

Highlights of the Passenger Rail Investment and Improvement Act

- **Increases Capital and Operating Grants to Amtrak.** Our bill provides an average of \$1.34 billion per year through 2013 to Amtrak for capital grants and an average of \$606 million per year for operating grants. Inconsistent federal support has hampered Amtrak's ability to replace catenaries, passenger cars, bridges, ties, and other equipment necessary for Amtrak to provide service. These capital grants will help Amtrak bring the Northeast Corridor ("NEC") to a State of Good Repair ("SOGR"), procure new rolling stock, rehabilitate existing bridges, as well as make additional capital improvements and maintenance over its entire network. Additionally, the operating grants provided by our bill will help Amtrak pay salaries, health costs, overtime pay, fuel costs, facilities, and train maintenance and operations. These operating grants also will allow Amtrak to meet its obligations under their recently negotiated labor contract.
- **Develops State Passenger Corridors.** In an effort to encourage the development of new and improved intercity passenger rail services, our bill would create a new State Capital Grant program for intercity passenger rail capital projects as proposed by the States, Amtrak, and the Administration, and based on the New Starts transit capital program administered by the Federal Transit Administration. Our bill provides \$500 million per year in grants to a State, or a group of States, to pay for the capital costs of facilities and equipment necessary to provide new or improved intercity passenger rail. The Federal match would be up to 80 percent. The Secretary of Transportation would award these grants for projects based on economic performance, expected ridership, and other factors.
- **Alleviates "Choke Points."** Many of Amtrak's service routes outside the NEC suffer from poor service reliability and on-time performance due to freight traffic. This prevents Amtrak from retaining and attracting new ridership, and increases Amtrak's operating costs. The Department of Transportation Inspector General recently reported that if Amtrak achieved an 85-percent on-time performance outside the NEC in FY2006, it would have saved Amtrak \$136.6 million, or almost a third of its operating budget. Amtrak is required by law to have preferred access on freight corridors; however freight railroads do not always comply with Amtrak's access rights. Our bill takes two steps to resolve this problem. First, it creates a process where Amtrak may file a complaint before the Surface Transportation Board ("STB") if a host rail carrier is consistently preventing Amtrak from achieving on time performance of at least 80 percent. If, after an investigation, the Board finds the host rail carrier is at fault, it may assess damages to correct the problem. Second, our bill provides congestion grants to Amtrak and the states for high priority rail corridors in order to reduce congestion and facilitate ridership growth.
- **Provides Funding for High Speed Rail Programs.** The National Surface Transportation Policy and Revenue Study Commission, created by the 109th Congress to provide a national transportation vision for the next fifty years, recommended the establishment of a high-speed rail network that spans the entire country. Our bill provides \$345 million in grants annually from FY 2009-FY 2013 to States and/or Amtrak to finance the costs of facilities, infrastructure, and equipment for rail projects where rail speeds of 110 miles per hour are currently or will soon occur. These grants fund up to 80 percent of a total project cost.
- **Reduces Amtrak's debt.** Federal support of Amtrak was cut drastically in 2000 and 2001, forcing Amtrak to assume a massive amount of debt in order to stay in operation. Amtrak has aggressively targeted this debt, paying down \$600 million from 2002 through 2007. Our bill helps Amtrak to take further steps to reduce its debt, authorizing \$345 million each year for debt service through FY2013. This will allow Amtrak to focus its resources on improving existing services and allowing it to devote additional resources to capital and operational improvements.

- **Resolves Disputes between Commuter and Freight Railroads.** Currently, no federal guidelines exist to mediate disputes between commuter rail providers and freight railroads over use of freight rail tracks or rights-of-way, nor is there a standard forum for negotiating commuter rail operating agreements. Our bill establishes a forum at the STB to help complete stalled commuter rail negotiations, helping our rail network operate as efficiently as possible. This section is identical to what was included in H.R. 2701, the Transportation Energy Security and Climate Change Mitigation Act of 2007, as reported by our Committee.