

GAO Endorses Amtrak's Funding-Need Claims Carr, Wolf Hint Amtrak is "Too Big"; NARP's Vigorous Rebuttal

"Amtrak's financial condition has deteriorated in recent years. Since 1990, Amtrak's federal subsidy has not covered the gap between operating expenses and revenues ...If Amtrak will provide a quality service in its present scope and improve its finances, it will need substantial operating and capital help...The support needs to be commensurate with the task assigned."

-General Accounting Office Transportation Issues Director Kenneth M. Mead, in March 17 testimony

Three Congressional hearings in March gave unprecedented attention to the longstanding Amtrak/NARP message that Amtrak needs more money than it is getting—at least while still playing "catch-up" from meager capital funding in the 1980's. This attention came because the message was delivered by the General Accounting Office and thus could not be dismissed as the predictable words of program advocates seeking more money for their program. The second and third hearings were friendlier than the first.

House Transportation Appropriations

In this dramatic March 17 hearing on 1995 Amtrak funding, the subcommittee chairman and the ranking Republican both questioned whether Amtrak should survive in its present form. Witnesses were GAO's Mead, Amtrak President Thomas M. Downs, and Federal Railroad Administrator Jolene Molitoris.

Chairman Bob Carr (D-MI) suggested the Amtrak network may be too big. Later, he said: "The real message of America is, 'What you're getting now is what America will afford.' I don't see massive leaps of public will to push huge Amtrak increases...The government does so many other things and we're trying to fight a deficit. The future of the credibility of this Administration is to bring the deficit down. If they have to choose between the two, rail would lose."

But Thomas M. Foglietta (D-PA) responded: "I disagree that it's rail vs. the deficit. So many other expenditures can be cut. Lots of cuts could be made in favor of rail."

And Amtrak Chairman Thomas M. Downs noted that federal highway spending continues to rise.

Perhaps not incidentally, and despite massive contrary evidence, Carr genuinely seems to believe—as he stated at the hearing—that "the vast majority of Americans travel without subsidy," apparently highway and airline users.

Carr summed up his pro-Northeast Corridor/anti-long-distance-train views thus: "The problem I have is that everyone

Chairman Swift defends passenger trains—see p. 3.

wants the Northeast Corridor at Keokuk, Ia. It makes great sense in the Northeast...That's a good public investment. But all sorts of people want the Northeast Corridor all over in the

(continued on page 2)



-NARP Graphics/Scott Leonard

Thanks largely to the work of Michigan DOT, access to Amtrak in southeastern Michigan will improve greatly when a new Detroit station opens, and two trains (*Wolverine, Twilight Ltd.*) are extended through Detroit 23 miles to Royal Oak, Birmingham and Pontiac. The new Detroit station is nearly complete. It is on Woodward Ave.—a principal arterial leading northwest from downtown—in an area called New Center. This is near Wayne State University, Henry Ford Hospital and the world headquarters of General Motors. The current station—a trailer in use several years, since the old Michigan Central Depot became too deteriorated for use—will be closed. The *Lake Cities* will continue to serve Toledo by backing in and out of New Center, as is done at the M.C. site now.

GAO: Amtrak Support Inadequate (from page 1)

middle of nowhere....My advice [to Downs] is to listen to the money, not to the dreamers."

[NARP repeatedly notes that Amtrak is not providing—and no one is advocating—European-style services in lightly-populated sections of the U.S. Amtrak's long-distance routes generally have once-daily or thrice-weekly service, but load factors are always healthy.]

"The Administration is committed to building Amtrak into a world-class passenger railroad...This budget gives us a good start."

-Federal Railroad Administrator Jolene Molitoris, at March 17 House Appropriations hearing.

Ranking Subcommittee Member Frank Wolf (R-VA) asked witnesses about setting up an Amtrak [route closing] Commission similar to the military-base-closing commission. He criticized the Amtrak law's rail labor protection provisions, which make route closures uneconomical. (For NARP's view, see box at upper right.)

House Energy and Commerce

The Transportation and Hazardous Materials Subcommittee heard testimony March 23 on the Clinton Administration's Amtrak reauthorization bill, HR 4111. The only non-government witnesses were NARP's Ross Capon and Harriet Parcells, director of NARP's Campaign for New Transportation Priorities. They followed Molitoris, Downs and Mead.

Chairman AI Swift (D-WA) set the tone of the hearing by saying, "Some may think [passenger rail] is just romance and nostalgia, all whistles in the night. It is not. It is not about dreams. Rail is one of the most cost-effective, environmentally friendly, energy-efficient modes in existence."

Three freshmen spoke positively about Amtrak. Michael D. Crapo (R-ID) said constituents ask him "whether Amtrak can be expanded; and not shrink." Lynn Schenk (D-CA) said although, "as a freshman, I have a responsibility to work to bring down the deficit,...I believe [Amtrak] is probably the best investment we can make in terms of subsidy for the nation as a whole." Blanche M. Lambert (D-AR) lamented 1993's service reduction in Arkansas but said, "I supported Amtrak last year, not just because I am a rail buff but because it lends a lot to rural economic development and basic transportation."

Capon, answering comments from the March 17 hearing, argued that the system is already bare-bones. He, like Downs, said more cuts would reduce Congressional support and funding, instead of improving the match between Amtrak's responsibilities and its resources.

Capon said that, from 1982 to 1991 and measured in constant (inflation-adjusted) dollars, federal spending on aviation and roads grew 97% and 25% respectively, while intercity passenger rail spending fell 36%. As a proportion of all federal road, air and intercity passenger rail spending, the latter fell from 7.3% in 1982 to 3.1% in 1994.

HR 4111 would impose a consistent matching-funds policy on all state-supported Amtrak trains, and would more than double state payments for many existing services. The statutory minimum would go from 45% of first-year short-term avoidable operating costs (65% thereafter), to 50% of firstyear long-term avoidable costs (70% thereafter).

NARP'S MARCH 23 TESTIMONY

NARP Executive Director Ross Capon argued for:

giving Amtrak adequate resources;

 a consumer representative on the Amtrak Board, selected from a list of three people submitted by NARP;

 providing adequate advance notice to any states whose share of operating-grant costs would rise as a result of the proposed change in section 403(b); and

 authorizing a federal funding share for Boston's North Station-South Station Central Artery Rail Link.

Capon warned that any effort to repeal Amtrak's labor protection provisions would hurt vital further work-rule reform progress by Amtrak and some of its unions.

Parcells outlined the environmental and economic advantages of intercity passenger rail investments. She noted the CNTP now includes 53 national and local environmental, labor, religious and consumer groups.

(For the Capon ten-page and Parcells five-page statements, send \$2.00 per statement to NARP.)

Senate Transportation Appropriations

At this March 24 hearing on 1995 funding for Amtrak, Chairman Frank R. Lautenberg (D-NJ) referred to the GAO statements saying, "This is a critical time for rail intercity transportation...Amtrak's financial situation is delicate at best, critical at worst. This Subcommittee fought to see Amtrak survive. The primary restraint was the transportation policy of two hostile administrations, which invested billions in highways while neglecting rail."

Lautenberg, while praising the Clinton Administration for trying to do more for Amtrak in 1995, criticized them for not including Amtrak as a flexible funding program under ISTEA when the National Highway System authorization bill was sent to Capitol Hill. Lautenberg praised Downs' proposal for dedicating the approximately \$7 million Amtrak pays each year in federal fuel taxes to a rail passenger capital trust fund.

DOT'S STRATEGIC PLAN

In January, the Department of Transportation released a 14-page "strategic plan" with seven goals, each with two objectives and at least five supporting actions. Here are the "NARP-related" excerpts (O=objective; A=action):

Goal 1—*Tie America Together [with] effective intermodal transportation.* O: Restore the health of the aviation, marine and passenger rail industries. A: Move Amtrak toward financial stability and world-class passenger service.

Goal 2—Invest Strategically in Transportation Infrastructure...[to] increase productivity...and create jobs: A: Complete the Northeast Corridor within established time frames and ensure that it matches world class standards.

Goal 3—Create a New Alliance ...between...transportation and technology industries to make them more efficient and internationally competitive: A: Promote high-speed rail as a viable transportation option in select corridors.

Goal 4—*Promote Safe and Secure Transportation:* A: Improve safety at intersecting transportation modes such as bridges with waterways and highways with railroads.

Goal 5—Actively Enhance Our Environment: [Rail was not mentioned here, though it certainly could have been.]

Goal 6—*Put People First:* A: Make transit and passenger rail more viable options for the traveling public.

Goal 7—Transform DOT.

(For a copy, write: DOT Office of Public Affairs; Room 10413; 400 7th St. SW; Washington, DC 20590; or call 202/366-5571.)

EMERYVILLE IS FIRST-CLASS



Only eight months after announcing its construction plans, the City of Emeryville (California) opened its new train station August 14, 1993. The \$6.3-million station was financed by the city and Wareham Development Company. It is adjacent to the Emery Bay Marketplace development. It is closer to the Bay Bridge leading to San Francisco than the old Southern Pacific 16th St. location in Oakland, two miles away.

From the start, Emeryville received raves from passengers. The spacious 10,000 sq. ft. building features a ticket counter, baggage carousel, and train-status TV monitors. In the exterior view (above), huge roof-mounted letters reading "EMERYVILLE" face the tracks and are lined in neon-lit tubes. Currently Emeryville is served by Amtrak's *San Joaquin* and Capitol Route trains, with checked bag-



-Amtrak photos

gage on one *San Joaquin* round-trip. Thruway buses from San Francisco now call at Emeryville. When Oakland-16th St. closes for good this summer, the *Coast Starlight* and *California Zephyr* will terminate in Emeryville. The "temporary" waiting room at 16th St. has been in an SP office since the 1989 earthquake closed the old, landmark building.

Meanwhile, construction has begun on the new downtown station at Oakland-Jack London Square. It should open in November, which means that for a few months this summer and fall, Emeryville will be the closest open station for Oakland. When Jack London Square opens, all trains will call there, but San Francisco bus connections will remain at Emeryville (see also Sept. '93 *Travelers' Advisory*).

Chairman Swift on Passenger Trains

In a special March 22 interview with NARP's Ross Capon, Rep. Al Swift (D-WA), who chairs the Transportation and Hazardous Materials Subcommittee of the House Energy and Commerce Committee, made these points:

• "The federal government is behind almost everybody else in terms of its perception of the role of rail passenger service. We were making some good progress, and then the budget situation hit. [If you leave the funding of high speed rail to the states for now,] by the time the federal government decides it's got its financial problems solved...! fear states are already going to have drawn plans that will not put any particular emphasis on rail passenger service. So I think now is a critical time for the federal government through Amtrak to be available as a partner on expanded rail service.

EARTHQUAKE SUPPLEMENTAL ITEMS

The Emergency Supplemental Appropriations Act of 1994 (signed February 12 as Public Law 103-211), which dealt mostly with needs arising from the southern California earthquake of January 17, had several rail-related items:

• \$315 million from the Highway Trust Fund toward transit in southern California (see Feb. *News*).

• \$10 million to Amtrak for planning for redevelopment of the James A. Farley Post Office building in Manhattan as an intercity rail terminal (Feb. '94, Aug. '93, Aug. '92 *News*).

• Increasing Highway Trust Fund share of "Next Generation Rail Technology Development" from \$3.5 million to \$7.952 million, using unobligated funds from fiscal year 1993 (Jan. *News*, p. 2—the \$3.5 million originally had been split between the Chicago-St. Louis and Charlotte-Raleigh corridors).

• \$17 million (of the total \$20 million) is rescinded from fiscal year 1994 funding provided for maglev research (Jan. *News*).

• "[H.R. 4414, the penny-for-Amtrak-capital bill Swift introduced in 1992] did not get a fair hearing on its merits. It

really got tied up in the whole issue of cutting spending...I think we should back up and take another try in the future. And I think the very modest start of at least getting [Amtrak's federal fuel tax payments] into a [rail passenger] trust fund do make sense. I support that.

• "I think having a consumer representative on the Amtrak Board could be a real benefit, particularly [since] rail passenger consumers are well organized and knowledgeable.

"I think it's better to get the fat in



Chairman Swift

the fire and have that ['Can-we-afford-Amtrak?'] debate, than it is by trying to avoid the debate leave the impression that somehow this is all a problem of incompetence in Amtrak, because that's not true.

• "I find Downs [Amtrak's new chairman and president] to be a very enthusiastic, heads-up, informal, friendly down-toearth kind of guy, and I think he probably is exactly what we need.

 "[On Vancouver-Seattle service, we] essentially will have Immigration do Customs work in the Vancouver terminal pre-clearance. Immigration likes pre-clearance. Customs doesn't. Customs reserves the right to stop the train, for cause in Blaine. We assume that will not occur frequently."

Amtrak's Progressive Overhauls

By mid-1993, an alarming and growing number of Amtrak passenger cars were in revenue service past recommended overhaul dates. This hurt equipment reliability and reduced passenger satisfaction. The Amtrak Mechanical Department responded, starting October 1, with a new Progressive Overhaul program aimed at making the best use of scarce maintenance dollars.

The likely results: Fewer cars with noticeable, major problems (like broken seats) *and* fewer cars with the "like-new" look that traditional heavy overhauls produced.

Formerly, locomotives were to get heavy overhauls every three-to-four years; passenger cars every four-to-five years. Now, overhauls are more frequent, but less intensive and timeconsuming. AEM-7 electric locomotives and Horizon, Superliner and Amfleet II cars get annual overhauls. These passenger cars get extra work every three years.

The annual overhaul will not strip equipment down to the frame and body. Instead, for example, fabric will be replaced only on coach seats where it is severely worn; other seats will be cleaned and left in place. Of course, all safety-related items *are* being replaced, as always.

Every three years, passenger-car air-brakes will be overhauled and the cars given new or rebuilt trucks.

0	trak Equipment Past Recommended Overhaul Deadlines (end of fiscal year)				
	FY 91	FY 92	FY 93	FY 94 ²	
Locomotives 1	60	84	108	92	
Cars	284	445	660	393	

NARP TO HOUSE PUBLIC WORKS

In a two-page statement for the Surface Transportation Subcommittee's National Highway System (NHS) hearings, NARP urged making Amtrak projects eligible for flexible highway funds, opposed inclusion of controversial new roads (i.e., Pasadena Freeway, new Atlanta beltway) in Secretary Peña's NHS, and supported these Association of American Railroads requests: Strengthen ISTEA intermodal connections emphasis; enact 53-ft. truck trailer cap (six states have legalized 57-ft.-or-longer trailers *since 1990*); have a grade-crossing-free NHS as an objective. (*Send NARP \$1.00* for "Public Works Statement.")



TRAVELERS' ADVISORY

Amtrak Fares: Many fares rise April 30: Western routes, 2.5%; Chicago-Carbondale, 3%; Chicago-Milwaukee/Port Huron, 4%. All Aboard peak fares will be \$198 in one region, \$278 in two, \$338 in three; offpeak \$178, \$238, and \$278. Also, Amtrak will introduce a third level of coach discounts and stop requiring both parts of a round-trip to use same discount; you get best available fare in each direction (paying, where applicable, half of a round-trip fare).

Toronto Service: Start-up of the overnight New York-Niagara Falls weekend train (Mar. Travellers' Advisory) planned for May 1 is delayed to June 17, to allow VIA Rail more time to plan for through service to Toronto.

Food Service: As of Jan. 25, Express Meals—hot chicken or pasta entrees—are offered on Maple Leaf, Adirondack, Carolinian, Palmetto, Pennsylvanian, International, Ann Rutledge; all-day runs formerly with only standard lounge car fare. NARP asked Passenger Services V.P. Art McMahon for this last year.

Due to train set added Mar. 31, *Lake Shore* passengers no longer have impromptu train changes at Albany forced by late running and former same-day turn of equipment at New York. Dining service is shifted from *Broadway* to *Cardinal*. (After *Capitol* gets Superliner diners in Oct., *Broadway* will regain diners.) On May 1, *Lake Shore* regains western connections.

Virginia Service: Washington-Newport News Th-Sa 9:00a run will be year-round F only; Th trips ended Mar. 3 to return Mar. 31, May 26-Sept. 1; Sa runs through Sept. 3. Washington-Richmond gets new pm pattern May 1 (with new 3:30p departure M-F). The Atlantic City-Richmond train will run three hours earlier M-F (8:10p from Washington).

Smoking: Amtrak will ban smoking May 1 on Montrealer, Night Owl, all remaining non-overnight trains, and—experimentally—on Broadway, California Zephyr, Pioneer, Desert Wind (experimental ban on Capitol Ltd. sleepers, Coast Starlight to continue). Capitol Ltd. smoking is in the lounge again; the "smoking coach" test failed. Amtrak's board expects a report on all its smoking policy experiments by August. A ban on all on-board smoking may follow.

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