Chair, *David Kutrosky*, Capitol Corridor JPA Vice Chair, *Eric Curtit*, Missouri DOT Treasurer, *Venetta Keefe*, Indiana DOT Secretary, *Karen Songhurst*, Vermont AOT Former Officer, *Patricia Quinn*, NNEPRA At Large Member, *Amanda Martin*, Iowa DOT



## **VIA Email**

March 2, 2018

Senator Thad Cochran, Chairman Committee on Appropriations Room S-128, The Capitol Washington DC, 20510 Senator Patrick Leahy, Vice-Chairman Committee on Appropriations Room S-128, The Capitol Washington, DC, 20510

Dear Chairman Cochran and Vice-Chairman Leahy:

On behalf of all members of the States for Passenger Rail Coalition, thank you for your leadership and ongoing support of our industry. We greatly appreciate not only your commitment to improving the safety, reliability, and performance of the nation's passenger and freight rail network and urge your committee to take the next step to fund existing authorized programs which are of critical importance to Intercity Passenger Rail in the U.S and strongly supported by the members of SPRC.

SPRC believes that the enactment of the Balanced Budget Act of 2018 presents a unique opportunity to invest in state and agency sponsored intercity passenger rail services. The Fiscal Year 2018 Appropriations for Transportation, Housing and Urban Development, and Related Agencies make it possible for intercity passenger rail programs authorized in the Fixing America's Surface Transportation Act (FAST Act, P.L. 114-94), to be funded to their authorized level. These programs include:

**National Network** funding supports both the continued operation of the national intercity passenger rail network and state-supported routes, authorized at: \$1.242b, consistent with the FAST Act authorization of \$1.6b. Within the national network, SPRC believes that elimination of long-distance routes would be a major disruption to the national intercity passenger rail network and would doubtless lead to financial losses.

The **Consolidated Rail Infrastructure and Safety Improvements (CRISI)** program, a national program with a diverse portfolio, covering important rail safety activities, including Positive Train Control (PTC) implementation, and capital needs: authorized at \$230m.

The **Federal-State Partnership for State of Good Repair** program which provides funding for capital projects to improve infrastructure assets: authorized at \$175m.

The **Restoration and Enhancement** program which provides grants for restoring or improving intercity passenger rail routes to underserved communities in need of economic development and mobility: authorized at \$20m.

The **Northeast Corridor** funding supports the nation's critical rail corridor extending from Boston to Washington, DC. Amtrak's grant and legislative request is \$358m, consistent with the overall Amtrak FAST Act authorization of \$1.6b.

SPRC also supports using the appropriations process to increase the funding dedicated to the critically important **Railway-Highway Crossings (Section 130)** program via the FAST Act, much as the \$130m increase to the program provided in the FY2016 THUD appropriations bill. This would increase FY18 funding to \$365m.

Further, SPRC supports robust funding of the competitive, merit-based, **TIGER** grants program to enable States and local governments to build innovative multi-modal and multijurisdictional projects, frequently in partnership with significant private contributions. Within TIGER, SPRC supports adding a RRIF Credit Risk Premium (CRP) subsidy as an eligible use, identical to the way that a TIFIA subsidy is an eligible use. This would be consistent with the Administration's FY18 budget request to eliminate the prohibition on using federal funds for the CRP.

Additionally, SPRC encourages Congress to clarify Congressional intent and the longstanding practice that loans made under RRIF, TIFIA, and similar federal loan programs should not count as federal share when calculating federal and non-federal shares for the purposes of federal grant programs. If a loan is being repaid with state, local, or private funds, that should be considered part of a non-federal share. For many years, federal loan programs like RRIF and TIFIA have been effective vehicles for state and local governments to finance the local funding component

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Washington

Wisconsin

Capitol Corridor Joint Powers Authority

> Northern New England Passenger Rail Authority

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San Joaquin Joint Powers Authority of major infrastructure projects – treating these loans as part of a federal share would make them harder to use and negatively impact the advancement of future infrastructure projects across the nation.

Again, thank you for your interest and support.

Sincerely,

David B. Kutrosky Managing Director, Capitol Corridor Joint Powers Authority Chair, States for Passenger Rail Coalition, Inc.

## **About the Coalition**

The States for Passenger Rail Coalition, Inc. (SPRC) is an advocacy group made up of 23 State departments of transportation and passenger rail authority leaders from across the United States who work together to support the development and growth of passenger rail service for America.

Our members sponsor a combined 27 intercity passenger rail routes serving 296 communities across America. Last year our trains carried almost 15 million passengers, representing 48% of Amtrak's total ridership, the largest source of ridership among the three Amtrak business lines. We also contributed nearly \$800 million in revenues to Amtrak, through a combination of approximately \$550 million in passenger revenues plus \$250 million in contract payments.

As intercity passenger rail service sponsors, SPRC members are steadfastly committed to safety, service quality, and reliability. Safety is critical to the success of our sponsored routes. The protection and security of the passengers, employees, host railroads, and the communities are our collective top priority.