RAILCET INTELLIGENCE REPORT #11

To: RAILCET

From: Ray Chambers
Date: March 21, 2025

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Subject: APTA Intercity Passenger Rail Steering Committee Report

The meeting was led by Intercity Passenger Rail Chair Chad Edison and APTA's Policy Vice President Art Guzzetti.

FRA UPDATE

Sergio Coronado, FRA Passenger Rail Development Office reviewed the current status of the FRA grant programs. There was particular interest as to whether the appropriated rail grant money that has been obligated but not transferred will be clawed back under the Musk DOGE initiative. There are about 300 projects in this category. This includes 69 Federal State Partnership Grants for Corridor Identification and Development projects to states. My conversations with state applicants indicate that FRA processing is currently uninterrupted. Sergio confirmed these programs are continuing to move forward. Art confirmed that his information is that FRA intends to continue processing the obligated grants.

Washington Report

FY-25 Full-Year Continuing Appropriations is in Law. The 2025 Continuing Resolution has passed Congress and been signed into law by President Trump. In the light of everything else going on the numbers were surprisingly good for rail. Public Transit was funded at \$20.9 billion, a slight increase over 2024 levels. Passenger rail was funded at \$16.2 billion, a decrease of less than 1% for 2024 levels. The bill eliminated funding for 2025 earmarks.

Trump Budget for FY 2026. Trump is expected to release his proposed FY 26 Budget by late April or early May. This will provide the first glimpse of the Trump plan for passenger rail. With Musk's suggestion of privatizing Amtrak, it remains to be seen how intercity passenger rail, including Amtrak and the Federal-State Partnership program, will be addressed in the Budget. (RBC Comment—From the RAILCET perspective we can hope the Federal State Partnership grants and rail construction grants will not be simply eliminated along with a host of other federal programs).

"Big Beautiful Bill." Trump's "Big Beautiful Bill" combines all tax cuts and spending into one massive Budget bill that cannot be subjected to a Senate filibuster. It passed the House by a

vote of 217-215 allocating \$4.5 trillion for tax cuts and \$2 trillion in spending reductions as an offset. The House Transportation and Infrastructure Committee added \$10 billion in transportation spending cuts. The specific sources of cuts were not mentioned, but passenger rail will likely be affected. The Senate has not yet acted. They favor a 2-bill strategy separating spending authorizations, including military and border security, from tax cuts. The final legislation will be drafted in a House-Senate Conference.

Accelerated Permitting Reform. APTA is considering a reform to streamline the permitting process for rail projects. One concept being pressed by transportation advocates is called the Global Permit Reform Bill. It would transfer environmental permitting from FRA to the Surface Transportation Board and require all reviews to be completed within a two-year time frame.

SPEEDLINES Special Report Intercity Passenger Rail Reform

I am on a committee of five drafting a Special Edition of Speedlines Magazine. This has been a complicated process, and the Edition is now in Draft 3 which was shared with the Intercity Passenger Rail Steering Committee. They are now invited to comment. The Special Edition will be in three parts:

- i. Summary of all Corridor ID Projects Nationwide (2-pages)
- ii. Case for Intercity Passenger Reform including Legislative Ideas (12 pages)
- iii. Listing of all Corridor ID Projects under development.

Art requested there be a review by APTA of legislative reform ideas. He advocated APTA adopt a proposal and include it in the 2-page summary. I promised to forward to Art and the Speedlines Committee my thoughts on basic elements that should be included in legislative reform. We hope to publish the final Special Report by the end of April.

HS&IPR Meeting Times at Upcoming Legislative and Rail Conferences:

- Sunday, May 18, 11:00 am 12:30 pm ET in DC
- Sunday, June 29, 1:00 2:30 pm PT in San Francisco
- RSVP for Saturday evening no-host dinners at these respective meetings

Changes in HS&IPR Meeting Dates

- Move April 18 meeting (Good Friday) to Friday, April 25, 12:00 noon ET.
- Move most upcoming meetings to 4th Fridays at 9amPT/noon ET 5/30, 7/25, 8/22, 10/24, 12/5.