railroad. I am hopeful that through this STB process that we will get this resolved in a reasonable way for both of us.

Mr. SMUCKER. Yeah. I mean, I think rather than just move public dollars back and forth—again, these are both public agencies benefitting the public with Federal dollars. So I think rather than moving those dollars back and forth, I would like to see us clarify the law to exclude public transportation agencies from Amtrak's responsibility to maximize its revenues. And even maybe perhaps another idea better yet would be for Amtrak to transfer to SEPTA those stations which Amtrak is no longer using. Would that make sense?

Mr. ANDERSON. At one time there was, under a previous administration, maybe 1½ years ago, some conversation about the State buying those stations from us, but I mean, Chairman Lipinski has the same issue with Metra. We are not—you know, statutorily, we have a lot of rules, and you can see that there are States that don't like them because—and we have high costs, right? So there is always a tug of war. Oregon has to pay more, JPA in California has to pay more, because section 209 PRIIA is very clear in terms of how its structure works, and how we are not to cross-subsidize across commuter lines.

And we do a lot of work for commuter railroads, Sound Transit, Metro in L.A., we run all their trains, Connecticut. And we are very careful about apportioning these so that the section 209 States don't end up with a subsidy. So it is complex.

Mr. SMUCKER. It is. It just doesn't make sense to me that we have—

Mr. ANDERSON. I hear you.

Mr. SMUCKER [continuing]. This continued, ongoing dispute between both agencies. I am certainly willing to work with you in any way that we can, if we need to clarify anything in the law itself or if—

Mr. ANDERSON. OK.

Mr. SMUCKER [continuing]. We can find other resolutions, so thank you.

Mr. ANDERSON. That is a reasonable request.

Mr. LIPINSKI. The Chair now recognizes Mr. Malinowski for 5 minutes.

Mr. MALINOWSKI. Thank you, Mr. Chairman.

Mr. Anderson, I wanted to ask you about an issue that was raised in a letter to you by Chairman DeFazio and other members of this committee about proposed cuts to Amtrak's police force. We received a response from Amtrak to that letter in which your chief

administrative officer wrote that cuts to the police force, quote, “will not impact the level of security that we provide in stations or on trains.”

It would seem to me that cuts to a police force, this or any other, by up to 20 percent, which is our understanding of what is planned, would absolutely impact the ability of that police force to provide protection to those who they are duty-bound to protect. Twenty percent is a pretty significant number. From a common-sense point of view, it is hard to imagine that there would be no impact, and I wonder if you could further elaborate, first of all, on that conclusion that there would be no impact on security?

Mr. ANDERSON. Well, you have got to look at where the labor is deployed, right? So if it is in offices and you have a ratio of one manager for every seven people that are out working on the railroad, and you look at the geographic dispersion of where people were working, in rural areas where we weren't getting a lot of policing, what we have actually done, which addresses a number of the issues which I am incredibly sympathetic to—and was involved in the aviation industry in passing Federal laws against violence against crewmembers—we needed many more policemen on our trains. And that is what we have done.

The number of riders, much like the Air Marshal Service that TSA uses in aviation, we have morphed the department from a kind of traditional management-heavy organization, to an organization that puts a lot of policemen on trains and in stations.

Mr. MALINOWSKI. Well, good. That is what I want to specifically ask you about. And let's remember the context. I am sure you are aware that the United States in the last several years has been experiencing an increase in domestic terrorism. I mean, we have been at risk of terrorism from multiple sources for many years since 9/11, but there is a particularly pernicious new threat that we have seen manifested in shootings in places of worship, in a synagogue in Pittsburgh, Poway, against Jewish Americans, against Hispanic Americans at a shopping mall in Texas. It is not just random violence with guns, but violence that is motivated by a specific ideology. And not to be too alarmist, but we have trains running between Washington and New York City, the heart of what some people with antigovernment ideologies consider to be the establishment of the United States. I can walk on those trains without a metal detector, which is very different from the situation in airports. What would happen if somebody opened fire on a train with hundreds of people on the Northeast Corridor? How equipped is Amtrak to deal with that situation?

Mr. ANDERSON. Well, that is actually where we have centralized our forces. So we have—we can get with you with the statistics, but we have dramatically increased the number of policemen riding on our trains, invisible in our stations. That is precisely what we wanted to do.

Mr. MALINOWSKI. Can you give me a little bit more granularity on that?

Mr. ANDERSON. I have the data—yep, yep. We have—I mean, I can pull the data. I have got it in this binder—

Mr. MALINOWSKI. OK.

Mr. ANDERSON [continuing]. Because I anticipated your question. But, look, we have also undertaken a really significant hardening of the industrial assets up and down the corridor from signal huts to server farms in stations. We have done a complete analysis of where those vulnerabilities are. We are taking a fair amount of our national network grant and putting fencing up and down the corridor in the dense areas. We have added—I think our number of train marshal rides is up over 1,000 percent year on year.

So with you all the way on that. We wanted to refocus and reconcentrate our assets in the most dense areas and to get much more coverage of our police officers visible to our employees and customers on our trains.

Mr. MALINOWSKI. Thank you. Let's continue that conversation. I yield back.

Mr. ANDERSON. I would be glad to.

Mr. LIPINSKI. The Chair recognizes Mr. LaMalfa for 5 minutes.

Mr. LAMALFA. Thank you, Mr. Chairman.

Mr. Anderson, thank you for your time here today, and me personally, I really enjoy the train trips we make on the east coast here sometimes up North and back and even just commuting from Baltimore from the airport. So, you know, I think there is a really great place for passenger rail where it can be fiscally responsible.

So anyway I wanted to cover with you a couple things caused by congressional mandate and then open it up to you at the end of my comments on what do you actually need from Congress in your professional opinion for us to remove barriers?

First, for example, on the dining service on the trains, that changed. It was, my understanding, downgraded. What effect do you think that that had on customers and eventually even ticket sales?

Mr. ANDERSON. Look, we track this. There is a lot of anecdote about food because there are people that love the long-distance service in the halcyon days of sitting in the dining car in your coat and tie. And I appreciate that and we need to invest more in that in a few sort of stellar trips. But when you make these kinds of changes, you make these kinds of changes based on data. And we have very good data about what our customer preferences are.

And our customer service scores across Amtrak have been very strong on virtually all of our routes. And our ridership is growing, and it is growing significantly. We grew by—

Mr. LAMALFA. So changes—I mean, I got to keep going on my time. I am sorry, but—

Mr. ANDERSON. All right. Sorry.

Mr. LAMALFA. So changes to that have not negatively affected ticket sales, you would say?

Mr. ANDERSON. No, not at all.

Mr. LAMALFA. OK. Thank you for that.

Something more perhaps locally, charter trains, private cars, things like that, there has been additional fees, restrictions, et cetera, to where—like in my part of the State of northern California, it seems from what anecdotes from what we have been told in our office, that it is hardly used anymore. So what is the issue with private cars, charter trains being able to attach to ongoing Amtrak—

Mr. ANDERSON. Once again, you have people wed to a system that is decades old, where they got very, very low rates and could pick what trains they could put their car on and take it off whenever they wanted. And we were taking a lot of passenger train delays.

We already take enough delays. We can't delay 280 people on a train because 3 people in a private car want to get off on a siding, number one.

And number two, the inspector general did a report on tracking our costs and being certain that the private car owners—and it is not inexpensive to own a private car—pay full freight, and that is what we did, and a lot of them got upset about it, because they had a sweetheart deal for a long time.

Mr. LAMALFA. So doing that on rural areas maybe versus urban stations wouldn't really make a lot of difference, you think?

Mr. ANDERSON. It does, if you have got to pull off on a Y and take a delay.

Mr. LAMALFA. Yeah.

Mr. ANDERSON. So we limited the places where we would pick up a private car or drop off a private car to stations where we had enough time and we had a Y so that it was easy to pull the car on and off.

Mr. LAMALFA. Yeah. OK. So time is money, right? I get it.

In California, the whole high-speed rail thing is being wrestled through right now. A program that was initially \$33 billion looks like it is going to exceed \$100 billion. It is going to in some places displace Amtrak; others, supposedly, augment it.

So what about this concept of having more full-speed trains on conventional tracks? My understanding is you can go 120, 125 miles per hour on conventional tracks. You don't need the fully designed high-speed rail, elliptical tracks, et cetera. What can we do to further make higher—conventional speeds and actually close that gap and make the giant cost difference come closer and use conventional trains and conventional layouts?

Mr. ANDERSON. I think you hit the nail on the head about where the future is going to be. We can grow the national network and jobs at Amtrak significantly if we partnered with the freight railroads and co-invested, because the freight railroads have usually a maximum speed of 79 miles an hour.

In the Northeast Corridor, we are going to get speeds up in locations to 160 miles an hour with the new Acela. Today it is 150. So the real answer, long-term in these short corridors in urban areas is to do precisely what you just said, which is to figure out a way to co-invest with the freight railroads to take up track speeds, pull out bottlenecks, and allow us to be able to operate at—you know, if you can operate in a 100-mile zone, a 100-mile trip, at 125 miles an hour, you will take a lot of cars off the highway. So you are exactly right.

Mr. LAMALFA. Thank you. I yield back.

Mr. LIPINSKI. The Chair now recognizes Mrs. Napolitano for 5 minutes.

Mrs. NAPOLITANO. Thank you, Mr. Chairman, and let me recognize a distinguished guest in the audience today, Mr. David Kim, secretary of the California State Transportation Agency. Many of

you know David as he was previously the Deputy Administrator of the Federal Highway Administration, worked in Washington for L.A. Metro, for Governor Gray Davis, and our former colleague and now Attorney General Xavier Becerra. David, I am delighted Governor Newsom appointed you to lead the transportation industry, and I look forward to working with you and on the passenger rail. I am glad you are here listening. Welcome, sir. He is right over there.

Mr. Dinsdale, I also am, with Mr. Lipinski, concerned about Amtrak's efforts to close in-house call centers and outsource the work. In January, they were told they had a low calling, and then later they opened up centers in Florida and in Ohio. And I am concerned that Amtrak got rid of these in-house employees because they no longer want to pay the livable wages with benefits to their workers. What is your take on this situation, and what proof do we have that they were low in calls into the call center in California?

Mr. DINSDALE. Thank you for the question, Congresswoman. First of all, I would like to go back to where we had our first conversation with them. It was May in 2018. We had been hearing rumors that they were going to close the Riverside call center. So we asked for a meeting and we met with no less than three of their vice presidents, and they told us, we are not closing it. We are going to invest in that office.

We are only going to open an office in Florida for rollovers, when there is some sort of weather issue on the east coast. The other call center is in Philadelphia, and evidently there was a problem when you had a nor'easter a couple years ago, so this allegedly was going to be an office where they could roll these calls over to. And I am sitting in this room going, you don't know where Riverside is? It is in the middle of the desert. So that is not going to be a weather issue.

That office would be the place they probably should have kept open if they were going to close one. But the fact is, they need both call centers. And the result of having 350 people working in this—between the two offices in Ohio and Florida—is a clear indication that the call volume has not dropped. Because that is the amount of employees that they reduced by closing the Riverside call center.

Mrs. NAPOLITANO. Do they have benefits?

Mr. DINSDALE. I am sorry?

Mrs. NAPOLITANO. Do they have benefits, the Florida people and the Ohio people?

Mr. DINSDALE. No. Absolutely not.

Mrs. NAPOLITANO. I am very concerned about that, because that means jobs are lost and transplanted to another State to which I don't mind if we had the extra work. I have another question for Ms. Nathanson. We held a hearing a little while back on the growing length of trains operated by the freight railroads. Your testimony addresses the issue. Can your current network capacity, yours, allow for such long trains, and how long does it impact the full passenger service in your area?

Ms. NATHANSON. Thank you for the question. In short, no. My region can't accommodate additional extended-length trains. In Oregon, we have had only 1 siding out of 12 that was long enough to accommodate the long trains that we have running in Oregon—

8,000, 10,000 feet long. We had only one siding that was long enough. So that obviously isn't adequate. But in addition to sidings that aren't long enough to accommodate the freight trains, as long as a siding is able to be used as storage, basically a parking lot for cars when they are not in service and not moving along the track, if the siding is used for storage, then the siding can't be part of the system to allow a passing lane. So that means that our passenger trains will continue to be impeded.

Mrs. NAPOLITANO. Well, I have long held a great concern over the length of trains now being used by railroads because they impact every community. And there are only a few areas that can maintain that length of train, and now I am hearing they are even bigger than that.

A question for Mr. Guy. I am concerned about the fact that Amtrak is paying for accidents occurring that they are not responsible for. Why?

Mr. GUY. I think that is what is currently the law. They don't have a private right of action. Is that the portion you are talking about?

Mrs. NAPOLITANO. Well, to pay millions resulting in an accident occurring on other railroads even if they are not negligent is not acceptable.

Mr. GUY. Yes. I—and that costs Congress and States more in operations because the host railroads, if it is solely their responsibility, they are not responsible for it. Amtrak is.

Mrs. NAPOLITANO. Well, that is surely something we should address in this committee. And Mr. Chairman, I have other questions, but I will put them in writing. Thank you, sir.

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

Mr. DAVIS. Thank you, Mr. Chair. Mr. Guy, welcome, great to see you here in DC. I always enjoy working with you in Illinois. Appreciate what you and your members do. I actually wanted to introduce you, but Chairman Lipinski hogged it all to himself. So sorry about that. Must be the majority's prerogative.

Mr. LIPINSKI. Yes, it is.

Mr. DAVIS. You know, it is great to be able to have a great working relationship with you and the members that make up your union. Regan, great to see you again, man. I am still trying to grow as good a beard as you. It is not even close.

Mr. REGAN. You will get there.

Mr. DAVIS. Not even close. Hey, I am going to leave you guys alone with my questions, but thanks for your testimony, and thanks for a lot of the points that you brought up. I have got a big concern because the Illini and the Saluki routes run through my district in central Illinois, and we have a terrible, terrible on-time performance issue. I know Chairman DeFazio mentioned this. I know that Representative Nathanson mentioned the on-time performance in her opening statement. I just can't tell you how many constituents in Champaign-Urbana that I have heard from about this issue. And it impacts the decisions to actually ride on the train.

I mean, how do we continue to make Amtrak a viable source of long-distance transportation if people make a cost-benefit analysis

and say, you know what, I am not going to take the chance. You know, we have invested billions of dollars in the Chicago to St. Louis corridor for passenger rail, and I want to make sure that we continue to make it a viable mode of transportation.

So beyond my district—I mean, actually specifically in my district, can you address any of the concerns along the Illini and the Saluki routes?

Mr. ANDERSON. Look, it comes down to host railroad delays. The freight railroads do not run Amtrak on time. When you look in the Northeast Corridor where Amtrak controls the dispatch in the corridor, we run an incredibly reliable railroad, and so do the nine commuter railroads that we dispatch.

Mr. DAVIS. This is why I am going to have a roundtable next week with the rails and with folks who represent Amtrak because I want to get people together. I mean, I have heard that it is maybe a short shunt issue.

Mr. ANDERSON. Well, there is a shunting issue, but actually the FRA and Ron Batory have really been pretty aggressive with the railroads about the shunting issue. But overall, it is freight train interference.

And until Congress decides that the 1970 law that gave us a preference at incremental cost is going to have teeth in it, and that we are required to be operated on time, we won't see a change in that.

And you are not going to be able to grow a transportation product—I have spent my whole life in transportation career—if you don't run on time, you are not going to have a product. Because that is what you sell.

Mr. DAVIS. So Mr. Anderson, what you are telling me is, there is nothing Amtrak can do, nothing its board of directors can do, nothing that anyone along those lines can do in your agency to help address this? My issue is going to be going directly to the CN, directly to the UP, directly to any other rail line that runs through my district?

Mr. ANDERSON. That is going to be the answer. Now, I will say that we have a host railroad group at Amtrak that works very closely with the host railroads where we try our best to adjust our schedules, adjust our consists, and work with them, but we are going to need a longer term solution because you could really grow passenger rail and all the jobs that these folks represent, if we had access to the short-haul markets around the U.S. in dense, urban corridors.

And the answer is going to have to be enforcement of our preference rights and then some sort of a joint cooperation agreement where we make investments, like we did in Chicago to St. Louis, but really come with real benefits. And we haven't gotten the benefits of that investment.

Mr. DAVIS. No, we haven't clearly. We are still making some of those investments—

Mr. ANDERSON. We are.

Mr. DAVIS [continuing]. In the Springfield area to consolidate tracks, and that is a great project. I have been working on it since before I even got to Congress. But it is very frustrating because I

hear a lot of talk about the passenger rail service in urban areas. I don't represent urban areas.

I represent many urban areas, and I represent rural America. The key is, how in the world are we going to get a partnership to exist that is going to allow us to have thriving passenger rail service that goes beyond just the commuter rail service in our urban areas?

Mr. ANDERSON. Well, Amtrak can't do commuter. That is what we do. We—if you look at where our ridership is strongest, it is the rural areas, 300 miles—from 300 miles in to cities, and that is our bread and butter on the long distance actually. That is where 90 percent of the people on the long-distance travel. So it is our lifeblood.

Mr. DAVIS. Well, we want to see you succeed, we want to see passenger service grow, and we want to see on-time performance, especially on those two routes. So we want to work with you.

Mr. ANDERSON. He gave you the answer with a private right of action.

Mr. DAVIS. Well, thank you very much. And I yield nothing back to you, Mr. Chairman.

Mr. LIPINSKI. Thanks for nothing. The Chair will now recognize Mr. Cohen for 5 minutes.

Mr. COHEN. Thank you, Mr. Chair. I have been a fan of train transportation since I was a child and a supporter of Amtrak. It is important for America.

One of the parts of passenger service that has made it so wonderful to Americans over the centuries has been the fine dining service and the opportunity to go on the train and live and have certain style. When I was 10, my father and I took the City of New Orleans from Memphis to Champaign-Urbana, got off the train, spent the night at the Inman Hotel with a pigeon on our windowsill. Got up the next morning very early to get on the Panama Limited so we could enjoy the outstanding French toast that they served on the way into Chicago. Came back on the Panama Limited, had one of the thickest, finest filet mignons.

Now Amtrak is cutting out dining service. This is shortsighted and foolish. It is like Delta Air Lines taking away amenities to passengers on their airplanes and making air traffic more like traveling on a bus.

Mr. Mathews, you have had people contact you and let you know about their thoughts about the elimination of food service, allegedly to try to get more millennials who don't like to sit with others and want to just look at their phones. What have your people told you about the elimination of food service?

Mr. MATHEWS. Mr. Cohen, thank you for the question. Reaction has been—we will call it charitably, we will call it mixed. I have a stack of letters in my office from folks who recount experiences just like the one you did. They look back fondly at some of the meals that they enjoyed and the people that they met.

To some extent, one of the things that is missing, it is not just the food, it is the experience. It is the shared experience of meeting people on the train and having that shared meal, which in the modern era has become increasingly a precious thing.

Because we don't come together in public spaces very often. The interesting thing is that, yes, we have had some millennials who will tell us that they would prefer not to visit with other people, but have probably had an equal number of millennials tell me that that is the part they enjoy.

In fact, my own son, before he was an adult, made a point of traveling on a different reservation at dinner than we had, because he wanted to meet other people on the train. And he would come back and tell us who he met that day at lunch or at dinner.

So it is a very, very individual thing, but I have got stacks of letters in my office from folks who really don't want to see that pass. They understand that maybe we can't have the big thick filet anymore, but the idea of sitting at a table with no table cloth, a plastic bag, a pile of plastic trash, that is just not what they were looking for and certainly not what they paid for.

Mr. COHEN. You have 79,000 signatures?

Mr. MATHEWS. It is actually a little more than that now, sir.

Mr. COHEN. People want to have the food service?

Mr. MATHEWS. Yes, sir.

Mr. COHEN. When you go on a Pullman car, you get food, but you expect to get prepared food, not paper-sack food.

Mr. MATHEWS. Paper-sack food is clearly not what anyone was paying for on that service.

Mr. COHEN. Thank you. Mr. Anderson, there was this backlash in June of 2018, and you modified it, I think, in July of 2018. Did that backlash not affect you in understanding that a lot of people enjoy that experience and that is part of what makes train traffic passenger rail service so nice?

Mr. ANDERSON. I didn't turn my thing on. You know, we do this based on market survey data and customer feedback. So we give a survey to all of our customers online after their trip, and we adapt our service to what customers tell us. And we do it—we don't do it on anecdote. We do it based on data. And our ridership has grown strongly this year across the board.

Mr. COHEN. I travel on Amtrak, the Acela, probably six times a year—

Mr. ANDERSON. Thank you.

Mr. COHEN [continuing]. And have done that for 12 years. I don't think I have ever got one survey from you. So I don't know if you are not doing it on Acela in the New York run. I don't know where you are doing it, but it is a nice part of travel. In your statement, you said, "we remain focused on customer service and this organizes our efforts every day as we strive to provide the most appealing transportation choices possible." Let me just remind you, sir, the last time you were testifying and I was questioning, you promised me, you assured me that Delta, when they merged with Northwest, would not leave the Memphis hub, that the Memphis hub was there in perpetuity, that you loved Memphis, that you loved the Rendezvous, that you liked Arnold Perl and you would not leave Memphis, that the Amsterdam flight, from Memphis to Amsterdam nonstop, would not stop. Those weren't true.

So I have a problem respecting what you say here, and I think you really should consider the humanity and the romance and the appeal of the train travel with food, which is important and good,

and not just do it like Delta Air Lines that took all the meals away, stuffed us into planes worse than Federal Express puts packages on their airplane.

Fred Smith treats his people better than you treated people on Delta, and I hope you don't continue that on Amtrak. I yield back the balance of my time.

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

Mr. FITZPATRICK. Thank you, Mr. Chairman. Mr. Anderson, thank you for being here. Question for you. Many of my colleagues on both sides of the aisle were disturbed with the closure of the Riverside call center. We have call centers in our region in southeastern Pennsylvania, in the Philadelphia region.

Can I assure those workers that what happened in Riverside will not happen in Philadelphia?

Mr. ANDERSON. Would you repeat that? I have a hearing—

Mr. FITZPATRICK. Yeah. So the call center in Riverside, the closure—

Mr. ANDERSON. Right.

Mr. FITZPATRICK [continuing]. Was concerning to a lot of my colleagues, Republican and Democratic alike.

Mr. ANDERSON. Yep.

Mr. FITZPATRICK. We have call centers in our region, in southeastern Pennsylvania, and I want to know if I can get your assurance that what happened in Riverside will not happen in Philadelphia?

Mr. ANDERSON. We actually purchased a call center and made a pretty big investment in that call center as the main call center for Amtrak. So that is a permanent part of the infrastructure. Look, what is going on in America today is not something that is my making. We sell 90 percent of our tickets digitally now, and that is going to continue to grow. Everybody wants to communicate and do business with you through their phone.

And our call volumes have been dropping and they will continue to drop. And once we roll out the new self-service devices that are being programmed and built today, to all of our stations across the system, look, Americans are going to a digital world that is self-service. I mean, we can ignore that, but it will be at our peril.

Mr. FITZPATRICK. But that doesn't impact the customer service aspect of this. You still need human beings for that. Would you agree?

Mr. ANDERSON. No. It does. And it did in the airline industry, and it will at Amtrak. People want to communicate with you and transact all their business over their phone.

Mr. FITZPATRICK. Well, clearly customer service cannot be digitalized. Purchasing tickets can.

Mr. ANDERSON. Well, purchasing tickets and doing all your interactions with Amtrak on your frequent flyer account, store credit card, filing complaints, whatever it is, that is the way people want to do business with us. That is—and we are making big investments—

Mr. FITZPATRICK. Sir, when it comes to customer service, I respectfully disagree.

Mr. ANDERSON. Well, on the train, different question. On the train, that is where our customer service really is strong at Amtrak and our employees do a very good job. We just have to give them better tools and better equipment. But our customers rate our employees on the train very high. But most of our customers, their only interaction with us from a customer service, human standpoint is on the train.

Mr. FITZPATRICK. I will leave that for the moment. I want to shift to SEPTA. My colleague, Mr. Smucker, started down this road. In southeastern Pennsylvania, three of SEPTA's lowest performing regional rail lines operate on Amtrak-owned track. Do you believe that Amtrak has a responsibility to ensure that service for tenant railroads is not unduly disadvantaged by Amtrak's service?

Mr. ANDERSON. Well, we actually dispatch on the corridor at about a 98-percent reliability. So I would have to understand where you got your data and what you're tracking. Because we have responsibility for dispatching onto the corridor and off of the corridor. And our dispatch numbers on and off the corridor are quite high.

Mr. FITZPATRICK. Do you believe that SEPTA has a legal right under Federal law to run over Amtrak's Northeast Corridor lines, or is that at Amtrak's discretion?

Mr. ANDERSON. No, they have—look, this is in the regulations. We have the Northeast Corridor Commission. All the railroads have slots, and we all share the corridor with Amtrak running the maintenance of way in the dispatch.

Mr. FITZPATRICK. But you believe it is their legal right, or is that at Amtrak's discretion?

Mr. ANDERSON. No, I believe it is the legal right of not just them but MBTA, all the commuter railroads up and down the corridor who have their lines that come on to the corridor, have the right to use the corridor, and that is why we have the Northeast Corridor Commission, which SEPTA is a member of, which governs—and DOT is a member of that—which governs the use of the corridor.

Mr. FITZPATRICK. And what do you view as Amtrak's role and responsibility in working with commuter lines like SEPTA? SEPTA is a huge part of our community. A lot of people rely on it, and oftentimes as you are well aware, sir, you are at odds with the commuter rail lines like SEPTA.

Mr. ANDERSON. I disagree with that. I don't think we are at—now, we have one issue with SEPTA over the station issue. But if you look—

Mr. FITZPATRICK. Would you elaborate on it?

Mr. ANDERSON. Well, this is what I described to your colleague earlier. But, no, we do well with our partners up and down the corridor. It is the busiest commuter railroad in the world, and we have about a 98-percent dispatch reliability on and off the corridor, and Amtrak is doing a very good job maintaining the corridor the last 3 years.

We actually had our capital replacement charges taken to 100 percent by all the States and railroads up and down the corridor. So I actually think we do a good job running the corridor. It is a busy railroad, and it has a huge backlog of infrastructure work,

\$40 billion. If we could get on with it, it would be better for your railroad and all the other railroads that use the corridor.

Mr. FITZPATRICK. So before yielding back, Mr. Chairman, Mr. Anderson, back to my original point of the call center, I will tell you surely, yeah, many of us are purchasing our tickets digitally. There are certain facets that cannot be replaced by a machine or a robot, that we need human beings to be on the phone.

And customer service is always going to be human being-driven, and I just implore you to stand by what you committed to me today, that the Philadelphia call center will not be harmed in any way.

Mr. ANDERSON. Got it.

Mr. MATHEWS. May I respond to Mr. Fitzpatrick for a moment?

Mr. LIPINSKI. Yes.

Mr. MATHEWS. Just from the passenger's point of view, we could not agree more. There is certainly—sure, we are all digitizing, and we are all using our phones to buy tickets, but when you look at the Amtrak network and the places that it serves, there are places that still don't have broadband internet.

So sometimes grandma has to pick up the phone and talk to a human being, and frankly, the human beings at the Philadelphia call center are terrific, and we hear that all the time from our members. And they are disappointed with some of the outsource service that they are getting, because they are not getting the same level of service or understanding of rail.

Mr. FITZPATRICK. Sure. And moreover the senior population, I got to imagine, is purchasing their tickets through calling in and not—

Mr. MATHEWS. That is correct, sir.

Mr. FITZPATRICK [continuing]. The internet.

Mr. MATHEWS. That is correct, sir.

Mr. LIPINSKI. The Chair now recognizes Mr. Lynch for 5 minutes.

Mr. LYNCH. Thank you, Mr. Chairman. I want to thank all the witnesses for your willingness to come for this committee and help us with our work.

So I am a former iron worker president for Local 7 in Boston. I worked very closely with all of my rail brothers and sisters in various unions, and I was in the State legislature when Amtrak had the contract for our commuter rail, Mr. Anderson. And the reason that Amtrak no longer has that commuter rail contract and we went with someone else was because the hostile relationship that Amtrak had with the rail unions, because of the bad relationship there.

They voiced many of the complaints here about union-busting and, you know, lack of respect and consideration, lack of a willingness to work with the unions in the area, so we just had to suspend the contract with Amtrak because we couldn't deal with them. Then we brought in another firm that had a good relationship and agreed to work with the unions, and at least that relationship has gotten very much better.

We still have the oldest rail system, one of the oldest rail systems in the country, so we have our problems, but at least now we have labor and management working together. So, you know, what I am hearing here today from my union brothers is not good. It

sounds like nothing has changed at Amtrak, and you know, I agree with my colleagues here on both sides of the aisle that we don't want our rail workers to be low-wage, low-pay, low-benefit workers. We want them to be treated with respect.

And so, you know, that is not how we roll in America today. That is not what we expect of—you know, we give Amtrak special privileges and special courtesies, and we try to work with you more as a utility than a competitive environment. And we expect that our workers, whatever State, that work for Amtrak, will be treated with respect. And it is not going to go well for Amtrak if you continue down this road. It is just not going to. We have higher expectations of Amtrak, and you are not meeting those expectations.

Let me get to something else here. On May 12th, 2015, we had an Amtrak derailment in Philadelphia. I guess the train was going about 102 miles an hour, causing 8 fatalities and 238 injuries. That crash resulted in a \$265 million court settlement between the survivors and Amtrak. Then on December 18, 2017, a train in Washington State, the Amtrak Cascades passenger train derailed, killing 3 and injuring 65, and that crash has also resulted in multimillion-dollar settlements paid to victims and survivors.

Now this January, Amtrak changed their terms and conditions to require mandatory arbitration for Amtrak passengers, including in cases of gross negligence, disfigurement, and wrongful death. As an attorney, I have always felt that forcing people into mandatory arbitration was a disincentive for rigorous safety precautions on the part of the operator or the manufacturer. Because it basically limits the rights of the individual injured passengers or the workers. And that is what I am worried about.

Do you think these passengers were overpaid, the ones that lost family members on either of these derailments that I mentioned?

Mr. ANDERSON. No, in both instances we admitted liability and engage—

Mr. LYNCH. I think you had to. Right? I mean, the facts—

Mr. ANDERSON. No, it was the right thing to do. I was on the scene in DuPont, Washington, and I called the Governor and said, we are going to take full responsibility. So—no, I actually believe that if you looked at the employees, the employees in the railroad industry are all subject to binding arbitration. Did you know that?

Mr. LYNCH. Sure.

Mr. ANDERSON. Yeah. It is under the Railway Labor Act. Right?

Mr. LYNCH. Right. You have a contract with them. These are passengers, though.

Mr. ANDERSON. Right.

Mr. ANDERSON. My point simply is—

Mr. LYNCH. This is for personal injury.

Mr. ANDERSON. Are you going to let me finish?

Mr. LYNCH. I am not sure.

Mr. ANDERSON. OK. Go ahead.

Mr. LYNCH. You know. You are going down a different road. I understand that there is an arbitration requirement there. But these are people who just are on their way to work. Their loved ones were on their way to work, or traveling to and from home. And so now you are going to force them, and these are basically adhesion contracts. To ride on Amtrak they have to accept this mandatory

arbitration, they don't have a choice. They can't renegotiate what is on the back of the ticket.

And I just think that this creates a disincentive for you to be as robust as possible in your pursuit of safe conditions on your railroad, on Amtrak. And I just think it is a disservice to the passengers that we care about. And it reflects I think a downward spiral in terms of Amtrak's positions.

Mr. Regan, or Mr. Dinsdale, or Mr. Guy, do you want to comment on this, about the fact that they are going down this road in terms of mandatory arbitration?

Mr. DINSDALE. Well, I think it makes a passenger question whether they want to board the train because I mean you are telling me right away that you don't have my safety as a concern.

Mr. LYNCH. Right.

Mr. DINSDALE. You are boarding my train at a risk.

Mr. LYNCH. Just for the record, we don't allow the airlines to do this. We don't allow the airlines to put mandatory arbitration—

Mr. ANDERSON. You could—

Mr. LYNCH [continuing]. For those families.

Mr. ANDERSON. It is allowed under U.S. Supreme Court precedent.

Mr. LYNCH. I understand that. But again, going back to what you said before, in those cases you did the right thing. Mandatory arbitration is not the right thing.

I yield back.

Mr. ANDERSON. We just disagree.

Mr. LIPINSKI. The Chair now recognizes Mr. LaMalfa for 5 minutes.

Mr. LAMALFA. Thank you, Mr. Chairman. I want to come to Ms. Mortensen on a couple of issues there in the valley.

You talked about success being had—being able to work with a private partner, the Herzog group, recently in your earlier comments. So are there more opportunities to see more success on a broader scale with this type of partnership?

Ms. MORTENSEN. I think it is much more wide scale now than it was when I first went out to bid 20 years ago. So it is much more common.

I do think there are still answers with Amtrak, if some of the structural limitations could be removed we should be able to get data. We should be able to know why costs go up. We should be able to collaborate and say, we have got to change the service, the environment is different and we need to do it together.

Mr. LAMALFA. What are the barriers to doing that?

Ms. MORTENSEN. The limitations on Amtrak largely section 209 drove a lot of them because nothing can be uniquely done for one property, it has to be done I wouldn't say equitably—it has to be done the same for all.

Mr. LAMALFA. What do you call—

Ms. MORTENSEN. The recent Amtrak reauthorization which stipulated that they had to recover all of their costs and in certain manners.

Mr. LAMALFA. Well recovering costs would be seen as a good thing, but this is causing a barrier to—please elaborate.

Ms. MORTENSEN. Well, I think it is a good thing if there is just a “them” on the other side, but when Congress asked Amtrak to fully recover their costs, one of the biggest places and you have heard Amtrak say this, is the State-supported route. So they really go to your constituents and grab that money to recover their costs because that satisfies the definition but it doesn’t necessarily satisfy the service that your constituents want.

Mr. LAMALFA. Do you see a different way to accomplish both? Congress being—you know, just costs being covered but with the dynamic you are talking about actually produce a greater ridership and a greater revenue that would, you know—go ahead.

Ms. MORTENSEN. Well, I think it does. And I think for the union reps that are here, that produces more jobs. It is not like that money just goes into a hole. That money gets reinvested into the system because there are different demands. And so—and there are a lot of latent demands for service. So you really just take the marbles and move them around but put them back into more service.

Mr. LAMALFA. Interesting. OK. So what should we be doing in Congress, I guess, to facilitate that the next go round?

Ms. MORTENSEN. Well, I think some support in terms of the cost allocation methodology. I think one of the biggest issues for us is the maintenance of equipment. It is our equipment and we don’t have a say in how it is maintained, which is unusual.

And then the national program require that costs be assessed not based on how much equipment we used or how much labor is used to turn the wrench, but it is a proportional share of Amtrak’s overall series of equipment. Right?

So Stacey in California might use two train sets, but if the kind of train sets I have are used across the country and Amtrak has to allocate all of those costs, they just throw them all in a barrel and then re-spit them out to me, and now they have no relationship to how much work is being done.

Mr. LAMALFA. Interesting. OK.

Ms. MORTENSEN. And so I think certain—and I think Amtrak would agree that some of that is beneficial with a little more transparency and then it takes some of the heat off. A lot of it is just lack of transparency.

Mr. LAMALFA. Being in the San Joaquin area talk to me please a little bit about, you know, the voters some years ago authorized a high-speed rail system to go from S.F. to L.A. and then come through the valley there. The prices tripled from what the voters saw: \$33 billion to about \$100 billion now. And it is many years behind, they don’t even have all the land secured. And they have no plan to get over the Grapevine into L.A. with the rail.

What do you see that this is doing to the overall transportation structure in the San Joaquin Valley with trying to keep after this high-speed rail system versus what he could be doing with augmenting like we talked about a higher speed Amtrak at 120 miles per hour.

Ms. MORTENSEN. Well, I do think the State is beginning to look at ways of what can be built right now. We are not anywhere near the \$100 billion purse. So making the best use of the infrastructure that is under construction now and will be completed in the next

5 years. I think there are ideas to operate that, perhaps not at 220 miles per hour but a more manageable speed.

One thought that has come out more recently is a one-seat ride across where there is a train that runs faster on the high-speed segment rather than dumping people off at a transfer point, that train then carries on at a lower speed on the conventional corridor.

And there are some compatibility issues that would have to be worked out but that would make it a very good bang for the buck, which goes in the direction of what you are saying.

Mr. LAMALFA. Well, we invested so many billions though and what was promised to voters, it is basically a violation of contractor fraud that for \$33 billion they were going to get a complete high-speed rail line from S.F. to L.A., and now it is just going to be a little faster portion between Merced and Bakersfield at many, many billions of dollars. So that is not what the voters signed up for.

Ms. MORTENSEN. I know.

Mr. LAMALFA. To continue down this road—basically you get to Bakersfield 20 minutes sooner than you would have for many billions of dollars and much ag land lost and parts of cities effected. Should we pull the pin on this thing and just try to upgrade Amtrak railroad that we have?

Ms. MORTENSEN. I think there is an avenue forward that pulls back from where high-speed rail was going initially. I don't think it is the—and I voted no on it just to be transparent, but the voters voted yes. I do think there is a way to get there. It will take longer and we will need to build something usable in steps and phase it which was not planned, but I do think there is a way out.

I am a troubleshooter and a puzzle person. So I think there is a way, but we have to get away from the idealist notion and make those investments and frankly those ag takes make them worth something. Don't just leave it stranded, put it to use and put higher speed trains on it and give the California taxpayer some benefits.

Mr. LAMALFA. Make some lemonade out of lemons. OK.

Ms. MORTENSEN. I think so. Sometimes you have to do that.

Mr. LAMALFA. Thank you.

Ms. MORTENSEN. Thank you.

Mr. LIPINSKI. I now recognize Mr. Payne for 5 minutes.

Mr. PAYNE. Thank you, Mr. Chairman. I would just like to say to Mr. Anderson, you are almost done.

Mr. ANDERSON. Thank you.

Mr. PAYNE. You seem to be a bit aggravated and looking at your watch, the clock. This is just a little time out of your career to speak to the Members of the United States House of Representatives.

Mr. ANDERSON. I have spoken here many times over 25 years.

Mr. PAYNE. Wonderful, wonderful.

Let me just say that an organization's worth can be reflected in the morale of its workers. As someone that rides the Acela twice a week sometimes, four times a week, you have a great, great staff. But it goes a long way in working with them and understanding what they need for their quality of life to have morale, be positive.

This talk of union busting is just really, really troubling. But I just wanted to put that on the record.

But in your testimony you highlight the need for Amtrak to upgrade and replace its aging feeder trains. What consequences do you foresee if Amtrak does not refleet and what effect do you think it will have on the passengers?

Mr. ANDERSON. Congressman, thank you for your remarks. We are in the midst of the largest refleeting in Amtrak's history. So part of what we are trying to do is conserve our cash and our balance sheet now we just got an investment grade upgrade because we bought the new locomotives for the national network, the Siemens Charger locomotives, which will ensure that the long-distance network and the national network has a really good locomotive fleet. So that was number one.

Number two, is the new Acela train sets, that is 29 of them, we will start delivering in 2021. They are being made in New York. Number three, we have got to replace the Amfleet I fleet which is the Northeast Regional fleet in the corridor, it has to be replaced, it is going to reach of the end of its life. We have—we get some criticism for holding cash on our balance sheet, but we are holding that cash because we need to spend \$2 billion to refleet the Northeast Corridor and the State-supported network.

We aren't going to ask our State partners to help fund that. We want to fund it directly from Amtrak, but it is probably the most critical thing we need to do in the corridor is replace the Amfleet I's and Amfleet II's, I think that order and the tough thing is there are just not many people who make this equipment, but we should have that order placed in the next 6 months.

And we hope to go to modern unit trains much like Europe, you know, where you have—basically you don't need a cab car or a cafe car for the corridor. It would be much like the Acela in the regional fleet.

And then our goal is once we do that is to have more stops on the corridor and connect more cities up and down the corridor, and have the flexibility with a lighter weight, less expensive, more energy efficient, less emission train set to be able to do the expansion that the national network really needs.

And we have all of those locations identified where corridor service with a modern train set could be very effective and help us grow Amtrak, grow Amtrak jobs and serve the American public more effectively.

Mr. DINSDALE. Mr. Chairman, could I comment on something Congressman Payne asked?

Mr. LIPINSKI. Yes. Go ahead.

Mr. DINSDALE. In regards to the morale, a few years back Amtrak brought a consultant on the property to work with labor and management and through this work we were able to increase the revenue. It was in my written and oral statement. And what we did is we asked six employees that work on the train to come in and to create what was called Just for You Meals, meals that coach passengers could eat at their seat on their lap because they couldn't get into the dining cars. And this created a great amount of revenue.

But the point was this, we told management we need to get the employee buy-in on this. This is how we do it. These six people came in and in 4 hours they created these meals, breakfast, lunch and dinner that ran between \$8 and \$15 in 4 hours, something that Amtrak couldn't do in 40 years. So this has been—the carpet was pulled out from under them, we got the buy-in for a couple of years. We created new revenue in the millions on one train—the Coast Starlight—and the people were engaged. Now they see that is no longer done.

Not only that, the abolishment of all the jobs that we are getting, 89 coming, the 500 in Riverside, the reduction in food service on the trains. They see the complete opposite happening. We sold them on the buy-in and now they see that that is not happening.

Thank you.

Mr. PAYNE. I yield back.

Mr. LIPINSKI. The Chair now recognizes Mr. Espaillat.

Mr. ESPAILLAT. Thank you, Mr. Chairman. And thank you all my colleagues on the subcommittee for allowing me the opportunity to join you at this hearing. And thanks for all the witnesses for including me here also for a few minutes so I can revisit with Mr. Anderson a very local issue that we discussed in the past.

Mr. Anderson, as you know I had serious disagreements over the number of billboards that Amtrak has carelessly installed in the 13th Congressional District along Riverside Drive. The district has countless numbers of billboards from 125th Street to the northern part of the island of Manhattan of Washington Heights.

However, Amtrak was the first entity to recently and unapologetically sully one of the last havens of natural beauty in Manhattan, in the northern part of Manhattan, by installing a digital billboard that blocks the iconic view of a natural landscape overseeing the Palisades and the George Washington Bridge across the river to New Jersey. That directly conflicts with State and city conservation programs.

And as I noted it is a scenic view for many New Yorkers and by the State of New York and the city of New York. In fact, it is right across a cemetery, maybe 100 feet from a cemetery where hundreds of people rest, including some of my family members.

So a number of my constituents and even the local city council member Mark Levine has repeatedly expressed their concerns regarding this digital billboard and others to Amtrak, specifically council member Levine and others maintain that they had almost no notification or input from Amtrak before the billboard was installed.

And I personally feel as though Amtrak's response to my personal communication with senior officials, including yourself, Mr. Anderson, left a lot to be desired. While I recognize the need for Amtrak to find ways to monetize its assets, I strongly believe that you need to come to local communities when you are seeking to make consequential decisions such as this one.

At the very least, Amtrak could have done a better job at including the community and elected officials in this process. The community is still willing to find a compromise for the billboard and I hope this registers today.

Still it is worth noting today that I have introduced legislation that will require Amtrak to follow local laws and land-use procedures for things such of this nature, as digital billboards. Visual pollution, much has been said about visual pollution and I could find no better case than this one.

We fought for many, many weeks and months to protect the view of the Palisades from a foreign company that attempted to build above the tree lines in the neighboring State of New Jersey. But this digital billboard is really one that perhaps has a better place.

I do have one question for you, Mr. Anderson. Are you willing to meet again with the community and with the elected officials to reconsider the placing of this billboard, an area that should be sacred because of its natural beauty and scenic view?

Mr. ANDERSON. I am happy to have Amtrak representatives meet with you and constituents there. I think we did change the size of the billboard in response to community feedback, but the rights that Amtrak has, you know, under Federal law to use its property is very similar to what the Metro has in New York and what other railroads have.

And, you know, our responsibility is to make sure we are good stewards of that asset. But we would be happy to have representatives meet with you or other constituents.

Mr. ESPAILLAT. A rose is a rose by any other name. You still have a billboard intrusive in a scenic view right across a cemetery in one of the most pristine, beautiful areas of New York City. And I think it is probably the worst decision. You could have done it somewhere else. And we are willing to work with you to find an alternative location.

Mr. ANDERSON. I think it is clear that a lot of people are in line to decide what is the worst decision I have made.

Mr. ESPAILLAT. Put this one in the first three, according to me.

Mr. ANDERSON. You know, you have been a real gentleman, I will make it first.

Mr. ESPAILLAT. Thank you so much. I hope you reconsider.

Thank you, Mr. Chairman. I yield back.

Mr. LIPINSKI. The Chair now recognizes himself for 5 minutes.

I just want to address—really one main thing we had earlier—actually Mr. LaMalfa had raised with Ms. Mortensen issues of transparency, and you know, cost transparency, for Amtrak. I mean, this is I think a very serious issue. Because I have heard this complaint elsewhere about not knowing what is being charged. And I think that it is something that needs to be worked on and perhaps legislated on in this reauthorization.

I wanted to just end by asking Mr. Anderson as I said in my opening statement, I still believe that Chicago Union Station operation should be turned over to Metra, the commuter railroad. Ninety percent of the passengers that go through Union Station there have been a number of issues that have occurred there at Union Station.

So in the meantime, Mr. Anderson, how are you committed to improving your operations at Chicago Union Station?

Mr. ANDERSON. Good question. And we are actually I think making some progress with Metra on the operating agreement and I think we have actually come to agreement on a pretty big capital

effort to apply for some grants to do some initial work in the concourses, but we dispatch their trains with a 99-percent on time.

Our intention is to continue to do that. At the same time we have invested tens of millions into the Chicago Union Station train hall, restoring the original building, restoring the roof. We are adding another entrance right now overhauling—

Mr. LIPINSKI. The great hall looks really nice now, but most people don't even see that. What they are concerned about is their train arriving and leaving on time.

Mr. ANDERSON. They do. And as I said, we dispatch Metra at 99 percent. I mean the data is there. The dispatch rate for that—for their system from Amtrak dispatching is 99 percent. And our intention is to continue to do a good job for them in terms of running their trains on time.

Mr. LIPINSKI. It is something that we will continue to discuss, especially as we move forward with the reauthorization.

Mr. ANDERSON. Yep.

Mr. LIPINSKI. I will yield back my time. Any other Members? There is only one Member here.

Mr. LaMalfa, any other questions? OK.

Seeing as there are none, I would like to thank each of the witnesses for your testimony today. Your contributions have been very informative and helpful as we move forward as we are now writing this reauthorization for Amtrak and also the surface transportation reauthorization. We will continue to take everything I said here into consideration and talk to you more moving forward.

I want to ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing. And I want to ask unanimous consent that the record remain open for 15 days for any additional comment and information submitted by Members or witnesses to be included in the record of today's hearing. Without objection, so ordered.

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

[Whereupon, at 1:27 p.m., the subcommittee was adjourned.]

SUBMISSIONS FOR THE RECORD

Prepared Statement of Hon. Sam Graves, a Representative in Congress from the State of Missouri, and Ranking Member, Committee on Transportation and Infrastructure

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

Today's hearing is a good opportunity to assess the changing landscape for intercity passenger rail service and discuss opportunities for improving the national network.

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

Given the limited federal dollars available for intercity passenger rail projects, it is paramount that projects are prioritized to accomplish stated national goals.

I am encouraged that Amtrak continues to implement methodologies to accurately allocate operating and capital costs associated with Amtrak's business lines, and that they continue to "think like a business" by realizing efficiencies.

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

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

I look forward to discussing how state rail agencies might seek to effectively implement contracting, including operations and maintenance, that would provide quality service and reduce costs.

While modes such as automobiles and airplanes carry more people than passenger rail, we must innovate, preserve flexibility, and make rail more competitive and financially viable.

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

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

Mr. Chairman, as the nation's primary provider of intercity passenger rail services, it is important that Amtrak continues to modernize and provide the best quality services possible.

I would like to focus on the future of Amtrak and the present. The time for high speed rail in the United States is long overdue. As Americans travel throughout different countries using high speed rail, they are shocked by the comfortable, convenient and reliable high speed rail services provided in other countries and ask, "Why is this not available throughout America?"

The Central Texas High-Speed Train will be the first truly high-speed train project in the United States. This project will connect North Texas and Houston in 90 minutes, bridging the gap between our two economic powerhouses. More than 10,000 jobs will be created directly by the project during each year of construction, and more than 1,500 permanent jobs will also emerge. Overall, the direct economic impact is expected to exceed \$36 billion over the next 25 years.

Moreover, it is clear that millions of Texans are ready to embrace this service. In a comprehensive ridership study, it was found that over 6 million Texans are expected to ride the train annually between 2029 and more than 13 million by 2050. The vast majority of Texans who traveled between Greater Houston and north Texas in the last 12 months say that they would use the train. Only 14% of respondents stated that they would not consider any alternative but their personal vehicle.

As a Texan, I know how expansive our nation is and how crucial long-distance transportation is to the economic health of our communities. The Central Texas High-Speed Train is a prime example of the economic benefits of passenger rail systems and the positive reaction of constituents.

While it is true that some Americans are unwilling to give up their personal vehicles entirely, having access to reliable, comfortable, and safe passenger rail can help alleviate highway congestion and greenhouse gas emissions.

Additionally, with the growing concern for sustainability, I am confident that many Americans would embrace the opportunity to take advantage of high-speed rail. We cannot continue to assume that Americans will only use cars when we do not make a viable alternative available to them.

The Dallas area continues to grow in population. It is essential that Amtrak and state-supported rail systems have a strong federal partner helping them keep pace with changing demographics and population growth. Passenger rail services can be financially viable if we make the necessary infrastructure investments. The dollars put into such projects and improvements will yield millions in economic benefits.

Mr. Chairman, the need for an efficient, reliable, and modern mode of transportation between American cities has never been more urgent, and I urge the members of this body to support investment in high-speed rail infrastructure. Amtrak can be a leader by continuing to join our efforts in Texas in bringing efficient transportation alternatives to our great and growing state.

Letter of November 12, 2019, from Constituents of Hon. Peter A. DeFazio

NOVEMBER 12, 2019.

DEAR CONGRESSMAN DEFAZIO:

My wife, Mary Maggs, and I like to travel by train. We like the relaxed atmosphere and the luxury of watching the scenery as we travel. Looking out those windows is truly the greatest show on earth. Our favorite train is the Coast Starlight. I am told that it is considered one of the ten best trains in the world, and I can see why.

We travel in the sleeper car. We have had both roomettes and compartments. We like them both. We value the dining experiences in the dining car, meeting other passengers, other people who like to travel by train, and are often on long cross country excursions. Just like them, we can choose to travel by any means we want.

I am not going to say that we will never travel on the Coast Starlight again, but, based on the downward trend in amenities for the sleeper car passengers, it is less likely, and we can no longer recommend it to our friends.

Recent changes, especially the elimination of the parlor car, make it difficult to justify the cost of the ticket. The elimination of the parlor car, is huge. It has impacted our train travel experience more than any other single (bad) decision by Amtrak. With the elimination of the parlor car, the entire train competes for the very limited space in the lounge car.

To add insult to injury, Amtrak's failure to maintain any reasonable standards in that car, make it even worse. Coach passengers camp out in the lounge car. They stake out an area with their belongings and leave them there for the entire day. They leave personal belongings to "save" the space for when they return. And, at night, they lay out sleeping bags and sleep there. At times, the lounge car resembles an on board homeless camp.

If we cannot have a place to relax, to enjoy a beverage, to watch the scenery, to have conversations with other passengers, we are not going to travel on the train. It is as simple as that. I believe the elimination of the parlor car was one of the worst decisions Amtrak has ever made. Sleeping car riders are the first class passengers on the train. The loss of important amenities, like the parlor car, reduces significantly the value of that first class ticket.

This would be the equivalent to buying a first class airplane ticket and learning that, while you still get the large comfortable seats, there would no longer be a first class flight attendant, and you would have to go to the back of the plane to use the restroom.

One outstanding feature with the Coast Starlight is the employees. They obviously care more about the passengers than Amtrak does. They are simply great, even though they are prevented from being even better.

The airlines provide, even coach passengers, with the airline magazine. Amtrak has an excellent magazine, The National. It is nowhere to be found on the train. Not in sleeper compartments, not in coach, not in the lounge. How stupid is that? Attendants try to make up for Amtrak providing no information to travelers about

the train or the route. They make their own route information packets, along with in-car directional signs, that add enjoyment to the ride. I am told, they do it at personal risk. Amtrak does not approve.

In the not too distant past we have attended wine and cheese tastings in the Parlor car. Beverage service was provided. One could have meals delivered there. One could relax and enjoy the ride. There were no sleeping bags on the floor, no bundles of personal belongings. The pressure was reduced for the lounge car as well. Passengers, including, coach passengers could actually enjoy it. None of that is available now. Why should we continue to pay for first class without first class amenities? Most likely we will not.

Sincerely,

ROBERT WARREN
MARY MAGGS WARREN

**Statement of Ian Jefferies, President and Chief Executive Officer,
Association of American Railroads**

INTRODUCTION

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

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

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



Meanwhile, America is connected by the most efficient, affordable, and environmentally responsible freight rail system in the world, a system overwhelmingly built and maintained by the freight railroads themselves. Whenever Americans grow something, eat something, trade something, mine something, or make something, it's likely that freight railroads were involved somewhere along the line. Looking ahead, America cannot prosper in an increasingly competitive global marketplace without a best-in-the-world freight rail system.

America can and should have both safe, effective passenger railroads and a safe, productive, freight rail system. Mutual success for passenger and freight railroads requires collaboration and a recognition of the challenges—especially capacity—that railroads face. Government efforts should balance the country's need to move people and goods safely and efficiently.

FREIGHT AND PASSENGER RAIL PARTNERSHIPS: DECADES IN THE MAKING

Well into the 20th century, railroads were the primary means to transport people and freight in the United States, but that didn't last. Thanks to the huge expansion of America's highway system and the development of commercial aviation, private

railroads were losing around \$725 million annually by 1957—equivalent to approximately \$5 billion per year in today's dollars—on passenger service.

These massive losses continued for years, largely because government regulators made it very difficult for railroads to discontinue unprofitable passenger rail service. In essence, for decades railroads were forced to lose huge sums every year providing a public service that fewer and fewer people chose to use. By 1970, passenger rail ridership had plummeted to around 11 billion passenger-miles, down 88 percent from its 1944 peak of 96 billion, despite a 40 percent increase in population during that time. The massive passenger losses were draining a rail system that was also facing unrelenting pressure on its freight side from subsidized trucks and barges, leading to railroad bankruptcies, consolidations, service abandonments, deferred maintenance, and general financial deterioration.

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

Given the huge financial drain, railroads generally welcomed the opportunity to largely exit the passenger business, but first they had to provide the backbone of today's system. Freight railroads initially helped capitalize Amtrak in cash, equipment, and services; these payments to Amtrak totaled around \$850 million in today's dollars. Freight railroads were also required to provide preference to Amtrak passenger service over freight service, a benefit that still continues. Finally, when operating on a host railroad's tracks, Amtrak generally is required to pay only incremental costs with no requirement for capital investment for improving and expanding infrastructure capacity.¹ To this day, this low track usage fee is a major indirect subsidy absorbed not by taxpayers or Amtrak riders, but by freight railroads.

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

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

PRINCIPLES TO GUIDE PASSENGER RAIL OPERATIONS ON FREIGHT-OWNED CORRIDORS

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

First and foremost, safety always comes first. Railroads are an extremely safe way to move people and freight, and everyone in railroading wants to keep it that way.

Second, current and future capacity needs of both freight and passenger railroads must be properly protected. Today, freight railroads carry around twice the volume they did when Amtrak was formed. Freight corridors are expensive to maintain and many freight corridors lack excess capacity. Passenger rail use of freight rail corridors must be balanced with freight railroads' need to provide safe, reliable, and cost-effective freight service to present and future customers. To improve capacity and the safety of the rail network, in recent years privately owned freight railroads have spent \$25 billion per year, on average, on maintenance and capital improvements, ultimately benefiting Amtrak, surrounding communities, and the nation as a whole. In terms of expanding existing passenger service or improving existing passenger service levels, such goals typically require significant infrastructure capacity investment, whether based on current freight traffic levels or potential future traffic levels. Adding new infrastructure necessary for additional passenger trains is appropriately the responsibility of the public being served by that passenger service, not the freight railroads.

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

Third, proper funding is necessary, especially as Amtrak looks to change and expand service offerings. As laid out in AAR's surface transportation reauthorization recommendations, policymakers should provide passenger railroads—including Amtrak—with the dedicated funding they need to operate safely and effectively, and to pay for expanded capacity when they require it. It is not reasonable to expect Amtrak to be able to plan, build, and maintain an adequate network that provides optimal transportation mobility and connectivity when there is excessive uncertainty regarding what its capital and operating funding will be from one year to the next. If Congress provides predictable and needed levels of federal funding support, Amtrak and its state partners could better deliver a future of improved reliability, enhanced capacity, more service, and reduced trip times.

Fourth, all railroads are committed to providing reliable service to all their customers—shippers and passengers. All parties must recognize that the priority of Amtrak's trains over freight trains does not mean there will be no delays to Amtrak trains. We're all familiar with the high occupancy vehicle (HOV) highway lanes here in Washington. These lanes give preference to automobiles with more than one person inside, allowing them, in theory, to get where they're going with little or no delay. That doesn't always happen, though. Sometimes bad weather, unexpected heavy traffic volume, accidents, or other problems cause motorists in HOV lanes to be delayed. The same principle must be applied to the rail network: Amtrak is given preference, but preference cannot mean a guarantee.



There are a number of additional considerations involved in freight-hosted passenger service, including liability issues and tax considerations.

ON-TIME PERFORMANCE METRICS

Ever since Amtrak was created, Amtrak and freight railroads have worked together to establish and implement the rules and procedures governing their interactions. Most of these rules and procedures are spelled out in formal bilateral operating agreements negotiated between Amtrak and host railroads. The agreements often include clauses that provide incentives and penalties to freight railroads to help ensure that Amtrak trains meet specified on-time targets. These basic operating agreements—some of which were entered into more than two decades ago—are now, in some cases, showing their age.

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

Keeping both Amtrak and freight trains running on time is a tremendously complex issue. When Amtrak was created, freight railroads had significant excess capacity. Since then, not only has this excess capacity been consumed, but the freight rail industry has spent massively (more than \$685 billion from 1980 to 2018) to maintain and add new capacity, primarily in response to freight traffic growth. This

spending includes capital expenditures and maintenance expenses related to locomotives, freight cars, tracks, bridges, tunnels and other infrastructure and equipment. While capital investments may be necessary to add passenger capacity, part of improving on-time performance is to modify Amtrak's expected running time.

Day-to-day realities of the nearly 140,000-mile rail network come into play too. For example, when track conditions warrant it, freight railroads temporarily reduce allowable operating speed for safety reasons. These "slow orders" can delay trains of all types, but safety must take precedence over everything else. Similarly, railroads must devote sufficient time to needed track and signal maintenance. This often produces unavoidable delays in the short term for freight and passenger trains, but improves service reliability and enhances safety in the long term.

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

The AAR has been a long-standing participant, on behalf of its host freight members, in the work of the Federal Railroad Administration (FRA) to develop appropriate metrics and standards for measuring Amtrak's performance. The AAR supports the process that FRA Administrator Batory is taking to allow stakeholders to provide input and information relevant to FRA's task. The FRA is appropriately consulting with such stakeholders to develop a proposal and then will submit the proposed rules to an open and transparent comment process. Freight railroads commend the FRA for the steps it has already taken to consult with host freight railroads and Amtrak to reduce the overall time for the eventual promulgation of the resultant rulemaking. Freight railroads stand ready to cooperate fully with the FRA, Amtrak, and other appropriate parties as this important process continues.

POSITIVE TRAIN CONTROL (PTC) UPDATE

Before I close, I want to provide this committee with an update on railroad efforts to implement PTC. The seven Class I freight railroads all met statutory requirements by having 100 percent of their required PTC-related hardware installed, 100 percent of their PTC-related spectrum in place, and 100 percent of their required employee training completed by the end of 2018. In aggregate, Class I railroads had 93 percent of required PTC route-miles in operation as of October 2019. Each Class I railroad expects to be operating trains in PTC mode on all their PTC routes no later than 2020, as required by statute. In the meantime, railroads, in coordination with Amtrak, other passenger railroads, and other tenant railroads, are continuing to test and validate their PTC systems thoroughly to ensure they are interoperable and work as they should.

CONCLUSION

Having both safe, effective passenger railroads and a safe, productive, freight rail system should be the common goal of all of us because it is in America's best interests. I am confident that together the freight railroads and Amtrak can find common ground that benefits all parties.

Statement of the State-Amtrak Intercity Passenger Rail Committee

Chairman Lipinski, and Ranking Member Crawford, I am pleased to submit written testimony on behalf of the State-Amtrak Intercity Passenger Rail Committee (SAIPRC).

SAIPRC is a multi-agency body comprised of Amtrak, the U.S. Department of Transportation Federal Railroad Administration (FRA), and 20 state member agencies from 17 states. Our mission is to promote collaboration, planning, and the continued growth of the state-supported intercity passenger rail services across the country—the Amtrak routes 750 miles or less (off the Northeast Corridor) which are funded by the states in which they run.

SAIPRC was authorized by the FAST ACT and is directed by Congress to oversee the ongoing implementation of Section 209 of the Passenger Rail Investment and Improvement (PRIIA) Act of 2008, which required Amtrak and the states to develop a standardized methodology for allocating the operating and capital costs of state-supported services. This methodology was first implemented in Fiscal Year (FY)

2014 and guides how states pay Amtrak for costs associated with each route and a proportional share of costs associated with more than one route.

As Congress considers the future of Amtrak and contemplates the reauthorization of surface transportation legislation, the states and Amtrak recommend that Congress promote the expansion and growth of the state-supported services. Specifically, the states and Amtrak recommend that Congress support the collaborative efforts of SAIPRC, help address key challenges like on-time performance, and provide continued and additional funding to replace aging equipment, support investments in safety and reliability, and encourage economic growth.

THE STATE-SUPPORTED SERVICES

The state-supported services are a critical and growing part of Amtrak's national network, connecting cities across the country and forming important links to the Northeast Corridor and Long Distance routes. The 28 state-supported services include routes in all regions of the country and connect city pairs like Los Angeles to San Diego, Seattle to Portland (OR), Chicago to St. Louis, Washington DC to Richmond, Boston to Brunswick (ME), Oklahoma City to Fort Worth, and many more. In FY 2019, the state-supported services carried a record 15.4 million annual passengers—47% of all Amtrak riders nationwide.

Since the implementation of PRIIA Section 209, the states have assumed substantial funding responsibility for the state-supported services. In FY 2018, the state members of SAIPRC contributed over \$800 million in operating and capital assistance to Amtrak in the form of ticket revenue and direct financial payments to support the Amtrak-operated services. Since FY 2014, the states have contributed approximately \$4.7 billion in ongoing operating and capital assistance to Amtrak—in addition to major investments in capital projects across the country.

THE FUTURE OF PASSENGER RAIL

The state-supported services represent the future of passenger rail growth in the United States. Since FY 2007, annual ridership on the state-supported services has grown by approximately 3.5 million annual riders, a 29% increase over the last twelve years.

Across the country, states have partnered with the federal government to repair and expand passenger rail corridors. For example—

- North Carolina completed a multi-year investment package in 2018, supported by a \$520 million federal grant, that modernized and expanded the rail corridor between Raleigh and Charlotte resulting in a 45% increase in ridership in just two years.
- Connecticut completed a multi-year modernization of the New Haven-Hartford-Springfield rail line in 2018, enabling the state to more than double passenger rail service in the corridor and sparking a 48% jump in Amtrak ridership from FY 2017 to FY 2019.
- California, Washington, and the Midwest states completed the acquisition of 63 diesel locomotives in 2019, which supported the creation of manufacturing jobs across the country and promise to improve the reliability of the state-supported services.
- Virginia completed major capital investments to address a bottleneck in Richmond in FY 2018, which enabled the state to introduce a new round trip between Washington, DC and Norfolk and resulted in a 57% increase in ridership year-over-year.

Recognizing our success in growing ridership and revenue, Amtrak and the states recommend that Congress promote the expansion of the state-supported services. Amtrak and the states can work together, in partnership with the federal government, to improve existing corridors and introduce new services that complement the current Amtrak national network. In turn, these investments will improve the reliability of passenger rail, expand ridership, and support economic growth across the country.

COLLABORATION AND TRANSPARENCY

The growth and expansion of the state-supported services requires strong and continued collaboration among Amtrak, the states, and the FRA. SAIPRC is focused on enabling its members to work together to address shared problems and to provide states with the information they need to make smart business decisions and improve their state-supported services.

SAIPRC has created four working groups comprised of SAIPRC's member organizations to help achieve these goals.

- The Marketing Working Group is focused on developing shared strategies to grow ridership and revenue.
- The Equipment Working Group collaborates on major investments in new rolling stock and ensures that existing equipment is maintained in a state of good repair.
- The Cost Sharing Working Group is focused on improving the transparency of costs and ensuring the accuracy of the cost sharing process.
- The On-Time Performance Working Group collaborates to identify and reduce causes of delay.

In recent years, Congress has provided strong support for SAIPRC. The states and Amtrak are grateful for that support and request that Congress continue to provide annual funding for SAIPRC's activities, while encouraging SAIPRC's members to increase transparency and continue refining the PRIIA 209 methodology.

FUNDING PARTNERSHIP

The growth of the state-supported services also requires a strong partnership with the federal government. While states have assumed substantial funding responsibility for ongoing operating and capital investments, the federal government must continue to fund the one-time capital investments that are needed to maintain rail infrastructure, replace aging passenger railcars and locomotives, reduce delays, and expand service to communities across the country.

Over the last few years, Congress has demonstrated strong support for intercity passenger rail through legislation and annual appropriations. The passage of the FAST Act represented a significant milestone for passenger rail, by authorizing three new discretionary grant programs aimed at improving the nation's passenger and freight rail network:

1. Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program
2. Federal-State Partnership for State of Good Repair (SOGR) Program
3. Restoration and Enhancement grants

Over the last two years, Congress has appropriated \$848 million and \$650 million to the CRISI and Federal-State Partnership for SOGR programs respectively. Thanks to this strong federal support, Amtrak and the states, in partnership with the freight railroads, are pursuing important projects to further improve the safety, reliability, and efficiency of rail service.

While Amtrak and the states appreciate these robust levels of funding, additional federal investment is still needed to support future growth. Recent applications to key discretionary grant programs have far outstripped available funding levels and states have identified numerous projects that need additional funding to advance to construction. In order to sustain the economic growth that results from passenger rail investments, Congress must increase annual funding levels for Amtrak's annual grant and the discretionary programs for passenger rail, and work in partnership with the States and Amtrak on strategies to replace aging railcars and locomotives.

ON-TIME PERFORMANCE

Despite the recent growth of the state-supported services, frequent delays and poor on-time performance are a significant challenge facing the Amtrak national network. The U.S. freight rail network is an important economic engine for the country. In many cases the state-supported services run in territory controlled by freight railroads and use tracks that are also used by freight trains. Under these conditions, freight and passenger trains may conflict with one another, creating delays for riders and potential challenges for freight activity.

Amtrak and the states urge Congress to advance policies that improve the on-time performance of passenger rail service. For example, federal investment in highway-railroad grade crossing eliminations is an important tool for enhancing safety and reliability, while federal grant programs can support the elimination of capacity bottlenecks, which helps mitigate conflicts between trains, reduce delays for riders, and facilitate the movement of freight.

CONCLUSION

The state-supported Amtrak services are a major component of the Amtrak national network and demonstrate that the growth of passenger rail corridors is not isolated to any one part of the country but extends to every region in the United

States. SAIPRC supports a critical partnership between the states, Amtrak, and the FRA so that we can work together to nurture these services, expand ridership, and support mobility and economic growth.

The new discretionary grant programs that Congress established as part of the FAST Act have been extremely beneficial in moving many projects forward. Amtrak and the states thank Congress for the good work done in this area and would ask that these programs be continued and expanded. SAIPRC looks forward to working with Congress as it begins reauthorization of surface transportation legislation. We believe that rail should be part of any surface bill and, as your work continues, please feel free to look to the states and SAIPRC as a resource.

I appreciate the opportunity to submit this written testimony and SAIPRC looks forward to the opportunity to address this subcommittee again in the future.

Thank you,

JENNIFER L. BERGENER,
*Chair, State-Amtrak Intercity Passenger Rail Committee (SAIPRC),
Manager Director, Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail
Corridor Agency.*

APPENDIX

QUESTIONS FROM HON. PETER A. DEFazio TO RICHARD ANDERSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. Amtrak's FY 2020 grant request stated that, "Comparing February 2019 with the same month in 2018, delays to Amtrak trains due to Private Cars (excluding one delay related to a service disruption) have declined by over 87%." Because the number of delays were not provided for the years referenced, it is difficult to assess the frequency of delays. However, the October 14, 2019 Amtrak Inspector General's report (OIG-A-2020-001) states that Amtrak's Finance Department "provided data showing that private railcar operations resulted in more than 2,800 minutes of delay in the first 5 months of FY 2018—an average of 21 minutes per move." Given that Amtrak has data on these delays, please provide, for each delay attributed to a private car in FY 2018, the location, date, and number of minutes of delay.

ANSWER. The itemized data requested is commercially sensitive. However, we can release summary information to staff via a briefing. However, FY 2018 showed a 43.4% reduction in private car-related delay minutes, as compared to FY 2017.

Question 2. Mr. Anderson knows that airlines make a lot of money off of business class and first-class services. Airlines invest in premium seating, dining, and the overall experience for passengers—and passengers are willing to pay for that service, sometimes 10 times the cost of a coach seat. But Amtrak seems to be going the opposite direction for and reducing premium services across the board—like parlor and dining car meal service—for their overnight and first class passengers. What onboard services bring in the most revenue for Amtrak? Has Amtrak done any polling or research to see if some passengers would be willing to pay more for premium services, and what those services might be, on the long-distance routes? If so, please provide that data to the Committee.

ANSWER. Amtrak offers a variety of onboard services across the three service lines and addresses the unique customer needs in each segment of the business. For example, premium product offerings defined as First Class are offered only on Amtrak's *Acela* service in the Northeast Corridor. Premium products in the long distance network are represented by sleeper car services, with a distinction in product quality between bedroom and roomette products. Amtrak gathers customer feedback via many channels including careful monitoring of demand patterns which represent what customers are willing to pay for Amtrak services. Market research is gathered on service attribute details from current and potential customers, and Amtrak continues to identify and develop product enhancements addressing what customers indicate they find valuable to them. Through pricing and inventory management, Amtrak works to assure that all its product offerings are optimally priced in the marketplace.

Question 3. In June 2019, I wrote to you raising concerns for the announced reduction to the Amtrak Police Department (APD) workforce, requesting specific information about the assessment Amtrak used to determine the size of the cuts, how the cuts would be implemented, and their impacts to safety and security. In his October 2019 reply, Mr. Stadler wrote that Amtrak determined that more officers are needed to patrol trains, not just stations, and that the changes being made to the police force would "reallocate" their physical presence to provide a more visible deterrent to the crimes Amtrak is experiencing.

3.a. At the hearing, you stated Amtrak has data that shows it "dramatically increased the number of policemen riding on our trains, visible in our stations." Please provide that data.

ANSWER. Amtrak's first priority is to provide a safe and secure experience for our customers and our employees. Amtrak has more than 450 police personnel. We want the right level of safety and security for our customers and employees, including keeping our passengers and employees safe on trains and in stations, securing right-

of-ways, and deterring threats. Our APD staff is spread out across our entire 46-state, 21,000-mile network, and we continually work to ensure they are stationed where they can have the biggest impact on safety and security of our passengers.

To that end, our data have shown an increase in safety incidents on trains, in stations and along rights-of-way. The goal of our recent redeployments is to have more APD presence at these locations, as uniformed police presence is proven to deter criminal activity. This means more uniformed personnel on trains and in stations, in the areas where the risk is highest. We identified the appropriate number of APD staff for each location based on six criteria: ridership; miles of right-of-way; Part A criminal offenses (person); Part B criminal offenses (property); non-critical incidents, including medical emergencies; and calls for service (911). Our rationale is that with more APD staff in high-priority areas making them more present to the most passengers and employees, we can deliver the same or better safety and security performance while honoring on our Congressional mandate to deliver these services more efficiently. Since we've deployed officer in the manner, year-to-date train rides have increased 75 percent or by almost 50,000 additional segment rides, and overall patrol activity has increased by 67 percent resulting in 138,000 additional activities. We will continue to carefully monitor safety incidents across our network.

- 3.b. Please indicate the number of APD employees employed on May 3, 2019 and on November 1, 2019 and specify how many of those were uniformed officers. If Amtrak intends to continue reducing the size of the APD workforce, please indicate the target number of APD employees, including how many of those will be uniformed officers.

ANSWER. Please see attached table for a breakdown of force size at various dates.

QUESTIONS FROM HON. PETER A. DEFazio ON BEHALF OF HON. ANTHONY G. BROWN TO RICHARD ANDERSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 4. MARC's Penn Line operates on Amtrak's Northeast Corridor, and its operations are limited in terms of speed, frequency and reliability by the Civil War-era B&P Tunnel in Baltimore. The replacement of this tunnel is required to run more MARC trains, which will triple MARC Penn Line ridership and greatly enhance the economic and transit-oriented development potential along the corridor. The B&P Tunnel has been identified as the second priority for Amtrak outside of the Gateway Program, and it has a completed EIS from 2017 for its replacement. However, it is my understanding that Amtrak has made limited progress to advance the design of the tunnel, address community concerns or identify a funding strategy since spring 2017.

What progress has been made to advance the B&P Tunnel over the past 12 months?

ANSWER:

- Continued development of advanced utility, track (Charles Interlocking Configuration), and bridge (Franklinton, Lafayette, Warwick) design.
- Developing Benefit-Cost Analysis (BCA) for Project to support future grant applications.
- Engaged property owner/real estate developer for key properties.
- Coordinated with BGE (local utility company) regarding utility relocations and new utility service.

Where will this project be in terms of development at the end of 2020?

ANSWER. The project will continue the engineering refinements and high-level project delivery strategies to address community concerns, reduce overall project costs, and increase operational efficiencies. The project team continues to analyze and compare the overall benefits and costs by engaging key stakeholders, including the FRA, Maryland Department of Transportation (MDOT), state and local officials, and Norfolk Southern and CSX representatives. In FY20, the project will continue design development of major project elements, including the Franklinton and Warwick Undergrade Bridges, CSX Bridge Pier Relocation, and Track A Winans to Bridge Upgrade; assess existing municipal infrastructure and subsurface utility engineering; perform additional geotechnical investigations for the Tunnel; and pursue strategic/priority right-of-way acquisitions.

What hurdles exist to move forward on this project?

ANSWER. A significant hurdle is obtaining commitments to providing financial resources by funding partners. In the near term (FY20–FY21), Amtrak has funding to progress design; however, design review agreements and executed Memoranda of

Understanding with numerous public and private entities are required and will require considerable effort to complete.

QUESTION FROM HON. GRACE F. NAPOLITANO TO RICHARD ANDERSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. The freight rail industry is deploying increasingly long trains that present substantial safety risks while creating difficulties for communities when they block grade crossings for prolonged periods. The GAO recently reported that average train length has increased by approximately 25 percent since 2008, with carriers regularly operating trains as long as three miles. Further, the implementation of precision scheduled railroading has also led to greater reliance on the operation of fewer, but longer, trains.

At the hearing, I asked you about the impacts of long trains on Amtrak's performance, given that Amtrak and the freight railroads generally operate on the same track. Can you expand on how lengthy freight trains and precision scheduled railroading have impacted Amtrak?

ANSWER. Efficiency is essential for a national rail system that benefits passengers and freight customers alike and Amtrak has frequently supported efforts to enhance the efficiency of this system. We have undertaken joint initiatives with host railroads to facilitate more effective dispatching and submitted joint applications for grants to expand rail network capacity. We understand that Precision Scheduled Railroading (or "PSR") is an approach to operations implemented by some freight railroads seeking to increase operating efficiency while also improving economics for the company. There are examples of this approach leading to more efficient operations for both the freight carrier and Amtrak passengers.

However, it has been our experience that the operational changes associated with some freight railroads' implementation of PSR can lead to just the opposite: a network less fluid than it was before and more likely to cause significant and disruptive delays to passengers.

Often the inefficiencies are driven by the operation of trains too long for the existing rail infrastructure. Historically, railroads operated trains that could efficiently pass each other in sidings. One operating technique typically deployed as a strategic priority of PSR is the lengthening of freight trains, regardless of the length of the existing sidings on the line. This is occurring in many places across the rail network today, as confirmed by a recent report from the Government Accountability Office.¹

Whenever a freight train and an Amtrak train are approaching each other on a single track, one of the trains must enter a siding to let the other pass. By law, except in emergencies, freight railroads must provide Amtrak with preference over freight transportation. However, when a freight train is too long to fit in the siding, there is only one option: the Amtrak train must enter the siding and wait for the freight train to pass on the main track. Each time this happens, delays mount as our passengers sit and watch the freight train pass by.

In other words, an operating practice aimed to benefit freight railroad shareholders and executives occurs at the expense of delayed Amtrak passengers.

This happens on several Amtrak routes, and on one service the collateral damage to Amtrak passengers from the applications of this PSR practice is particularly acute.

The *Missouri River Runner* consists of two roundtrip daily trains funded by the State of Missouri, serving 170,000 riders between St. Louis and Kansas City, offering a convenient, efficient, and sustainable alternative to other travel modes.

However, as a result of recently deployed PSR "long-train" practices, Amtrak passengers have experienced extreme delays from freight trains. From April to August 2019, delays caused by freight trains rose more than 500%. Only 38% of Amtrak's customers were on-time in August and September, a 43-point decline from the prior year. Most of these customers averaged more than an hour late arriving at their destination.

Driving this increase in freight train delays is the operation of freight trains that are significantly longer than the capacity of the line's sidings. Such decisions reduce network fluidity and limit the resiliency of the operation, leading to compounding delays when there are freight train failures or other issues that cause trains to block the entire line. On the *Missouri River Runner*, Amtrak trains are regularly either forced into sidings to wait for freight trains to pass or to follow slower freight trains for miles until there is an opportunity to overtake the freight train, if at all.

¹ *United States Government Accountability Office, "Freight Trains Are Getting Longer, and Additional Information Is Needed to Assess Their Impact,"* May 2019.

Missouri River Runner trains were delayed 133 hours by freight trains in August and September alone, even though the host's freight traffic declined in the third quarter. These delays are usually extremely disruptive to customers, as shown by a sampling of these events from the last several months:

- An Amtrak train that had been operating on-time then followed a freight train for the remaining 151 miles of the route, causing nearly three and a half hours of delay.
- An Amtrak train followed a 10,000-foot freight train for 67 miles, causing one and a half hours of delay. Upon arriving at an intermediate station more than two hours late, Amtrak had to terminate the train as the crew of a freight train ahead needed to be replaced, blocking the entire route. This also led to the cancellation of another Amtrak train.
- An Amtrak train followed a nearly 17,000-foot freight train for 69 miles, causing two hours of delay. These delays also led to the return train departing its origin station two and a half hours late.
- An Amtrak train followed a 12,000-foot freight train for 66 miles, causing one and a half hours of delay.
- An Amtrak train was delayed for a total of one and a half hours due to meeting or following six freight trains.

Every day, there are passengers across the country experiencing severe delays caused by freight trains. With the increasing adoption of Precision Scheduled Railroading and the operation of ever-longer freight trains, passengers become less likely to receive the preference over freight transportation that has been the law for over 45 years. Until action is taken to address these issues, Amtrak passengers will continue to suffer the consequences and wait for freight to operate first.

QUESTIONS FROM HON. STEVE COHEN TO RICHARD ANDERSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. You stated that decisions such as eliminating dining car service are based on market survey data and customer feedback. You also mentioned Amtrak sends an online survey to all your customers after each trip.

1.a. Does every single Amtrak customer receive a survey or is it based on certain routes?

ANSWER. We survey customers to ensure responses from people who have traveled in every combination of route and class of service we offer. Every day Amtrak surveys a random sample of our customers who traveled on that day. We monitor the response rate to ensure that we obtain enough responses for each of the classes of service on each of our 45 routes to represent accurately all our customers who traveled.

1.b. What percentage of your total ridership has received an Amtrak survey in the past two years?

ANSWER. We determine how many customers that we contact each day based on the expected response rate for each route. The number of monthly customer responses needed each month will vary by route, based on the level of detail that we report the results. The percent of total ridership will vary by route. The percent will be higher for relatively low ridership routes and lower for relatively higher ridership routes. In FY 2019, we emailed about two million requests for customers to complete a satisfaction survey, about 6% of our total FY 2019 trips.

1.c. What percentage of those who received a survey responded?

ANSWER. About 9% of the customers who received a request to fill out a survey responded.

Question 2. Please provide the Committee with a copy of all surveys that were distributed to riders in the past two years.

ANSWER. Attached is the standard questionnaire that we use to measure customer satisfaction for our long distance routes. In addition to questions on this questionnaire, we have asked about 400 additional questions over the last two years on several additional surveys that were added to at the end of this survey regarding specific service attributes. Given this significant volume of questionnaires and questions, we will need a more specific criteria for determining which surveys to provide.

Question 3. What percentage of survey respondents indicated that they preferred an alternative dining solution to the dining car service?

ANSWER. We have seen very positive trends in customer acceptance since introducing the new model. Utilizing the same dining car, our focus has been on updating the delivery model to a more contemporary offering. Like most service changes,

the process of managing customer expectations is an ongoing part of our service transformation.

3.a. Please provide a breakdown of the demographics of these respondents.

ANSWER:

	Total Amtrak	NEC	Long Distance	State Supported
Gender				
Male	40%	42%	39%	38%
Female	60%	58%	61%	62%
Age				
18-34	18%	19%	16%	19%
35-54	32%	34%	30%	31%
55+	49%	47%	53%	49%
Average	51	51	53	51
Ethnicity				
White	77%	80%	72%	76%
African-American/Black	8%	7%	15%	7%
Other	15%	13%	13%	17%
Spanish/Hispanic	7%	5%	7%	9%
Employment				
Employed	67%	75%	57%	63%
Student	5%	3%	4%	6%
Retired	24%	18%	32%	26%
Homemaker	2%	2%	3%	2%
HH Income				
Under \$50K	19%	10%	31%	23%
\$50K-\$74.99K	16%	12%	20%	17%
\$75K+	65%	78%	49%	60%
Average	\$122K	\$149K	\$91K	\$109K
Education				
HS graduate or less	5%	3%	9%	6%
Some college/tech. school	18%	10%	26%	21%
College graduate	36%	36%	35%	37%
Graduate school	41%	52%	30%	35%

Question 4. Please provide a rationale and methodology for how customer feedback on dining options factored into the decision to eliminate dining car service on many of Amtrak's long-distance routes.

ANSWER. The food and beverage model for the single-night trains in the East was complex and outdated. The transition to the "Contemporary" model enabled us to leverage new technology within the food service industry to improve our meal offerings while simplifying the way we service our customers to one single aligned process. The new format will also provide us with an opportunity to respond to the increasing special meal requirements of our customers in a more effective manner.

Question 5. Has the feedback been more positive or negative on the long-distance routes since the dining services were changed based on survey feedback?

ANSWER. Since the implementation of the "Contemporary" dining concept on the *Capitol Limited* and *Lake Shore Limited* in June 2018, Amtrak has continued to refine the product, adding a hot entrée in July 2018 and expanding our hot options in January 2019. On October 1, 2019, we introduced a new, refreshed menu offering five hot meal options and expanding the service onto the *Cardinal*, *City of New Orleans*, *Crescent*, and *Silver Meteor*. Feedback continues to improve as we make additional enhancements.

Question 6. What efforts are being made to make the customer aware of the survey and to encourage completion?

ANSWER. Amtrak has recently entered in an agreement with a new market research vendor which will result in a significantly more effective market research program. Improvements include expansion to multiple modes of surveys, adding text surveys, on-line surveys, and mobile app surveys to our current use of emailed surveys. We will also enhance our questionnaires and reporting. We expect these changes will result in a significant increase in both the number of customers to whom we will send survey requests and the survey completion rate.

APPENDIX A

Table mentioned in response to Chairman DeFazio's Question 3.b.:

3.b. Please indicate the number of APD employees employed on May 3, 2019 and on November 1, 2019 and specify how many of those were uniformed officers. If Amtrak intends to continue reducing the size of the APD workforce, please indicate the target number of APD employees, including how many of those will be uniformed officers.

APD Position Reconciliation by Region

	Actual 5/3/2019	Actual 10/4/2019	Actual 11/15/2019	Change (October to Present)	Proposed 2020 Staffing Level	Current versus proposed 2020
New York (Adams, NY, Sunnyside)						
Deputy Chief	1	1	1	0	1	0
Inspector	1	1	1	0	1	0
Captain	1	1	1	0	1	0
Lieutenant	1	1	1	0	1	0
Sergeants	15	14	13	-1	14	1
Police Officers	53	48	48	0	56	8
Detectives	2	1	3	2	1	-2
Security Guards	5	5	5	0	5	0
Emergency Manager	1	1	1	0	1	0
Secretary	1	1	1	0	1	0
SubTotal	81	74	75	1	82	7
New England (Albany, Boston, New Haven, New London, Niagra Falls, Portland, Providence, Springfield)						
Deputy Chief	1	0	0	0	0	0
Inspector	0	0	0	0	0	0
Captain	2	2	2	0	2	0
Lieutenant	0	0	0	0	0	0
Sergeants	7	7	7	0	7	0
Police Officers	43	38	36	-2	38	2
Detectives	4	4	2	-2	3	1
Security Guards	0	0	0	0	0	0
Emergency Manager	1	0	0	0	0	0
Secretary	1	1	1	0	1	0
SubTotal	59	52	48	-4	51	3

APD Position Reconciliation by Region—Continued

	Actual 5/3/2019	Actual 10/4/2019	Actual 11/15/2019	Change (October to Present)	Proposed 2020 Staffing Level	Current versus proposed 2020
Central (Chicago, Beech Grove, New Orleans, Niles, St. Louis, Milwaukee)						
Deputy Chief	1	1	1	0	1	0
Inspector		0	0	0	0	0
Captain	2	1	2	1	2	0
Lieutenant		0	0	0	0	0
Sergeants	7	6	5	-1	5	0
Police Officers	30	27	26	-1	31	5
Detectives	7	6	6	0	6	0
Security Guards	0	0	0	0	0	0
Emergency Manager	1	1	1	0	1	0
Secretary	1	1	1	0	1	0
SubTotal	49	43	42	-1	47	5
West (Bakersfield, Emeryville, Los Angeles, Oakland, Portland, Sacramento, San Diego, San Jose, Seattle, Stockton)						
Deputy Chief	0	0	0	0	0	0
Inspector	0	0	0	0	0	0
Captain	0	1	2	1	2	0
Lieutenant	0	0	0	0	0	0
Sergeants	3	3	3	0	3	0
Police Officers	18	15	17	2	23	6
Detectives	3	3	3	0	3	0
Security Guards	0	0	0	0	0	0
Emergency Manager	1	1	1	0	1	0
Secretary	1	1	1	0	1	0
SubTotal	26	24	27	3	33	6
Mid-South (Baltimore, Raleigh, Richmond, Sanford, Washington)						
Deputy Chief	1	0	1	1	0	-1
Inspector	0	0	0	0	0	0
Captain	2	2	2	0	2	0
Lieutenant	0	0	0	0	0	0
Sergeants	11	11	11	0	11	0
Police Officers	30	31	29	-2	36	7
Detectives	4	4	4	0	4	0
Security Guards	1	1	1	0	1	0
Emergency Manager	1	1	1	0	1	0
Assoc. Project Manager	0	0	0	0	0	0
Secretary	1	1	1	0	1	0
SubTotal	51	51	50	-1	56	6
Mid-North (Bear, CNOC, Harrisburg, Lancaster, Philadelphia, Pittsburgh, Wilmington)						
Deputy Chief	0	1	1	0	1	0
Inspector	0	0	0	0	0	0
Captain	2	2	2	0	2	0
Lieutenant	0	0	0	0	0	0
Sergeants	11	10	10	0	10	0
Police Officers	53	52	51	-1	45	-6
Detectives	1	1	1	0	1	0
Security Guards	7	7	7	0	7	0
Emergency Manager	1	1	1	0	1	0
Secretary	1	1	1	0	1	0
SubTotal	76	75	74	-1	68	-6

APD Position Reconciliation by Region—Continued

	Actual 5/3/2019	Actual 10/4/2019	Actual 11/15/2019	Change (October to Present)	Proposed 2020 Staffing Level	Current versus proposed 2020
Corp Security						
Sr. Dir. Business Services	1	1	1	0	1	0
Sr. Continuity Ops Mgr.	1	1	1	0	1	0
Sr. Program Manager	2	2	1	-1	2	1
Electronic Security Systems Mgr.	1	1	1	0	1	0
Lead Video Systems Administrator	1	1	1	0	1	0
Sr. Dir. Corp Security	0	0	0	0	0	0
Sr. Cap'l Sec'y Program Mgr.	1	0	0	0	0	0
Manager Smart ID	1	0	0	0	1	1
Lead Acc Cont Syst Adm'r	1	1	1	0	1	0
Sr. Project Manager	0	0	0	0	0	0
Identification Card Specialist	3	3	3	0	3	0
SubTotal	12	10	9	-1	11	2
SOU						
Deputy Chief	1	1	0	-1	0	0
Inspector	1	0	0	0	0	0
Captain	0	0	1	1	0	-1
Lieutenant	0	0	0	0	0	0
Sergeants	3	3	3	0	3	0
Special Agents	24	22	22	0	22	0
Detectives	0	0	0	0	0	0
Security Guards	0	0	0	0	0	0
Emergency Manager	0	0	0	0	0	0
Assoc. Project Manager	1	1	1	0	1	0
SubTotal	30	27	27	0	26	-1
Canine						
Deputy Chief	0	0	0	0	0	0
Inspector	0	0	0	0	0	0
Captain	2	2	1	-1	1	0
Lieutenant	0	0	0	0	0	0
Sergeants	7	8	8	0	8	0
Police Officers	47	45	49	4	49	0
Detectives	0	0	0	0	0	0
Security Guards	0	0	0	0	0	0
Emergency Manager	0	0	0	0	0	0
Secretary	0	0	0	0	0	0
SubTotal	56	55	58	3	58	0
Strategic Operations						
Deputy Chief	1	1	1	0	1	0
Inspector	1	1	1	0	1	0
Captain	2	0	0	0	0	0
Lieutenant	0	0	0	0	0	0
Sergeants	8	7	7	0	7	0
Police Officers	3	2	2	0	2	0
Recruitment Records	1	1	1	0	1	0
NCC Manager	1	1	1	0	1	0
Business Services	1	1	1	0	1	0
Communication Officers	20	17	18	1	19	1
Emergency Manager	1	1	1	0	1	0
Secretary	1	1	0	-1	0	0
SubTotal	40	33	33	0	34	1

APD Position Reconciliation by Region—Continued

	Actual 5/3/2019	Actual 10/4/2019	Actual 11/15/2019	Change (October to Present)	Proposed 2020 Staffing Level	Current versus proposed 2020
OPR, Intel, COP						
Chief of Police	1	1	1	0	1	0
Assistant Chief	1	1	1	0	1	0
Deputy Chief	0	0	0	0	0	0
Inspector	2	2	2	0	2	0
Captain	2	3	2	-1	2	0
Sergeants	0	2	2	0	2	0
Detectives	8	6	6	0	6	0
Sr. Executive Assistant	1	1	1	0	1	0
Dir. Admin	1	1	1	0	1	0
Business Services Mgr.	1	1	1	0	1	0
Lead Comm's Specialist	2	2	2	0	2	0
Computer Technician	0	1	1	0	1	0
Data Reporting Specialist	1	1	1	0	1	0
Lead Systems Admin	1	1	1	0	1	0
Mgr. Infrastructure	0	1	1	0	1	0
Secretary	1	0	0	0	0	0
SubTotal	22	24	23	-1	23	0
Total	502	468	466	-2	489	23

APPENDIX B

Questionnaire mentioned in response to Mr. Cohen's Question 2:
 Question 2. Please provide the Committee with a copy of all surveys that were distributed to riders in the past two years.

WBA Research
 Job #15-937A
 November 2015

**Amtrak eCSI Questionnaire
 Version A – LD – Long Distance**

QUOTAS	
Silver Star	
Cardinal	
Silver Meteor	
Empire Builder	
Capitol Ltd.	
California Zephyr	
Southwest Chief	
City of New Orleans	
Texas Eagle	
Sunset Ltd.	
Coast Starlight	
Lake Shore Ltd.	
Crescent	
Auto Train	
Total	

SA. **SAMPLE ROUTE (FROM SAMPLE, DO NOT ASK):**

- 16 Silver Star
- 18 Cardinal
- 19 Silver Meteor
- 25 Empire Builder
- 26 Capitol Ltd.
- 27 California Zephyr
- 28 Southwest Chief
- 30 City of New Orleans
- 32 Texas Eagle
- 33 Sunset Ltd.
- 34 Coast Starlight
- 45 Lake Shore Ltd.
- 52 Crescent
- 63 Auto Train

SB. **SAMPLE SERVICE CLASS (FROM SAMPLE, DO NOT ASK):**

- 01 Coach
- 02 Sleeper
- 03 Business

INTRODUCTION:

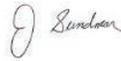
We appreciate you traveling with Amtrak.

Our records indicate that you traveled from **[INSERT ORIGIN STATION]** to **[INSERT DESTINATION STATION]** on **[INSERT TRAVEL DATE]**. We hope that all of our customers are satisfied with their travel experience, and we constantly strive to improve our service every day. Of course, the best way to improve Amtrak is to ask you, our valued customer, about your experience with us.

I hope that you will take a few minutes to share your opinions about your recent trip by completing this short questionnaire. You have been selected to evaluate your trip from **[INSERT ORIGIN STATION]** to **[INSERT DESTINATION STATION]** on **[INSERT TRAVEL DATE]**. Even though you may have taken other trains during this trip (or made other Amtrak trips recently), I would appreciate it if you would answer questions with this specific segment of your train trip in mind.

Thank you for participating in this online survey and for choosing Amtrak. Your opinions are extremely important to all of us at Amtrak.

Sincerely,



J. Sundman
Director, Market Research & Analysis

S3. On which of the following types of devices are you completing this survey?

- 01 Desktop computer
- 02 Laptop computer
- 03 Tablet (such as an iPad or Kindle)
- 04 Smartphone
- 95 Some other type of internet-enabled device

INCLUDE ON EACH SCREEN WITH RATINGS QUESTIONS:

Using this scale where '100' is 'Very Satisfied' and '0' is 'Very Dissatisfied', please tell us how satisfied you were with each of the following aspects of service during your trip from **[INSERT ORIGIN STATION]** to **[INSERT DESTINATION STATION]** on **[INSERT TRAVEL DATE]**. For each aspect of service, select the rating in the boxes below that best describes your satisfaction with the service. Please select 'NA' or 'Not Applicable' for any question that you feel does not apply to you.

At the Boarding Station...	Very Dissatisfied ↓										Very Satisfied ↓										NA		
	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
1. Accuracy of information received about the train trip prior to boarding the train																							
2. Friendliness/helpfulness of station personnel at boarding station																							

ASK EVERYONE:

At the Boarding Station...	Very Dissatisfied ↓	0	10	20	30	40	50	60	70	80	90	100	Very Satisfied ↓	NA
6. Availability of station signage/announcements at boarding station	0	10	20	30	40	50	60	70	80	90	100	999		
7. Clarity of station signage/announcements at boarding station	0	10	20	30	40	50	60	70	80	90	100	999		
8. Personal safety at boarding station	0	10	20	30	40	50	60	70	80	90	100	999		
9. Ease of train boarding process	0	10	20	30	40	50	60	70	80	90	100	999		
10. Overall cleanliness of the boarding station	0	10	20	30	40	50	60	70	80	90	100	999		
11. Overall condition of the train platform and boarding area	0	10	20	30	40	50	60	70	80	90	100	999		
12. Overall station experience at the boarding station	0	10	20	30	40	50	60	70	80	90	100	999		

On Board the Train...	Very Dissatisfied ↓	0	10	20	30	40	50	60	70	80	90	100	Very Satisfied ↓	NA
13a. IF SB(01,03), ASK: Comfort of your seat	0	10	20	30	40	50	60	70	80	90	100	999		
13b. IF SB(02), ASK: Comfort of your sleeping compartment	0	10	20	30	40	50	60	70	80	90	100	999		
14. Smooth and comfortable train ride	0	10	20	30	40	50	60	70	80	90	100	999		
15. Air temperature on the train	0	10	20	30	40	50	60	70	80	90	100	999		
16. Overall cleanliness of the train interior	0	10	20	30	40	50	60	70	80	90	100	999		
17. Cleanliness of train windows	0	10	20	30	40	50	60	70	80	90	100	999		

18. Did you use the restroom on the train?

- 01 Yes
- 02 No

THOSE WHO USED THE RESTROOM ON THE TRAIN [Q18(01)], ASK:

On Board the Train...	Very Dissatisfied ↓	0	10	20	30	40	50	60	70	80	90	100	Very Satisfied ↓	NA
19. Cleanliness of the restrooms on the train	0	10	20	30	40	50	60	70	80	90	100	999		
20. Smell of restrooms on the train pleasant/free of odor	0	10	20	30	40	50	60	70	80	90	100	999		

ASK EVERYONE:												
On Board the Train...	Very Dissatisfied ↓										Very Satisfied ↓	NA
21. Information given on the train about services/features/safety	0	10	20	30	40	50	60	70	80	90	100	999
22. Information given about problems/delays while on the train	0	10	20	30	40	50	60	70	80	90	100	999
23. Clarity of announcements on the train	0	10	20	30	40	50	60	70	80	90	100	999
24. Reliability or on-time performance of the train	0	10	20	30	40	50	60	70	80	90	100	999
25. Personal security on the train	0	10	20	30	40	50	60	70	80	90	100	999
25b. Amtrak's ability to get you to your destination safely	0	10	20	30	40	50	60	70	80	90	100	999
26. Friendliness/helpfulness of the train conductors	0	10	20	30	40	50	60	70	80	90	100	999
26a. IF SB(01,03), ASK: Friendliness/helpfulness of the (IF SB(01):coach/IF SB(03):business) car attendant	0	10	20	30	40	50	60	70	80	90	100	999
26b. IF SB(02), ASK: Friendliness/helpfulness of the sleeper car attendant	0	10	20	30	40	50	60	70	80	90	100	999

27. Did you purchase any food or beverage items in the café/lounge car? (e.g., food/beverage items purchased at a counter)

- 01 Yes
- 02 No

THOSE WHO PURCHASED FOOD OR BEVERAGE ITEMS IN THE CAFÉ/LOUNGE CAR [Q27(01)], ASK:												
On Board the Train...	Very Dissatisfied ↓										Very Satisfied ↓	NA
28. Availability of food items in the café/lounge car	0	10	20	30	40	50	60	70	80	90	100	999
29. Friendliness/helpfulness of café/lounge car personnel	0	10	20	30	40	50	60	70	80	90	100	999
30. Quality/freshness of food in the café/lounge car	0	10	20	30	40	50	60	70	80	90	100	999
31. Variety of food selections in the café/lounge car	0	10	20	30	40	50	60	70	80	90	100	999
32. Overall experience in the café/lounge car	0	10	20	30	40	50	60	70	80	90	100	999

ASK EVERYONE:

33. Did you have any meals in the dining car? (e.g., meals served to you)

- 01 Yes
- 02 No

THOSE WHO HAD MEALS SERVED TO THEM IN THE DINING CAR [Q33(01)], ASK:												
--	--	--	--	--	--	--	--	--	--	--	--	--

On Board the Train...	Very Dissatisfied										Very Satisfied										NA		
	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80		90	100
34. Friendliness/helpfulness of dining car personnel	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
35. Variety of menu choices in the dining car	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
36. Quality/freshness of food in the dining car	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
37. Overall experience in the dining car	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999

THOSE WHO TRAVELED ON ROUTES OFFERING WI-FI [SA(63)], ASK Q37A. OTHERWISE, SKIP TO Q38:

37A. Did you use Amtrak's Wi-Fi service (AmtrakConnect) during your trip?

- 01 Yes
- 02 No

THOSE WHO TRAVELED ON ROUTES OFFERING WI-FI AND USED THE WI-FI SERVICE [SA(63) AND S37A(01)], ASK Q37B-Q37F. OTHERWISE, SKIP TO Q38:

On Board the Train...	Very Dissatisfied										Very Satisfied										NA		
	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80		90	100
37B. Overall, how satisfied were you with the basic Wi-Fi service on the train?	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
37C. Ease of accessing Amtrak's Wi-Fi service (sign-on process)	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
37D. Ability to perform online activities that you wanted	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
37E. Ability to stay connected to Amtrak's Wi-Fi service	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999
37F. Time it takes to load/access websites, e-mails, and e-mail attachments	0	10	20	30	40	50	60	70	80	90	100	0	10	20	30	40	50	60	70	80	90	100	999

ASK EVERYONE:

At the Destination Station...	Very Dissatisfied ↓											Very Satisfied ↓											NA		
38. Overall cleanliness of the destination station	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	
39. Availability of information about connecting transportation services at destination station	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	
40. Clarity of information about connecting transportation services at destination station	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	
41. Overall station experience at the destination station	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	

Your Overall Trip...	Very Dissatisfied ↓											Very Satisfied ↓											NA		
42a. IF SB(01,03): Overall experience in (IF SB(01):coach/IF SB(03):business)	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	
42b. IF SB(02): Overall experience in the sleeper	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	
43. Value of Amtrak service received for the price paid for the trip	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	
44. Overall, how satisfied were you with Amtrak based on this trip?	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	

Using this scale where '100' is "Would Recommend" and '0' is "Would Not Recommend", please tell us how likely you would be to recommend traveling on Amtrak to a friend or business associate based on your trip from [INSERT ORIGIN STATION] to [INSERT DESTINATION STATION] on [INSERT TRAVEL DATE]. Select the rating in the boxes below that best describes your likelihood to recommend. Please select 'NA' or 'Not Applicable' if you feel that this question does not apply to you.

Your Overall Trip...	Would not Recommend ↓											Would Recommend ↓											NA		
45. Based on this trip, would you recommend traveling on Amtrak to a friend or business associate?	0	10	20	30	40	50	60	70	80	90	100	999	0	10	20	30	40	50	60	70	80	90	100	999	

We would like to ask some additional questions about you. Your answers will be used only for statistical purposes and will remain strictly confidential. (PROGRAMMING NOTE – ALLOW RESPONDENTS TO SKIP Q46-Q56.)

46. What is your gender?

- 01 Male
- 02 Female

47. Into which of the following categories does your age fall?

- 01 Under 18
- 02 18 to 24
- 03 25 to 34
- 04 35 to 44
- 05 45 to 54
- 06 55 to 64
- 07 65 or older
- 98 Prefer not to answer

48. Are you of Spanish, Hispanic, or Latino origin?

- 01 Yes
- 02 No

49. What is your ethnic origin?

- 01 African American or Black
- 02 American Indian or Alaska Native
- 03 Asian
- 04 Native Hawaiian or other Pacific Islander
- 05 White
- 06 Mixed Race
- 07 Hispanic or Latino
- 08 Middle Eastern
- 95 Something else (Specify: _____)
- 1 Refused/Did not Answer

50. Which best describes your current employment status?

- 01 Employed full-time
- 02 Employed part-time
- 03 A college student
- 04 A homemaker
- 05 Retired
- 06 Not employed

51. What is your total annual household income before taxes?

- 01 Less than \$25,000
- 02 \$25,000 to \$49,999
- 03 \$50,000 to \$74,999
- 04 \$75,000 to \$99,999
- 05 \$100,000 to \$149,999
- 06 \$150,000 to \$199,999
- 07 \$200,000 to \$249,999
- 08 \$250,000 or over
- 98 Prefer not to answer

52. What is the last grade of school you completed?

- 01 High school graduate or less
- 02 Technical/training beyond high school
- 03 Some college
- 04 College graduate
- 05 Graduate school

53b. Which one of the following best describes the main purpose of this trip? Please choose only one. Was it...? (READ ENTIRE LIST. ACCEPT ONE RESPONSE ONLY.)

- 01 Daily commute to or from work
- 02 Business travel
- 03 Travel to or from school
- 04 Visit family or friends
- 05 Vacation where you're away for about a week or more
- 06 Leisure or recreation such as dining, sporting events, theater, or long weekend getaways
- 07 Personal or family business such as a wedding, funeral, or medical trip
- 08 Shopping
- 95 Or something else (Specify _____)

54. Are you an Amtrak Guest Rewards Member?

- 01 Yes
- 02 No

55. Including yourself, how many people were in your travel party on this trip?

_____ # Travelers

55A. What is your 5-digit home zip code?

_____ [00001-99997, 99998=Prefer not to answer, 99999=Do not live in US]

57. Including this trip we've been asking about, how many total trips have you taken on any Amtrak route in the past 12 months? Please count each round trip as two one-way trips. Your best estimate is fine.

_____ # Trips [001-998, 999=Don't know/Not Sure]

IF [Q57(002-998)], ASK:

57A. Of those [INSERT TRIPS FROM Q57] trips you have taken on any Amtrak route in the past 12 months, how many were on [INSERT ROUTE]? Please count each round trip as two one-way trips. Your best estimate is fine.

_____ # Trips [RANGE = 001-Q57 REPOSE, 999=Don't know/Not Sure]

ASK EVERYONE:

58. When was the first time you yourself were a passenger on Amtrak's [INSERT ROUTE] service? Your best estimate is fine.

- 01 This was my first trip
- 02 Less than six months ago
- 03 Six months to less than one year ago
- 04 About a year ago
- 05 One to less than two years ago
- 06 Two to less than three years ago
- 07 Three to less than four years ago
- 08 Four to less than five years ago
- 09 Five or more years ago
- 99 Don't know/Not sure

IF [Q58(01-08,99), ASK:

59. And when was the first time you yourself were a passenger on any Amtrak route or service? Your best estimate is fine. (IF Q58(01-08), ONLY SHOW RESPONSES EQUAL TO OR GREATER THAN Q58 RESPONSE. IF Q58(99) SHOW ALL RESPONSES)

- 01 This was my first trip
- 02 Less than six months ago
- 03 Six months to less than one year ago
- 04 About a year ago
- 05 One to less than two years ago
- 06 Two to less than three years ago
- 07 Three to less than four years ago
- 08 Four to less than five years ago
- 09 Five or more years ago
- 99 Don't know/Not sure

IF [CLASS(S) AND Q58(01)], ASK:

60. Was this the first time you yourself were a passenger in Sleeper Class on any Amtrak train?

- 01 Yes
- 02 No

ASK EVERYONE:

E1. Thank you for your participation in this survey. We would like to ask you just a few more questions about Amtrak. Some of these are very similar to questions you've already answered.

If you would like to answer just a few more questions, please click "Continue with survey". If not, click "Submit my answers" to complete and submit your survey.

- 01 Continue with survey
- 02 Submit my answers

E2. Considering all your experiences with Amtrak to date, overall how satisfied are you with Amtrak?

Very dissatisfied					Very satisfied					
↓										↓
1	2	3	4	5	6	7	8	9	10	

E3. To what extent has Amtrak fallen short or exceeded your expectations?

Fallen short of expectations					Exceeds expectations					
↓										↓
1	2	3	4	5	6	7	8	9	10	

E4. Imagining an ideal train, how well do you think Amtrak compares to that ideal train?

Not very ideal					Very ideal					
↓										↓
1	2	3	4	5	6	7	8	9	10	

E5. The next time you travel to a destination served by Amtrak, how likely will you take Amtrak?

Very unlikely					Very likely					
↓										↓
1	2	3	4	5	6	7	8	9	10	

E6. How likely are you to recommend Amtrak to a friend or colleague?

Very unlikely					Very likely					
↓										↓
1	2	3	4	5	6	7	8	9	10	

