



Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Sam Graves  
Chairman

Rick Larsen  
Ranking Member

Jack Ruddy, Staff Director

Katherine W. Dedrick, Democratic Staff Director

June 2, 2023

**SUMMARY OF SUBJECT MATTER**

**TO:** Members, Subcommittee on Railroads, Pipelines, and Hazardous Materials  
**FROM:** Staff, Subcommittee on Railroads, Pipelines, and Hazardous Materials  
**RE:** Subcommittee Hearing on “*Amtrak Operations: Examining the Challenges and Opportunities for Improving Efficiency and Service*”

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**I. PURPOSE**

The Subcommittee on Railroads, Pipelines, and Hazardous Materials of the Committee on Transportation and Infrastructure will meet on Tuesday, June 6, 2023, at 10:00 a.m. ET in 2167 Rayburn House Office Building to hold a hearing entitled “*Amtrak Operations: Examining the Challenges and Opportunities for Improving Efficiency and Service*.” At the hearing Members will receive testimony from Stephen Gardner, Chief Executive Officer (CEO), Amtrak, and Mitch Warren, Executive Director, Northeast Corridor Commission. The hearing witnesses will discuss the current state of Amtrak and plans for growth for passenger rail.

**II. BACKGROUND**

Amtrak operates a National passenger rail system, which includes the Northeast Corridor (NEC), long-distance routes, and state-supported routes.<sup>1</sup> Amtrak generally runs more than 300 trains per day, services more than 500 stations located in 46 states and Washington, D.C., and operates a network that stretches more than 22,000 miles across the country.<sup>2</sup> Of all Amtrak passenger trips in 2022, approximately 40 percent were taken on the NEC; 44 percent on state-supported routes; and 15 percent on long-distance routes.<sup>3</sup> In Fiscal Year (FY) 2022, Amtrak carried 22,930,499 riders (roughly 71 percent of FY 2019’s total of 32,519,241 customers) and

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<sup>1</sup> 49 U.S.C. § 24102.

<sup>2</sup> BEN GOLDMAN, CONG. RSCH. SERV. (R47260) INTERCITY PASSENGER RAIL: FED. POLICY AND PROGRAMS, (Mar. 23, 2023), available at <https://crsreports.congress.gov/product/pdf/R/R47260> [hereinafter INTERCITY PASSENGER RAIL: FED. POLICY AND PROGRAMS].

<sup>3</sup> AMTRAK, *FY 22 Year End Revenue and Ridership*, available at <https://media.amtrak.com/wp-content/uploads/2022/11/FY22-Year-End-Revenue-and-Ridership.pdf>.

brought in a total annual revenue of \$2.8 billion, which remained roughly 15 percent below FY 2019 pre-pandemic revenue.<sup>4</sup>

On November 15, 2021, President Biden signed the *Infrastructure Investment and Jobs Act (IIJA)* (P.L. 117-58). The bill authorizes and appropriates over five years an unprecedented \$100 billion for Amtrak and another at least \$30 billion in discretionary multimodal grants for which Amtrak and other intercity passenger rail projects are eligible.<sup>5</sup>

### **III. FEDERAL RAILROAD FUNDING**

*IIJA* authorizes more than three times the amounts authorized over the same period in the *Fixing America's Surface Transportation Act (FAST Act)* (P.L. 114-94). Additionally, *IIJA* appropriated more than \$66 billion in supplemental funding for Federal Railroad Administration (FRA) programs, including nearly \$22 billion in direct funding for Amtrak.<sup>6</sup> Taken together, the authorizations and supplemental appropriations for FRA programs under *IIJA* exceed \$100 billion.<sup>7</sup> *IIJA* authorizations and supplemental appropriations are outlined below along with the amounts authorized and appropriated during the years of the *FAST Act*. Under the law, the Amtrak Northeast Corridor and National Network grant amounts are directed to Amtrak while the four competitive grant programs are administered by the United States Department of Transportation (DOT) and have multiple eligible applicants.

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<sup>4</sup> See AMTRAK, *FY 19 Year End Revenue and Ridership*, available at <http://media.amtrak.com/wp-content/uploads/2019/11/FY19-Year-End-Ridership.pdf>; see also Press Release, AMTRAK, *Amtrak Fiscal Year 2022: The Beginning of a New Era of Rail*, (Nov. 29, 2022), available at <https://media.amtrak.com/2022/11/amtrak-fiscal-year-2022-the-beginning-of-a-new-era-of-rail/>.

<sup>5</sup> See e.g., 49 U.S.C. § 6701 (noting the National Infrastructure Project Assistance, authorized at \$5 billion and appropriated at \$10 billion over five years); 49 U.S.C. § 6702 (noting the Local and Regional Project Assistance, authorized at \$7.5 billion and appropriated at \$7.5 billion over five years); see also 23 U.S.C. § 149; see also 49 U.S.C. § 224, et seq.; 23 U.S.C. 601, et seq. (describing two Federal loan programs that include this eligibility, Railroad Rehabilitation and Improvement Financing and Transportation Infrastructure Finance and Innovation Act).

<sup>6</sup> DOT, *DOT Infrastructure Investment and Jobs Investment Act Authorization Table*, available at [https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT\\_Infrastructure\\_Investment\\_and\\_Jobs\\_Act\\_Authorization\\_Table\\_%28IIJA%29.pdf](https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf).

<sup>7</sup> *Id.*

**Comparison of *IIJA* to *FAST Act* Rail Funding**

	<b><i>IIJA</i></b>		<b><i>FAST Act</i></b>	
<b>Program</b>	<b>FY 22-26 Authorizations<sup>8</sup></b>	<b>FY 22-26 Enacted Appropriations<sup>9</sup></b>	<b>FY 16-20 Authorizations<sup>10</sup></b>	<b>FY 17-21 Enacted Regular Appropriations<sup>11</sup></b>
Amtrak – Northeast Corridor	\$6.57 billion	\$6 billion	\$2.60 billion	\$3.03 billion
<i>NEC Commission</i>	<i>\$30 million</i>	<i>\$30 million</i>	<i>\$25 million</i>	<i>\$25 million</i>
<i>Accessibility Upgrades</i>	<i>\$250 million</i>	-	-	<i>\$275 million</i>
Amtrak-National Network	\$12.65 billion	\$15.75 billion	\$5.45 billion	\$6.35 billion
<i>Interstate Rail Compacts State-Amtrak Intercity</i>	<i>\$15 million</i>	<i>\$15 million</i>	-	-
<i>Passenger Rail Comm.</i>	<i>\$15 million</i>	<i>\$15 million</i>	<i>\$10 million</i>	<i>\$10 million</i>
<i>Accessibility Upgrades</i>	<i>\$250 million</i>	-	-	-
<i>Corridor Development</i>	<i>\$1.26 billion</i>	-	-	-
<b>Subtotal Amtrak</b>	<b>\$19.22 billion</b>	<b>\$21.75 billion</b>	<b>\$8.05 billion</b>	<b>\$9.38 billion</b>
Federal-State Partnership for Intercity Passenger Rail Grants <sup>12</sup>	\$7.5 billion	\$36 billion	\$997 million	\$1.08 billion
<i>Northeast Corridor</i>	<i>Not less than 45 percent reserved for NEC inventory projects</i>	<i>Not more than \$24 billion</i>	-	-
<i>National Network</i>	<i>Not less than 45 percent reserved for National Network of which at least 20 percent for long-distance routes</i>	-	-	-
Consolidated Rail Infrastructure and Safety Improvements Grants	\$5 billion	\$5 billion	\$1.10 billion	\$1.62 billion

Program	<i>IIJA</i>		<i>FAST Act</i>	
	FY 22-26 Authorizations	FY 22-26 Enacted Appropriations	FY 16-20 Authorizations	FY 17-21 Enacted Regular Appropriations
RR Crossing Elimination Program Grants	\$2.5 billion	\$3 billion	-	-
<i>Planning</i>	\$75 million	-	-	-
<i>Highway-Rail Grade Crossing</i>	\$6.25 million	-	-	-
Restoration & Enhancement Grants	\$250 million	\$250 million <sup>13</sup>	\$100 million, or \$20 million/year	\$37 million
<b>Competitive Grants Subtotal</b>	<b>\$15.25 billion</b>	<b>\$44.25 billion</b>	<b>\$2.2 billion</b>	<b>\$2.73 billion</b>
<b>Five Year Total</b>	<b>\$34.47 billion</b>	<b>\$66 billion</b>	<b>\$10.25 billion</b>	<b>\$12.1 billion</b>

Additionally, Congress provided more than \$3.7 billion in Northeast Corridor and National Network Grants to Amtrak during the COVID pandemic to offset revenue losses from decreased ridership and to maintain employment levels.<sup>14</sup>

Passenger rail lines rarely generate an operating profit.<sup>15</sup> Recently, FY 2019 was one of the closest years that Amtrak came to making an operating profit, when it registered a net loss of \$881 million and a net operating loss, after adjustments, of \$29 million for the year.<sup>16</sup> Due to the COVID-19 pandemic, Amtrak's FY 2020 revenues fell by 60 percent and ridership plummeted.<sup>17</sup>

<sup>8</sup> *IIJA*, Pub. L. No. 117-58, Division B, Title II, Subtitle A—Authorization of Appropriations, 135 Stat. 429.

<sup>9</sup> *IIJA*, Pub. L. No. 117-58, Division J—Appropriations, Title VII, 135 Stat. 429.

<sup>10</sup> *FAST Act*, Pub. L. No. 114-94, Division A, Title XI, Subtitle A – Authorizations, 129 Stat. 1312.

<sup>11</sup> See e.g., *Consolidated Appropriations Act, 2017*, Pub. L. No. 115-31, 131 Stat. 135; *Consolidated Appropriations Act, 2018*, Pub. L. No. 115-141, 132 Stat. 348; *Consolidated Appropriations Act, 2019*, Pub. L. No. 116-6, 133 Stat. 13; *Further Consolidated Appropriations Act, 2020*, Pub. L. No. 116-94, 133 Stat. 2534; *Consolidated Appropriations Act, 2021*, Pub. L. No. 116-260, 134 Stat. 1182 (comparing appropriations, including the FY 2021 one-year *FAST Act* extension at FY 2020 authorized levels and noting FY 2016 appropriations are not reflective of the *FAST Act*).

<sup>12</sup> Re-named program in *IIJA*, formerly Federal-State Partnership for State of Good Repair in *FAST Act*.

<sup>13</sup> *IIJA*, Pub. L. No. 117-58, Division J, 135 Stat. 192 (describing amounts appropriated from Amtrak NN emergency-designated supplemental appropriation provided in Division J of *IIJA*).

<sup>14</sup> See *CARES Act*, Pub. L. No. 116-136, 134 Stat. 281; *Consolidated Appropriations Act, 2021*, Pub. L. No. 116-260, 134 Stat. 1182; *American Rescue Plan Act*, Pub. L. No. 117-2, 135 Stat. 4.

<sup>15</sup> INTERCITY PASSENGER RAIL: FEDERAL POLICY AND PROGRAMS, *supra* note 2.

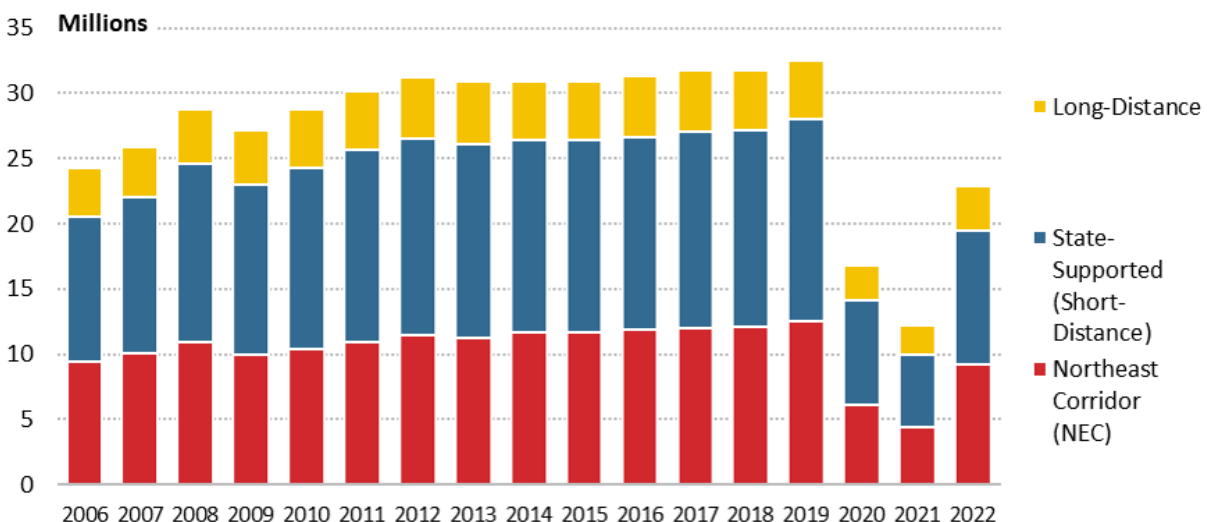
<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

Amtrak's FY 2021 net loss was over \$2 billion, which recovered somewhat in FY 2022, with a loss of \$1.825 billion.<sup>18</sup> According to Amtrak's Five-Year Plans for FY 2022-2027, Amtrak is projecting operating losses of at least roughly \$1 billion per year on its service.<sup>19</sup>

#### IV. AMTRAK RIDERSHIP

In pre-pandemic FY 2019, Amtrak set a record of 32.5 million trips taken on its system.<sup>20</sup> FY 2019 marked the eighth straight year Amtrak ridership surpassed 30 million trips.<sup>21</sup> In FY 2020, following the onset of the pandemic, ridership plummeted to roughly 16.8 million people.<sup>22</sup> April 2020 saw ridership fall to nearly 95 percent of its total one year prior.<sup>23</sup> Demand bottomed out in FY 2021 when Amtrak carried 12.166 million riders, representing a drop of 62.6 percent in ridership.<sup>24</sup> In FY 2022, ridership increased as the pandemic ended, but still only reached 68 percent of pre-pandemic levels.<sup>25</sup>



Source: BEN GOLDMAN, CONG. RSCH. SERV. (R47260) INTERCITY PASSENGER RAIL: FEDERAL POLICY AND PROGRAMS, (Mar. 23, 2023).

<sup>18</sup> *Id.*

<sup>19</sup> AMTRAK, FIVE-YEAR PLANS, HISTORIC OPPORTUNITIES – AMTRAK'S FY 2022-2027 SERVICE AND ASSET LINE PLANS, available at <https://www.amtrak.com/conPtent/dam/projects/dotcom/english/public/documents/corporate/businessplanning/Amtrak-Service-Asset-Line-Plans-FY22-27.pdf>; see also Jeff Davis, *Amtrak Concedes Perpetual \$1 Billion/Year Operating*, ENO CENTER FOR TRANSP., (Apr. 21, 2023), available at <https://www.enotrans.org/article/amtrak-concedes-perpetual-1-billion-year-operating-losses/>.

<sup>20</sup> Amtrak Route Ridership, FY19 vs FY 18, <https://media.amtrak.com/wp-content/uploads/2019/11/FY19-Year-End-Ridership.pdf>.

<sup>21</sup> INTERCITY PASSENGER RAIL: FED. POLICY AND PROGRAMS, *supra* note 2.

<sup>22</sup> AMTRAK, *FY 20 Year End Revenue and Ridership*, available at <https://media.amtrak.com/wp-content/uploads/2020/12/FY20-Year-End-Ridership.pdf>.

<sup>23</sup> INTERCITY PASSENGER RAIL: FED. POLICY AND PROGRAMS, *supra* note 2.

<sup>24</sup> AMTRAK, *FY 22 Year End Revenue and Ridership*, available at <https://media.amtrak.com/wp-content/uploads/2021/12/FY21-Year-End-Revenue-and-Ridership.pdf>.

<sup>25</sup> INTERCITY PASSENGER RAIL: FED. POLICY AND PROGRAMS, *supra* note 2.

## V. ILLUSTRATIVE CORRIDOR DEVELOPMENT PROPOSALS

### FRA Corridor Identification and Development Program

Established by *IIJA*, the FRA's Corridor ID program will guide intercity passenger rail planning and development. It is intended to become the primary means for directing Federal investment and assistance for new and improved intercity passenger rail routes.<sup>26</sup> The Corridor ID program will support the sustained long-term development of intercity passenger rail and will create a capital project pipeline ready for Federal (and other) funding.<sup>27</sup>

### Connect NEC 2035

In July 2021, the Northeast Corridor Commission (Commission) released CONNECT NEC 2035 (C35), a plan that details the sequencing of infrastructure investments and capital renewal projects to be made throughout the Northeast Corridor (Corridor) over 15 years.<sup>28</sup> The Commission is comprised of 18 members, including representatives from each of the eight Corridor states, the District of Columbia, Amtrak, and the DOT.<sup>29</sup> The NEC Project Inventory, established by the *IIJA*, is a predictable pipeline of projects that will assist Commission Members and the public with long-term capital planning for the NEC.<sup>30</sup> To be eligible for the Federal-State Partnership for Intercity Passenger Rail Program, NEC projects must be on the NEC Project Inventory.<sup>31</sup>

### California

The California State Transportation Agency (CalSTA) is the Nation's largest state transportation agency responsible for maritime, highway, transit, and rail systems planning, investment, and oversight.<sup>32</sup> California has three long-standing intercity passenger rail corridors currently led by joint powers authorities serving markets in the San Diego-Los Angeles area, the San Joaquin Valley to Bakersfield, and the San Francisco Bay Area to Sacramento.<sup>33</sup>

### Southeast Corridor Commission

The Southeast Corridor Commission (SEC) consists of departments of transportation from Florida, Georgia, North Carolina, South Carolina, Tennessee, Virginia, and Washington,

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<sup>26</sup> NOTICE OF PROPOSED RULEMAKING FOR FRA CORRIDOR ID PROGRAM, *available at* <https://www.federalregister.gov/documents/2022/12/20/2022-27559/notice-of-solicitation-of-corridor-proposals-and-funding-opportunity-for-the-corridor-identification>

<sup>27</sup> *Id.*

<sup>28</sup> NORTHEAST CORRIDOR COMMISSION, CONNECT 2035 (July 2021), *available at* <https://nec-commission.com/app/uploads/2021/08/CONNECT-NEC-2035-Plan.pdf> [hereinafter CONNECT 2035].

<sup>29</sup> COMMISSION, *The Commission*, *available at* <https://nec-commission.com/commission/>.

<sup>30</sup> 2022 NORTHEAST CORRIDOR PROJECT INVENTORY, *available at* <https://railroads.dot.gov/sites/fra.dot.gov/files/2022-11/NEC%20Project%20Inventory.pdf>.

<sup>31</sup> FRA PUBLISHES NORTHEAST CORRIDOR PROJECT INVENTORY, LAYING OUT PRIORITIES FOR INTERCITY PASSENGER RAIL DEVELOPMENT ON THE NEC, *available at* <https://www.transportation.gov/briefing-room/fra-publishes-northeast-corridor-project-inventory-laying-out-priorities-intercity>.

<sup>32</sup> *See* CALSTA, *Home*, *available at* <https://calsta.ca.gov/>.

<sup>33</sup> CALSTA, *California State Rail Plan*, *available at* <https://dot.ca.gov/programs/rail-and-mass-transportation/california-state-rail-plan>.

DC.<sup>34</sup> The SEC issued the Southeast Regional Rail Plan in December 2020, which seeks to increase intercity passenger rail service in the region.<sup>35</sup>

### **Southern Rail Commission**

The Southern Rail Commission (SRC) is an interstate compact approved in 1982 by the legislatures of Louisiana, Mississippi, and Alabama. The SRC is composed of commissioners appointed by their respective governors, with a mission to promote the safe, reliable, and efficient movement of people and goods to enhance economic development, provide transportation choices, and facilitate emergency evacuation routes.<sup>36</sup> Section 11304 of the *FAST Act* directed the DOT Secretary to convene a working group to evaluate the restoration of intercity rail passenger service between New Orleans, Louisiana, and Orlando, Florida. In July 2017, the Working Group reported that approximately 1/20<sup>th</sup> of CSX's estimated required capital investment was needed to start service.<sup>37</sup> Following the conclusion of legal proceedings before the Surface Transportation Board (STB), Amtrak is expected to resume service later this year.<sup>38</sup>

## **VI. WITNESS LIST**

**Mr. Stephen Gardner**

CEO  
*Amtrak*

**Mr. Mitch Warren**

Executive Director  
*Northeast Corridor Commission*

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<sup>34</sup> SRC, *Partners*, available at <https://www.southeastcorridor-commission.org/partners>.

<sup>35</sup> SRC, *Southeast Rail Plan, Final Report*, (Dec. 2020), available at <https://www.southeastcorridor-commission.org/copy-of-commission-reports-1>.

<sup>36</sup> SRC, *Our Mission*, available at <https://www.southernrailcommission.org/mission>.

<sup>37</sup> GULF COAST WORKING GROUP, *GULF COAST WORKING GROUP REPORT TO CONGRESS, FINAL REPORT*, (July 2017), at 7, available at <https://railroads.dot.gov/elibrary/gulf-coast-working-group-report-congress>.

<sup>38</sup> See Application of the National Railroad Passenger Corporation Under 49 U.S.C. 24308(e) — CSX Transportation, Inc., and Norfolk Southern Railway Company, 87 Fed. Reg. 6644 (Feb. 4, 2022) available at <https://www.govinfo.gov/content/pkg/FR-2022-02-04/pdf/2022-02416.pdf>; see also John Sharp, *Mobile's train stop 'key element' for Amtrak's return to Gulf Coast*, AL.COM, (Apr. 3, 2023), available at <https://www.al.com/news/2023/04/mobiles-train-stop-key-element-for-amtraks-return-to-gulf-coast.html>.