Chair, *Patricia Quinn*, NNEPRA Vice Chair, *David Kutrosky*, CCJPA Treasurer, *Paul C. Worley*, North Carolina DOT Secretary, *Karen Songhurst*, Vermont AOT



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December 9, 2016

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Wisconsin

Capital Corridor Joint Powers Authority

> LOSSAN Joint Powers Authority

San Joaquin Joint Powers Authority

Northern New England Passenger Rail Authority

The Honorable Elaine Chao Secretary-designate US Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

Dear Secretary-designate Chao,

On behalf of the States for Passenger Rail Coalition, Inc. (SPRC), congratulations on your nomination as Secretary of Transportation. It is clear you understand the vital role railroads play in the national transportation system and we look forward to working with you and your team to continue progressing the work of developing America's intercity passenger rail network into a truly great national transportation system.

SPRC members partner with Amtrak, and freight railroads, by providing direct financial support for 28 intercity passenger rail routes serving 296 communities across the US. In 2015, state sponsored routes transported nearly 15 million passengers, representing 48% of Amtrak's national ridership, and contributed over \$766 million in revenue to their ledgers, which represents 35% of their total operating revenue. In addition, our members invested hundreds of millions more in infrastructure improvements to improve the safety, reliability and efficiency of our routes, most of which are operated on private freight railroad networks.

However, SPRC members have become increasingly challenged by rising service costs as well as recent regulatory changes which not only increase liability and operating expenses, but also conflict with state contracting and employment laws. Working with US-DOT and the Federal Railroad Administration team on these important issues are top priorities for us in 2017.

We wish you a speedy confirmation process and look forward to the opportunity to engage with you and your team on these issues. Our members will be gathering in Washington DC, on February 21-24, 2017 and we would be pleased to schedule a visit with you during that time. Please let me know how to best facilitate your participation, and again, congratulations on receiving this important nomination.

Sincerely,

Patricia Quinn

Chair, States for Passenger Rail Coalition, Inc.

Executive Director, Northern New England Passenger Rail Authority