

505 Capitol Court, NE, Suite 300 • Washington, DC 20002-7706 P:: 202.408.8362 • F:: 202.408.8287 • E:: narp@NARPrail.org

July 13, 2015

The Honorable John Thune Chairman U.S. Senate Committee on Commerce, Science & Transportation 512 Dirksen Senate Building Washington, D.C. 20510 The Honorable Bill Nelson Ranking Member U.S. Senate Committee on Commerce, Science & Transportation 512 Dirksen Senate Building Washington, D.C. 20510

Dear Chairman Thune and Ranking Member Nelson,

The National Association of Railroad Passengers is writing to endorse the inclusion of the Railroad Reform, Enhancement, and Efficiency Act (S.1626) into the Comprehensive Transportation and Consumer Protection Act of 2015 (S.1732).

The move to include passenger rail authorizing language in a broader highway and transit bill is an important step in recognizing the critical role intercity trains play in a national transportation system. By passing a truly comprehensive transportation bill, Congress will be taking a step towards creating A Connected America. Furthermore, the passage of Railroad Reform, Enhancement, and Efficiency Act (R2E2) will be a positive step in providing the predictable, sufficient levels of investment that the states and Amtrak need to build the modern rail system American workers and businesses will need to compete in a 21st Century global economy.

R2E2—with the proper funding levels—provides a framework that could be employed to build an efficient intermodal transportation network. NARP believes the following sections are worthy of particular praise:

## **Ensuring Balanced Regional Representation in Amtrak Leadership**

• <u>Section 213: Amtrak Board Of Directors</u>: By reorganizing the Amtrak Board of Directors, the bill takes a huge step in recognizing the regional nature of the U.S. transportation network. R2E2 restructures the board to ensure balanced regional representation, with two individuals representing the Northeast Corridor, two individuals representing long-distance routes, two individuals representing state-supported routes, and the last individual free to represent the Northeast Corridor, long-distance routes, or state-supported routes. For many Americans, it's not "Amtrak," it's "my train." Policy should reflect this fact by ensuring that each business line has an equal voice in Amtrak's planning process. Importantly, the proposal protects continuity by stipulating that none of the existing Amtrak board members' terms shall be affected by enactment of the law.

## **Expanding the National Network**

R2E2 includes critical provisions that, if funded at sustainable levels, will serve to fuel the expansion of the passenger rail network and increase frequencies. This is a huge departure from

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previous proposals that have sought to confine expansion to the Northeast Corridor while freezing or shrinking the footprint of the National Network.

• <u>Section 203: State-Supported Route Committee</u>: R2E2 establishes a committee to promote mutual cooperation and planning on State-supported routes, providing a much-needed resource to aid in the recent transition from federal to state responsibility for operating costs. Committee will include representatives from Amtrak, the U.S. Department of Transportation, states, and public stakeholder groups.

• <u>Section 204: Route and Service Planning Decisions</u>: The bill tasks Amtrak with contracting with an independent entity to objectively determine what intercity rail passenger transportation routes and services it should provide—including the establishment of new routes and the expansion of services or frequencies. The Senate's proposal establishes a comprehensive framework for analyzing a route that recognize the unique benefits rail service provides, wisely emphasizing the connectivity a route provides as part of the national network; the transportation needs of communities and populations that are not well served by other forms of intercity transportation; the financial and operational effects on the overall network, including considerations related to shared and indirect costs; and the views of states and communities served by the route.

• <u>Section 301: Competitive Operating Grants</u>: R2E2 requires the Secretary of Transportation to develop a program for issuing three-year operating assistance grants to launch or restore intercity rail passenger transportation. NARP especially endorses the emphasis on restoring service for which planning, design, environmental reviews, equipment acquisition, and construction have been completed or almost completed; that would restore service over routes formerly operated by Amtrak; that would provide daily or daytime service, where such service does not previously exist; that include private funding (including funding from railroads); that would provide service to regions and communities underserved or not served by other intercity public transportation; that would foster economic development, particularly in rural communities and for disadvantaged populations, and provide other non-transportation benefits; and that would enhance connectivity and geographic coverage of the existing national network of intercity passenger rail service.

• <u>Section 302: Federal-State Partnership For Passenger Rail Rehabilitation and Improvement</u>: NARP supports this section's goal of providing financing for capital projects that will address the state of good repair backlog that is hindering the efficient operation of U.S. trains and preventing growth across the national network. The partnership will prioritize investment in projects with a 50/50 federal-state funding share.

• <u>Section 305: Gulf Coast Rail Service Working Group</u>: R2E2 directs the Federal Railroad Administration to convene a working group to restore intercity rail passenger service in the Gulf



Coast region between New Orleans, Louisiana, and Orlando, Florida—the first steps towards restoring the most important missing link in the national rail network.

## **Improving the Passenger Experience**

<u>Section 207: Food And Beverage Policy</u>: NARP believes R2E2 gives Amtrak needed flexibility to achieve the railroad's publicly stated goal of eliminating food & beverage losses, as well as introducing two new pilot programs that recognize a fundamental fact that NARP has educated lawmakers on for years: providing quality food service is an essential part of getting customers onboard, and any proposal that erodes Amtrak's ability to provide a quality product will hurt the railroad's bottom line. These pilot programs will address two specific aspects of the passenger experience:

- Local Food & Beverage: R2E2 gives Amtrak six months to set up a pilot program for State-supported routes to allow passengers to buy local food and beverages, as well as take part in special events centered on local food and beverages. Amtrak runs through some of the most productive wine country and farmland in America—embracing that regional identity is sure to attract passengers willing to pay more for a quality experience. These special products must help the State-supported routes bottom line.
- Special Events: The proposal also gives Amtrak six months to establish a pilot program to allow State-supported routes to offer special events on the train or in the station, in concert with local with local business, organizations, and communities. These events must also help the State-supported routes bottom line.

Thank you for your consideration of our views.

Sincerely,

Jim Mathews President & CEO National Association of Railroad Passengers

CC: The Honorable Deb Fischer The Honorable Cory Booker The Honorable Roger Wicker

