

TESTIMONY

OF

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BEFORE THE

SUBCOMMITTEE ON SURFACE TRANSPORTATION AND  
MERCHANT MARINE INFRASTRUCTURE, SAFETY, AND  
SECURITY

OF THE

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND  
TRANSPORTATION

WEDNESDAY, SEPTEMBER 14, 2011  
10:00 A.M.  
254 RUSSELL SENATE OFFICE BUILDING

Good afternoon, Chairman Lautenberg, Ranking Member Wicker, and members of the Subcommittee. On behalf of the Amtrak Board of Directors and the men and women of Amtrak, I am pleased to have the opportunity to come before the Committee to discuss Amtrak's role in implementing the Passenger Rail Investment and Improvement Act of 2008, or PRIIA.

President Bush signed PRIIA into law in October 2008, shortly after Amtrak set a ridership record. Fiscal years 2010 and 2011 were again record years.

PRIIA anticipated such a pattern of continued growth in demand for passenger rail service. Sections 301, 302, and 501 authorized, for the first time, a Federal grant program to support efforts to develop high-speed and intercity passenger rail services. The program received over \$10 billion in subsequent appropriations, and since that time, Amtrak has worked closely with the Federal Railroad Administration (FRA) and the states to advance numerous projects to expand and improve Amtrak service for which states sought, and in many cases received, grants under these sections. These grants are funding dozens of projects in more than 30 states.

PRIIA also addressed passenger train performance. Prior to the passage of PRIIA, Amtrak had experienced acute problems with on-time performance, particularly on our long-distance trains. PRIIA included two provisions which directly address passenger train performance. Section 207 mandated the development of metrics and standards to monitor and improve service quality, including but not limited to on-time performance. Additionally, Section 213 authorized investigations by the Surface Transportation Board if on-time performance averages less than 80 percent for two consecutive calendar quarters. It also enforces the existing requirement that Amtrak

receive preference over freight trains in the joint use of a rail line. Amtrak's on-time performance on host railroads has improved significantly since PRIIA's enactment.

We've also worked hard to comply with or make progress towards complying with all PRIIA requirements and deadlines, including by implementing an improved financial accounting system under Section 203; working with the Departments of Treasury and Transportation to restructure our debt under Section 205; working with the states on new costing methodologies for state-supported routes under Section 209; producing plans to improve our long-distance routes pursuant to Section 210; and working with the FRA and states under Section 305 to develop specifications for next-generation corridor equipment.

Several PRIIA provisions address the immediate needs and future vision for the Northeast Corridor. Under Section 211, we prepared a capital spending plan to return the Northeast Corridor to a state-of-good repair, and updated that plan in May 2010 with the Northeast Corridor Infrastructure Master Plan. Amtrak is also represented on the Northeast Corridor Infrastructure and Operations Advisory Commission, which was established by Section 212 to promote mutual cooperation and planning.

We will be working with the Commission on our concept plan for next-generation high-speed rail service in the Northeast on a new two-track corridor capable of supporting world-class speeds and facilitating major reductions in travel time. We intend to pursue the plan using a "stair-step" approach that outlines a structured path to achieving 220 miles-per-hour service on each of four operational segments. Our vision is already moving forward thanks to a \$450 million Federal grant, authorized by PRIIA, to upgrade a 24-mile section of the Northeast Corridor in New Jersey with electrical and

track upgrades that will allow for an increase in operating speeds, improved reliability for current Amtrak and commuter service, and will support the proposed Amtrak Gateway Project, which is intended to increase access to, and expand capacity at, New York Penn Station.

We will soon issue an updated report which will include new analysis on the project's ridership, revenue, and construction costs. By mid-year 2012 we intend to complete a business and financial plan that will identify opportunities for private investment.

In conclusion, PRIIA enabled these bold plans and real improvements by establishing a supportive policy environment. It provided a strong foundation for growth and in many ways changed the direction of intercity passenger rail service in this nation. The task before us now is to build on that foundation. To do that effectively, a clear national policy direction backed by sustained public investment will be required. Amtrak looks forward to working with the Committee and its staff on legislation that would achieve that objective.

Thank you and I welcome the opportunity to answer your questions.