

Chair, *Paula Hammond*, Washington DOT
Vice Chair, *Bill Bronte*, California DOT
Secretary, *Caitlin Hughes Rayman*, Maryland DOT
Treasurer, *Donna L. Brown*, Wisconsin DOT



October 24, 2011

The Honorable *Patty Murray*
Chair
Senate Appropriations Subcommittee on
Transportation, HUD & Related Agencies
448 Russell Senate Office Building
Washington, DC 20510

The Honorable *Susan Collins*
Ranking Member
Senate Appropriations Subcommittee on
Transportation, HUD & Related Agencies
413 Dirksen Senate Office Building
Washington, DC 20510

The Honorable *Tom Latham*
Chair
House Appropriations Subcommittee on
Transportation, HU & Related Agencies
2217 Rayburn HOB
Washington, DC 20515

The Honorable *John Olver*
Ranking Member
House Appropriations Subcommittee on
Transportation, HUD & Related Agencies
1111 Longworth HOB
Washington, DC 20515

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Northern
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Passenger
Rail Authority

Southern High
Speed Rail
Commission

Dear Chairs Murray and Latham and Ranking Members Collins and Olver:

I write as Chair of the States for Passenger Rail Coalition, an organization representing 33 member states across the nation who work together to support the development and growth of intercity passenger rail service for America. We are concerned with the provision included in the House FY2012 Transportation-HUD Appropriations Act that would abruptly eliminate federal funds provided to Amtrak to support the operation of state-supported intercity passenger rail trains. Such a change to federal policy would force cuts to popular state-supported train service at a time when those routes are experiencing historic ridership levels across the country.

Currently 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 twenty years. These routes carry over 15 million passengers a year and 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 without sufficient notice. Furthermore, the House provision undermines the current efforts by Amtrak and states to

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implement Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) (P.L. 110-432, Division B). We have partnered with Amtrak to develop a standard methodology for determining the direct operating costs of routes supported by states. This will increase state participation and financial contribution to the Amtrak system, significantly reducing federal financial support of state corridor train operations. The Section 209 policy has been approved by the Amtrak Board of Directors and was released to Section 209 states for concurrence with an implementation date of October 16, 2013 (FY2014), pursuant to PRIIA. This two-year transitional period is necessary, particularly for those states that have not funded the operation of their routes in the past. Simply shifting the costs immediately to already over-burdened state coffers is setting up state-funded passenger rail to financially derail, leaving millions of current passengers without an affordable intercity travel option.

As you work to come to agreement on a final Transportation-HUD spending bill for FY2012, we strongly encourage you to allow the states and Amtrak to develop this new policy, as required by Section 209 of PRIIA, in which States pay the costs directly associated with operating their routes with an orderly transition. The result will be a stronger passenger rail system with more state participation. Now, when states are struggling to balance their budgets and passenger rail is seeing record ridership levels, we urge you to provide for the orderly transition to an improved passenger rail system.

Thank you for your attention to our concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Hammond", with a large, stylized flourish above the name.

Paula J. Hammond, P.E.

Chair, States for Passenger Rail Coalition