



**Committee on Transportation and Infrastructure  
U.S. House of Representatives**

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Chairman

Washington, DC 20515

**Nick J. Rahall, III**  
Ranking Member

April 10, 2013

Christopher P. Bertram, Staff Director

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**SUMMARY OF SUBJECT MATTER: ADDENDUM**

**TO:** Members, Subcommittee on Railroads, Pipelines, and Hazardous Materials  
**FROM:** Staff, Subcommittee on Railroads, Pipelines, and Hazardous Materials  
**RE:** Subcommittee Hearing on “Amtrak’s Fiscal Year 2014 Budget: The Starting Point for Reauthorization”

Today the Administration released its Fiscal Year 2014 Budget, including amounts proposed for the Federal Railroad Administration and Amtrak. This request will be discussed at the Subcommittee hearing on April 11<sup>th</sup>.

The President is requesting \$6.6 billion for the Federal Railroad Administration, including \$6.45 billion for the first year of multi-year rail reauthorization and \$185 million for safety and oversight activities. In addition, the Administration is again proposing \$50 billion in “immediate transportation investments”, which includes \$2 billion for Amtrak and \$3 billion for intercity passenger and high speed rail-type projects.

The Administration is proposing to pay for proposal with savings from ramping down overseas military operations.

Five Year Rail Reauthorization. The Administration’s budget request includes a \$40 billion, five-year rail reauthorization proposal, including \$6.4 billion in 2014. Consistent with the past two requests, the Administration is requesting this funding on the mandatory side of the Budget, financed out of an expanded Transportation Trust Fund (currently the Highway Trust Fund). Under the proposal, intercity passenger rail funding would be supported by mandatory Contract Authority, but subject to obligation limitations in annual appropriations bills (similar to Federal Aid Highways).

Administration Rail Reauthorization Proposal						
	\$ in Millions					
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Total</u>
Current Passenger Rail Service (Amtrak)	2,700	3,225	2,550	2,650	2,075	13,200
Rail Service Improvement Program	3,660	4,820	5,150	5,900	6,870	26,400
Railroad R&D	90	80	80	75	75	400
<b>Total, Rail Reauthorization</b>	<b>6,450</b>	<b>8,125</b>	<b>7,780</b>	<b>8,625</b>	<b>9,020</b>	<b>40,000</b>

Rail Service Improvement Program. The Administration proposes \$26 billion over five years for this new account, which would support capital improvements to existing passenger rail corridors, and the development of new services. In 2014, the Budget includes \$3.3 billion for large capital grants for the construction of new corridors or substantial improvements to existing corridors and \$340 million for smaller grants to improve freight and passenger rail bottlenecks and rail line relocation activities. Additionally, \$70 million is requested for planning activities.

Current Passenger Rail Service. To Support existing Amtrak services, \$13 billion is provided over five years for this new account, with separate authorizations by Amtrak lines of business. In 2014, the Budget includes \$675 million for the Northeast Corridor, \$300 million for State-Supported Routes, \$800 million for Long Distance Routes, and \$925 million for national assets such as Amtrak's ticketing systems and stations.

Notable Changes. In most respects the Administration's request mirrors the last two budget proposals for rail, with one consolidated program, of which roughly sixty-five percent of the funds support new rail services and thirty-five percent support existing Amtrak operations. However, the 2014 Budget does include some new elements:

- *Amtrak Lines of Business.* The Budget proposes to allocate Federal support, both capital and operating, to Amtrak by lines of business, a reform that many groups have called for to increase transparency and accountability at Amtrak. Amtrak has begun a reorganization to move its operations to such a model.
- *Transition Assistance for the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) Sec. 209.* Beginning in FY 2014, section 209 of PRIIA requires certain states to cover more of Amtrak's costs for providing service to State-Supported routes. The Administration is proposing \$300 million in funding in 2014, to allow States to phase in their contributions over time. By Fiscal Year 2018, such funding would be eliminated under the President's request.
- *Positive Train Control (PTC) Equipage Funding.* The U.S. Department of Transportation recently released a report detailing significant obstacles to meeting that requirement. For the first time, the Administration is proposing to make PTC equipage for Amtrak and commuter railroads an eligible use for grant funding.
- *Grants for Freight Rail Projects.* The 2014 Budget includes \$190 million to upgrade intermodal freight facilities and \$150 million to address major freight and passenger rail bottlenecks.