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To: RAILCET Team
From: Ray Chambers
Date: December 5, 2024

Subject: Intelligence Report - Attended Open Amtrak Board Meeting

This was the third annual public Amtrak Board meeting and was held in Seattle. It was opened by Anthony Cosca, Chairman of the Board. This was a polished program praising Amtrak performance envisioning a bright future. My impression is it was a projection of the future as though the Biden-type pro-Amtrak stance will continue in the coming years. This may not be the case. Trump opposed passage of the Bipartisan Infrastructure Law and Republicans in Congress have been generally hostile to Amtrak. Trump has called for termination of trillions in discretionary spending. Intercity passenger rail grants could be swept into those rescissions. The future is not clear. This Board meeting generally sidestepped the possibility of a change of direction. It was a hearty round of self-congratulations. As the meeting was in Seattle there was a heavy emphasis on the progress of the Cascades service.

The program in fact was well done. It opened with a video of 2024 accomplishments and increased ridership. Chairman Cosca introduced Board Members who then made brief comments in praise of Amtrak. FRA Administrator Amit Bose noted this is his last Board meeting. He praised President Biden's leadership. He noted the Bipartisan Infrastructure Law (BIL) has infused \$66 billion into intercity rail corridors. Going into the future he said the most pressing need is a consistent, predictable stream of funding to continue the current program, without interruption.

Roger Harris the President of Amtrak reviewed 2024 Performance. He emphasized safety and training. Given the demands of the Bipartisan Infrastructure Law, in 2024 he added 1770 new employees to the Amtrak work force. He said post-pandemic ridership rebound was underway with 32.8 million trips which is a 70% recovery. The only negative was that On Time Performance appears to be a problem across the system. While Host Railroads are responsible for much of the problem, there are also serious issues on the Northeast Corridor which is owned by Amtrak. Principal contributors were said to be heat, construction interruptions, aging equipment, and infrastructure failure. In response to a question, Steve Gardner said OTP is complex. Off the NEC, about 20% of the delays are within Amtrak control (meaning

80% are caused by Host Railroads). In his earlier comments Administrator Bose called for continuing enforcement against Host Railroads to achieve On Time Performance. He specifically called for the Department of Justice to pursue the case against NS and the Surface Transportation Board to pursue the Sunset limited case against the UP. Thus, noted that FRA has issued metrics and standards for host railroad performance, but that has been extensively litigated and thus generally tied up in the courts. Harris said 99% of the collective bargaining agreements are in place. There has been a 50% growth in capital spending and accelerated acquisition of equipment. All of this should result in greater Amtrak capacity and ridership growth.

Stephen Gardner – CEO—said the Bipartisan Infrastructure Law has given Amtrak a five-year jump start. Before the passage of BIL the railroad was in a Victorian era. Now it is entering a new epoch. The new strategic blueprint is to double passengers by 2040 and serve vastly more communities. It calls for net zero emissions by 2040. The program can only be advanced over the long term if there is a continuing source of steady funding. (RBC NOTE-the BIL expires in 2026 and with it the authorization for funding). In 2024, there was \$4.5 billion capital spending. Amtrak intends to ramp up to \$9 billion in capital spending by 2026. Following Gardner’s remarks, a Board member commented that Amtrak is the sixth largest construction company in America.

Dennis Newman, Executive Vice President for Strategy & Planning presented next. He emphasized the Amtrak role in the FRA Corridor Identification and Development (CID) program which is funding sixty-nine new or extended corridors. He states CID will reach multiple communities not currently served by Amtrak. He called FRA CID “a transformational program.” It improves twenty-seven existing corridors. Over half represent new routes. Sixty-five of these corridors are sponsored States/Authorities. Amtrak is the direct sponsor of only four CID routes. This includes participation in Texas Central between Dallas and Houston. However, Newman made clear he expects Amtrak to be the state partner on all CID projects. There was no acknowledgment that Amtrak may find itself in a competitive environment for operations although the law clearly permits competition. He said Amtrak must grow its network to have the capacity to reach all of these communities. Newman made clear that he expects the CID extensions to be added to the Amtrak map. He said Amtrak intends to partner with the States in spending down the \$1.8 billion in pre-appropriated grants which is mostly going to the states. He praised the Big Sky project - Portland going through southern Montana. Newman introduced Karyn Criswell, Amtrak AVP for Fleet Development. She highlighted efforts to increase the equipment. The new Acela should be available by spring of 2025. A significant share of the BIL grants will go to the acquisition of seventy-five new Siemens AIRO trainsets that will be distributed to several corridors in the coming years.

Ray Lang -VP State Supported services noted the twenty-one state supported operations now provide Amtrak with 50% of its passenger base. Jason Biggs Rail & Ports Director for WashDOT made an excellent presentation on the growing Cascades service. An Amtrak spokesman (I did not get who) described the nature of the Amtrak-State partnering. He said, 1) the State creates the vision for the corridor; 2) Amtrak refines the vision; 3) Amtrak operates the Corridor as a part of its system; 4) the State fully funds the service; 5) the State holds Amtrak accountable.

It was announced the former FRA Deputy Administrator Jennifer Mitchell is replacing Newman. Her responsibilities will include managing State Partnering and Host Railroad functions. (RBC Comment—We had an excellent relationship with Jennifer, both in Virginia rail and FRA. At FRA she fully recognized the law is agnostic on the intercity corridor operator. It will be interesting to see if she will move Amtrak into

a reform mode that embraces a competition agenda outside the NEC). Jennifer attended the meeting but did not speak.