

**Statement from States for Passenger Rail Coalition Chair Paula Hammond on
House FY 2012 Transportation-HUD Appropriations Act**

September 9, 2011

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Pennsylvania
Rhode Island
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California
Capital Corridor

Northern
New England
Passenger
Rail Authority

Southern High
Speed Rail
Commission

Chair Paula Hammond of the States for Passenger Rail Coalition (SPRC) released the following statement today in response to the House FY 2012 Transportation-HUD Appropriations Act. The SPRC is an alliance of 33 state leaders who work together to support the development and growth of intercity passenger rail service for America.

“On the eve of the adoption of a new cost allocation methodology for state-supported passenger rail routes, which would have decreased federal costs and ramped up states' shares in phased increments to lessen the shock to state budgets, the House has marked up a transportation spending bill for FY 2012 that will impact the country's existing intercity passenger rail service. This action undermines the efforts of some in Congress to provide states with leverage and the flexibility to continue the highly successful state-supported routes. Demand is high for a convenient, affordable and car-free transportation option, and intercity passenger rail fits the bill.

The FY 2012 Transportation-Housing and Urban Development (HUD) Appropriations Act marked up by the House Appropriations Subcommittee on Transportation-HUD prohibits the use of federal funds provided to Amtrak to fund any operating costs of state-supported trains. There are 15 states supporting 110 daily trains operating over 27 intercity passenger service routes across the country, including some lines which have been in operation for over two decades. These routes represent 48 percent of Amtrak's total ridership and 25 percent of Amtrak's revenue. In 2010, state corridor trains had a 6.5 percent increase in ridership and a 12.5 percent increase in revenues. Outside the Northeast Corridor, state-supported routes are Amtrak's fastest growing rail lines.

States have invested millions of dollars in these successful routes, but we cannot shoulder the full cost of passenger rail service in three weeks. Under Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA, P.L. 110-432, Division B), states have been working with Amtrak to develop a common methodology to shift more of the operating and capital costs of state-supported trains from the Federal government to the states. Under current law, that cost-sharing policy must be implemented by October 16, 2013 (FY2014). Amtrak, in cooperation with the states, has completed the policy for a common methodology, which has been submitted to states for their concurrence. However, this bill implements a total cost-shift to states without sufficient notice to prepare rail travelers who may be impacted as states move to respond. Instead of allowing for the orderly transition to a new pricing arrangement, as called for in current law, this language may cause turmoil in a transportation mode on which millions of travelers depend.

The 15 states that currently support successful passenger rail service have held up their end of the bargain and the Federal government should hold up their end, too. Now, when states are struggling to balance their budgets and passenger rail is seeing record ridership levels, we urge Members of both the House and Senate to act sensibly to provide for the orderly transition to an improved passenger rail system.”

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