General and Legislative Annual Report

& Fiscal Year 2025 Grant Request

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Stephen Gardner
CEO of Amtrak

Amtrak is honored to serve as America's Railroad, connecting people and communities to each other for more than fifty years. We take pride in carrying out the mission set by Congress and creating value for our nation across our network.

In Fiscal Year (FY) 2023, Amtrak's ridership returned dramatically, with 28.5 million customers counting on us to safely take them to one of 524 destinations across the United States and Canada—from small towns like Havre, Montana (population: 9,362) to huge metropolises like greater New York City (population: 20.1 million). This level of ridership is significant on two fronts: it represents a 25% increase over the previous fiscal year, and was equal to about 89% of pre-COVID-19 levels. Excitingly, monthly ridership was at or above pre-pandemic levels as we completed the final months of the year and this trend has continued so far in FY 24.

Clearly, our customers were eager to travel again, and they believed in the value and convenience of intercity passenger rail. Many factors made this resurgence possible in FY 23—including the work of our dedicated employees, contractors, and suppliers; close collaboration with our many state and host railroad partners; and ongoing support from Congress and the Administration. We are grateful for the support we received to help ensure that Amtrak could continue to deliver on our mission.

While we're proud of the service we provide today, we know we have more to accomplish and many areas in need of improvement. Whether by connecting more people and more places across America or by upgrading passengers' experience on our trains and in our stations, all of us at Amtrak are focused on modernizing our services and network to meet the needs of the nation. As we do this, we are not only improving mobility and expanding options for travelers, but also creating significant economic value; contributing to environmental sustainability; supporting the health of our communities; improving quality of life; and strengthening social ties amongst our diverse and growing population.

By 2040, Amtrak is on track to grow ridership to 66 million passengers annually—more than double what we achieved in our peak ridership year of FY 19. We are already on the way to this goal, with ridership projected to reach almost 35 million in FY 25. We strongly believe that intercity passenger rail can—and must—become a much bigger part of American mobility if we are to support a growing nation and keep pace with our global competitors. In support of this vision of a bigger and better network, Congress and the Administration have provided Amtrak and the Federal Railroad Administration (FRA) with record levels of capital resources through the Infrastructure Investment and Jobs Act (IIJA), and authorized additional appropriations for Amtrak's annual grants and FRA's discretionary grant programs.

These increased funding levels reflect the simple fact that Americans want improved and expanded intercity passenger rail service across the country. In fact, a recent survey found that an overwhelming majority of voters feel it is important to have a strong, safe passenger rail system, with 83% specifically supporting the IIJA's investment in passenger rail.[1] A bigger and better system will mean a modernized train fleet; faster speeds; upgraded stations and infrastructure; and, over time, frequent, high-quality service in all of the top fifty U.S. metropolitan markets. Thanks to the federal investments now being made in passenger rail, Amtrak and our partners have an unprecedented opportunity to deliver these advancements, beginning a true transformation of passenger rail service in America.

To achieve our goals, we must manage two overarching objectives: 1) we must provide the kind of safe, convenient, and comfortable service that our customers, and this nation, deserve, and 2) we must efficiently and effectively carry out a major infrastructure capital program, equivalent to what some of the largest construction companies in the U.S. manage. Amtrak is now becoming both a passenger rail service provider *and* a major construction company; we're growing and changing our company quickly in order to meet that challenge.

Specifically, we're hiring thousands of new employees; launching major infrastructure projects larger than anything undertaken by the company before; ordering new passenger trains; and updating stations, facilities, and technology. In some cases, these improvements will be apparent quickly; indeed, passengers are already enjoying the benefits of key investments. However, larger and more complex projects—for instance, replacement of aged assets (like Baltimore, Maryland's 150 year-old Baltimore and Potomac Tunnel) with new ones (like the Frederick Douglass Tunnel)—may take a decade or longer to complete. But the impacts of these generational improvements will be immense, not just for our transportation network, but for jobs and the economy as well. We and our partners are finally tackling big challenges that have gone unaddressed for decades; with patience, steadiness, and continued federal support, we will deliver these complex capital projects and enhance or expand service across the country. It's an exciting moment for all of us at Amtrak, and for the many Americans are who desire more and better train service.

This document—Amtrak's general and legislative annual report—contains information on the company's recent progress; our aims for the next year and beyond; and a description of the level of federal annual appropriations we need for FY 25 in order to keep delivering train service while improving our assets and network. In addition, this document also includes legislative and policy proposals; an update on implementation of the IIJA provisions that apply to Amtrak; required reports; and other information to help readers understand Amtrak's business and how we can best serve America, both today and in the future. We deeply appreciate the support of Congress and the Administration to date and look forward to continuing our work for the American people.

[1] "Large Majorities Support National and State Investments in Passenger Rail," Mellman Group, May 2023: bit.ly/3uvC3sS.

In FY 23, Amtrak delivered its strongest year of overall performance since the start of the COVID-19 pandemic. We achieved significant year-over-year progress across key metrics, fueled by strong demand and the restoration of most routes to pre-pandemic service levels. We also made record capital investments, advancing major infrastructure and asset replacement projects along the Northeast Corridor (NEC) and across the National Network. In fact, Amtrak was able to improve performance across nearly *every* key metric in FY 23 compared to the previous year, including:

- **Ridership** — Amtrak carried 28.5 million passengers (up 25% from FY 22; about 89% of our pre-pandemic peak); monthly ridership on the NEC exceeded pre-pandemic levels by year's end; and yearly ridership on some State-Supported routes (e.g., in Virginia and North Carolina) set all-time records.

- **Revenue** — Amtrak generated $3.4 billion in total operating revenue (up 20% from FY 22; about 2% more than our pre-pandemic record), including almost $2.3 billion in gross ticket revenue (up 29% from FY 22; about 97% of the pre-pandemic record).

- **Capital Expenditure** — Amtrak invested nearly $2.9 billion in important capital projects that are vital to the future of the railroad (an all-time high, up 27% from FY 22; about 78% more than in FY 19). These investments helped advance critical infrastructure programs, major equipment procurements, and long-needed accessibility improvements.

- **Workforce** — Amtrak hired more than 4,800 new employees, excluding internal hires (up from 3,700 in FY 22), which brought our total active workforce at year-end to more than 21,600 people.

Additionally, Amtrak's adjusted operating loss ("op. loss") improved substantially, shrinking by 13% year-over-year. While our op. loss remains substantially higher than in FY 19, this is largely due to price inflation, which has produced significant, long-term increases in many major operating costs, such as fuel, wages, and benefits, and a reduction in revenues stemming from less business travel, particularly on the Northeast Corridor. Additionally, the increase in capital expenditures due to the IIJA naturally creates significant new operating costs (e.g., training of new employees; procurement, financial and legal support for IIJA-funded projects; etc.). These new operating costs will continue to grow for some time as we build our capital program, but we will look for ways to manage them effectively and, in time, they will recede as our workforce stabilizes and increased revenues owing to capital improvements materialize.

Figure 1.1 shows how our FY 23 results compare to recent benchmark years and projected future performance:

Fig. 1.1: **FY 23 Results in Historical Context**					
Metric	**FY 19 Actual**	**FY 22 Actual**	**FY 23 Actual**	**FY 24 Plan**	**FY 25 Projected**
Ridership	32.5	22.9	28.5	32.8	34.7
Gross Ticket Revenue	$2,354.3	$1,775.5	$2,290.5	$2,524.2	$2,768.2
Total Operating Revenue	$3,322.9	$2,829.8	$3,390.7	$3,696.5	$3,980.5
Adjusted Operating Earnings	($29.4)	($886.8)	($772.2)	($625.3)	($533.7)
Cost Recovery Ratio (*Operating*)	99%	76%	81%	86%	88%
Capital Expenditure	$1,610.7	$2,256.8	$2,874.9	$5,546.9	$8,289.0

All non-percentage figures in millions. "Cost recovery ratio" describes the share of operating expense covered by operating revenue.

Looking ahead, Amtrak's FY 24 annual operating plan (AOP) calls for further improvement by the end of the current year: we are aiming to set an all-time ridership record; increase capital investment by 93% year-over-year; and meaningfully improve adjusted operating earnings. Achieving these FY 24 benchmarks will move us closer to important long-term goals:

- **Ridership** — Carry more than 38 million passengers per year by the end of FY 28—and ultimately double pre-pandemic ridership records, carrying 66 million passengers per year by the end of FY 40.

- **Capital Expenditure** — Continue record-setting investments made possible by the IIJA, committing $32.0 billion to key capital projects by the start of FY 26, and almost tripling[2] actual expenditures over that same period.

- **Operating Earnings** — Significantly improve adjusted operating earnings, particularly in our train service business (that is, the parts of Amtrak that most directly serve passengers, exclusive of IIJA infrastructure activities and other major capital costs) by the end of FY 28.

Additional detail on Amtrak's FY 23 performance can be found in tab VI.

FY 25 Annual Grant Request

Amtrak relies upon annual appropriations from Congress in order to carry out the company's mission. While we remain grateful for the IIJA's historic investments, by law, this supplemental funding is reserved for specific kinds of capital projects (e.g., acquiring new fleet, replacing aged bridges and tunnels, and ADA compliance work). Accordingly, we still require significant annual funding in order to sustain current service, maintain the railroad and our operating assets, and carry out other core functions.

[2] (From an FY 23 baseline.)

Under current authorizations, appropriations for Amtrak are provided via two grants: an NEC grant and a separate National Network (NN) grant. For FY 25, Amtrak requests that Congress provide the combined authorized level of $4.000 billion for these grants via the annual appropriations process.[3]

Fig. 1.2: **Amtrak's FY 25 Annual Grant Request: Summary**		
Northeast Corridor	**National Network**	**Total**
$1,580,000,000	**$2,420,000,000**	**$4,000,000,000**
$1,025,553,844 (Base)	*$1,597,098,168 (Base)*	*$2,622,652,012 (Base)*
$554,446,156 (Mod.)	*$822,901,832 (Mod.)*	*$1,377,347,988 (Mod.)*

In order to give Congress the clearest and most helpful view of Amtrak's needs, and of how federal investment can best be used, we have divided our FY 25 annual grant request into two components:

- "base needs," which represents the minimum funding level needed to carry out core functions (operate our trains, maintain Amtrak's core railroad facilities and infrastructure, and avoid long-term deterioration of important assets and services) and make a limited number of high-priority, high-impact strategic investments for our future; and

- "modernization," which represents various additional initiatives that will enable Amtrak to improve the railroad and our customers' experience for the 21st century and ensure our long-term health.

Figure 1.3 gives a more detailed look at exactly what these two components comprise:

[3] It is important to note that Congress originally set current authorization levels for the NEC and National Network grants in November 2021, at a moment when forecasting Amtrak's future needs was especially challenging. Since then, Amtrak has been able to forecast ridership, revenue, and our annual needs with a much greater degree of confidence, and while $4.000 billion remains an appropriate top-line funding total, the specific needs of the NEC and the National Network have shifted as revenues and expenses have changed. Accordingly, our FY 25 grant request reflects the most accurate forecast needs for the NEC and National Network.

Fig. 1.3: **Amtrak's FY 25 Annual Grant Request: Base Needs & Modernization**			
Category or Program	**NEC**	**Nat'l Network**	**Total**
Base Needs (*subtotal*)	**$1,025,553,844**	**$1,597,098,168**	**$2,622,652,012**
Operating	—	*$748,687,832*	*$748,687,832*
Debt	—	*$83,992*	*$83,992*
Capital	*$965,432,244*	*$733,770,278*	*$1,699,202,522*
Contingency	*$49,993,831*	*$103,570,576*	*$153,564,407*
Takedowns	*$10,127,769*	*$10,985,491*	*$21,113,260*
Modernization (*subtotal*)	**$554,446,156**	**$822,901,832**	**$1,377,347,988**
Additional Corridor Development	—	*$87,000,000*	*$87,000,000*
Additional Fleet – Airo Options	*$50,000,000*	*$50,000,000*	*$100,000,000*
Atlanta Hub	—	*$29,901,832*	*$29,901,832*
California Service Improvements	—	*$15,000,000*	*$15,000,000*
Chicago Hub Improvement Program (CHIP)	—	*$250,000,000*	*$250,000,000*
Cross-Border Service Improvements -Adirondack *-Detroit-Windsor* *-Vancouver, BC* -Vermonter *(Montréal extension)*	—	*$30,000,000*	*$30,000,000*
Efficiency-Improving Tech & Resiliency Investments	*$20,000,000*	*$50,000,000*	*$70,000,000*
Food & Beverage Service Improvements	*$8,000,000*	*$19,000,000*	*$27,000,000*
Great Lakes Stations Improvement	—	*$25,000,000*	*$25,000,000*
Long-Distance Facilities & Service Expansion *-facilities investments* *-new I-20 corridor service* *-daily* Cardinal *& daily* Sunset Ltd. *-return of* Sunset Ltd. *to Phoenix* *-feasibility study of FRA recommendations for Long-Distance*	—	*$50,000,000*	*$50,000,000*
NEC Capital Renewal & Engineering Equipment	*$90,000,000*	—	*$90,000,000*
NEC Fencing	*$9,446,156*	—	*$9,446,156*
NEC High-Speed Rail & Trip-Time Improvement *-WAS terminal speed improvements* *-MD high-speed rail segments (Bush/Gunpowder)* *-DE catenary improvements* *-PA bridge modernization (Chester)* *-N. Philadelphia curve modification (Frankford Junction)* *-NJ Raceway extension* *-Metro North territory curve modifications (Amtrak share)* *-New Haven-to-Providence capacity next steps (post-study)* *-Providence, RI station improvements* *-Boston maintenance facility capacity growth*	*$300,000,000*	—	*$300,000,000*
Non-Federal Match for National Network Projects	—	*$50,000,000*	*$50,000,000*
Pacific Northwest Rail Improvements	—	*$100,000,000*	*$100,000,000*
Texas & Oklahoma Rail Improvements	—	*$25,000,000*	*$25,000,000*
Training Center & Workforce Development	*$7,000,000*	*$7,000,000*	*$14,000,000*
Washington Union Station 2nd Century Plan	*$60,000,000*	*$15,000,000*	*$75,000,000*
Wi-Fi Improvements	*$10,000,000*	*$20,000,000*	*$30,000,000*
Total Request	**$1,580,000,000**	**$2,420,000,000**	**$4,000,000,000**

By providing annual grant funding at the “base needs” level, Congress will ensure that Amtrak can continue to:

- operate existing train service, including all fifteen Long-Distance routes, State-Supported routes operated for our state partners under contract, and NEC service between Boston and Washington, D.C.;
- maintain the railroad on a day-to-day basis, including through normalized capital replacement activities, and respond to unpredictable needs, like weather-related emergencies and disruptions;
- comply with legal, regulatory, and safety requirements (e.g., by making mandatory environmental remediations and by supporting enhancements to Amtrak’s Safety Management System (SMS)); and
- implement certain high-priority initiatives that, if not advanced in the near-term, would result in missed opportunities to improve or grow service and increase ridership or revenue.

By providing funding for “modernization,” Congress can also help Amtrak make additional investments that are generally ineligible to use the company’s IIJA supplemental funding (or that IIJA funding is insufficient to support). Among other benefits, the proposed investments could:

- advance improvements across Amtrak’s National Network (e.g., Long-Distance service expansion, targeted investments in network hubs, and other high-value capital projects) that Congress and other stakeholders consistently identify as high-priority, but that have not received necessary funding;
- support incremental capital improvements along the whole length of the NEC, increasing speeds and achieving meaningful trip time improvements, such that Amtrak high-speed rail (HSR) service can move closer to the global performance standards that many stakeholders have championed;
- support various customer experience enhancements, such as improved on-board Wi-Fi service and expanded food and beverage service (including initiatives discussed in Amtrak’s response to the recent Food and Beverage Working Group report); and
- advance additional priorities not covered by Amtrak’s “base needs” request, such as Amtrak projects in Canada that would benefit cross-border service to the U.S., but that FRA does not allow to be funded with FRA competitive grants.

Additional detail on each of Amtrak’s proposed modernization initiatives can be found in “Modernization Initiatives,” elsewhere in tab I; project-level information on base needs can be found throughout tabs II and III.

Legislative & Additional Funding Requests

Amtrak is seeking a number of updates to federal policy that would help the company to better serve both its customers and the nation. These requests include bill and report language that will enable us to put FY 25 appropriations to their best and highest use; new authorities to address some of the most critical policy challenges facing intercity passenger rail; and technical corrections to the IIJA. Importantly, many of these changes could be made at no cost to taxpayers, and some would very likely save money. Policy proposals of note include:

- **Allow Amtrak to Use Annual Grant Dollars for Non-Federal Match Requirements** — Congress should allow Amtrak to put FY 25 NEC and National Network annual grant dollars towards the non-federal cost share (also called "local match") required of projects receiving FRA Federal-State Partnership discretionary grant funding. Currently, Amtrak is unable to use its annual grant funding for this purpose, but Congress has provided the company with similar flexibility in the past; doing so again could enable Amtrak to more effectively advance infrastructure projects both along the NEC and across the National Network.

- **Enable Amtrak to Enforce Its Right to Preference in Train Dispatching** — In violation of statute, host railroads have consistently failed to provide Amtrak trains with preference over freight trains in their dispatching decisions. As a result, countless customers arrive late at their destinations, and many routes do not meet the on-time performance (OTP) standards established by FRA. Current enforcement tools have not solved the problem; by enabling Amtrak to directly enforce its already-existing rights in federal court, Congress could help ensure many more passengers arrive on time, increasing ridership and improving both the company's bottom line and the productivity of invested taxpayer dollars. (Conversely, any erosion of preference rights would have substantial adverse effects.)

- **Harmonize Federal Agencies' Grant Conditions (Including "Flowdowns")** — Particularly along the NEC, many capital projects are jointly funded by Amtrak (using grants from FRA or other sources) and commuter authorities (using grants from the Federal Transit Administration (FTA) or other sources). However, FRA, FTA, and other relevant agencies impose different, and in many cases conflicting, conditions with respect to grant funding they administer. (Some of these conditions are referred to as "flowdowns," because grant recipients must in turn impose them upon contractors, and monitor those contractors' compliance.) It is often unclear, therefore, which agency's rules apply to a project with multiple funding sources. The procedures Amtrak has in place to comply with FRA's requirements (and Amtrak's own statutory requirements) do not comply with FTA requirements; commuter authorities whose procedures are designed for FTA-funded projects face the same problem on projects funded in part with FRA grants. Congress should update the law to definitively ensure that crucial projects can proceed unimpeded, and should make that update in a way that avoids creating any new or more stringent compliance burdens for Amtrak.

- **Prevent Assaults of Amtrak Employees** — In the course of performing their duties, Amtrak and other intercity passenger rail employees are too often the victims of assaults. These assaults can endanger not just individual employees performing safety-critical work, but (by extension) every person aboard a given train. Unfortunately, ensuring accountability for those who commit on-board assaults can be difficult: in a single trip, intercity passenger trains typically pass through many jurisdictions, each with its own law enforcement force, prosecutors, and courts. Congress should work with Amtrak and relevant labor unions to develop legislative solutions that increase the safety of passenger rail employees, including through the use of federal civil and/or criminal penalties.

- **Make a Technical Correction to Support Corridor Development** — Congress should address a drafting error in the IIJA provision intended to allow Amtrak to invest its annual grant funding in corridor development efforts by providing a temporary, one-year solution (via proviso) allowing Amtrak to use up to ten percent of its total FY 25 National Network annual grant funding to 1) help cover planning and capital costs of corridors selected via FRA's newly-established Corridor Identification and Development (CID) program, and 2) subject to certain limitations, provide operating assistance for such corridors.

Moreover, in addition to FY 25 annual grant funding, Amtrak is also seeking robust FY 25 appropriations for several rail-related programs and accounts. Key priorities are shown in figure 1.4:

Fig. 1.4: **FY 25 Funding Request for Non-Amtrak Programs & Accounts** *($millions)*

Program / Account	FY 24 Enacted	FY 25 Authorized	FY 25 Request
FRA Federal-State Partnership (Fed.-State)*	$75	$1,500	$1,500
FRA Restoration & Enhancement (R&E)	—	$50	$50
FRA Consolidated Rail (CRISI)	$199	$1,000	$1,000
FRA Railroad Crossing Elimination (RCE)	—	$500	$500
FRA Research & Development (R&D)	$54	$46	$91
FTA Capital Investment Grants (CIG)	$2,205	$3,000	$3,000
FTA Fixed Guideway State of Good Repair (SOGR)	IIJA contract authority & advance appropriation	IIJA contract authority & advance appropriation	IIJA contract authority & advance appropriation
OST Mega	—	$2,000	$2,000
OST RAISE (*previously BUILD / TIGER*)	$345	$1,500	$1,500
OST RRIF Credit Assistance (§22406(a)(1))	—	$50	$50
DHS FEMA "Amtrak Security" Set-Aside	TBD	N/A	$25
DHS FEMA Amtrak Cybersecurity	N/A	N/A	$25

**Funding for Fed.-State could also help support FRA's Corridor Identification & Development (CID) program.*

Importantly, as with Amtrak's request for its own NEC and National Network grants, annual appropriations for passenger rail programs and competitive grants are needed *in addition to* IIJA supplemental appropriations.

Of particular note is the funding that Congress provides each year for an "Amtrak security" grant via the annual Department of Homeland Security (DHS) appropriations bill (as a set-aside within a larger appropriation for Railroad Security Assistance and other transportation needs). $25 million per year was set aside annually during the late 2000s; in the past ten years, however, that set-aside has never been higher than $10 million. Unfortunately, this reduction and the accumulated effects of almost fifteen years of price inflation have greatly eroded the real value of the assistance that Congress still provides, at a time when security risks are increasing across our nation. Accordingly, Amtrak is seeking $50 million in DHS grant funding in FY 25 in order to help address increased rail security needs (including cybersecurity needs):

- **DHS "Amtrak Security" Set-Aside ($25 million)** — The annual "Amtrak security" set-aside helps to support the Amtrak Police Department (APD), which is the linchpin of the company's physical security efforts—particularly on trains and in stations. These funds help enable APD to carry out key initiatives, including Amtrak's nationwide K-9 program; necessary surges of Amtrak police officers at key locations; training for Amtrak's partners on counterterrorism responses in the railroad environment; and other rail security activities. For FY 25, Amtrak is seeking to restore this set-aside to its historical $25 million level; this plus-up would enable APD to continue current activities at appropriate levels while also commissioning ten additional K-9 teams; moving to establish a 24/7 security operations command center; making upgrades to video surveillance and other systems that help keep passengers and employees safe; hardening high-risk sites at key locations; and complying with otherwise-unfunded regulatory mandates.

- **DHS Amtrak Cybersecurity Funding ($25 million)** — To complement the annual Amtrak security set-aside, Amtrak is seeking an FY 25 appropriation of $25 million for a new Amtrak Cybersecurity grant program, to be funded from the same DHS account ("Federal Emergency Management Agency - Federal Assistance") that already funds the "Amtrak security" set-aside, the State and Local Cybersecurity Grant Program (SLCGP), and other related initiatives. The proposed funding would enable Amtrak to fund the operating and capital costs necessary to better safeguard critical information technology (IT) and operational technology (OT) systems; protect sensitive data; and prevent disruptions to train service and other key activities in the face of increasingly-sophisticated threats; investments would build upon the company's ongoing efforts to ensure alignment with the Cybersecurity and Infrastructure Security Agency's (CISA's) "Zero Trust Maturity Model," which emphasizes concepts like "least-privilege" access and continual credential authentication to better defeat or contain cyberattacks. (Federal agencies are implementing the same model, pursuant to executive order; however, those agencies have the benefit of resources not available to Amtrak.)

Further detail on all of Amtrak's legislative and additional funding requests can be found in tab IV; additional details regarding requested DHS funding, specifically, are included under "FY 25 DHS Bill & Report Language Requests."

IIJA Update

The IIJA's historic investment in Amtrak and FRA grant programs will usher in a new era for intercity passenger rail service. More specifically, the IIJA provides $66.0 billion in guaranteed supplemental funding for intercity passenger and freight rail over FYs 22-26, including $22.0 billion specifically for grants to Amtrak and $44.0 billion for FRA discretionary grant programs. Separately, the law also authorized $19.2 billion in additional annual appropriations for Amtrak and $15.3 billion in additional appropriations for FRA grants over the same five-year period. However, because these authorizations are targets rather than binding commitments, Congress still needs to provide this necessary funding via each year's annual (regular) appropriations process—and to date, actual appropriations since the enactment of the IIJA have been well below authorized amounts.

Importantly, Congress set clear ground rules for how Amtrak's IIJA supplemental grant funding can be used: by law, those IIJA dollars are reserved for expenses directly associated with specific categories of capital projects (notably overdue investments in obsolete infrastructure, facilities, and fleet), and <u>cannot</u> be substituted for the annual grant funding needed to operate Amtrak's trains and maintain the railroad each year. In other words, it was always Congress' intent for IIJA supplemental grant funds to complement, not replace, Amtrak's annual grant funds; this is why the same law both provided supplemental appropriations <u>and</u> authorized annual appropriations. Thus, if Congress declines to provide Amtrak with sufficient annual appropriations in FY 25 (or any year), the company will not be able to continue operating current service or maintain existing assets—compromising the very foundation on which the IIJA was intended to build.

Figure 1.5 offers a non-exhaustive, illustrative look at selected needs that Amtrak's annual grant funding might support in the coming years; what Amtrak's IIJA supplemental funding might support; and, for comparison, what FRA's discretionary Fed.-State Partnership grant program might support:

Fig. 1.5: Illustrative Comparison of Potential Uses for Funding, **Amtrak Annual Grants vs. Amtrak IIJA vs. FRA Fed.-State Partnership Grants**			
Use Category	**Amtrak Annual Grants**	**Amtrak IIJA Funding**	**FRA Fed.-State Grants**
Operating	✓		
Debt	✓		
Capital – Fleet			
New ALC-42 locomotives for Long-Distance service (replacement of existing rolling stock)		✓	
New Airo intercity trainsets for NE Regionals, *various State-Supported routes, &* Palmetto *(replacement)*		✓	
New Long-Distance passenger equipment (replacement)		✓	
Equipment for new routes or expanded service, consistent with FRA's CID (corridor development) selections	✓		✓
Regular day-to-day equipment maintenance / inspections and misc. fleet improvements (both operating & capital)	✓		
Capital – Infrastructure:			
Amtrak's Sec. 212 NEC base capital charge obligations	✓		
NEC major backlog projects (e.g., bridges and tunnels)			✓
Capital renewal (NEC & National Network)	✓	✓	✓
NEC trip time improvements (beyond those included in CONNECT NEC 2037)	✓		
National Network on-time performance improvements and other improvement projects on host railroads	✓		✓
Coverage of non-federal cost share / local match requirements for Fed.-State-funded projects	(requested)	✓ (NEC only)	
Capital – Stations			
ADA compliance		✓	
Station improvements and customer enhancements	✓		✓
Capital – National Assets (*Reservation systems, IT, training centers, etc.*)			
Replace obsolete national assets		✓	
Annual maintenance and other improvements	✓		

Table is illustrative only and does not necessarily reflect clear or firm limits on funding eligibility. Note also that table is forward-looking; programs or projects expected to be funded exclusively with IIJA funding may have received annual grant funding in the past.

Amtrak has been working closely with FRA and other partners to put its IIJA supplemental dollars to work; we are committed to delivering the funded projects as quickly as is safely and responsibly possible. We want our passengers—current and future—to enjoy the full benefits of Congress' historic investment sooner rather than later.

Amtrak's IIJA supplemental funding is being provided via initial NEC and National Network grant agreements and subsequent annual amendments. Amtrak and FRA executed (signed) the initial agreements, obligating a first tranche of $4.3 billion in FY 22 funding, on September 23, 2022.

Amendments obligating another $8.6 billion via additional FY 23 and FY 24 tranches were subsequently executed; thus, as of March of 2024, a total of $12.9 billion had been obligated, with more to follow.

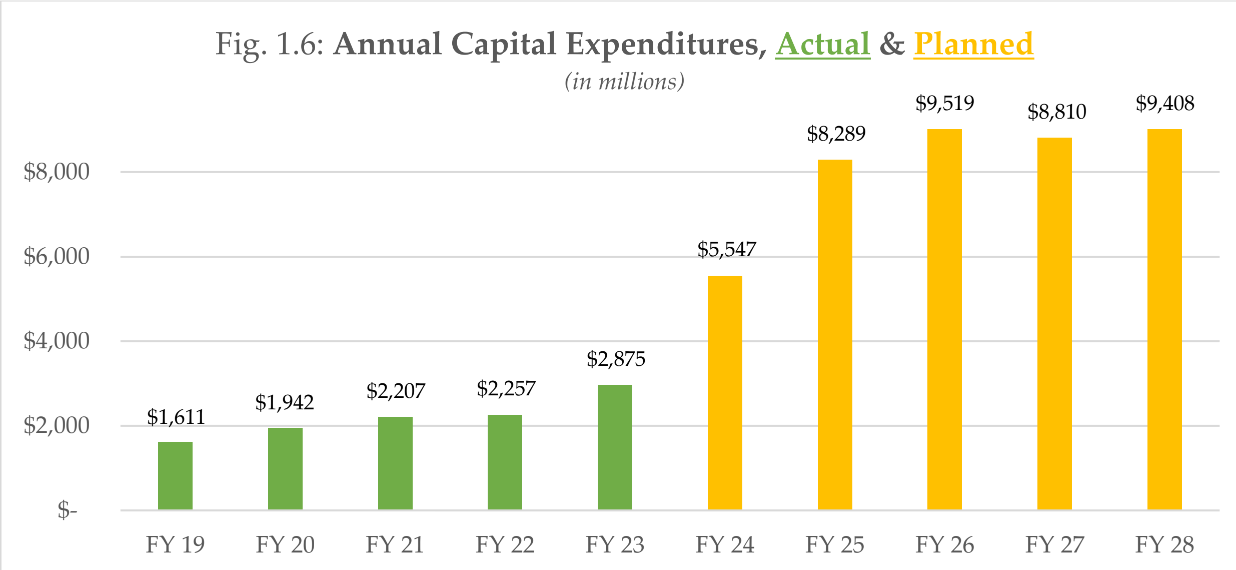
At the same time, additional funding is becoming available from other sources—principally FRA and U.S. Department of Transportation (DOT) discretionary grant programs like Fed.-State, which obligated or contingently obligated almost $9.7 billion to Amtrak during CY 23 (the overwhelming majority of which was IIJA-provided).

These obligations are enabling rapid, concrete progress across a variety of critically-important programs and projects. Recent milestones have included, among many others:

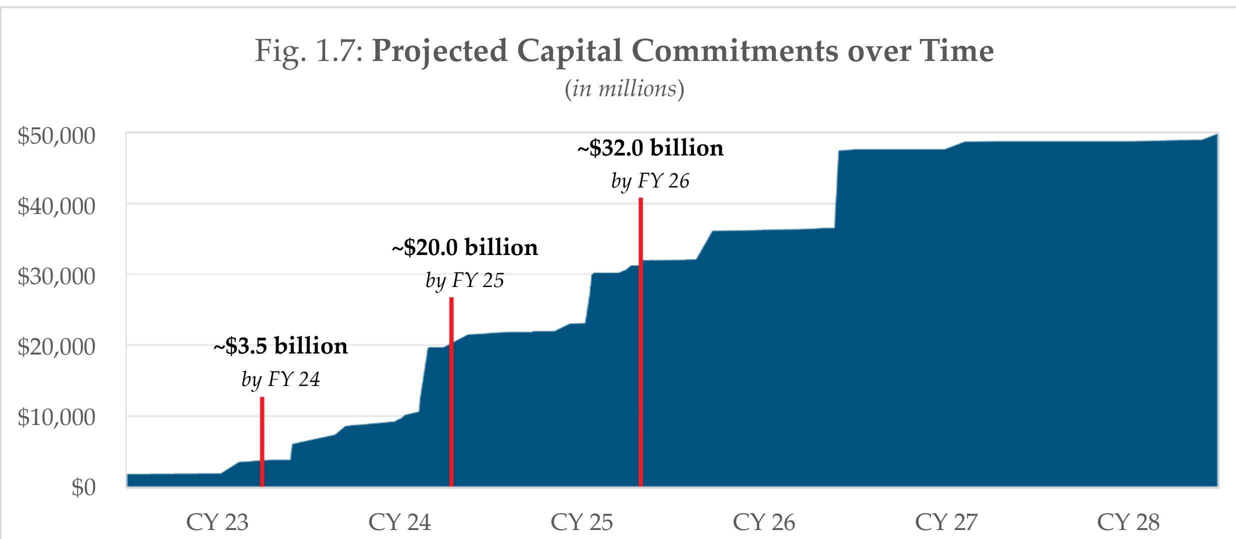
- execution of a contract option to procure ten additional Airo trainsets, which will help maintain NEC fleet capacity upon retirement of the existing Amfleet cars;
- the issuance of a Request for Proposals (RfP) to purchase new Long-Distance passenger trains;
- initiation of construction work on new elements of the Gateway Program's Hudson Tunnel Project (NY/NJ);
- the start of early construction activities related to the Frederick Douglass Tunnel Program (MD);
- attainment of full Americans with Disabilities Act (ADA) compliance at numerous additional stations, including sixteen in FY 23; and
- issuance of Requests for Qualifications (RfQs) or RfPs in connection with other important projects that will enter construction in the coming months.

In support of this progress, actual expenditures are also ramping up. As noted above, during FY 23, Amtrak invested almost $2.9 billion in important capital projects—an all-time high, and about 78% more than in FY 19. The company also entered contracts *committing* about $3.5 billion to capital projects, inclusive of funds not yet actually expended. Over the next two years, these efforts will only accelerate.

Figure 1.6 shows how quickly total capital investments—funded by *all* available sources, including Amtrak's annual grant funding, Amtrak's supplemental IIJA funding, and additional discretionary grant funding—are slated to grow:



Moreover, Amtrak is *committing* funds (as distinct from expending funds) at an even faster pace. As figure 1.7 shows, the company expects to commit (e.g., by entering into binding contracts) a total of $32.0 billion to key projects over the course of FYs 23-25, including roughly $15.0 billion over a period of just fifteen months:



Approximate projection; significant time may elapse between commitment and expenditure of funds.

Figure 1.8 shows where a selection of key IIJA-funded programs and projects currently stand; gives early estimates of when Amtrak's passengers will see concrete benefits from these programs and projects; and illustrates why only an IIJA-sized investment could have enabled so much progress in so short a time:

Fig. 1.8: Highlights of Notable Projects Underway,

Selected Amtrak & Other Capital Investments Funded by IIJA

Project / Program	Milestones		Funding	
Amtrak IIJA Supplemental Funds				
	Complete	*Recent Milestone*	*Total Cost*	*Planned*
New Airo intercity trainsets (*base*)	c. 2035	prototype underway	$4,125,181,361	$3,891,679,189
New Long-Distance passenger cars	c. 2037	RfP issued (12/23)	> $7,000,000,000	$7,000,000,000
New ALC-42 Long-Distance locomotives	c. 2031	units delivered (rolling)	$966,154,679	$675,486,822
New Facilities (*maintenance, crew base, etc.*)	various	RfQs issued (7/23)	$4,944,914,935	$4,943,837,186
ADA Stations Program	2029	117th station compliant	$1,840,957,044	$1,312,801,761
Fed.-State NEC project matches (*listed below*)	various	FRA awards (11/23)	$1,603,712,989	$1,603,712,989
National assets backlog	various	misc.	$679,369,228	$601,308,863
Other Amtrak-planned	*various*	*misc.*	*$1,630,226,917*	*$1,541,173,188*
TOTAL PLANNED FOR USE, Selected Projects				**$21,570,000,000**
cf. total Amtrak grant dollars available under IIJA (less takedowns)				*$21,570,000,000*
FRA Federal-State Partnership IIJA Supplemental Grant Funds				
Project / Program	**Milestones**		**Funding**	
	Complete	*Recent Milestone*	*Total Cost*	*Committed*
Connecticut River Bridge Replacement (CT)	2029	FRA award (11/23)	$1,244,000,000	$826,645,100
Frederick Douglass Tunnel Program (MD)	2035	FRA award (11/23)	$6,030,200,000	$4,707,571,556*
Bush River Bridge Replacement (MD)	2034	FRA award (11/23)	$743,500,000	$18,800,000
Gunpowder River Bridge Replacement (MD)	2036	FRA award (11/23)	$1,305,600,000	$30,000,000
Susquehanna River Bridge Replacement (MD)	2036	FRA award (11/23)	$2,700,000,000	$2,081,215,100*
Dock Bridge Rehabilitation (NJ)	2028	FRA award (11/23)	$375,230,000	$300,184,000
Sawtooth Bridges Replacement (NJ)	2034	FRA award (11/23)	$2,100,000,000**	$133,327,610
East River Tunnel Rehabilitation (NY)	2027	FRA award (11/23)	$1,577,314,971	$1,261,851,977
Pelham Bay Bridge Replacement (NY)	2034	FRA award (11/23)	$716,000,000	$58,272,368
Baltimore Penn. Station Master Plan (MD)	2026	FRA award (11/23)	$251,800,000	$108,320,000
CUS Mail Platform Reactivation (IL)	TBD	FRA award (12/23)	$62,000,000 (est.)	$49,600,000
CUS Platform Capacity & Trainshed Vent. (IL)	TBD	FRA award (12/23)	$55,000,000 (est.)	$44,000,000
Other Amtrak-led projects	*various*	*various*	*$135,600,000*	*$108,500,000*
Hudson Tunnel Project (NY & NJ)	2040	FRA award (11/23)	$16,100,000,000	$3,799,999,820*
NY Penn. Station Access (NY)	2027	FRA award (11/23)	$2,637,000,000	$1,643,579,904*
Other non-Amtrak-led projects	*various*	*various*	*$54,727,582,662***	*$9,516,254,853*
TOTAL COMMITTED, Selected Projects				**$24,688,122,288**
cf. total Federal-State Partnership grant dollars available under IIJA				*$36.000 billion*

*"Total cost" in the case of Fed.-State projects taken from FRA grant award announcements unless otherwise indicated. | *Includes contingent commitment | **Total cost or elements of total cost taken from NEC Commission's capital investment plan for FYs 24-28. | ***"Committed" includes awards and contingent commitments as regards FRA, and clear internal spending plans as regards Amtrak.*

In addition to enabling Amtrak and its partners to advance long-needed capital projects, the IIJA also created unprecedented opportunities—through the creation of FRA's CID corridor development program, and through provision of FRA planning, capital, and operating grant funding—for service expansion, including both 1) the initiation of service along entirely new intercity passenger rail routes, and 2) the expansion and enhancement of service along already-existing routes.

In December of 2023, FRA announced initial acceptance of 69 applications into CID; successful applicants received $500,000 to lay groundwork for later preparation of service development plans (SDPs), which will map out proposed service changes in detail. In the future, FRA will decide which corridors should continue to advance towards development; eventually, the agency will award first planning and capital and then operating grants to the most successful applicants.

Consistent with Congress' intent, most applications were led by states or other governmental entities, with supplemental support from Amtrak. We hope to operate many of the proposed routes as State-Supported Amtrak services, and will be working closely with various applicants to continue our support for their ongoing efforts. Additionally, Amtrak *did* lead four successful applications, for daily service on the two less-than-daily Long-Distance routes, the *Cardinal* and *Sunset Limited*; for extension of certain *Northeast Regional* trains to Ronkonkoma (Long Island), New York; and for a new Dallas-to-Houston high-speed rail route in Texas.

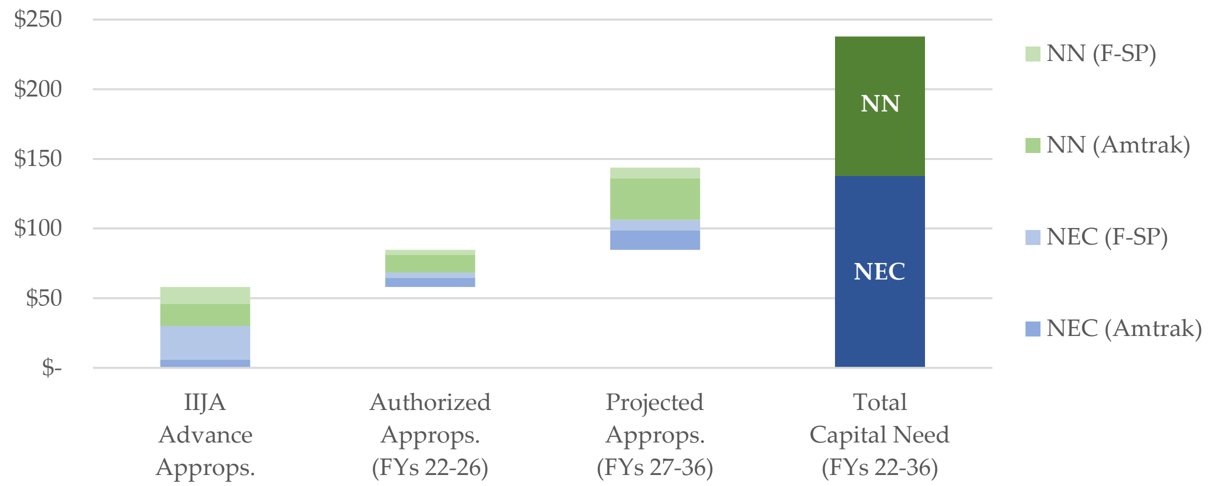
Additional detail on Amtrak's and its partners' progress towards delivering IIJA-supported projects, and on FRA's CID program as it relates to Amtrak, can be found in tab V.

Capital Case Study: Fleet Needs

Importantly, despite the incredible progress that the IIJA is enabling in terms of both infrastructure projects *and* service development, the law cannot by itself meet all needs indefinitely into the future. Even if Congress provides the authorized level of annual grant funding in FY 25, *and in each subsequent year until the current authorization period ends*, the scale of existing needs will still far exceed the scale of public investment.

Figure 1.9, below, shows the long-term funding picture for intercity passenger rail on the day after the IIJA was enacted. More specifically, it shows available and anticipated funding (both authorized annual appropriations and guaranteed IIJA funding) for 1) Amtrak's NEC and National Network grants, and 2) FRA's Fed.-State grant program, and compares those resource levels with total capital needs:

Fig. 1.9: **Amtrak & FRA Grant Funding vs. Capital Need (FYs 22-36)**
(*in billions*)



Left-hand columns show available and expected Amtrak and FRA Fed.-State grant funding for FYs 22-36. "Projected Approps." figure for FYs 27-36 assumes appropriations at the FY 26 authorized level for ten additional years. "Total Capital Need" reflects a rough cost estimate for implementation of the NEC Commission's "CONNECT NEC 2035" plan; additional NEC high-speed rail investments; service expansion comparable to the "Amtrak Connects US" vision; and other state-of-good-repair investments.

Over time, this mismatch between resources and needs could affect every part of Amtrak's network and service; avoiding those adverse outcomes will require additional, future steps that build upon the IIJA.

Long-term fleet needs offer a useful case study. Amtrak is experiencing a surge in demand for service both on the NEC and across the National Network, with room for further growth. Meeting this demand, both today and in the future, will require increased fleet capacity, including 1) extra trains and seat capacity for existing routes, and 2) the additional equipment needed to operate new, additional routes.

More specifically, Amtrak's comprehensive fleet planning efforts indicate the need to carry roughly 181,000 customers and operate more than 200 additional frequencies per day in order to meet our goal of doubling ridership by 2040.

On the NEC, this will mean doubling the daily seating capacity along the spine, between Washington, D.C. and Boston, Massachusetts. Once fully in service, Amtrak's next-generation *Acela* trainsets will increase that service's seating capacity by more than three-quarters; in addition, base order Airo trainsets are slated to replace existing *Northeast Regional* equipment. To meet future capacity needs, however, Amtrak anticipates procuring additional trainsets.

Outside the NEC, we are working with states and other partners to advance new and enhanced corridor routes through the FRA's CID program, as supported by Fed.-State Partnership and other grant streams. (In addition, the FRA's forthcoming Long-Distance study will provide important insights into future Long-Distance opportunities.) These efforts can enable us to reach more of America, including underserved communities—but as on the NEC, Amtrak will need to procure additional equipment in order to grow. (Such efforts may include exercising Airo trainset options in the near term, and/or procuring additional cars to lengthen existing trains and accommodate more riders.)

Additionally, Amtrak's fleet strategy is influenced by our commitment to achieving net-zero greenhouse gas emissions by 2045. To achieve this goal, Amtrak will need to either replace existing locomotives or convert them to alternative power sources, such as hydrogen and battery power. These initiatives, too, will require additional funding.

In sum, Amtrak will require additional fleet; additional fleet will require additional investment. While the IIJA provides supplemental funding to replace existing fleet, it does not provide sufficient resources to procure fleet for growth. Similar dynamics apply to railroad infrastructure, station, and facility needs. As a result, robust annual appropriations—now and in the future—will be key to our ability to meet the nation's demand for more intercity passenger rail service.

Conclusion

On behalf of Amtrak's 22,000 dedicated employees, let me close by saying "thank you" to Congress, our customers, and all of our many partners for your support thus far—and for your continuing support in FY 25. We at Amtrak are very optimistic about a future in which intercity passenger rail plays a greater role across the country, and we are excited to keep working with you to make that vision a reality.

Sincerely,

Stephen J. Gardner
Chief Executive Officer

Comparative Statement of New Budgetary Authority

Figure 1.10 shows Amtrak's FY 25 annual grant request in the context of both recent enacted levels and Infrastructure Investment and Jobs Act (IIJA)-provided supplemental funding (which by law is reserved for expenses directly related to specific categories of capital projects, and cannot be substituted for the annual grant funding needed to operate Amtrak's trains and maintain the railroad each year).

Fig. 1.10: Amtrak Annual and Supplemental Grant Funding, FYs 22-25

	FY 22 Enacted	FY 23 Enacted	FY 24 Enacted	FY 25 Request
Annual Grant Funding	**$2,331,371,000**	**$2,453,000,000**	**$2,427,763,000**	**$4,000,000,000**
Northeast Corridor	*$874,501,000*	*$1,260,000,000*	*$1,141,442,000*	*$1,580,000,000*
Base Needs	—	—	—	$1,025,553,844
Modernization	—	—	—	$554,446,156
National Network	*$1,456,870,000*	*$1,193,000,000*	*$1,286,321,000*	*$2,420,000,000*
Base Needs	—	—	—	$1,597,098,168
Modernization	—	—	—	$822,901,832
Supplemental IIJA Funding	**$4,400,000,000**	**$4,400,000,000**	**$4,400,000,000**	**$4,400,000,000**
Northeast Corridor	*$1,200,000,000*	*$1,200,000,000*	*$1,200,000,000*	*$1,200,000,000*
National Network	*$3,200,000,000*	*$3,200,000,000*	*$3,200,000,000*	*$3,200,000,000*
Total Amtrak Grant Funding	**$6,731,371,000**	**$6,853,000,000**	**$6,827,763,000**	**$8,400,000,000**
Northeast Corridor	*$2,074,501,000*	*$2,460,000,000*	*$2,341,442,000*	*$2,730,000,000*
National Network	*$4,656,870,000*	*$4,393,000,000*	*$4,486,321,000*	*$5,670,000,000*

An explanation of the specific subcategories within "Base Needs" can be found in "FY 25 Grant Request by Grant Category" and an explanation of the programs within "Modernization" can be found in "Modernization Initiatives," both elsewhere in this tab.

FY 25 Annual Appropriations Legislative Language

Amtrak is requesting the below legislative language for its grants in FY 25.[4] (Additional legislative and funding requests, including report language, can be found in tab IV.)

For the Northeast Corridor (NEC), Amtrak requests the following:

NORTHEAST CORRIDOR GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for activities associated with the Northeast Corridor as authorized by section 22101(a) of Division B of the Infrastructure Investment and Jobs Act (Public Law 117-58), $1,580,000,000, to remain available until expended: Provided, *That notwithstanding section 24911(f) of title 49, United States Code, amounts made available under this heading in this Act may be used as non-Federal share for projects located on the Northeast Corridor selected for award under section 24911 of title 49, United States Code.*

This language would fund Amtrak's NEC annual grant at $1.580 billion for FY 25 and enable the company to put FY 25 NEC annual grant funding towards the non-federal cost share required of NEC projects receiving Federal Railroad Administration (FRA) Federal-State Partnership grants.

For the National Network, Amtrak requests the following:

NATIONAL NETWORK GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for activities associated with the National Network as authorized by section 22101(b) of Division B of the Infrastructure Investment and Jobs Act (Public Law 117-58), $2,420,000,000 to remain available until expended: Provided, *That notwithstanding section 24911(f) of title 49, United States Code, amounts made available under this heading in this Act may be used as non-Federal share for projects not located on the Northeast Corridor selected for award under section 24911 of title 49, United States Code.*

This language would fund Amtrak's National Network annual grant at $2.420 billion for FY 25 and enable the company to put FY 25 National Network annual grant funding towards the non-federal cost share required of non-NEC projects receiving FRA Federal-State Partnership grants.[5]

[4] The Infrastructure Investment and Jobs Act (IIJA) provided funding for Federal Railroad Administration (FRA) oversight; for the NEC Commission; and for the State-Amtrak Intercity Passenger Rail Committee (SAIPRC). Congress should work with these entities to determine whether additional funding is needed in FY 25 via takedowns from Amtrak's annual grants. Additionally, the IIJA provided sufficient resources to bring Amtrak-responsible station components into Americans with Disabilities Act (ADA) compliance, so no takedown is needed under Sec. 22101(g) of Div. B. To the extent that Congress does not provide for unnecessary takedowns, Amtrak can put freed-up funding towards other needs.

[5] Information about the need for the proposed cost share-funding proposal as it relates to both NEC *and* National Network annual grant funding can be found in "FY 25 THUD Bill & Report Language Requests" in tab IV. One of Amtrak's proposed modernization initiatives ("Non-Federal Match for National Network Projects"; see "Modernization Initiatives" elsewhere in this tab) specifically depends upon the requested authority being provided with respect to National Network grant dollars.

FY 25 Grant Request by Grant Category

Figure 1.11 shows how Amtrak proposes to allocate FY 25 annual grant funding at the requested level across the grant categories and subcategories established by 49 U.S.C. § 24319(c)(2).

Fig. 1.11: Amtrak's FY 25 Annual Grant Request by Grant Category

Category	Northeast Corridor	National Network	Total
Operating Expenses *(Includes approximately $60 million (net) shifted from state to federal responsibility & borne by Amtrak per SAIPRC's Sec. 209 methodology updates.)*	**—** *Base: —* *Mod: —*	**$748,687,832** *Base: $748,687,832* *Mod: —*	**$748,687,832** *Base: $748,687,832* *Mod: —*
Debt Service	**—** *Base: —* *Mod: —*	**$83,992** *Base: $83,992* *Mod: —*	**$83,992** *Base: $83,992* *Mod: —*
Capital (*subtotal; rows below*)	**$1,519,878,400** *Base: $965,432,244* *Mod: $554,446,156*	**$1,556,672,110** *Base: $733,770,278* *Mod: $822,901,832*	**$3,076,550,510** *Base: $1,699,202,522* *Mod: $1,377,347,988*
Normalized capital replacement programs*, inc. regularly recurring work programs implemented on a systematic basis on classes of physical railroad assets, such as track, structures, electric traction, & power systems; rolling stock; and communications & signal systems, to maintain & sustain the condition & performance of such assets to support continued railroad operations. (Includes Amtrak's required Sec. 212 BCC payments.)*	$359,825,286 *Base: $359,825,286* *Mod: —*	$363,671,381 *Base: $363,671,381* *Mod: —*	$723,496,667 *Base: $723,496,667* *Mod: —*
Improvement projects *to support service and safety enhancements, inc. discrete projects implemented in accord w/ a fixed scope, schedule, & budget that result in enhanced or new infrastructure, equipment, or facilities.*	$277,900,839 *Base: $277,900,839* *Mod: —*	$136,551,129 *Base: $136,551,129* *Mod: —*	$414,451,969 *Base: $414,451,969* *Mod: —*
Backlog capital replacement projects*, inc. discrete projects implemented in accord w/ a fixed scope, schedule, & budget that primarily replace or rehabilitate major infrastructure assets, including tunnels, bridges, stations, & similar assets, to reduce the SOGR backlog on Amtrak's network.*	$98,404,480 *Base: $98,404,480* *Mod: —*	$11,540,249 *Base: $11,540,249* *Mod: —*	$109,944,729 *Base: $109,944,729* *Mod: —*
Strategic initiative projects*, inc. discrete projects implemented in accord w/ a fixed scope, schedule, & budget that primarily improve overall operational performance, lower costs, or otherwise improve corporate efficiency. (Includes corridor development activities allowed under IIJA.)*	$765,431,728 *Base: $210,985,572* *Mod: $554,446,156*	$1,032,300,644 *Base: $209,398,812* *Mod: $822,901,832*	$1,797,732,372 *Base: $420,384,384* *Mod: $1,377,347,988*
Statutory, regulatory, or other legally-mandated projects*, inc. discrete projects implemented in accord w/ a fixed scope, schedule, & budget that enable Amtrak to fulfill specific legal or regulatory mandates.*	$18,316,065 *Base: $18,316,065* *Mod: —*	$12,608,707 *Base: $12,608,707* *Mod: —*	$30,924,773 *Base: $30,924,773* *Mod: —*
Contingency	**$49,993,831** *Base: $49,993,831* *Mod: —*	**$103,570,576** *Base: $103,570,576* *Mod: —*	**$153,564,407** *Base: $153,564,407* *Mod: —*
Takedowns (*by DOT/FRA*)	**$10,127,769** *Base: $10,127,769* *Mod: —*	**$10,985,491** *Base: $10,985,491* *Mod: —*	**$21,113,260** *Base: $21,113,260* *Mod: —*
Total Request (Base Needs + Modernization)	**$1,580,000,000** *Base: $1,025,553,844* *Mod: $554,446,156*	**$2,420,000,000** *Base: $1,597,098,169* *Mod: $822,901,832*	**$4,000,000,000** *Base: $2,622,652,013* *Mod: $1,377,347,988*

Explanatory Notes Regarding Figure 1.11

- **Additional costs from Sec. 209 cost methodology policy changes** — Working through the State-Amtrak Intercity Passenger Rail Committee (SAIPRC), Amtrak and its partners have revised the standardized cost methodology policy that governs how states are charged for State-Supported service pursuant to Sec. 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA). The net cost of items newly deemed federal responsibilities under the revised policy (specifically, insurance and police/security expenses), partially offset by savings from reduced responsibilities as a result of other, parallel changes, is difficult to calculate with precision. However, as directed by Sec. 22211(a)(4)(C) of Div. B of the IIJA, Amtrak has included within the "operating expenses" grant category a request for $60 million in additional funding based on an estimate of these net costs. As we learn more about the potential cost impacts of the new policy this year, we will update Congress with any refinements to this request.

- **Backlog capital replacement projects** — FY 25 annual grant funding is needed to help address the backlog of capital projects along the NEC and across Amtrak's National Network because Infrastructure Investment & Jobs Act (IIJA) funding, while historic in nature, provides only a portion of the resources required to begin to eliminate that backlog. (See figure 1.9 in "Executive Overview & Message from Amtrak's CEO" elsewhere in this tab for additional context.)

- **Amtrak's required Sec. 212 BCC payments for the Northeast Corridor** — Annual grant funding is intended to fund Amtrak's allocated share of "baseline capital charges" (BCC)—resources Amtrak is obligated to invest in NEC infrastructure under the NEC Commission's cost allocation policy adopted pursuant to Sec. 212 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA). In addition to this BCC obligation (included under the "normalized capital replacement" subcategory), Amtrak seeks to further address the NEC's capital renewal backlog by advancing work that is *not* covered by the BCC payments. (Notably, the proposed "NEC Capital Renewal & Engineering Equipment" initiative, as described under "Modernization Initiatives" elsewhere in this tab, would support that goal.)

- **Contingency** — As enacted by the IIJA, 49 U.S.C. § 24319(c)(2) requires that Amtrak make use of specified grant categories, including a "contingency" category, in required financial reporting. To provide a holistic view of the company's financial needs, Amtrak has included appropriate contingency funds as part of its FY 25 grant request. The requested contingency funding would be available for both capital and operating needs.

  Designation of contingency funding is an industry-standard practice that enables Amtrak to mitigate unanticipated risks and issues—especially those associated with capital projects. Having available contingency funds allows Amtrak to streamline project approval processes and increase the speed and efficiency of design and construction work by accommodating small cost fluctuations incurred due to market conditions, or regulatory and environmental changes that could not have been anticipated as a part of the initial project budgeting process. (Given the ongoing volatility of market conditions, a significant number of Amtrak capital efforts are experiencing unforeseen budget and timeline fluctuations, as some of these projects were originally conceived in 2019 or before.) Without available contingency funds, projects can experience multiple starts and stops as Amtrak works to secure additional funds (e.g., through reprogramming requests necessary under applicable grant agreements), at times requiring multiple layers of regulatory approvals even for relatively small budget adjustments. Such starts and stops can result in significant additional costs, schedule delays, and service and workforce disruptions.

- **Takedowns —** The annual grant's "base needs" total includes takedowns, and assumes the authorized levels will be taken down for the NEC Commission and SAIPRC. For Federal Railroad Administration (FRA) oversight, we likewise assume the maximum authorized takedown (0.5%) from the base needs part of our grant; if Congress provides federal funds for modernization initiatives, additional funds for FRA oversight might be required. Amtrak recommends that Congress work directly with the NEC Commission, SAIPRC, and the FRA to determine their actual needs for FY 25. To the extent that less funding is needed by these entities, Amtrak can put freed-up funding towards other needs.

FY 25 Asset & Service Line Allocations

The tables below show how Amtrak proposes to allocate FY 25 annual grant funding at the requested level across the asset lines (figure 1.12) and service lines (figure 1.13) laid out in 49 U.S.C. § 24320. (Note that these tables offer different views of the same request contained in figure 1.11 elsewhere in this tab.)

Amtrak's **asset lines** are "the business activities and resources required to manage Amtrak's assets and deliver the needs of the Service Lines."[6]

Fig. 1.12: Amtrak's FY 25 Annual Grant Request:
Asset Lines Summary Table (Base + Modernization)

Asset Line	Northeast Corridor Account	National Network Account	Total
Transportation	**$66,013,621** *Base: $58,013,621* *Mod: $8,000,000*	**$58,331,616** *Base: $39,081,616* *Mod: $19,250,000*	**$124,345,237** *Base: $97,095,237* *Mod: $27,250,000*
Equipment	**$199,140,425** *Base: $62,140,425* *Mod: $137,000,000*	**$889,045,550** *Base: $745,878,883* *Mod: $143,166,667*	**$1,088,185,974** *Base: $808,019,307* *Mod: $280,166,667*
Infrastructure	**$1,024,922,411** *Base: $673,476,255* *Mod: $351,446,156*	**$760,018,227** *Base: $359,983,978* *Mod: $400,034,249*	**$1,784,940,638** *Base: $1,033,460,233* *Mod: $751,480,405*
Stations	**$132,956,475** *Base: $83,956,475* *Mod: $49,000,000*	**$500,200,885** *Base: $254,499,969* *Mod: $245,700,916*	**$633,157,360** *Base: $338,456,444* *Mod: $294,700,916*
National Assets & Corporate Services	**$146,839,299** *Base: $137,839,299* *Mod: $9,000,000*	**$201,418,233** *Base: $186,668,233* *Mod: $14,750,000*	**$348,257,531** *Base: $324,507,531* *Mod: $23,750,000*
Subtotal, Asset Lines	**$1,569,872,231** *Base: $1,015,426,075* *Mod: $554,446,156*	**$2,409,014,511** *Base: $1,586,112,679* *Mod: $822,901,832*	**$3,978,886,740** *Base: $2,601,538,752* *Mod: $1,377,347,988*
Takedowns	**$10,127,769** *Base: $10,127,769* *Mod: —*	**$10,985,491** *Base: $10,985,491* *Mod: —*	**$21,113,260** *Base: $21,113,260* *Mod: —*
Total Request (Base Needs + Modernization)	**$1,580,000,000** *Base: $1,025,553,844* *Mod: $554,446,156*	**$2,420,000,000** *Base: $1,597,098,168* *Mod: $822,901,832*	**$4,000,000,000** *Base: $2,622,652,012* *Mod: $1,377,347,988*

Detailed descriptions of each asset line can be found in "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.

[6] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.

Amtrak's **service lines** are "set[s] of Amtrak business activities that typically share a common mission, core customers, and/or management structure."[7]

Fig. 1.13: Amtrak's FY 25 Annual Grant Request:

Service Lines Summary Table (Base + Modernization)

Service Line	Northeast Corridor Account	National Network Account	Total
Northeast Corridor (*train operations*)	**$952,524,282** *Base: $563,801,204* *Mod: $388,723,078*	**—** *Base: —* *Mod: —*	**$952,524,282** *Base: $563,801,204* *Mod: $388,723,078*
State-Supported (*train operations*)	**—** *Base: —* *Mod: —*	**$1,058,609,412** *Base: $610,226,079* *Mod: $448,383,333*	**$1,058,609,412** *Base: $610,226,079* *Mod: $448,383,333*
Long-Distance (*train operations*)	**—** *Base: —* *Mod: —*	**$1,185,596,145** *Base: $811,077,647* *Mod: $374,518,498*	**$1,185,596,145** *Base: $811,077,647* *Mod: $374,518,498*
Infrastructure Access	**$607,778,873** *Base: $442,055,795* *Mod: $165,723,078*	**$156,865,777** *Base: $156,865,777* *Mod: —*	**$764,644,650** *Base: $598,921,572* *Mod: $165,723,078*
Ancillary Services	**$9,569,076** *Base: $9,569,076* *Mod: —*	**$7,943,175** *Base: $7,943,175* *Mod: —*	**$17,512,252** *Base: $17,512,252* *Mod: —*
Subtotal, Service Lines	**$1,569,872,231** *Base: $1,015,426,075* *Mod: $554,446,156*	**$2,409,014,511** *Base: $1,586,112,678* *Mod: $822,901,832*	**$3,978,886,740** *Base: $2,601,538,753* *Mod: $1,377,347,987*
Takedowns	**$10,127,769** *Base: $10,127,769* *Mod: —*	**$10,985,491** *Base: $10,985,491* *Mod: —*	**$21,113,260** *Base: $21,113,260* *Mod: —*
Total Request (Base Needs + Modernization)	**$1,580,000,000** *Base: $1,025,553,844* *Mod: $554,446,156*	**$2,420,000,000** *Base: $1,597,098,168* *Mod: $822,901,832*	**$4,000,000,000** *Base: $2,622,652,012* *Mod: $1,377,347,987*

Detailed descriptions of each asset line can be found in "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.

[7] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.

Modernization Initiatives

As discussed above, Amtrak's FY 25 annual grant request is divided into two overarching categories:

- "base needs," which represents the minimum funding level needed to operate our trains, maintain our railroad infrastructure, fleet, stations and facilities for the year, carry out core functions necessary to avoid long-term deterioration of the company's assets and services, and make a limited number of high-priority, high-impact strategic investments for our future; and

- "modernization," which represents various additional initiatives that will enable Amtrak to improve the railroad and our customers' experience for the 21st century and ensure our long-term health.

Figure 1.14 provides an overview of the proposed programs that together comprise Amtrak's modernization request.

Fig. 1.14: **Amtrak's FY 25 Annual Grant Request: Base Needs & Modernization**			
Category or Program	**Northeast Corridor**	**National Network**	**Total**
Base Needs (*subtotal*)	**$1,025,553,844**	**$1,597,098,168**	**$2,622,652,012**
Operating	—	*$748,687,832*	*$748,687,832*
Debt	—	*$83,992*	*$83,992*
Capital	*$965,432,244*	*$733,770,278*	*$1,699,202,522*
Contingency	*$49,993,831*	*$103,570,576*	*$153,564,407*
Takedowns	*$10,127,769*	*$10,985,491*	*$21,113,260*
Modernization (*subtotal*)	**$554,446,156**	**$822,901,832**	**$1,377,347,988**
Additional Corridor Development	—	*$87,000,000*	*$87,000,000*
Additional Fleet – Airo Options	*$50,000,000*	*$50,000,000*	*$100,000,000*
Atlanta Hub	—	*$29,901,832*	*$29,901,832*
California Service Improvements	—	*$15,000,000*	*$15,000,000*
Chicago Hub Improvement Program (CHIP)	—	*$250,000,000*	*$250,000,000*
Cross-Border Service Improvements	—	*$30,000,000*	*$30,000,000*
Efficiency-Improving Tech & Resiliency Investments	*$20,000,000*	*$50,000,000*	*$70,000,000*
Food & Beverage Service Improvements	*$8,000,000*	*$19,000,000*	*$27,000,000*
Great Lakes Stations Improvement	—	*$25,000,000*	*$25,000,000*
Long-Distance Facilities & Service Expansion	—	*$50,000,000*	*$50,000,000*
NEC Capital Renewal & Engineering Equipment	*$90,000,000*	—	*$90,000,000*
NEC Fencing	*$9,446,156*	—	*$9,446,156*
NEC High-Speed Rail & Trip-Time Improvement	*$300,000,000*	—	*$300,000,000*
Non-Federal Match for National Network Projects	—	*$50,000,000*	*$50,000,000*
Pacific Northwest Rail Improvements	—	*$100,000,000*	*$100,000,000*
Texas & Oklahoma Rail Improvements	—	*$25,000,000*	*$25,000,000*
Training Center & Workforce Development	*$7,000,000*	*$7,000,000*	*$14,000,000*
Washington Union Station 2nd Century Plan	*$60,000,000*	*$15,000,000*	*$75,000,000*
Wi-Fi Improvements	*$10,000,000*	*$20,000,000*	*$30,000,000*
Total Request	**$1,580,000,000**	**$2,420,000,000**	**$4,000,000,000**

Amtrak is seeking $1.377 billion in FY 25 annual grant funding for various initiatives that would enable us to improve and modernize the railroad, ensure its long-term health, and enhance our customers' experience. Below are high-level summaries of specific initiatives:

- **Additional Corridor Development** — Amtrak is seeking $87 million in FY 25 to make additional corridor development investments under section 22101(h) of Div. B of the Infrastructure Investment and Jobs Act (IIJA) (beyond those that proposed "base needs" funding would support), with the goal of accelerating proposed enhancements or expansions of corridor routes.

Investments would be consistent with the selections of the Federal Railroad Administration's Corridor Identification & Development (CID) program.

- **Additional Fleet – Airo Options** — Amtrak is seeking $100 million in FY 25 to support the timely exercise of procurement options associated with the company's base order of 83 next-generation Airo trainsets. Enabling Amtrak to exercise some of these options now could significantly accelerate delivery and entry into service of additional trainsets, helping ensure that equipment is available to meet states' service growth plans with a five-year-plus timeframe (assuming that those plans advance through the Federal Railroad Administration's Corridor Identification & Development (CID) program.)

- **Atlanta Hub** — Amtrak is seeking roughly $30 million in FY 25 for an Atlanta Hub initiative, which would support construction of a new intercity passenger rail hub station in downtown Atlanta, plus necessary supporting infrastructure investments (including new trackage to separate passenger service from freight operations).

- **California Service Improvements** — Amtrak is seeking $15 million in FY 25 for a California Service Improvements initiative, which would support rail infrastructure investments to improve the safety, reliability, trip time-competitiveness, and efficiency of Amtrak's Long-Distance *Coast Starlight*. (Secondarily, some investments could also benefit other California routes.)

- **Chicago Hub Improvement Program (CHIP)** — Amtrak is seeking $250 million in FY 25 for the Chicago Hub Improvement Program (CHIP), a group of Chicago-area capital projects that would benefit Amtrak's passengers by increasing the reliability, quality, and flexibility of service; reducing trip times; enabling future service expansions; and improving safety and accessibility. The requested funding would support both 1) infrastructure investments to grow capacity and improve trip times, and 2) additional investments in Chicago Union Station (CUS), including key improvements to customer experience.

- **Cross-Border Service Improvements** — Amtrak is seeking $30 million in FY 25 for a Cross-Border Service Improvement initiative. This initiative would improve current cross-border routes (and help facilitate new cross-border service) by funding needed capital investments in customs and immigration inspection facilities and railroad infrastructure near the U.S.-Canada border. Among other benefits, these investments would result in faster and more reliable cross-border trips; would increase ridership and revenues; and would facilitate expanded cross-border service, in line with an agreement between the U.S. and Canadian governments. (Because many proposed projects are located in Canada, they are generally ineligible for discretionary grants under current FRA regulations; this initiative offers an alternative funding source.)

- **Efficiency-Improving Technologies & Resiliency Investments** — Amtrak is seeking $70 million in FY 25 for an Efficiency-Improving Technologies & Resiliency Investments initiative. This initiative would support investments to minimize future service disruptions; advance other cost-neutral or cost-positive projects that increase efficiency or resiliency; and support exploration of emerging technologies with similar potential effects.

- **Food & Beverage Service Improvements** — Amtrak is seeking $27 million in FY 25 for a Food & Beverage Service Improvements initiative. This initiative would support advancement of actions that were favorably discussed in Amtrak's response to recent Food & Beverage Working Group (FBWG) recommendations, but for which necessary funding is not currently available. (While Amtrak is requesting $27 million in FY 25, funding for this initiative is sliding-scale: the company can utilize whatever level of additional resources Congress chooses to provide to advance / implement promising ideas in the FBWG report.)

- **Great Lakes Stations Improvement** — Amtrak is seeking $25 million in FY 25 for a Great Lakes Stations Improvement initiative, which would support new or improved stations in communities along the southern coasts of the Great Lakes, with an initial emphasis on ten communities in Pennsylvania, Ohio, and Indiana. (The initiative could also be expanded.) Specific project types could include construction of new station buildings, including station relocations; reconstruction or addition of platforms; and various kinds of trackwork in and around the relevant stations.

- **Long-Distance Facilities & Service Expansion** — Amtrak is seeking $50 million in FY 25 for a Long-Distance Facilities & Service Expansion initiative. This initiative would support upgrades to and expansion of facilities necessary to perform servicing, maintenance, and storage of new equipment currently being procured for use on Long-Distance routes. In addition, informed by the results of FRA's pending Long-Distance study, Amtrak could also advance efforts to 1) restore/expand Long-Distance service along promising routes, and 2) improve service quality along existing routes, assuming sufficient federal resources.

- **NEC Capital Renewal & Engineering Equipment** — Amtrak seeks $90 million in FY 25 for an NEC Capital Renewal & Engineering Equipment initiative. This initiative would help Amtrak to maintain the NEC in a state of good repair, both through direct near-term capital renewal work (e.g., track & tie replacement) and through procurement of engineering equipment and related assets (e.g., track-laying machines, etc.) that will increase long-term capacity for such work.

- **NEC Fencing** — Amtrak is seeking roughly $9 million in FY 25 for an NEC Fencing initiative, which would support deployment of additional security fencing (and, where appropriate, gates) to secure critical NEC right-of-way, increasing safety while mitigating the various risks and costs associated with unauthorized intrusions.

- **NEC High-Speed Rail and Trip Time Improvement** — Amtrak is seeking $300 million in FY 25 for an NEC High-Speed Rail and Trip Time Improvement initiative, which would support a group of projects up and down the NEC. Together, these projects would enable Amtrak's trains to travel at higher average speeds and/or sustain their top speeds over longer distances, ultimately reducing trip times for millions of passengers per year. (Also included are capacity-enhancing projects to increase the scale at which Amtrak can deliver higher-speed service.)

Specific project types include track curve modifications; catenary improvements; bridge modernizations; and enhancement or expansion of both stations and maintenance facilities.

- **Non-Federal Match for National Network Projects** – Amtrak is seeking $50 million in FY 25 to cover non-federal match requirements under the non-NEC component of FRA's Federal-State Partnership for Intercity Passenger Rail discretionary grant program (along with a legislative authorization allowing those dollars to be used for this purpose). Having this funding and authority would enable Amtrak and its partners to access needed discretionary grant dollars for critically important projects on the National Network. (Congress has already granted similar authority with respect to Amtrak's IIJA supplemental funding for the Northeast Corridor; the proposed initiative would in effect create parity for National Network annual grant funds.)

- **Pacific Northwest Rail Improvements** — Amtrak is seeking $100 million in FY 25 for a Pacific Northwest Rail Improvements initiative, which would support infrastructure, station, and facility improvements across the Pacific Northwest, with emphasis on the region's three largest metropolitan areas (Seattle, Portland, and Vancouver, BC). These investments would increase reliability; reduce trip times; and improve accessibility and customer experience.

- **Texas & Oklahoma Rail Improvements** — Amtrak is seeking $25 million in FY 25 for a Texas & Oklahoma Rail Improvements initiative, which would support investments in rail infrastructure, stations, and mechanical facilities along the routes of the *Texas Eagle*, *Sunset Limited*, and *Heartland Flyer*.

- **Training Center & Workforce Development** — Amtrak is seeking $14 million in FY 25 for a Training Center & Workforce Development initiative, which would help employees develop professionally and perform better though the establishment of a new, consolidated training center and through expansion of existing workforce development efforts, such as the Mechanical Craft Workforce Development Apprenticeship Training Program.

- **Washington Union Station 2nd Century Plan** — Amtrak is seeking $75 million in FY 25 to support the Washington Union Station (WUS) 2nd Century Plan, a set of modernization and expansion projects centered around reconstruction of the existing WUS rail terminal. These improvements would grow capacity and improve reliability; increase accessibility and intermodal connectivity; and promote safety and security both for Amtrak's passengers and for the station's millions of other users.

- **Wi-Fi Improvements** — Amtrak seeks $30 million in FY 25 for a Wi-Fi Improvements initiative, which would support expansion of Wi-Fi availability on the National Network, and also improvement of Wi-Fi quality on the NEC and elsewhere. While initial investments would not directly close all remaining coverage gaps, they would lay necessary groundwork for future expansions and improvements—particularly if the initiative were funded across multiple years.

More detailed discussions of each program follow.

Additional Corridor Development

The Infrastructure Investment and Jobs Act (IIJA) authorized[8] Amtrak to invest up to ten percent of its annual National Network grant funding in corridor development activities that support routes selected by the Federal Railroad Administration's (FRA's) Corridor Identification and Development (CID) program.[9] Congress intended for this authority to offer an alternative path for investments, separate from the FRA's own discretionary grant programs. Roughly ten percent of the "base needs" National Network funding in Amtrak's FY 25 grant request is already set aside for investments of this kind; by providing an additional $87 million, Congress could bring funding for these activities to ten percent of Amtrak's *total* National Network funding request (in effect, the maximum level allowed by statute), and thus further accelerate the growth and enhancement of intercity passenger rail service.

Summary of Additional Corridor Development			
Life of Initiative		FY 25	
Need	**Proposed Use**	**Need**	**Proposed Use**
TBD (*contingent*)	Support additional corridor development activities aligned with FRA's CID selections	$87,000,000	Support Amtrak-led corridor development proposals & fund other near-term capital needs

What is this program?

Amtrak is requesting $87 million in FY 25 funding to make additional corridor development investments under section 22101(h) of Div. B of the IIJA (beyond those that proposed "base needs" funding would support), with the goal of accelerating proposed enhancements or expansions of corridor routes.

What could FY 25 funding achieve?

An $87 million appropriation for Additional Corridor Development in FY 25 could support—

- **Near-Term Capital Needs** — Funding could accelerate delivery of capital projects for which planning and design work, environmental review, and other pre-construction activities are complete or substantially underway, but for which a lack of near-term funding has become a source of delay. Such investments could support, for example, extension of the *Heartland Flyer* to Newton, KS; extension of the *Wolverine* to Windsor, ON; extension of the *Downeaster* to Rockland, ME; and/or establishment of an "Inland Route" connecting Boston to New Haven via Springfield.

- **Certain Amtrak-Led Corridor Development Proposals** — FRA's December 2023 CID selections included four Amtrak-led applications; this additional funding could help Amtrak bring *Northeast Regional* service to Ronkonkoma (Long Island), NY, pursuant to one such application.

[8] Pending a technical correction, which Amtrak is seeking; see the first item under "Technical Corrections to IIJA" in tab IV.
[9] (For additional information, see "FRA Corridor Identification & Development Program Update" in tab V.)

Additional Fleet – Airo Options

Amtrak is contracting with California-based Siemens Mobility, Inc. to manufacture a new fleet of at least eighty-three modern Airo trainsets that will be used primarily for State-Supported and Northeast Corridor (NEC) service, with options for up to 130 additional trainsets to support Amtrak's and its state partners' plans to meet growing demand.

These new trains will reshape the future of rail travel by replacing the company's fifty-year-old Amfleet I fleet with state-of-the-art, American-made equipment. Improvements over existing equipment include better accessibility; reduced emissions; and dual-power propulsion, which will remove the need for time-consuming engine swaps on routes partially on and partially off the NEC spine.

The Airo procurement is key to ensuring that Amtrak and its partners have the fleet capacity that will be needed to meet anticipated future travel demand.

Summary of Additional Fleet – Airo Options			
Life of Initiative		FY 25	
Need	Description	Need	Description
TBD	Procure rolling stock and make related facilities and infrastructure investments needed to grow NEC capacity and support State-Supported expansions aligned with FRA's CID program	$100,000,000	Support acquisition of additional Airo trainsets to grow NEC capacity and support State-Supported expansions aligned with FRA's CID program

What is this program?

Amtrak is seeking $100 million to support the timely exercise of procurement options associated with the company's base order of 83 next-generation Airo trainsets.

Due to several factors, including long lead-times and limited manufacturer capacity, enabling Amtrak to exercise some of these options now could significantly accelerate delivery and entry into service of additional trainsets, helping ensure that equipment is available to meet states' service growth plans with a five-year-plus timeframe (assuming that those plans advance through the Federal Railroad Administration's Corridor Identification & Development (CID) program.)

What could FY 25 funding achieve?

$100 million in FY 25 could support fleet development planning and assessments and state engagement work needed to ensure identification and selection of the most appropriate additional Airo trainset quantities and types, as well as the facility investments needed to support maintenance and operations in locations across the nation.

Atlanta Hub

Amtrak's existing Atlanta station, built in 1918 as a suburban station designed to accommodate a small number of passengers, features an undersized waiting room; no parking; poor access to its single platform from the station building above, which is a particular challenge for disabled passengers; and a lack of connectivity to local transit options. A new, modern station would improve customer experience for passengers on Amtrak's existing *Crescent* route, which links Atlanta to New Orleans, Birmingham, Charlotte, Washington, and New York City. Properly located and paired with congestion-relieving infrastructure improvements, a new station could also enable Atlanta to become a hub for intercity passenger trains connecting both major cities and small communities across the Southeast.

Summary of Atlanta Hub			
Life of Initiative		**FY 25**	
Need	**Proposed Use**	**Need**	**Proposed Use**
$700,000,000 (*est.*)	Construction of a new intercity passenger rail hub station in downtown Atlanta, including needed infrastructure investments	$29,901,832	Planning work (e.g., preliminary engineering) and acquisition of key property currently at risk of development

What is this program?

The Atlanta Hub initiative would support construction of a new intercity passenger rail hub station in downtown Atlanta, plus necessary supporting infrastructure investments (including new trackage to separate passenger service from freight operations). Included investments are not specifically intended to advance any proposals currently moving through the Federal Railroad Administration's (FRA's) Corridor Identification & Development (CID) program process; however, all are compatible with those efforts. For example, the proposed Hub station could eventually connect downtown Atlanta with Hartsfield-Jackson Atlanta International Airport; Macon, GA; Savannah, GA; Chattanooga, TN; Nashville, TN; Memphis, TN; Greenville, SC; Charlotte, NC; Birmingham, AL; Meridian, MS; and New Orleans, LA, among many other communities, depending on corridor development and other federal investment.

What could FY 25 funding achieve?

A $29.9 million appropriation for Atlanta Hub in FY 25 could support—

- **Property Acquisition for Site Preservation** — Funding could support acquisition of property (some of which is at imminent risk of development) in order to preserve future railroad right-of-way and ensure that the Hub station site can be connected with existing main line track.

- **Planning, Permitting, & Other Pre-Construction Activities** — Funding could support a variety of early-phase activities, including preliminary engineering work and securing project clearances required under the National Environmental Policy Act (NEPA).

California Service Improvements

The *Coast Starlight* forms the backbone of Amtrak's intercity passenger rail service in California, linking San Diego with Los Angeles, the San Francisco Bay Area, and the Pacific Northwest. While the federal government has recently provided significant funding to support planned future California services, investments in this Long-Distance route—which in FY 23 provided more than 337,000 trips to destinations across the Golden State and the Pacific Northwest—could improve the safety, reliability, and trip time-competitiveness of already-existing service, benefiting countless Californians here and now.

Summary of California Service Improvements			
Life of Initiative		**FY 25**	
Need	**Description**	**Need**	**Description**
TBD	Support rail infrastructure investments to improve the safety, reliability, and efficiency of, primarily, Amtrak's Long-Distance *Coast Starlight*	$15,000,000	Support deployment of safety-enhancing positive train control (PTC) technology on additional track and address loss-of-shunt challenges in Southern California

What is this program?

The California Service Improvements initiative would support rail infrastructure investments to improve the safety, reliability, trip time-competitiveness, and efficiency of Amtrak's Long-Distance *Coast Starlight*. (Secondarily, some investments could also benefit other California routes.)

What could FY 25 funding achieve?

$15 million in FY 25 could support improvements along much of the *Coast Starlight*'s route, including—

- **Deployment of PTC Technology** — Positive train control (PTC) technology, which automatically prevents trains from completing known-to-be-unsafe movements (e.g., advancing at above-the-limit speeds), has yet to be installed on a stretch of Union Pacific's (UP's) Coast Subdivision, which connects the Bay Area with Southern California . Funding could support expansion of PTC into this area, making Amtrak's passengers, and both Amtrak's and UP's employees, safer.

- **Investments to Address Loss of Shunt** — Trains travelling over UP tracks between Ventura and San Luis Obispo can experience "loss-of-shunt" issues (i.e., imperfect electrical connections that can affect grade crossing signals or gate arms), potentially due to salt contamination from the nearby Pacific Ocean. Currently, Amtrak must operate longer trains, and do so at slower speeds, than would be necessary if these issues did not exist. Funding could support investments in on-board shunt enhancers, which provide a solution to loss-of-shunt issues and could end the need for inefficient operational measures. (This technology could also benefit *Pacific Surfliner* trains operating over the same line.)

Chicago Hub Improvement Program (CHIP)

Because Chicago Union Station (CUS) is the hub of Amtrak's National Network, the shortcomings of CUS and other existing Chicago-area facilities and infrastructure affect Amtrak's performance across much of the nation. These challenges are worsening as the public demands more service: underinvestment is constraining future growth.

Summary of Chicago Hub Improvement Program			
Life of Initiative		FY 25	
Need	Proposed Use	Need	Proposed Use
$3.071 billion[10]	Advance key Chicago-area capital projects that increase capacity or reliability; reduce trip times; enable service expansions; and/or improve safety and accessibility	$250,000,000	Support capacity expansion and infrastructure improvements both in and around CUS, as well as yard and station modernization

What is this program?

The Chicago Hub Improvement Program (CHIP) is a group of Chicago-area capital projects that would benefit Amtrak's passengers by increasing the reliability, quality, and flexibility of service; reducing trip times; enabling future service expansions; and improving safety and accessibility. Projects are divided into two principal categories: 1) infrastructure investments to grow capacity and improve trip times, and 2) additional investments in the station, including key improvements to customer experience.[11]

What could FY 25 funding achieve?

$250 million in FY 25 could cover Amtrak's expected cost share for high-impact, first-step projects that will help set the stage for further CHIP investments in future years:

- **Infrastructure Improvements around Chicago Union Station** — Projects will focus on creating faster, more direct paths to and from CUS, which will improve reliability, reduce travel times, and set the stage for service expansion. In addition, Amtrak will focus on expanding its rolling stock storage and maintenance capabilities to service the equipment needed for expansion.

- **Chicago Union Station Improvements** — Projects within CUS include upgrading the concourse, improving ventilation and air quality in the trainsheds, and removing obsolete structures to improve passenger and employee safety and accessibility.

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[10] Amtrak and its partners have repeatedly sought discretionary grant funding for all or part of CHIP and received $95 million in Federal-State Partnership awards for CUS improvements in December of 2023. While Amtrak plans to continue seeking additional awards for CHIP, discretionary programs are unlikely to provide sufficient multiyear funding to cover all anticipated costs. Sustained support for CHIP via Amtrak's annual grants could solve this and other problems.

[11] (CHIP would also support certain capital investments in Michigan, benefitting multiple Chicago-anchored routes.)

Cross-Border Service Improvements

Amtrak operates three cross-border services: the Amtrak Cascades (to Vancouver, BC); the *Maple Leaf* (to Toronto, ON, in partnership with Canada's Via Rail); and the *Adirondack* (to Montréal, QC). Together with our state partners, who submitted applications via the Federal Railroad Administration's (FRA's) Corridor Identification & Development (CID) program, Amtrak is also seeking 1) to reestablish service to Windsor, ON (by extending the *Wolverine* to connect with Via service to Toronto), and 2) to extend the *Vermonter* to Montréal. All of these cross-border routes would benefit from additional capital investment.

Summary of Cross Border Service Improvements			
Life of Initiative		FY 25	
Need	Description	Need	Description
$120,000,000	Improve cross-border service by designing and building new or improved immigration / customs facilities in Canadian stations and by upgrading rail infrastructure near the U.S.-Canada border to improve speed, reliability, and security of train service	$30,000,000	Support improvements to rail infrastructure along the route of the *Adirondack* and between the U.S.-Canada border and Vancouver; support PTC for service to Windsor; and design arrival / preclearance facilities in Windsor and Montréal

What is this program?

The Cross-Border Service Improvements initiative would improve current cross-border routes, and help facilitate new cross-border service, by funding needed capital investments in customs and immigration inspection facilities and railroad infrastructure near the U.S.-Canada border. By eliminating lengthy inspections at border crossings that often produce delays, these investments would result in faster and more reliable cross-border trips; increase ridership and revenues; and facilitate expanded cross-border service, in line with an agreement between the U.S. and Canadian governments. Because many proposed projects are located in Canada, they are generally ineligible for discretionary grants under current FRA regulations; this initiative offers an alternative funding source.

What could FY 25 funding achieve?

$30 million in FY 25 could support construction of track improvements between the U.S.-Canada border and Vancouver, BC, to serve the Amtrak Cascades, and in upstate NY and Canada, for the *Adirondack*; construction of platform improvements at the Vancouver, BC station for improved accessibility and security; installation of safety-enhancing positive train control (PTC) technology in West Detroit, to enable the extension of *Wolverine* service to Windsor; and/or design of Canada Border Services Agency (CBSA) arrival and US Customs and Border Protection (CBP) preclearance facilities in both Windsor (for *Wolverine* extension) and Montréal (for *Adirondack* service and a future *Vermonter* extension).

Efficiency-Improving Technologies & Resiliency Investments

Amtrak needs to respond to emerging challenges that, over time, will affect the company's ability to deliver service. For instance, more frequent high-heat days will cause additional "slow orders," reducing train speeds; investments in facilities and buildings will be needed in response to local ordinances that impose energy-efficiency and sustainability requirements; and coastal erosion could endanger the viability of existing right-of-way. Over time, these challenges could prove highly disruptive and expensive. However, proactive investments could mitigate future harms, while making Amtrak more effective (and, often, more *cost*-effective) here and now. Importantly, such investments are also required for Amtrak to meet its goal of achieving net-zero greenhouse gas emissions across our network by 2045.

Summary of Efficiency-Improving Technologies & Resiliency Investments			
Life of Initiative		FY 25	
Need	Proposed Use	Need	Proposed Use
TBD	Promote resiliency and efficiency through cost-effective technology, and support future innovation	$70,000,000	Advance known resiliency needs, reduce energy costs, and explore alternative train propulsion

What is this program?

The Efficiency-Improving Technologies & Resiliency Investments initiative would support investments to minimize future service disruptions; advance other cost-neutral or cost-positive projects that increase efficiency or resiliency; and support exploration of emerging technologies with similar potential effects.

What could FY 25 funding achieve?

$70 million in FY 25 could support a range of investments across Amtrak's network, including—

- **Alternative Propulsion and Fuel-Saving Technologies** — Funding could enable preliminary work to design and prototype innovative new propulsion technologies,[12] and could also support innovative technologies to reduce locomotive idling, improving reliability and reducing costs.

- **Resiliency Investments** — Funding could enable Amtrak to address specific needs identified in network-wide climate vulnerability assessments (e.g., floodproofing in Baltimore, or a local drainage study in Cheverly, MD) to prevent service disruptions and minimize repair costs, and could also ensure that design standards for new facilities make allowances for severe weather.

- **Leverage Digital Technology and Training —** Funding could enable integration of new digital technology solutions into many facets of Amtrak operations, along with associated trainings; these changes could reduce energy needs and support innovation, while also limiting emissions.

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[12] Amtrak is also seeking support for alternative propulsion technology via a plus-up to FRA's R&D account; for details, see tab IV.

Food & Beverage Service Improvements

Amtrak provides onboard food and beverage (F&B) service on nearly all of its routes. Offerings range from buy-at-the-counter snacks (in café cars) to sit-down, chef-prepared meals (in traditional dining cars on overnight trains). On some routes, availability of F&B service is an absolute necessity, as passengers may be aboard for many hours or even multiple days; more generally, the presence and quality of F&B offerings are important determinants of customer satisfaction, and influence ridership and revenue levels.

The Infrastructure Investment and Jobs Act (IIJA) created an independent Food & Beverage Working Group (FBWG) composed of various interested stakeholders, and directed that group to develop recommendations for improving Amtrak's F&B service. The group made its recommendations in May of 2023; as required by the IIJA, Amtrak responded with a plan for implementing those recommendations or, where applicable, an explanation for why the company does not plan on implementing recommendations with which it disagrees. In many cases, Amtrak saw value in a given recommendation—but lacks the resources needed to carry it out.

Summary of Food & Beverage Service Improvements			
Life of Initiative		FY 25	
Need	Description	Need	Description
TBD (*sliding scale*)	Improve and expand F&B service in ways consistent with FBWG report recommendations	$27,000,000	Fully restore traditional dining on *Texas Eagle* & evaluate / pilot other promising F&B initiatives

What is this program?

The Food & Beverage Service Improvements initiative would support advancement of actions that were discussed in Amtrak's recent response to the FBWG recommendations for which necessary funding is not currently available. While Amtrak is requesting $27 million in FY 25, funding for this initiative is sliding-scale: Amtrak can utilize whatever level of additional resources Congress chooses to provide to advance / implement promising ideas in the FBWG report.

What could FY 25 funding achieve?

$27 million in FY 25 would enable Amtrak to fully restore traditional dining on the Long-Distance *Texas Eagle*. Funding would also enable exploration of other potential F&B improvements, with a focus on 1) further expansion of traditional dining, if feasible, and/or 2) expanded availability of for-a-fee traditional dining for coach class customers. Other areas of evaluation could include pilot programs to test new service concepts; improved training for employees; and/or other customer experience enhancements aligned with FBWG recommendations.

French toast—a classic option on many routes' traditional dining menus

Great Lakes Stations Improvement

Amtrak stations along the Great Lakes, and particularly along the routes of the Long-Distance *Capitol Limited* and *Lake Shore Limited*, could benefit from expansion, modernization, relocation, or other forms of improvement. Making these investments would help increase ridership and capacity, while also boosting local economies and improving mobility options for many residents of Ohio, Pennsylvania, and Indiana.

Summary of Great Lakes Stations Improvement			
Life of Initiative		**FY 25**	
Need	**Proposed Use**	**Need**	**Proposed Use**
$300,000,000 (*more if scope expands*)	Funding for the total cost of improvements to, relocation of, or potential establishment of stations in states bordering the Great Lakes	$25,000,000	Pre-construction support for improvements to, relocation of, or potential establishment of stations in ten communities (PA, OH & IN)

What is this program?

The Great Lakes Stations Improvement initiative would support new or improved stations in communities along the southern coasts of the Great Lakes, with an initial emphasis on ten communities in Pennsylvania, Ohio, and Indiana. (The initiative could also be expanded to other states.) Specific project types could include construction of new station buildings, including station relocations; reconstruction or addition of platforms; and various kinds of trackwork in and around the relevant stations. Included investments are not primarily intended to advance any proposals currently moving through FRA's CID process; however, all are compatible with, and some would actually support, those efforts.

What could FY 25 funding achieve?

A $25 million appropriation for Great Lakes Stations Improvement in FY 25 could support—

- **Station Improvements in Erie, Pennsylvania** — Funding could support work to advance refurbishment of a second platform adequate for full-length trains, among other improvements.

- **New and Improved Stations in Ohio** — Funding could support work to advance stations projects in some or all of Cleveland (new station with additional tracks and platform space); Sandusky (dual platforms with grade-separated access); Toledo (reactivation of concourse bridge, with upgrades to tracks and platform); Bryan (second platform); and other stations.

- **New or Improved Stations in Indiana** — Funding could support work to advance station projects in some or all of Waterloo (second platform); South Bend (relocation of existing station to downtown); and Hammond-Whiting (trackwork realignment and second platform, enabling Long-Distance trains to stop).

Long-Distance Facilities & Service Expansion

Amtrak's Long-Distance routes are those more than 750 miles in length, operated primarily over "host" railroad tracks, for which the federal government provides operating support. The Infrastructure Investment and Jobs Act (IIJA) provided critical capital funding that will enable procurement of new equipment for these routes; however, there is not sufficient funding available to make all the necessary investments in the facilities required to service this new fleet. In addition, the IIJA tasked the Federal Railroad Administration (FRA) with conducting a Long-Distance study to evaluate changes to current service. This FRA study, expected to be completed in 2024, will identify projects and funding needed to implement new or expanded Long-Distance routes.

Summary of Long-Distance Facilities & Service Expansion			
Life of Initiative		FY 25	
Need	**Proposed Use**	**Need**	**Proposed Use**
TBD *(depends, in part, upon pending FRA study results)*	Enhance / expand facilities for re-fleeting of current Long-Distance routes, and evaluate expansion or enhancement of Long-Distance service (e.g., daily *Cardinal* and *Sunset Ltd.*, I-20 corridor, etc.)	$50,000,000	Support facilities for new Long-Distance equipment; advance service development plans (SDP) for daily *Cardinal* and *Sunset Ltd.* service; and potentially advance further feasibility studies

What is this program?

Amtrak is in the initial stages of procuring replacement equipment for our Long-Distance routes. The Long-Distance Facilities & Service Expansion initiative could support upgrades to and expansion of facilities necessary to perform servicing, maintenance, and storage of new equipment. In addition, informed by the results of FRA's Long-Distance study, Amtrak could advance efforts to 1) restore/expand Long-Distance service along promising routes, and 2) improve service quality along existing routes, assuming sufficient federal resources. Among other benefits, these efforts would better connect underserved communities; promote rural economic growth; and sustainably reduce highway congestion.

What could FY 25 funding achieve?

A $50 million appropriation in FY 25 could support initial progress towards—

- **Facilities Required for New Long-Distance Fleet** — Funding could cover some of the costs that required to build or improve facilities for new Long-Distance equipment.

- **SDPs and Feasibility Studies for New or Expanded Long-Distance Routes —** Funding could cover SDP costs for daily *Cardinal* and *Sunset Ltd.* service, including restoration of *Sunset* service to downtown Phoenix, and other costs that may be required to evaluate new and expanded Long-Distance route opportunities identified by the FRA.

NEC Capital Renewal & Engineering Equipment

As the principal owner and maintainer of the Boston-to-Washington Northeast Corridor (NEC), Amtrak must invest hundreds of millions of dollars per year in capital renewal activities (such as track and tie replacement) to maintain basic rail infrastructure in a state of good repair (SOGR). Without steady capital renewal work, that infrastructure degrades—resulting in reduced service quality, longer trip times, decreased reliability, and diminished capacity. Unfortunately, current activity levels are insufficient to meet existing needs—and limited funding routinely requires the deferral of already-overdue work. While Infrastructure Investment and Jobs Act (IIJA) supplemental funding will address much of the NEC's major projects backlog (like bridge and tunnel replacements), there remains a significant need to fund track and other basic infrastructure due to decades of underinvestment in the NEC. For example, the NEC Commission estimates that the Corridor has $45 billion in unfunded capital renewal needs over the next fifteen years. Funding for much of that activity has not been identified—but Congress could help.

Summary of NEC Capital Renewal & Engineering Equipment			
Life of Initiative		**FY 25**	
Need	**Description**	**Need**	**Description**
At least $425,000,000 (*over five years*)	Carry out deferred capital renewal work and make targeted equipment investments to grow long-term capital renewal capacity	$90,000,000	Carry out deferred capital renewal work in FY 25 and make targeted equipment investments to grow long-term capital renewal capacity

What is this program?

The NEC Capital Renewal & Engineering Equipment initiative is a grouping of investments that will help Amtrak to maintain the NEC in a state of good repair, both through direct near-term capital renewal work (e.g., track & tie replacement) and through procurement of engineering equipment and related assets (e.g., track-laying machines, excavators, etc.) that will increase long-term capacity for such work.

What could FY 25 funding achieve?

While Amtrak could use much more than the requested amount, $90 million in FY 25 could support—

- **Near-Term Capital Renewal Work** — Amtrak could carry out important capital renewal activities that can only advance if federal funding exceeds the company's identified base needs.

- **Procurement of Maintenance of Way (MOW) Equipment for Long-Term Capital Renewal Needs** — Amtrak could procure critical engineering equipment, such as track-laying machines; rail cranes; ballast cleaners, regulators, and tampers; excavators and loaders; etc. to replace obsolete equipment and increase capacity to perform MOW work.

Northeast Corridor (NEC) Fencing

Trespassers on railroad rights-of-way endanger not just themselves, but also passengers and crew on passing trains. Even when no one is harmed, an unauthorized intrusion can disrupt operations, cause damage to important assets, or require expenditures of valuable resources (e.g., deployment of first responders). Along the Northeast Corridor (NEC), all of these risks are heightened: trains travel up to 150 miles per hour through densely-populated areas; sensitive systems, like high-voltage overhead catenary, abound; and most at-risk assets are Amtrak-owned (meaning that protecting them is the company's own responsibility, and not the job of a "host" railroad like Norfolk Southern or CSX). One of the best ways to prevent trespassing on a rail segment like the NEC—and thus, to prevent the harms and risks that trespassers create—is to deploy security fencing at appropriate points along the right-of-way (ROW).

Summary of NEC Fencing			
Life of Initiative		FY 25	
Need	Proposed Use	Need	Proposed Use
$110,000,000	Complete unfunded survey work and carry out all NEC security fencing deployments currently planned for FYs 25-29	$9,446,156	Complete surveys necessary to enable deployment of additional security fencing along high-priority areas of NEC

What is this program?

The NEC Fencing initiative would support deployment of additional security fencing (and, where appropriate, gates) to secure critical NEC ROW, increasing safety while mitigating the various risks and costs associated with unauthorized intrusions.

What could FY 25 funding achieve?

$9.4 million in FY 25 could cover the costs of ongoing survey work necessary for the subsequent deployment of fencing and gates along high-priority areas of the NEC.

Importantly, this survey work carries secondary benefits, such as 1) identification and demarcation of property boundaries, leading to potential discovery of unsafe encroachments upon ROW, and 2) digitization of 100-year-old hand-drawn real estate valuation maps, which are Amtrak's current primary source of ROW boundary information. In certain cases, surveys have already led to new lease agreements that better reflect on-the-ground conditions; such agreements may generate additional revenue, which Amtrak can put towards other needs.

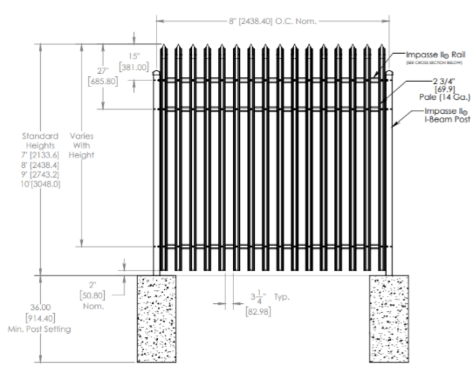

Diagram of typical NEC security fencing

NEC High-Speed Rail & Trip Time Improvement

The Boston-to-Washington Northeast Corridor (NEC) is North America's only high-speed railroad; additional investment could help unlock its full potential, increasing speeds and reducing trip times for millions of passengers per year. Ultimately, Amtrak seeks to be able to move passengers between Washington and New York City in less than two-and-a-half hours, and between New York City and Boston in less than three-and-a-quarter hours.

Summary of NEC High-Speed Rail & Trip Time Improvement			
Life of Initiative		**FY 25**	
Need	**Proposed Use**	**Need**	**Proposed Use**
At least $50 billion (*anticipated*)	Advance various projects that improve speeds and trip times along the NEC, including critical curve modifications	$300,000,000	Incremental progress (generally pre-construction planning or design work) on ten speed-enhancing or trip time-improving projects / initiatives

What is this program?

The NEC High-Speed Rail & Trip Time Improvement initiative would advance a group of projects up and down the NEC that would enable Amtrak's trains to travel at higher average speeds and/or sustain their top speeds over longer distances, ultimately reducing trip times for millions of passengers per year. (Also included are capacity-enhancing projects to increase the scale at which Amtrak can deliver higher-speed service.) Specific project types include track curve modifications; catenary improvements; bridge modernizations; and enhancement or expansion of both stations and maintenance facilities.

What could FY 25 funding achieve?

$300 million in FY 25 could support a wide variety of activities to advance the following projects:

South End *(DC to NYC)*	**North End** *(NYC to Boston)*
WAS terminal speed improvements (DC)	Metro North curve modifications (Amtrak share) (NY, CT)
Bush & Gunpowder high-speed rail segments (MD)	New Haven-to-Providence capacity investments (CT, RI)
Catenary improvements, Brill to Landlith Interlockings (DE)	Providence station reliability & capacity improvements (RI)
Chester bridges modernization (PA)	Boston maintenance facility capacity growth (MA)
Frankford Junction curve modification (PA)	
New Jersey Raceway extension (NJ)	

In some cases (e.g., Delaware catenary improvements), the requested funding would accelerate construction or implementation activities already included in Amtrak's five-year capital plans. In other cases (e.g., extension of the "New Jersey Raceway" high-speed segment), funding would support early-phase activities (e.g., design work) for projects not currently included in those plans—ultimately helping to facilitate their future construction.

Non-Federal Match for National Network Projects

The Federal Railroad Administration's (FRA's) Federal-State Partnership for Intercity Passenger Rail (Fed.-State) program awards discretionary grants for capital projects to replace, rehabilitate, or repair intercity passenger rail assets; to improve the performance of existing intercity passenger service; or to expand or establish new intercity passenger service. The program supports both Northeast Corridor (NEC) and non-NEC (National) projects, and is the primary source of federal funding for advancing new or enhanced routes selected by FRA's Corridor Identification & Development (CID) program.

While Amtrak is eligible to apply for Fed.-State funding, the program requires applicants to provide a partial funding match covering at least twenty percent of a given project's total cost (also called the "non-federal share"). Currently, Amtrak has limited ability to generate these matching funds, in part because the company's annual grant dollars are ineligible to be used for that purpose. Without support from Congress, this constraint could limit the company's ability to pursue Fed.-State National awards.

Summary of Non-Federal Match for National Network Projects			
Life of Initiative		FY 25	
Need	Proposed Use	Need	Proposed Use
TBD (*depends on Fed.-State funding level*)	Facilitate Amtrak applications for FRA Fed.-State National grant funding; details depend upon projects selected to receive awards	$50,000,000	Facilitate Amtrak applications for FRA Fed.-State National grant funding; details depend upon projects selected to receive awards

What is this program?

Amtrak is requesting $50 million in FY 25 to cover non-federal match requirements under the Fed.-State National program, along with a legislative authorization allowing those dollars to be used for this purpose.[13] Having this funding and authority would enable Amtrak and its partners to access needed discretionary grant dollars for critically important projects on the National Network. (Congress has already granted similar authority with respect to Amtrak's IIJA supplemental funding for the Northeast Corridor; the proposed initiative would in effect create parity for National Network annual grant funds.)

What could FY 25 funding achieve?

$50 million in FY 25 would enable Amtrak to more effectively pursue Fed.-State National grants for projects that bring more trains to more people, including corridor development projects that would 1) advance new intercity passenger rail corridors, and 2) increase service levels or improve trains' performance within existing corridors.

[13] (For more information, see "Allow Amtrak's FY 25 Annual Grant Dollars to Count towards the Non-Federal Cost Share Required of Projects Receiving Federal-State Partnership Funding" under "FY 25 THUD Bill & Report Language Requests" in tab IV.)

Pacific Northwest Rail Improvements

Two daily Amtrak Long-Distance trains (the *Coast Starlight* and *Empire Builder*) serve the Pacific Northwest, together with the multi-frequency Amtrak Cascades State-Supported service (anchored by six round trips daily between Portland and Seattle, with additional service to Eugene, OR, and Vancouver, BC). There is growing demand for more Amtrak service in the region (ridership is increasing each year), and work is underway on important projects, including an enhanced pre-clearance facility in Vancouver, BC and a key maintenance facility in Seattle for our new Airo trainsets. However, to keep building on this foundation, Amtrak and its partners in the region require additional federal investment.

Summary of Pacific Northwest Rail Improvements			
Life of Initiative		**FY 25**	
Need	**Description**	**Need**	**Description**
TBD	Advance and construct projects to upgrade key stations and maintenance facilities, as well as improve regional infrastructure	$100,000,000	Advance selected projects to upgrade key stations and maintenance facilities, as well as improve regional infrastructure

What is this program?

The Pacific Northwest Rail Improvements initiative would support infrastructure, station, and facility improvements across the Pacific Northwest, with emphasis on the region's three largest metropolitan areas (Seattle, Portland, and Vancouver, BC). These investments would increase reliability; reduce trip times; and improve accessibility and customer experience. Included projects are not specifically intended to advance proposals currently moving through the Federal Railroad Administration's (FRA's) Corridor Identification & Development (CID) program process; however, some would support those efforts.

What could FY 25 funding achieve?

A $100 million appropriation for Pacific Northwest Rail Improvements in FY 25 could support—

- **Seattle Facilities Improvements** — Funding could support upgrades to Amtrak's Seattle maintenance facilities in order to support servicing, maintenance, and inspections of equipment, as well as targeted investments in energy efficiency consistent with Amtrak's commitment to achieve net-zero greenhouse gas emissions by 2045.

- **Portland Station Improvements** — Funding could cover final design and construction costs of repairs needed to rehabilitate Portland's Union Station, ensuring it meets modern standards.

- **Infrastructure Improvements** — Funding could support rail infrastructure improvements to reduce travel times and improve operational flexibility; examples include double-tracking along the Lakewood Subdivision, construction of additional station platforms, and new sidings.

Texas & Oklahoma Rail Improvements

Texas and Oklahoma, where more than one out of every ten Americans live, are badly underserved by intercity passenger rail. The Amtrak routes that serve these states—the State-Supported *Heartland Flyer* and the Long-Distance *Texas Eagle* and *Sunset Limited*—operate at most once per day, even though Texas and Oklahoma are home to some of the largest and/or fastest growing population centers in the country. (For example, according to the U.S. Census Bureau, Houston is the 4th largest U.S. metropolitan area, San Antonio is the 7th, Dallas is the 9th, Austin is the 10th, Fort Worth is the 13th, and Oklahoma City is the 20th.) Prudent federal investment in the region could allow Amtrak to improve the quality and reliability of existing Amtrak services in these populous areas, while also laying groundwork for corridors selected by the Federal Railroad Administration's Corridor Identification & Development (CID) program.

Summary of Texas & Oklahoma Rail Improvements			
Life of Initiative		FY 25	
Need	Proposed Use	Need	Proposed Use
$300,000,000 (*est.*)	Fund infrastructure, stations, and facilities investments to improve service quality and reliability	$25,000,000	Support initial pre-construction activities, and fund full construction of selected projects

What is this program?

The Texas & Oklahoma Rail Improvements initiative would support investments in rail infrastructure, stations, and mechanical facilities along the routes of the *Texas Eagle*, *Sunset Limited*, and *Heartland Flyer*. Included investments are not primarily intended to advance any proposals currently moving through FRA's CID process; however, all are compatible with, and some would actually support, those efforts.

What could FY 25 funding achieve?

A $25 million appropriation for Texas & Oklahoma Rail Improvements in FY 25 could support—

- **Infrastructure Investments to Improve Reliability and Performance** — Funding could support investments 1) to strengthen and stabilize track along the route of the *Heartland Flyer* (where subgrade issues can cause delays), and 2) to address congestion issues in or around San Antonio and Houston, and along the route of the *Flyer*.

- **Stations Investments to Improve Customer Experience** — Funding could support upgrades and repairs to bring roughly two dozen Texas and Oklahoma stations into a state of good repair, as well as more expansive improvements in Ft. Worth and at the undersized San Antonio station.

- **Facilities Investments to Improve Equipment Servicing** — Funding could help identify mechanical facility options in Dallas-Ft. Worth to service current equipment and, as applicable, additional equipment required for any future service expansions.

Training Center & Workforce Development

Amtrak currently provides employee training at more than 100 locations nationwide. We would like to consolidate many of these activities into a single, centralized location to improve both training delivery and cultural development. (This approach is similar to how several other major U.S. railroads have approached training and workforce development.) With additional federal support, Amtrak could also continue to advance various workforce development initiatives. As a result of these federal investments, Amtrak would be better able to develop and retain talented, effective employees, and to attract top-tier recruits, thereby better serving America.

Summary of Training Center & Workforce Development			
Life of Initiative		FY 25	
Need	**Description**	**Need**	**Description**
At least $200,000,000	Build and begin operating a consolidated Amtrak training center, and continue supporting workforce development	$14,000,000	Advance design work for the consolidated training center and expand existing workforce development programs

What is this program?

The New Training Center & Workforce Development initiative would help employees develop professionally and perform better though the establishment of a new, consolidated training center and expansion of existing workforce development efforts, such as the Mechanical Craft Workforce Development Apprenticeship Training Program. Once operational, the proposed center would promote standardization, enhance company culture, and enable more effective delivery of the kind of training that workforce development initiatives are intended to provide. Specific anticipated benefits include greater consistency in training curricula, materials, and instruction methods; opportunities for increased collaboration with Amtrak's labor unions; facilitation of data-driven improvements; encouragement of collaboration and cross-functional work; and deployment of useful new technologies.

Amtrak's existing Consolidated National Operations Center (CNOC) illustrates the value of centralizing important functions.

What could FY 25 funding achieve?

A $14 million appropriation in FY 25 could advance design work for the consolidated training center and enable incremental expansion of already-underway workforce development efforts.

Washington Union Station 2nd Century Plan

The southern terminus of the Northeast Corridor (NEC), Washington, D.C.'s Union Station (WUS), served more than 4.7 million Amtrak passengers during FY 23. A major multimodal travel hub, WUS also serves countless commuter rail, Metrorail (subway), and bus passengers. The existing station, which opened in 1908 and last received major renovations during the 1980s, requires substantial expansion to adequately meet existing and projected needs.

Summary of Washington Union Station 2nd Century Plan			
Life of Initiative		**FY 25**	
Need	**Proposed Use**	**Need**	**Proposed Use**
$11.7 billion	Support WUS Long-Term Expansion project costs, and provide support for near-term, and enabling capital projects	$75,000,000	Fund near term capital improvements and support early work to advance the station's long-term improvements

What is this program?

Comprising near-term improvement projects and the WUS Long-Term Expansion (LTE) project, the WUS 2nd Century Plan is a set of modernization and expansion projects centered around reconstruction of the existing WUS rail terminal. These improvements will grow capacity and improve reliability; increase accessibility and intermodal connectivity; and promote safety and security both for Amtrak's passengers and for the station's millions of other users.

What could FY 25 funding achieve?

A $75 million appropriation for the WUS 2nd Century Plan in FY 25 could support—[14]

- **Near-Term WUS Capital Projects** — Funding could support various near-term capital improvements—including West Terminal facility improvements; modernization of the existing Claytor Concourse; and a state-of-good-repair subbasement program—on which the feasibility of the WUS LTE project and the overall WUS 2nd Century Plan project will ultimately depend.

- **WUS Long-Term Expansion Project Development Activities** — Funding could support important project development activities; enabling projects; and efforts associated with replacement of the H Street (Hopscotch) Bridge, all of which are necessary to advance key components of the WUS LTE project.

[14] Exactly how much funding would be allocated to each of these two priorities would depend upon a variety of factors, including the success of planned applications for discretionary grant funding. More specifically, Amtrak's current FY 25 capital plan calls for LTE project development activities to be funded largely via discretionary grants. If requested funding were awarded in full, this modernization initiative would focus primarily upon near-term capital projects; otherwise, the program would focus primarily upon LTE project development needs.

Wi-Fi Improvements

More than 90% of Amtrak passengers can connect to the Internet via free on-board Wi-Fi service. On certain routes, however, Wi-Fi remains unavailable; moreover, the speed, reliability, and bandwidth of available connections are still limited by various factors. Some of those factors—including decisions by outside service providers (e.g., national wireless carriers); the availability of certain technologies; and the physical terrain through which trains travel—lie outside of Amtrak's control. Even so, investment from Congress could enable Amtrak to significantly expand and improve upon current Wi-Fi offerings.

Summary of Wi-Fi Improvements			
Life of Initiative		FY 25	
Need	Description	Need	Description
TBD (*contingent*)	Improve & expand on-board Wi-Fi coverage (or similar) wherever technically feasible networkwide	$30,000,000	Test new solutions, build capacity, and accelerate already-planned incremental Wi-Fi improvements

What is this program?

The Wi-Fi Improvements initiative would support expansion of Wi-Fi availability on the National Network, and also improvement of Wi-Fi quality on the Northeast Corridor and elsewhere. While initial investments would not directly close all remaining managed network operator cellular coverage gaps, they would lay necessary groundwork for future expansions and improvements—particularly if the initiative were funded across multiple years.

What could FY 25 funding achieve?

A $30 million appropriation for Wi-Fi Improvements in FY 25 could support—

- **Testing of Innovative Solutions** — Many gaps in Amtrak's Wi-Fi service (mainly on Western Long-Distance trains) are the product of challenges for which simple solutions may not exist. Closing these gaps will require innovation, and federal funding could support the kind of experimentation—including field tests and pilots—needed to achieve network-wide coverage.

- **Acceleration of Planned Investments** — Amtrak invests in Wi-Fi and related technologies on an ongoing basis; like all assets, these systems require sustainment and eventually replacement. Funding could enable Amtrak to accelerate already-planned upgrades or replacements of aging equipment—improving connections sooner than would otherwise be possible.

- **Building Network Support Capacity** — Wi-Fi systems are intricate, complicated, and at times delicate; sustaining connectivity nationwide requires continual activity by highly knowledgeable workers. Funding could enable Amtrak to grow Wi-Fi-related staff capacity—ensuring that when challenges arise, they can be identified and resolved as quickly as possible.

Amtrak's Response to the President's FY 25 Budget Request

Amtrak thanks President Biden, Secretary Buttigieg, and the entire Administration for their continued support of intercity passenger rail. The Administration's budget proposal for FY 25 includes $2,504,475,000 for annual grants to Amtrak (including $1,200,000,000 for the Northeast Corridor and $1,304,475,000 for the National Network). This amount is $1,495,525,000 less than the total authorized level of $4,000,000,000, which is also Amtrak's total request for FY 25.

As outlined throughout Amtrak's FY 25 grant request, additional federal resources above the Administration's budget proposal are required for Amtrak to: 1) fully leverage the Infrastructure Investment and Jobs Act and achieve its goal of replacing our obsolete assets, and 2) further modernize the nation's passenger rail network, including by improving Long-Distance service; reducing trip times on the Northeast Corridor (NEC); and enhancing key elements of customer experience, consistent with our goal of providing high-quality service. These efforts to modernize America's passenger rail network are often mentioned as high priorities by many members of Congress, as well as our partners and other external stakeholders. Yet Amtrak cannot advance such rail improvements without additional federal support above our base needs. The amount in the president's budget would allow Amtrak to continue operating current service, but with additional investment, we can reach more of the nation and help usher in a new era of passenger rail for America.

II. Northeast Corridor – Detailed Grant Request

Introduction to the Northeast Corridor Grant Request

Amtrak's Northeast Corridor (NEC) account records "financial sources and uses associated with the business activities on the Northeast Corridor main line (NEC) between Boston, Massachusetts, and the District of Columbia, and the proportional share of facilities and services used to operate and maintain that line";[15] the NEC grant is for "activities associated with" that account.[16] This tab shows how Amtrak's FY 25 NEC annual grant request would be allocated across the asset lines prescribed by 49 U.S.C. § 24320. (Asset lines are "the business activities and resources required to manage Amtrak's assets and deliver the needs of the Service Lines";[17] a more detailed explanation of that concept, and of each individual line, of can be found in "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.)

Overview of the Northeast Corridor

Fig. 2.1: **Northeast Corridor: Recent & Projected Results** *(millions)*

Service Line	Metric	FY 19 *Actual*	FY 22 *Actual*	FY 23 *Actual*	FY 24 *Plan*	FY 25 *Projected*
NEC Service Line (NECSL)	**Ridership**	12.5	9.2	12.1	13.0	14.2
	Gross Ticket Revenue	$1,321.6	$906.2	$1,266.0	$1,388.0	$1,548.7
	Total Operating Revenue	$1,376.6	$943.1	$1,294.5	$1,435.0	$1,580.4
	Adjusted Operating Earnings	$568.5	($1.4)	$198.9	$432.2	$451.1
	Cost Recovery Ratio (*Operating*)	170%	100%	118%	143%	140%
	Capital Expenditure	$435.5	$795.7	$1,049.4	$1,767.9	$2,586.8

Table shows results for NEC service line only, and does not include results from other service lines recorded within Amtrak's NEC account. "Cost recovery ratio" is share of operating expense covered by operating revenue.

In different contexts, the term "Northeast Corridor" means different things:[18]

- The **physical NEC** (also "NEC main line" or "NEC spine") is a 457-mile electrified rail corridor connecting major metropolitan areas in the Northeastern U.S., including Boston, New York, Philadelphia, Baltimore, and Washington, D.C. This corridor is owned and maintained primarily by Amtrak, and Amtrak controls train dispatching along most of its length.[19]

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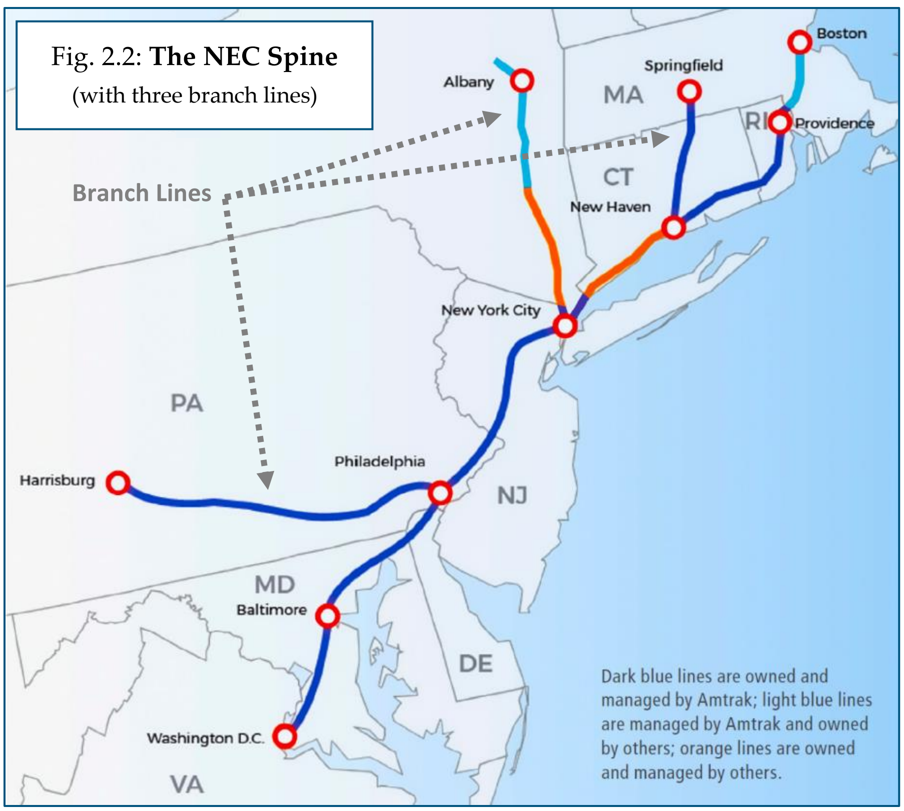
[15] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.
[16] Sec. 22101(a) of Div. B of IIJA (P.L. 117-58).
[17] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.
[18] (For additional information, see "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.)
[19] For certain purposes, such as NEC Commission activities related to Sec. 212 of the Passenger Rail Investment and Improvement Act (PRIIA), the physical NEC can also be understood to include three branch lines connecting the main line to Harrisburg, PA; Springfield, MA; and Spuyten Duyvil, NY. References specifically to the "NEC main line" and "NEC spine" exclude these branches.

- Amtrak's **NEC service line** (or "NECSL") is the part of the company that "provides intercity rail passenger transportation along the NEC [main line]."[20] The NECSL is focused specifically on Amtrak train service, and bears operating and capital costs that support such service; a separate "Infrastructure Access" service line is responsible for costs and asset management needs relating to other (i.e., commuter and freight) railroads' use of the physical NEC.

- Amtrak's **NEC account** records "financial sources and uses associated with the business activities on the Northeast Corridor main line (NEC) […] and the proportional share of facilities and services used to operate and maintain that line."[21] Amtrak's NEC account includes the financial activities of both 1) Amtrak's NEC service line, *and* 2) activities by Amtrak's Infrastructure Access and Ancillary service lines that relate to the physical NEC or the provision of NECSL service.

The NEC spine hosts Amtrak's *Northeast Regional* service and our flagship *Acela* trains, which reach speeds of 150 miles per hour and can be as much as 73% less carbon-intensive than flying; many State-Supported and Long-Distance trains also traverse parts of the spine. More broadly, the NEC is by far the busiest rail corridor in the Western Hemisphere, hosting almost 2,000 passenger trains and carrying more than 600,000 passengers on a typical weekday (including riders both on Amtrak's intercity service and on shorter-distance routes operated by commuter railroads).[22] NEC commuters contributed more than $50 billion annually to the United States' gross domestic product prior to the COVID-19 pandemic;[23] post-pandemic, these passengers remain critically important to the regional and national economies.

Fig. 2.2: **The NEC Spine**
(with three branch lines)

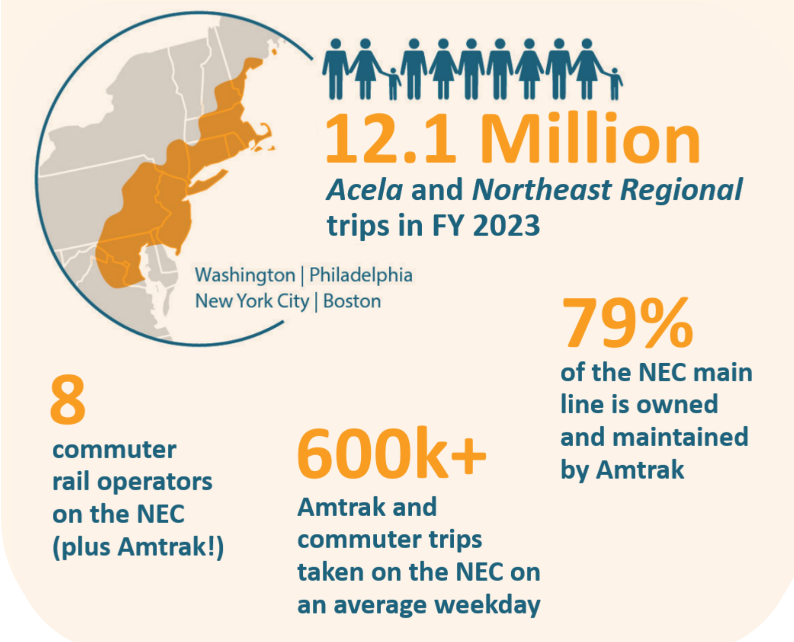


The physical NEC is a complex, capital-intensive system that spans many jurisdictions; through a coordinating body called the Northeast Corridor

[20] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.
[21] *Ibid*.
[22] "Connect NEC 2037: 15-Year Service and Infrastructure Development Plan and 5-Year Capital Investment Plan for the Northeast Corridor," NEC Commission, Nov. 2023: bit.ly/49mayko.
[23] "The Northeast Corridor and the American Economy," NEC Commission, Apr. 2014: bit.ly/2WtijCY.

Commission (NECC), Amtrak works closely with states, commuter railroads, and the Federal Railroad Administration (FRA) to ensure that the NEC operates smoothly and is adequately maintained. While the NEC has many users, Amtrak is the corridor's majority owner and maintainer; this means the company has substantial financial responsibility for ensuring that the NEC remains a safe and efficient artery for both passenger and freight transportation. Achieving that goal requires major investments: much NEC infrastructure was originally built in the nineteenth and early twentieth centuries and has outlasted its intended service life by many decades. The NECC estimates that the corridor requires more than $100 billion in state-of-good-repair (SOGR) capital investment over the next fifteen years, including $46 billion to address the major projects backlog (e.g., bridge and tunnel replacement);[24] fully funding the NECC's fifteen-year service and infrastructure development plan ("C37") would require additional investment in excess of identified funding.

Fig. 2.3: **The NEC**



Amtrak's FY 25 NEC annual grant funding is authorized to be used "for activities associated with the Northeast Corridor."[25]

Fig. 2.4: **Amtrak's FY 25 NEC Account Annual Grant Request by Grant Category**			
Grant Category	**Base Needs**	**Modernization**	**Total**
Operating	—	—	—
Debt	—	—	—
Capital	$965,432,244	$554,446,156	$1,519,878,400
Contingency	$49,993,831	—	$49,993,831
Takedowns (*by DOT/FRA*)	$10,127,769	—	$10,127,769
Total	**$1,025,553,844**	**$554,446,156**	**$1,580,000,000**

Table shows total needs for NEC account, inclusive of all relevant service lines. Detailed discussion of Amtrak's accounts and service lines can be found in "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.

[24] "Connect NEC 2037: 15-Year Service and Infrastructure Development Plan and 5-Year Capital Investment Plan for the Northeast Corridor – Project Information Appendix," NEC Commission, Nov. 2023: bit.ly/49AxYD3.
[25] Sec. 22101(a) of Div. B of IIJA (P.L. 117-58).

Transportation (NEC)

The tables below show Amtrak's total planned FY 25 Northeast Corridor expenditures associated with the Transportation asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 2.5: Summary of All Planned FY 25 Expenditures, **Transportation (NEC) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$66,013,621**
for Base Needs	*$58,013,621*
for Modernization	*$8,000,000*
Amtrak IIJA Grant	$8,806,258
Other Anticipated Grants	—
Revenue & Other Sources	$487,412,976
Total	**$562,232,855**

Fig. 2.6: All Planned FY 25 Expenditures (*$thousands*),
Transportation (NEC) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**58,014**	**8,806**	**—**	**487,413**	**554,233**
Subtotal, Capital Expenditures (*rows below*)	**8,020**	**8,806**	**—**	**2,080**	**18,906**
Misc. Facility Investments	*3,332*	*—*	*—*	*117*	*3,449*
Misc. Locomotive & Rolling Stock Investments	*45*	*—*	*—*	*386*	*431*
Misc. Railroad Infrastructure Investments	*—*	*8,806*	*—*	*—*	*8,806*
NEC Trip Time Reduction Project	*—*	*—*	*—*	*1,577*	*1,577*
Next-Gen. Acela Investments (Inc. Facilities)	*2,800*	*—*	*—*	*—*	*2,800*
Other Capital Expenditures	*1,842*	*—*	*—*	*—*	*1,842*
Operating Expenditures	**—**	**—**	**—**	**485,333**	**485,333**
Debt Expenditures	**—**	**—**	**—**	**—**	**—**
Contingency	**49,994**	**—**	**—**	**—**	**49,994**
TOTAL, Modernization	**8,000**	**—**	**—**	**—**	**8,000**
GRAND TOTAL, EXPENDITURES	**66,013**	**8,806**	**—**	**487,413**	**562,233**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

Equipment (NEC)

The tables below show Amtrak's total planned FY 25 Northeast Corridor expenditures associated with the Equipment asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 2.7: Summary of All Planned FY 25 Expenditures, **Equipment (NEC) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$199,140,425**
for Base Needs	*$62,140,425*
for Modernization	*$137,000,000*
Amtrak IIJA Grant	$546,789,699
Other Anticipated Grants	$1,415,333
Revenue & Other Sources	$831,287,042
Total	**$1,578,632,499**

Fig. 2.8: All Planned FY 25 Expenditures (*$thousands*),

Equipment (NEC) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**62,140**	**546,790**	**1,415**	**831,287**	**1,441,632**
Subtotal, Capital Expenditures (*rows below*)	**62,140**	**539,896**	**1,415**	**272,755**	**876,206**
Acela Overhaul, Refresh, or Improvement	22,820	—	—	—	22,820
ADA Compliance - Equipment Investments	610	—	—	—	610
Airo Facilities Investments	—	323,035	—	—	323,035
Airo Trainset Investments (All Non-Facility)	—	216,860	—	101,283	318,143
Amfleet I Overhaul, Refresh, or Improvement	9,306	—	—	8,331	17,637
Amfleet II Overhaul, Refresh, or Improvement	193	—	—	48	242
District-Specific Normalized Replacement / Infrastructure Renewal & Speed Improvement	3,857	—	—	—	3,857
Locomotive & Power Car Preventive Maintenance	6,381	—	—	729	7,110
Misc. Facility Investments	942	—	—	—	942
Misc. Locomotive & Rolling Stock Investments	6,071	—	—	958	7,029
Next-Gen. Acela Investments (Inc. Facilities)	90	—	—	160,558	160,648
Reuse / Rehabilitate Mothballed or Wrecked Equipment	358	—	—	314	673
Safety Enhancements - Training	60	—	—	—	60
Technology for Customers, Ops., Safety, & Corporate	764	—	—	37	801
Other Capital Expenditures	10,688	—	1,415	496	12,599
Operating Expenditures	—	**6,894**	—	**315,806**	**322,700**
Debt Expenditures	—	—	—	**242,726**	**242,726**
Contingency	—	—	—	—	—
TOTAL, Modernization	**137,000**	—	—	—	**137,000**
GRAND TOTAL, EXPENDITURES	**199,140**	**546,790**	**1,415**	**831,287**	**1,578,632**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

Infrastructure (NEC)

The tables below show Amtrak's total planned FY 25 Northeast Corridor expenditures associated with the Infrastructure asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 2.9: Summary of All Planned FY 25 Expenditures, **Infrastructure (NEC) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$1,024,922,411**
for Base Needs	*$673,476,255*
for Modernization	*$351,446,156*
Amtrak IIJA Grant	$376,447,259
Other Anticipated Grants	$1,575,311,213
Revenue & Other Sources	$1,137,909,647
Total	**$4,114,590,530**

Fig. 2.10: All Planned FY 25 Expenditures (*$thousands*),
Infrastructure (NEC) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**673,476**	**376,447**	**1,575,311**	**1,137,910**	**3,763,144**
Subtotal, Capital Expenditures (*rows below*)	**673,476**	**376,447**	**1,575,311**	**726,752**	**3,351,986**
Airo Facilities Investments	–	9,422	–	–	9,422
Airo Trainset Investments (All Non-Facility)	–	29,086	–	–	29,086
Amtrak System Capital Renewal Program	127,828	–	2,027	15,554	145,409
BCCs Paid to Non-Amtrak NEC ROW Owners	54,173	–	–	–	54,173
District-Specific Normalized Replacement / Infrastructure Renewal & Speed Improvement	135,403	–	–	87,684	223,087
East River Tunnels Rehabilitation (NYC)	41,230	16,861	390,658	86,095	534,844
Frederick Douglass (New B&P) Tunnel Program (MD)	–	74,241	480,911	52,789	607,940
Gateway Program - All Components (NY / NJ)	165,670	6,011	227,912	236,745	636,338
Infra. Investments for 160mph Speeds: NEC South End	–	1,354	5,416	–	6,770
Interlocking (Switch & Signal) Investments	2,427	–	1,360	24,940	28,728
Misc. Facility Investments	6,245	127,944	–	14,606	148,795
Misc. Railroad Infrastructure Investments	68,635	1,955	66,986	27,779	165,355
NYC Penn. Station Access (NY)	–	–	–	98,868	98,868
NYC Penn. Station Improvements	11,024	–	–	11,024	22,048
Replace / Rehab CT & MD Bridges	–	71,716	388,570	62,482	522,768
Service Expansion: Transforming Rail in Virginia	4,527	–	–	–	4,527
Technology for Customers, Ops., Safety, & Corporate	18,067	–	–	–	18,067
Other Capital Expenditures	38247	37,859	11,471	8,186	95762
Operating Expenditures	–	–	–	**411,158**	**411,158**
Debt Expenditures	–	–	–	–	–
Contingency	–	–	–	–	–
TOTAL, Modernization	**351,446**	–	–	–	**351,446**
GRAND TOTAL, EXPENDITURES	**1,024,922**	**376,447**	**1,575,311**	**1,137,910**	**4,114,591**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

Stations (NEC)

The tables below show Amtrak's total planned FY 25 Northeast Corridor expenditures associated with the Stations asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 2.11: Summary of All Planned FY 25 Expenditures, **Stations (NEC) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$132,956,475**
for Base Needs	*$83,956,475*
for Modernization	*$49,000,000*
Amtrak IIJA Grant	$15,531,317
Other Anticipated Grants	$224,831,881
Revenue & Other Sources	$364,983,530
Total	**$738,303,203**

Fig. 2.12: All Planned FY 25 Expenditures (*$thousands*),
Stations (NEC) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**83,956**	**15,531**	**224,832**	**364,984**	**689,303**
Subtotal, Capital Expenditures (*rows below*)	**83,956**	**15,531**	**224,832**	**220,839**	**545,159**
ADA Compliance - Stations & Technology Investments	–	5,212	–	–	5,212
Amtrak Police Dept. Security Enhancements	30	–	3,800	950	4,780
Baltimore Penn. Station Improvements (MD)	1,979	10,101	40,405	–	52,485
Misc. Facility Investments	2,403	–	–	–	2,403
Misc. Railroad Infrastructure Investments	101	–	–	–	101
Misc. Station Improvements	13,077	218	183	24,994	38,472
Newark (NJ) Penn. Station Improvements	3,659	–	–	685	4,344
Next-Gen. Acela Investments (Inc. Facilities)	22,516	–	–	–	22,516
NYC Penn. Station Improvements	14,972	–	42,575	43,548	101,094
Philadelphia Gray 30th St. Station Improvements (PA)	17,615	–	–	104,195	121,811
Service Expansion: Misc. Supporting Investments	100	–	–	–	100
Technology for Customers, Ops., Safety, & Corporate	16	–	–	–	16
Washington Union Station Improvements (DC)	7,330	–	137,869	46,467	191,666
Other Capital Expenditures	159	–	–	–	159
Operating Expenditures	–	–	–	**144,145**	**144,145**
Debt Expenditures	–	–	–	–	–
Contingency	–	–	–	–	–
TOTAL, Modernization	**49,000**	–	–	–	**49,000**
GRAND TOTAL, EXPENDITURES	**132,956**	**15,531**	**224,832**	**364,984**	**738,303**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

National Assets & Corporate Services (NEC)

The tables below show Amtrak's total planned FY 25 Northeast Corridor expenditures associated with the National Assets & Corporate Services asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 2.13: Summary of All Planned FY 25 Expenditures, National Assets & Corporate Services (NEC) Asset Line	
FY 25 Annual Grant (*subtotal*)	**$146,839,299**
for Base Needs	*$137,839,299*
for Modernization	*$9,000,000*
Amtrak IIJA Grant	—
Other Anticipated Grants	—
Revenue & Other Sources	$576,548,056
Total	**$723,387,355**

Fig. 2.14: All Planned FY 25 Expenditures (*$thousands*),
National Assets & Corporate Services (NEC) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**137,839**	**—**	**—**	**576,548**	**714,387**
Subtotal, Capital Expenditures (*rows below*)	**137,839**	**—**	**—**	**1,068**	**138,907**
Amtrak Police Dept. Security Enhancements	*933*	*—*	*—*	*—*	*933*
DHS Grant-Supported Projects	*—*	*—*	*—*	*1,068*	*1,068*
Misc. Facility Investments	*1,465*	*—*	*—*	*—*	*1,465*
Technology for Customers, Ops., Safety, & Corporate	*65,923*	*—*	*—*	*—*	*65,923*
Other Capital Expenditures	*69,519*	*—*	*—*	*—*	*69,519*
Operating Expenditures	**—**	**—**	**—**	**575,481**	**575,481**
Debt Expenditures	**—**	**—**	**—**	**—**	**—**
Contingency	**—**	**—**	**—**	**—**	**—**
TOTAL, Modernization	**9,000**	**—**	**—**	**—**	**9,000**
GRAND TOTAL, EXPENDITURES	**146,839**	**—**	**—**	**576,548**	**723,387**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

III. National Network – Detailed Grant Request

Introduction to the National Network Grant Request

Amtrak's National Network (NN) account records "financial sources and uses associated with the business activities on the national rail passenger transportation system, and the proportional share of facilities and services used to operate and maintain that system, exclusive of the [Northeast Corridor (NEC)]";[26] the National Network grant is for "activities associated with" that account.[27] This tab shows how Amtrak's FY 25 National Network annual grant request would be allocated across the asset lines prescribed by 49 U.S.C. § 24320. (Asset lines are "the business activities and resources required to manage Amtrak's assets and deliver the needs of the Service Lines";[28] a more detailed explanation of that concept, and of each individual line, can be found in "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.)

Overview of the National Network

Fig. 3.1: **National Network: Recent & Projected Results** *(millions)*

Service Line	Metric	FY 19 *Actual*	FY 22 *Actual*	FY 23 *Actual*	FY 24 *Plan*	FY 25 *Projected*
State-Supported (SSSL)	**Ridership**	15.4	10.2	12.5	15.4	15.9
	Gross Ticket Revenue	$533.3	$358.7	$440.4	$502.0	$537.9
	Total Operating Revenue	$806.4	$717.6	$818.9	$880.0	$883.4
	Adjusted Operating Earnings	($57.9)	($185.7)	($240.8)	($192.2)	($184.2)
	Cost Recovery Ratio (*Operating*)	93%	79%	77%	82%	83%
	Capital Expenditure	$237.6	$423.3	$590.9	$974.1	$1,703.4
Long-Distance (LDSL)	**Ridership**	4.6	3.5	3.9	4.4	4.5
	Gross Ticket Revenue	$499.4	$510.6	$584.1	$634.2	$681.7
	Total Operating Revenue	$537.6	$533.6	$596.0	$661.7	$709.1
	Adjusted Operating Earnings	($474.8)	($563.3)	($600.3)	($581.7)	($494.5)
	Cost Recovery Ratio (*Operating*)	53%	49%	50%	53%	59%
	Capital Expenditure	$474.7	$473.5	$530.2	$794.3	$1,353.7

Table shows results for State-Supported and Long-Distance service lines only, and does not include results from other service lines recorded within Amtrak's National Network account. "Cost recovery ratio" is share of operating expense covered by operating revenue.

The term "National Network" is used in a number of different contexts:[29]

- In reference to Amtrak train service, "**National Network**" means the company's State-Supported service line (SSSL) and Long-Distance service line (LDSL) routes. The SSSL is the part of the company that "provides intercity rail passenger service and supporting services under contract to

[26] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.
[27] Sec. 22101(b) of Div. B of IIJA (P.L. 117-58).
[28] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.
[29] (For additional information, see "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.)

States on corridor routes of not more than 750 miles"[30]; the LDSL is the part of the company that "provides intercity rail passenger service on routes of more than 750 miles."[31] (A map of routes comprising the National Network are shown in figure 3.2, below.)

- In accounting contexts, "National Network" refers to Amtrak's **National Network account**, which records "financial sources and uses associated with the business activities on the national rail passenger transportation system […] and the proportional share of facilities and services used to operate and maintain that system, exclusive of the NEC."[32] Amtrak's National Network account includes, for accounting purposes, the financial activities of both 1) Amtrak's SSSL and LDSL service lines, *and* 2) activities by Amtrak's Infrastructure Access and Ancillary service lines, *if* (in general) those activities do not relate to the physical NEC or the provision of NECSL service.

National Network service comprises more than forty Long-Distance and State-Supported routes, which serve forty-five states:

- **Long-Distance** — Amtrak's fifteen Long-Distance routes are those at least 750 miles in length, predominantly operated over unelectrified "host railroad" tracks, for which the federal government provides operating support. These routes typically span multiple regions, connecting both major urban centers and rural communities in between; for instance, our *Empire Builder* stops in both Chicago (population: 2.7 million) and Havre, Montana (population: 9,362). End-to-end Long-Distance trips generally take at least a full day, and most routes (excepting the New York-to-Savannah *Palmetto*) feature sleeper and dining cars.

- **State-Supported** —Amtrak's twenty-eight[33] State-Supported routes (excluding seasonal trains) operate in corridors up to 750 miles in length, predominantly over unelectrified "host railroad" tracks. Amtrak serves these routes pursuant to contracts with a sponsoring public partner (typically a state or states); sponsors provide operating support, and work with Amtrak to set key service parameters like station stops, service frequency, and schedule. Amtrak generally provides train crews and other services; partners may or may not supply their own rolling stock. State-Supported routes generally connect clusters of cities within a single region.

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[30] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.
[31] *Ibid*.
[32] *Ibid*.
[33] Amtrak actively operated twenty-eight permanent State-Supported routes as of February 2024, but expected to initiate service along several additional routes over the course of the year.

Fig. 3.2: **The National Network**

Long-Distance

3.9 million trips
in FY 23

15 routes
more than 750 miles

Operating funding from:
the federal government

State-Supported

12.5 million trips
in FY 23

28 routes
up to 750 miles

Operating funding from:
20 agencies in 17 states

If State-Supported and Long-Distance routes serve the same segment, that segment is shown on the map only in blue. If the NEC and either a State-Supported or a Long-Distance route serve the same segment, that segment is shown only in red.

Because Amtrak does not own or maintain most of the infrastructure over which Long-Distance and State-Supported trains travel, the National Network account typically requires less capital support than the NEC account in each year's annual grant; conversely, the National Network generally requires more operating support.

Together, National Network routes account for almost sixty percent of Amtrak's total intercity ridership—and State-Supported routes, in particular, provide the template for future service expansion: the company anticipates that most new routes established using Infrastructure Investment and Jobs Act (IIJA) competitive grant funding will be partnerships between Amtrak and states, entities implementing interstate compacts, and/or other entities eligible to participate in the Federal Railroad Administration's (FRA's) Corridor Identification and Development (CID) program.[34]

Amtrak's FY 25 National Network annual grant funding is authorized to be used "for activities associated with the National Network."[35]

Fig. 3.3: **Amtrak's FY 25 NN Account Annual Grant Request by Grant Category**

Grant Category	Base Needs	Modernization	Total
Operating Expenses	$748,687,832	—	$748,687,832
Debt Service	$83,992	—	$83,992
Capital	$733,770,278	$822,901,832	$1,556,672,110
Contingency	$103,570,576	—	$103,570,576
Takedowns (*by DOT/FRA*)	$10,985,491	—	$10,985,491
Total	**$1,597,098,168**	**$822,901,832**	**$2,420,000,000**

Table shows total needs for National Network account, inclusive of all relevant service lines. Detailed discussion of Amtrak's accounts and service lines can be found in "Explanation of Account Structure, Asset Lines, & Service Lines" in tab VII.

[34] For additional information, see "FRA Corridor Identification & Development Program Update" in tab V.

[35] Sec. 22101(a) of Div. B of IIJA (P.L. 117-58).

Transportation (NN)

The tables below show Amtrak's total planned FY 25 National Network expenditures associated with the Transportation asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 3.4: Summary of All Planned FY 25 Expenditures, **Transportation (NN) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$58,331,616**
for Base Needs	*$39,081,616*
for Modernization	*$19,250,000*
Amtrak IIJA Grant	$26,215,742
Other Anticipated Grants	—
Revenue & Other Sources	$1,163,294,271
Total	**$1,247,841,629**

Fig. 3.5: All Planned FY 25 Expenditures (*$thousands*),
Transportation (NN) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**39,082**	**26,216**	**—**	**1,163,294**	**1,228,592**
Subtotal, Capital Expenditures (*rows below*)	**13,189**	**26,216**	**—**	**8,214**	**47,618**
Environmental Protections & Remediations	500	—	—	—	500
Misc. Facility Investments	*8,657*	—	—	*103*	*8,760*
Misc. Locomotive & Rolling Stock Investments	954	—	—	*8,111*	*9,065*
Misc. Railroad Infrastructure Investments	—	*2,736*	—	—	*2,736*
Technology for Customers, Ops., Safety, & Corporate	—	*23,480*	—	—	*23,480*
Other Capital Expenditures	*3,078*	—	—	—	*3,078*
Operating Expenditures	**—**	**—**	**—**	**1,155,081**	**1,155,081**
Debt Expenditures	**—**	**—**	**—**	**—**	**—**
Contingency	**25,893**	**—**	**—**	**—**	**25,893**
TOTAL, Modernization	**19,250**	**—**	**—**	**—**	**19,250**
GRAND TOTAL, EXPENDITURES	**58,332**	**26,216**	**—**	**1,163,294**	**1,247,842**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

Equipment (NN)

The tables below show Amtrak's total planned FY 25 National Network expenditures associated with the Equipment asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 3.6: Summary of All Planned FY 25 Expenditures, **Equipment (NN) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$889,045,550**
for Base Needs	*$745,878,883*
for Modernization	*$143,166,667*
Amtrak IIJA Grant	$1,264,009,457
Other Anticipated Grants	$13,441,948
Revenue & Other Sources	$245,873,907
Total	**$2,412,370,862**

Fig. 3.7: All Planned FY 25 Expenditures (*$thousands*),
Equipment (NN) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**745,879**	**1,264,010**	**13,442**	**245,874**	**2,269,204**
Subtotal, Capital Expenditures (*rows below*)	**153,919**	**1,256,618**	**13,442**	**222,540**	**1,646,518**
ADA Compliance - Equipment Investments	1,581	–	2,818	313	4,712
Airo Facilities Investments	–	327,793	–	–	327,793
Airo Trainset Investments (All Non-Facility)	–	357,435	–	81,117	438,552
ALC-42 L-D Locomotive Investments (Inc. Facilities)	–	163,503	–	–	163,503
Amfleet I Overhaul, Refresh, or Improvement	22,778	–	–	20,614	43,392
Amfleet II Overhaul, Refresh, or Improvement	17,830	–	–	3,788	21,617
Auto Train *Investments*	500	–	–	–	500
District-Specific Normalized Replacement / Infrastructure Renewal & Speed Improvement	3,189	–	–	–	3,189
Horizon Overhaul, Refresh, or Improvement	1,919	–	–	466	2,385
Locomotive & Power Car Preventative Maintenance	26,338	–	–	18,669	45,006
Long-Distance Re-Fleeting Investments	–	407,887	–	–	407,887
Misc. Facility Investments	4,178	–	–	–	4,179
Misc. Locomotive & Rolling Stock Investments	17,896	–	–	9,786	27,681
Reuse / Rehabilitate Mothballed or Wrecked Equipment	925	–	–	1,556	2,481
Superliner & Viewliner Overhaul, Refresh, or Improvement (Is & IIs)	25,253	–	–	74,125	99,378
Technology for Customers, Ops., Safety, & Corporate	3,224	–	–	1,375	4,599
Other Capital Expenditures	28,308	–	10,624	10,732	49,664
Operating Expenditures	**565,983**	**7,392**	**–**	**23,334**	**596,709**
Debt Expenditures	**84**	**–**	**–**	**–**	**84**
Contingency	**25,893**	**–**	**–**	**–**	**25,893**
TOTAL, Modernization	**143,166**	**–**	**–**	**–**	**143,166**
GRAND TOTAL, EXPENDITURES	**889,045**	**1,264,010**	**13,441**	**245,874**	**2,412,371**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

Infrastructure (NN)

The tables below show Amtrak's total planned FY 25 National Network expenditures associated with the Infrastructure asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 3.8: Summary of All Planned FY 25 Expenditures, **Infrastructure (NN) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$760,018,227**
for Base Needs	*$359,983,978*
for Modernization	*$400,034,249*
Amtrak IIJA Grant	$55,052,912
Other Anticipated Grants	$131,627,427
Revenue & Other Sources	$511,657,851
Total	**$1,458,356,417**

Fig. 3.9: All Planned FY 25 Expenditures (*$thousands*),
Infrastructure (NN) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**359,984**	**55,053**	**131,627**	**511,658**	**1,058,322**
Subtotal, Capital Expenditures (*rows below*)	**334,091**	**55,053**	**131,627**	**321,170**	**841,942**
Airo Facilities Investments	–	26,095	–	–	26,095
Airo Trainset Investments (All Non-Facility)	–	23,295	–	–	23,295
Amtrak System Capital Renewal Program	52,721	–	2,374	3,168	58,262
Amtrak Police Dept. Security Enhancements	5,404	–	–	–	5,404
Chicago-Area Infra. / Facility Investments (CHIP, &c.)	–	–	16,158	7,690	23,848
District-Specific Normalized Replacement / Infrastructure Renewal & Speed Improvement	86,215	–	–	103,706	189,921
Environmental Protections & Remediations	1,605	–	–	–	1,605
Gateway Program - All Components (NY / NJ)	4,268	290	8,754	9,366	22,678
Interlocking (Switch & Signal) Investments	299	–	–	19,535	19,834
Michigan Line Infrastructure Improvements (IN, MI)	–	–	16,000	4,000	20,000
Misc. Facility Investments	6,568	–	–	4,163	10,731
Misc. Railroad Infrastructure Investments	110,932	9	37,172	51,920	200,033
NYC Penn. Station Improvements	1,873	–	–	1,873	3,745
Replace / Rehab CT & MD Bridges	–	4,940	20,162	4,527	29,629
Service Expansion: Misc. Supporting Investments	–	–	14,300	21,700	36,000
Service Expansion: Transforming Rail in Virginia	47,923	–	–	–	47,923
Southwest Chief *Route Improvements*	–	–	–	9,900	9,900
Other Capital Expenditures	16,283	425	16,707	79,623	113,039
Operating Expenditures	**—**	**—**	**—**	**190,488**	**190,488**
Debt Expenditures	**—**	**—**	**—**	**—**	**—**
Contingency	**25,893**	**—**	**—**	**—**	**25,893**
TOTAL, Modernization	**400,034**	**—**	**—**	**—**	**400,034**
GRAND TOTAL, EXPENDITURES	**760,018**	**55,053**	**131,627**	**511,658**	**1,458,356**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

Stations (NN)

The tables below show Amtrak's total planned FY 25 National Network expenditures associated with the Stations asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 3.10: Summary of All Planned FY 25 Expenditures, **Stations (NN) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$500,200,885**
for Base Needs	*$254,499,969*
for Modernization	*$245,700,916*
Amtrak IIJA Grant	$238,070,295
Other Anticipated Grants	$106,113,776
Revenue & Other Sources	$116,735,028
Total	**$961,119,984**

Fig. 3.11: All Planned FY 25 Expenditures (*$thousands*),
Stations (NN) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**254,500**	**238,070**	**106,114**	**116,735**	**715,419**
Subtotal, Capital Expenditures (*rows below*)	**45,903**	**238,070**	**106,114**	**105,018**	**495,105**
ADA Compliance - Stations & Technology Investments	—	237,223	—	—	237,223
Amtrak Police Dept. Security Enhancements	385	—	3,012	753	4,150
Auto Train *Investments*	1,600	—	—	19,520	21,120
Baltimore Penn. Station Improvements (MD)	261	739	2,955	—	3,955
Chicago Union Station Improvements (CHIP, &c.) (IL)	2,900	—	62,778	25,278	90,956
Miami Station Relocation (Hialeah to Miami Intermodal Center) (FL)	613	—	—	—	613
Misc. Facility Improvements	1,140	—	—	1,100	2,240
Misc. Station Improvements	27,124	108	8,062	9,078	44,372
Newark (NJ) Penn. Station Improvements	332	—	—	134	466
NYC Penn. Station Improvements	1,042	—	327	589	1,958
Pacific Northwest Station Investments	100	—	—	—	100
Philadelphia Gray 30th St. Station Improvements (PA)	6,938	—	—	41,321	48,259
Service Expansion: Misc. Supporting Investments	150	—	—	—	150
Service Expansion: Gulf Coast Restoration	300	—	—	—	300
Technology for Customers, Ops., Safety, & Corporate	109	—	—	—	109
Texas & Oklahoma Station Improvements	1,337	—	—	—	1,337
Washington Union Station Improvements (DC)	1,430	—	26,980	6,745	35,155
Other Capital Expenditures	142	—	2,000	500	2,642
Operating Expenditures	**182,704**	**—**	**—**	**11,717**	**194,422**
Debt Expenditures	**—**	**—**	**—**	**—**	**—**
Contingency	**25,893**	**—**	**—**	**—**	**25,893**
TOTAL, Modernization	**245,701**	**—**	**—**	**—**	**245,701**
GRAND TOTAL, EXPENDITURES	**500,201**	**238,070**	**106,114**	**116,735**	**961,120**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

National Assets & Corporate Services (NN)

The tables below show Amtrak's total planned FY 25 National Network expenditures associated with the National Assets & Corporate Services asset line, including those anticipated to be supported by the annual grant; by Amtrak's IIJA funding; by other (discretionary) grant funding; and by Amtrak revenue and other sources.

Fig. 3.12: Summary of All Planned FY 25 Expenditures, **National Assets & Corporate Services (NN) Asset Line**	
FY 25 Annual Grant (*subtotal*)	**$201,418,233**
for Base Needs	*$186,668,233*
for Modernization	*$14,750,000*
Amtrak IIJA Grant	$115,145,972
Other Anticipated Grants	$16,295,066
Revenue & Other Sources	$447,260,548
Total	**$780,119,819**

Fig. 3.13: All Planned FY 25 Expenditures (*$thousands*),
National Assets & Corporate Services (NN) Asset Line

Use	Annual Grant	Amtrak IIJA	Other Grants	Revenue & Other	Total
TOTAL, Base Needs (*rows below*)	**186,668**	**115,146**	**16,295**	**447,261**	**765,370**
Subtotal, Capital Expenditures (*rows below*)	**186,668**	**115,146**	**16,295**	**8,581**	**326,691**
Airo Facilities Investments	–	184	–	–	184
Amtrak Police Dept. Security Enhancements	126	–	–	–	126
Chicago Union Station Improvements (CHIP, &c.) (IL)	–	–	–	675	675
DHS Grant-Supported Projects	–	–	–	3,833	3,833
Misc. Facility Investments	1,300	–	–	–	1,300
Service Expansion: Gulf Coast Restoration	998	–	16,295	4,074	21,366
Service Expansion: Misc. Supporting Investments	66,000	–	–	–	66,000
Technology for Customers, Ops., Safety, & Corporate	56,861	109,296	–	–	166,156
Other Capital Expenditures	61,385	5,666	–	–	67,051
Operating Expenditures	–	–	–	**438,679**	**438,679**
Debt Expenditures	–	–	–	–	–
Contingency	–	–	–	–	–
TOTAL, Modernization	**14,750**	–	–	–	**14,750**
GRAND TOTAL, EXPENDITURES	**201,418**	**115,146**	**16,295**	**447,261**	**780,120**

Amounts reflect rounding. Projects may not align with similarly-named projects in past requests. Any limited Amtrak IIJA supplemental support for operating expenditures is in support of capital projects consistent with Secs. 428-429 of Div. L of P.L. 117-103.

IV. Legislative & Additional Funding Requests

Introduction to Legislative & Additional Funding Requests

Consistent with the statutory provision directing Amtrak to submit an annual legislative report (49 U.S.C. § 24315(b)(1)(B)), the company is proposing changes to current law, all of which could be incorporated into the annual appropriations bills for FY 25 (or associated reports). This tab lays out the company's recommended changes, and explains why they would be useful.

This tab also contains Amtrak's requested FY 25 annual funding levels for rail-relevant programs and accounts other than the company's own Northeast Corridor (NEC) and National Network grants.

More specifically, tab IV is organized as follows:

- ***Additional Funding Requests – Topline Levels*** *— Requests for total FY 25 annual appropriations for rail-relevant programs and accounts other than Amtrak's own NEC and National Network grants.*

- ***FY 25 THUD Bill & Report Language Requests*** *— Requests for legislative and report language specific to the FY 25 Department of Transportation (THUD) appropriations bill, which generally would not have an effect beyond the end of that year; where applicable, includes descriptions of how additional FY 25 funding above a given program's or account's authorized or most recent enacted level would be invested.*

- ***FY 25 DHS Bill & Report Language Requests*** *— Requests for legislative and report language specific to the FY 25 Department of Homeland Security (DHS) appropriations bill, which generally would not have an effect beyond the end of that year; includes a description of how additional FY 25 funding above recent enacted levels, including funding for a newly-proposed program, would be invested.*

- ***Technical Corrections to IIJA*** *— Requests for technical corrections to the Infrastructure Investment and Jobs Act (IIJA) that conform the law with Congress' clear intent.*

- ***General Rail Policy Requests*** *— Requests for permanent substantive changes to federal rail policy.*

Importantly, the requests contained in this tab are a selection of key policy proposals, but are not an exhaustive list. Amtrak looks forward to working with Congress and the Administration on any future legislation that may impact the company and/or intercity passenger rail.

Additional Funding Requests – Topline Levels

In addition to the $4.000 billion that Amtrak is requesting for its own Northeast Corridor (NEC) and National Network grants, there are a number of other programs for which the company is seeking robust annual appropriations in FY 25:

Fig. 4.1: **FY 25 Funding Request for Non-Amtrak Programs & Accounts** *($millions)*

Program / Account	FY 24 Enacted	FY 25 Authorized	FY 25 Request
FRA Federal-State Partnership (Fed.-State)*	$75	$1,500	$1,500
FRA Restoration & Enhancement (R&E)	—	$50	$50
FRA Consolidated Rail (CRISI)	$199	$1,000	$1,000
FRA Railroad Crossing Elimination (RCE)	—	$500	$500
FRA Research & Development (R&D)	$54	$46	$91
FTA Capital Investment Grants (CIG)	$2,205	$3,000	$3,000
FTA Fixed Guideway State of Good Repair (SOGR)	IIJA contract authority & advance appropriation	IIJA contract authority & advance appropriation	IIJA contract authority & advance appropriation
OST Mega	—	$2,000	$2,000
OST RAISE (*previously BUILD / TIGER*)	$345	$1,500	$1,500
OST RRIF Credit Assistance (§22406(a)(1))	—	$50	$50
DHS FEMA "Amtrak Security" Set-Aside	TBD	N/A	$25
DHS Amtrak Cybersecurity	N/A	N/A	$25

** Funding for Fed.-State could also help support FRA's Corridor Identification & Development (CID) program.*

In addition, Amtrak requests robust funding for the Surface Transportation Board (STB), in particular to support continued progress in standing up the Office of Passenger Rail. Amtrak recommends that Congress consult with STB in order to best understand funding needs associated with this critical effort.

Amtrak also supports robust funding for the Federal Railroad Administration's (FRA's) Safety and Operations account, and likewise recommends that Congress consult with FRA in order to best understand its funding needs.

In the case of programs and accounts for which Amtrak is requesting more than the authorized level (or, regarding non-authorized programs and accounts, more than recent enacted levels), details on how the company proposes that the additional funding be used are included in "FY 25 THUD Bill & Report Language Requests" and "FY 25 DHS Bill & Report Language Requests" elsewhere in this tab.

Importantly, as with Amtrak's request for its own NEC and National Network grants, all of the amounts requested in this section are being sought *in addition to* the advance supplemental appropriations already provided by the Infrastructure Investment and Job Act (IIJA).

FY 25 THUD Bill & Report Language Requests

In addition to the Infrastructure Investment and Jobs Act (IIJA) technical corrections and permanent changes to federal rail policy discussed elsewhere in this tab, Amtrak is also requesting a number of temporary policies and authorities that would apply only until relevant FY 25 annual funding is fully expended. These proposals include both bill text and report language.

This section covers all such proposals relating to the annual Department of Transportation (THUD) funding bill- In the case of THUD programs and accounts for which Amtrak is requesting more than the authorized level, this section also details how the company proposes that the additional funding be used.

A similar section relating to the annual Department of Homeland Security (DHS) funding bill can be found elsewhere in this tab.

Temporary Policies & Authorities

Amtrak is seeking the following temporary policy changes and/or authorities, which would generally apply to the company's FY 25 annual grant funding, and would remain in effect for as long as such funds remained unexpended:

- **Allow Amtrak's FY 25 Annual Grant Dollars to Count towards the Non-Federal Cost Share Required of Projects Receiving Federal-State Partnership Funding**[36] — The Federal Railroad Administration's (FRA's) Federal-State Partnership for Intercity Passenger Rail (Fed.-State) discretionary capital grant program requires applicants to provide at least a 20% non-federal funding match. Under current statute, Amtrak is unable to use its Northeast Corridor (NEC) and National Network annual grant funding to satisfy Fed.-State match requirements, which significantly limits the company's ability to compete (whether applying by itself or with partners) for Fed.-State grants, including grants to support corridor development activities. At the same time, restrictions in the Amtrak-FRA agreements that govern those annual grant dollars—along with day-to-day business needs and other constraints—can also make it very difficult for Amtrak to provide matching funds from non-grant sources (e.g., ticket revenue). The sample bill text below would fix this problem by allowing Amtrak to put its FY 25 annual grant dollars towards Fed.-State-supported projects' non-federal cost share.[37]

[36] This proposal re-states legislative language previously set forth in "FY 25 Annual Appropriations Legislative Language" in tab I. Note that one of Amtrak's proposed modernization initiatives ("Non-Federal Match for National Network Projects"; see "Modernization Initiatives" in tab I) specifically depends upon the requested authority being provided with respect to National Network grant dollars.

[37] Amtrak is already authorized to use supplemental IIJA funding for its NEC grant in this way; the proposed language simply extends that authority to the company's FY 25 annual grant funding.

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Northeast Corridor Grants to the National Railroad Passenger Corporation

[…] Provided*, That notwithstanding section 24911(f) of title 49, United States Code, amounts made available under this heading in this Act may be used as non-Federal share for projects located on the Northeast Corridor selected for award under section 24911 of title 49, United States Code: […]*

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

National Network Grants to the National Railroad Passenger Corporation

[…] Provided*, That notwithstanding section 24911(f) of title 49, United States Code, amounts made available under this heading in this Act may be used as non-Federal share for projects not located on the Northeast Corridor selected for award under section 24911 of title 49, United States Code: […]*

- **Correct Drafting Error in Amtrak's Corridor Development Authorization (Temporary Fix) —** Sec. 22101(h) of Div. B of the IIJA referenced an incorrect bill section to govern the use of funds appropriated to Amtrak for corridor development activities. Amtrak's preferred fix to this problem is the permanent solution (#1) outlined in "Technical Corrections to IIJA" elsewhere in this tab, which is structured as a general provision for inclusion in the eventual FY 25 Department of Transportation (THUD) appropriations law. However, Congress could also provide a temporary, one-year solution by inserting a proviso into the "National Network Grants to the National Railroad Passenger Corporation" appropriations heading allowing Amtrak to use up to ten percent of its total FY 25 National Network annual grant funding to 1) help cover planning and capital costs of corridors selected via FRA's newly-established Corridor Identification and Development (CID) program, and 2) subject to certain limitations, provide operating assistance for such corridors. Sample bill text is provided below:

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

National Network Grants to the National Railroad Passenger Corporation

[…] Provided*, That the National Railroad Passenger Corporation may use up to 10 percent of the amounts made available under this heading in this Act to support planning and capital costs, and operating assistance consistent with the Federal funding limitations under section 22908 of title 49, United States Code, of corridors selected under section 25101 of title 49, United States Code, that are or will be operated by the National Railroad Passenger Corporation: […]*

- **Clarify Prohibition on Offshoring of Amtrak Services Contracts** — FY 24 enacted appropriations law requires that Amtrak "take the necessary affirmative steps to ensure that contracts for customer service, professional, and IT services, including subsidiary services, shall be performed within the United States."[38] Amtrak can and does meet this requirement in the overwhelming majority of cases, but certain very specific needs (e.g., development work to modernize or adapt Amtrak-licensed proprietary software) may be extremely difficult to fulfill in a way consistent with the requirement as written.

  In FY 25, Amtrak requests that Congress restore the flexibility previously included in FY 21 appropriations law; the joint explanatory statement for that year's bill directed Amtrak to "take the necessary affirmative steps to ensure that contracts for customer service, professional and IT services, including subsidiary services, shall be performed within the U.S. *to the extent practicable*."[39] This modest change would give Amtrak the flexibility needed to deal with a very small number of situations, while continuing to ensure that taxpayer-provided funds support well-paying jobs here in the U.S. Sample report language is provided below:

  DEPARTMENT OF TRANSPORTATION

  Federal Railroad Administration

  The National Railroad Passenger Corporation

  > **U.S. services.**—*Amtrak should take the necessary affirmative steps to ensure that contracts for customer service, professional, and IT services, including subsidiary services, shall be performed within the U.S. to the extent practicable.*

Explanation of Additional Funding Requests

As recorded in "Additional Funding Requests – Topline Levels" elsewhere in this tab, Amtrak is seeking funding increases above the FY 25 authorized level for certain programs or accounts. The company proposes that extra THUD funding be used in the manner described below:

- **FRA Research & Development (R&D) Account Plus-Ups** — Amtrak is seeking an FY 25 annual appropriation of $91 million for the Federal Railroad Administration's (FRA's) "Research & Development" (R&D) account, an increase of $45 million above the FY 25 authorized level:

[38] Senate report 118-70, as incorporated by the explanatory statement for Division F of the Consolidated Appropriations Act, 2024 (P.L. 118-42), as incorporated by Sec. 4 of that act: bit.ly/4c3NSar.

[39] See "U.S. services" under the "National Railroad Passenger Corporation (Amtrak)" heading under the "Federal Railroad Administration" heading under Title I (Department of Transportation) in the joint explanatory statement for Division L of P.L. 117-103: bit.ly/3JqpK5s.

Fig. 4.2: **FRA Research & Development** (*$millions*)	
FY 25 Authorized Level	**$46.0**
Workforce Development, Training, and Apprenticeship Programs *(support for new workforce development, training, and apprenticeship programs designed to benefit intercity passenger rail service)*	**$10.0**
Infrastructure Safety Technology (*development or deployment of, e.g., remote infrastructure condition monitoring and improved roadway worker protection*)	**$5.0**
Safety Innovation: Grade Crossings & Trespassers *(innovative improvements to grade crossing safety and trespasser prevention, emphasizing data collection, analysis, & sharing)*	**$5.0**
Alternative Train Propulsion Development[40] (*support for design and prototyping of alternative train propulsion technology in alignment with Amtrak's net-zero GHG emissions goal*)	**$25.0**
Total FY 25 Request	**$91.0**

A short discussion of each of these proposed FRA funding increases follows:

- Workforce Development, Training, and Apprenticeship Programs — Making timely, effective use of the historic investments provided by the IIJA will require Amtrak and its partners to continue navigating the same workforce challenges that are currently affecting the broader rail industry (and the transportation industry as a whole). To help address these needs, increased appropriations could support new workforce development, training, and apprenticeship programs designed to benefit intercity passenger rail service.[41]

- Infrastructure Safety Technology — Additional funding could support the development, enhancement, and deployment of infrastructure safety technologies that identify or prevent potential hazards to railroad employees and passengers, including remote condition monitoring for physical infrastructure and improved roadway worker protection.

- Safety Innovation: Grade Crossings & Trespassers — Additional funding could be used to develop and deploy innovative strategies and technologies designed to improve grade crossing safety and trespasser prevention. These efforts could include a combination of education, engineering, and enforcement initiatives, with particular emphasis on the collection, analysis, and sharing among partners of actionable safety data.

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[40] Amtrak is also seeking direct funding for alternative train propulsion development via a proposed modernization initiative ("Efficiency-Improving Technologies & Resiliency Investments"; see "Modernization Initiatives" in tab I).

[41] (A discussion touching on how Amtrak currently uses such programs can be found in "IIJA-Related Workforce Needs Report" in tab VII.)

- <u>Alternative Train Propulsion Development</u> — Amtrak has committed to achieving net-zero greenhouse gas emissions by 2045. Reaching that milestone will require the deployment of technologies not yet commercially available, notably with regard to motive power for trains outside the electrified NEC. By funding preliminary work to design and prototype innovative new propulsion technologies, Congress could help ensure that necessary R&D work is carried out on a timeframe compatible with Amtrak's net-zero goal.

Sample report language in support of each proposed initiative is provided below:

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

Railroad Research and Development

Workforce Development, Training, and Apprenticeship Programs.— *The Committee recognizes that enactment of the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58) is leading to a sustained increase in capital investments to support intercity passenger rail service, and that efficiently putting those funds to effective use requires development of new and improved capabilities within the intercity passenger rail workforce. The Committee directs the Federal Railroad Administration (FRA) to collaborate with Amtrak and appropriate labor organizations to identify 1) challenges that could delay or prevent effective utilization of IIJA funding to improve intercity passenger rail service, and 2) activities that would help to support a modern workforce sufficiently prepared for the current and coming levels of investment in such service. The Committee has included $10,000,000 in additional funds for the FRA to work with Amtrak to respond to challenges and carry out activities so identified, in particular through development or implementation of workforce development, training, and/or apprenticeship programs that would tend to accelerate project delivery.*

Infrastructure Safety Technology.—*The Committee has included $5,000,000 in additional funds for the Federal Railroad Administration's Office of Railroad Safety to collaborate with freight and passenger railroads to improve railroad infrastructure, especially on the most heavily-travelled segments of the nation's rail network, through the deployment of advanced rail technology. In particular, the FRA is encouraged to work with railroads to identify best practices for, and help in development and deployment of, remote condition monitoring of rail infrastructure in order to improve safety and reliability. Further, the FRA is encouraged to work with railroads and labor organizations to identify and advance technology that can better support roadway worker protection—for instance, through supplemental advanced train warning devices. Such technology could not only improve the safety of roadway workers and rail infrastructure, but could also yield operational benefits for railroads, such as more efficient and cost-effective maintenance of rail assets, increased reliability, and improvements in customer satisfaction.*

Safety Innovation: Grade Crossings & Trespassers.— *The Committee has included $5,000,000 in additional funds so that FRA can best support the railroad industry's efforts to improve grade crossing safety and reduce trespasser incidents through innovative technology solutions, including the collection, exchange, or analysis of data; research, development, testing, and evaluation of relevant hardware or software, including via pilot programs; and other strategies identified by the Secretary. While making no specific prescriptions, the Committee notes the foundational importance of collecting accurate, actionable safety data; the value of sharing such data within and across organizations; and the potential, enabled by new technologies, for new tools and platforms that put available data to maximally effective use. The Committee also notes with interest the potential promise of enhanced technology to inspect grade crossings and collect data for risk assessment and prevention; of artificial intelligence-aided trespasser detection and data analysis systems for railroad rights-of-way; and of machine learning and artificial intelligence-enabled crossing assessment and traffic sharing systems to predict and detect highway-rail blockages at grade crossings.*

Alternative Train Propulsion Development.— *The Committee notes that Amtrak has committed to achieving net-zero greenhouse gas emissions by 2045 and understands that achieving this goal will require the development of technologies not yet commercially available, particularly as regards motive power for Amtrak trains outside the electrified Northeast Corridor. The Committee finds that accelerating Amtrak's deployment of such technologies through research and development and related activities would be consistent with Congress' past findings, codified in section 24101(a) of title 49, United States Code, 1) that Amtrak should "provide modern, cost-efficient, and energy-efficient" service, and 2) that Amtrak service is important to "the energy conservation and self-sufficiency goals of the United States." Additionally, the Committee notes that accelerated development and deployment of low- and no-emissions motive power sources would benefit the railroad industry as a whole, as the potential uses of such technologies extend far beyond Amtrak. Accordingly, the Committee has included $25,000,000 in additional funds so that FRA can best support, including by direct award of such funds, efforts by Amtrak to design and prototype zero-emissions train propulsion technologies in support of the company's net-zero goal.*

FY 25 DHS Bill & Report Language Requests

While Amtrak receives an annual grant via the Federal Railroad Administration (FRA) to help support passenger rail operations and certain capital investments, there remains an additional need for the federal government to help address Amtrak's security needs. Ensuring a safe and secure transportation network is an inherent role and responsibility of the federal government, and the U.S. Department of Homeland Security (DHS) provides substantial support for various modes of transportation. Indeed, Congress appropriates funding every year so that DHS can make security-enhancing grants via programs like Public Transportation Security Assistance, Over-the-Road Bus Security Assistance, and Railroad Security Assistance. Within the Railroad Security Assistance program, DHS has reserved annual funding for Amtrak to help support our in-house railroad police department and advance other security initiatives for more than fifteen years.

Due to an array of overlapping factors—ongoing safety and security concerns, increasing cybersecurity threats, changing travel habits and growing ridership, unfunded federal mandates, and price inflation—Amtrak is requesting that DHS be provided with additional resources in order to better assist the company in meeting its security needs. As discussed below, funding for this purpose in recent years has been well below historical levels despite growing needs. In FY 23, Congress appropriated $10 million to DHS for Amtrak security, consistent with funding levels over the last several years; as of this writing, the final FY 24 appropriation was not yet known. For FY 25, Amtrak is requesting not less than $50 million, an increase of at least $40 million.

Fig. 4.3: **DHS Grant Funding** (*$millions*)	
DHS Amtrak Security Set-Aside (*within Railroad Security Assistance*)	**$25.0**
DHS Amtrak Cybersecurity Funding	**$25.0**
Total FY 25 Request	**$50.0**

Funding at the proposed level would help Amtrak, and especially the Amtrak Police Department (APD) and the company's cybersecurity team, ensure that passengers, employees, assets, and operations are appropriately protected in the face of increasingly complex, ever-evolving threats.

DHS – FEMA Amtrak Security Set-Aside

Over the last decade, Congress has generally provided $10 million annually for "Amtrak security," which is typically set aside from a larger, combined appropriation for several DHS Federal Emergency Management Agency (FEMA)-administered grant programs, including Railroad Security Assistance.

Notably, this funding helps to support the APD, which pursuant to 49 U.S.C. § 24305(e) works to "provide security for rail passengers and property of Amtrak." APD is the linchpin of the company's physical security efforts, particularly on trains and in stations. The security funding that Congress provides each year helps APD to carry out key initiatives, including as-needed surges of Amtrak police officers at important locations; training for Amtrak's partners on counterterrorism responses in the railroad environment; and other rail security activities. Especially notable is support for Amtrak's widely acclaimed K-9 program, which—enabled by pathbreaking work at Auburn University, and by commercial partners like Global K9 Protection Group of Opelika, Alabama—fields fifty-five human-canine teams dedicated to protecting Amtrak's passengers, employees, and assets.

Historically, the Amtrak security set-aside was funded at more robust levels; in the late 2000s, the company repeatedly received a $25 million annual appropriation. Moreover, price inflation has significantly eroded the real value of the remaining set-aside over time, even as APD has had to contend with an ever-evolving array of potential threats. Additionally, certain needs have grown significantly in recent years (e.g., new Infrastructure Investment and Jobs Act- (IIJA-)enabled project sites now require the presence of employees and assets previously available for other uses); other needs will grow in the years to come (e.g., expanded service will require an expanded security footprint).

In light of these considerations, Amtrak is seeking an FY 25 appropriation of $25 million for the Amtrak security set-aside—an increase of $15 million above the enacted level for FY 23:

Fig. 4.4: **"Amtrak Security" Set-Aside** (*$millions*)	
FY 23 Enacted Level *(current K-9 program ($1.5M), officer surges, partner training, etc.)*	**$10.0**
10 Additional K-9 Teams (*approx. 18% increase to current K-9 staffing levels*)	**$2.0**
Security Operations Command Center (SOC) (*consolidated monitoring, surveillance, & intelligence support*)	**$7.0**
Physical Protection Systems & Equipment *(surveillance system improvements, deployment of access control technology and sensors, site hardening, etc.)*	**$4.5**
TSA Unfunded Mandates Relief (*offset of vetting costs expected under pending regulations*)	**$1.5**
Total FY 25 Request	**$25.0**

Funding at the base (FY 24 enacted) level would help APD to sustain current activities; additional resources could partially reverse the cumulative effects of many years' worth of price inflation, enabling us to advance important new initiatives. These include:

- **Ten Additional K-9 Teams** — APD's K-9 unit has become a model for explosives detection in surface transportation; the department's human-canine teams also carry out many other important security functions, including simple deterrence; high-visibility surges and sweeps; dignitary protection; and partner support at nationally significant events. APD estimates that the K-9 unit will likely need to approach 20% of its total sworn force in order to properly secure the expanded network Amtrak plans to operate in the future. Training and deployment of ten additional teams would be an important step towards meeting that long-term need, and would grow each of the many capabilities that the existing K-9 force provides. This investment would also support a larger APD overall, increasing the effective minimum sworn headcount to 441.

- **Security Operations Command Center** — Amtrak could take additional steps towards establishment of a state-of-the-art, 24/7 security operations command center (SOC) within the company's planned Unified Operations Center in Wilmington, Delaware. At a time of rising security threats from increasingly-sophisticated actors, the new SOC would enable APD to centralize fragmented operations; streamline processes and reduce inefficiencies; deploy or scale up key capabilities; improve situational awareness and threat detection; reduce response times; and potentially reduce costs. Ultimately, these improvements would mean greater safety for passengers and employees; reduced disruption to train operations; and a stronger overall security posture for Amtrak and its partners.

- **Physical Protection Systems & Equipment** — Amtrak could expand its use of state-of-the-art video surveillance systems, access control systems, and sensors and alarms (including intrusion detection systems) that help keep passengers and employees safe and support physical hardening of high-risk sites through judicious deployment of bollards, ballistic film, and other barriers as appropriate.

- **TSA Unfunded Mandates Relief** — Compliance with existing and anticipated directives of the Transportation Security Administration (TSA), notably including a proposed rulemaking requiring "vetting of certain surface transportation employees,"[42] entails additional costs for Amtrak. By assisting with the cost of these unfunded mandates, Congress could support Amtrak's timely compliance with TSA's new regulations, while ensuring that scarce resources are still available to meet other pressing needs.

Each of these additional investments would act as an additional, mutually-reinforcing tool in Amtrak's toolkit for protecting our passengers, our employes, and the national passenger rail system as a whole.

DHS Amtrak Cybersecurity Funding *(new program)*

The United States' most recent National Security Strategy (NSS) highlights the fact that "critical infrastructure … from power to pipelines, is increasingly digital and vulnerable to disruption or destruction via cyber attacks";[43] this is true of both railroad infrastructure and its many interrelated systems. The NSS goes on to stress the need both to "mitigate cyber threats" and to "enhance stability in cyberspace."[44]

Consistent with these goals, and with applicable regulations, Amtrak's cybersecurity team works to protect the company's systems and data. Along with many other important activities, that work entails constant monitoring of potential threats; maintenance and enhancement of operational technology (OT) and information technology (IT) security systems; and active responses to attempted intrusions and

[42] "Vetting of Certain Surface Transportation Employees," Transportation Security Administration, *Federal Register* (88 FR 33472), May 23, 2023: bit.ly/48pmIb7.
[43] "National Security Strategy," Biden administration, Oct. 2022: bit.ly/3uMBniE.
[44] *Ibid.*

attacks. To support these efforts, the company has been making robust cybersecurity investments; these measures are essential to the safety of our passengers and employees, and to our ability to deliver uninterrupted service. Looking ahead, the company has a comprehensive plan to continue building on our progress to date.

Unfortunately, despite our best efforts, Amtrak is not impervious to attacks. In 2020, an unauthorized actor gained temporary access to information about certain Amtrak Guest Rewards accounts. While no financial data, credit card information, or Social Security numbers were compromised, the breach shows that any delay in addressing growing threats carries risks.

Currently, resource constraints affect the speed at which cybersecurity investments are able to proceed and the growth of these efforts must be balanced with other operating and capital investment needs; additional funding would enable faster and fuller progress and scaling-up to meet future needs and regulatory requirements. Accordingly, to complement the traditional Amtrak security set-aside,[45] the company is seeking an FY 25 appropriation of $25 million for a new Amtrak Cybersecurity grant program, to be funded from the same DHS - FEMA "Federal Assistance" account that already funds Railroad Security Assistance grants, the State and Local Cybersecurity Grant Program, and other related initiatives:

Fig. 4.5: **Amtrak Cybersecurity Funding** (*$millions*)	
FY 24 Enacted Level	**N/A**
Consolidated Security Assessments *(additional vulnerability assessments for key customer-facing OT (e.g., in stations & on equipment), with IT component)*	**$3.0**
Video Surveillance & Access Control Improvements *(deployment to additional sensitive locations—e.g., cameras at kiosks where payment cards are used)*	**$3.0**
Enhanced Entry Point Identity Management *(modernization, allowing better data collection / analysis)*	**$4.0**
Access Control Badge Upgrades *(modernization to align with NIST standards)*	**$4.0**
Cyber Fusion Center Enhancements *(accelerated improvements to systems for centralized monitoring & threat landscape analysis, including AI-related elements)*	**$5.0**
Facility Security Officers *(on-site cybersecurity officers at key locations, enabling improved communication and enhanced local & regional threat monitoring)*	**$6.0**
Total FY 25 Request	**$25.0**

Funding at the proposed level would enable Amtrak to better safeguard critical systems; protect sensitive data; and ensure business continuity in the face of increasingly-sophisticated threats. Notably, several specific investments would build upon or align with the company's ongoing efforts to ensure alignment

[45] (See "DHS – FEMA Amtrak Security Set-Aside," above.)

with the Cybersecurity and Infrastructure Security Agency's (CISA's) "Zero Trust Maturity Model," which emphasizes concepts like "least-privilege" access and continual credential authentication to better defeat or contain cyberattacks. (Federal agencies are implementing the same model, pursuant to executive order, with the benefit of resources not available to Amtrak.)

Specific initiatives could include—

- **Consolidated Security Assessments** — Amtrak could carry out consolidated, comprehensive vulnerability assessments for key customer-facing OT (and, to a lesser extent, IT) systems—e.g., on trains and in stations. This consolidated approach would give the company a clearer, more thorough picture of current needs.

- **Video Surveillance & Access Control Improvements** — Amtrak could deploy cameras to additional sensitive locations—e.g., cameras at kiosks where payment cards are used, in order to better protect customer financial data—and replace outdated surveillance and/or access control systems.

- **Enhanced Entry Point Identity Management** — Amtrak could modernize identity management systems at the entry points to various sites and facilities, enabling both direct enhancements to security and improvements to the collection and analysis of useful data.

- **Access Control Badge Upgrades** — Consistent with applicable mandates, Amtrak could upgrade access control badge systems to align with current National Institute for Standards and Technology (NIST) standards.

- **Cyber Fusion Center Enhancements** — Amtrak could accelerate planned improvements to centralized threat analysis, monitoring, and response capabilities at the company's modernized Cyber Fusion Center. These improvements could include targeted artificial intelligence-focused elements that improve the cybersecurity team's flexibility, capacity, and response times.

- **Facility Security Officers** — Amtrak could ensure that key locations across our network are staffed by on-site cybersecurity officers, enabling robust support for critical systems and improved communication with those systems' users. On-site officers could also enhance the quality of local and regional threat monitoring, quickly detecting on-the-ground vulnerabilities and enabling Amtrak to efficiently address them.

Together, these initiatives would enhance the day-to-day security of Amtrak's assets, systems, and data, and would also equip our cybersecurity team to more effectively and proactively identify and respond to dynamic, ever-changing threats in real time.

Sample bill language is provided below:

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

Federal Assistance

(including transfer of funds)

For activities of the Federal Emergency Management Agency for Federal assistance through grants, contracts, cooperative agreements, and other activities, $[#], which shall be allocated as follows:

[…]

(#) $25,000,000 for Amtrak Cybersecurity Grants.

[…]

Corresponding report language is provided below:

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

Federal Assistance

(including transfer of funds)

Amtrak Cybersecurity Grants.—*The Infrastructure Investment and Jobs Act (IIJA) provided $1,000,000,000 for grants consistent with section 665g of title 6, United States Code, which authorizes awards "to address cybersecurity risks and cybersecurity threats to information systems owned or operated by, or on behalf of, State, local, or Tribal governments." The Committee notes that Amtrak is a federally chartered corporation in which the federal government is the majority shareholder, and that Amtrak's systems serve a vital public purpose, being necessary for the delivery of statutorily-required intercity passenger rail service. The Committee's recommendation includes $25,000,000 for grants to Amtrak for the purposes of safeguarding critical infrastructure, including both information technology and operational technology; protecting sensitive data; and ensuring business continuity in the face of cybersecurity risks and threats.*

Technical Corrections to IIJA

Amtrak is requesting four key technical corrections to the Infrastructure Investment and Jobs Act (IIJA) that would conform the law with Congress' clear intent:

1. Correct Drafting Error in Amtrak's Corridor Development Authorization (Permanent Fix)

2. Clarify Amtrak's Role in Developing "Detailed [Expenditure] Plans" for Its IIJA Funding

3. Remove Cap on Size of RRIF Applications Not Subject to Streamlined Review Process

4. Conform R&E Grant Award Priorities with IIJA-Established Six-Year Grant Period

Two of these four technical corrections (#1 and #2) were previously included in a negotiated Senate floor amendment to the IIJA (S. Amdt. #2620) that had bipartisan support, but was ultimately not adopted due to time limitations.

All four proposals are drafted as general provisions that could be included in FY 25 annual appropriations law; each would permanently fix the underlying problem.

* * *

1. **Correct Drafting Error in Amtrak's Corridor Development Authorization (Permanent Fix) —** The language below corrects an erroneous reference to an incorrect bill section; currently, that error constrains Amtrak's ability to fund corridor development activities. Specifically, the proposed language would replace an incorrect section reference (to Sec. 22306 of Div. B of IIJA) with the intended reference (to Sec. 22308). Making this change would accomplish Congress' clear intent, allowing Amtrak to use up to ten percent of its National Network annual grant funding for eligible capital and operating expenditures in support of corridors selected via the Federal Railroad Administration's (FRA's) Corridor Identification & Development (CID) program (which Sec. 22308 originally created):

    Sec. ___. [General Provision]

    Section 22101(h) of division B of the Infrastructure Investment and Jobs Act (P.L. 117-58) is amended, in the matter preceding paragraph (1), by striking "22306" and inserting "22308". [46]

* * *

2. **Clarify Amtrak's Role in Developing "Detailed [Expenditure] Plans" for Its IIJA Funding —** The IIJA contained an apparent drafting error requiring that the Secretary of Transportation

[46] While this language represents Amtrak's recommended approach to fixing the relevant drafting error, and provides a permanent solution, Congress could also enact a temporary, one-year fix of the kind described in "FY 25 THUD Bill & Report Language Requests" elsewhere in this tab.

alone submit to the House and Senate Appropriations Committees a "detailed [expenditure] plan" for both Northeast Corridor (NEC) and National Network IIJA funding, "including a list of project locations […] to be funded" for FY 22. The law further requires that for each subsequent fiscal year though FY 26, the Secretary submit a "detailed [expenditure] plan" for both the NEC and the National Network as part of the president's annual budget request to Congress. However, Amtrak is not a part of the Department of Transportation; rather, it is an independent government-owned corporation governed by a presidentially-appointed and Senate-confirmed board of directors, who are responsible for making investment and capital allocation decisions for the company; accordingly, the below language would ensure that the Secretary and Amtrak work together to develop IIJA-required detailed expenditure plans, and approach the investment opportunities created by the law in a coordinated, well-aligned way:

Sec. ___. [General Provision]

(a) NORTHEAST CORRIDOR DETAILED EXPENDITURE PLANS.—The heading "Northeast Corridor Grants to the National Railroad Passenger Corporation" under the heading "Federal Railroad Administration" under the heading "Department of Transportation" in title VIII of division J of the Infrastructure Investment and Jobs Act (P.L. 117-58) is amended by—

(1) in the fourth proviso, striking "Secretary of Transportation shall submit" and inserting "Secretary of Transportation, in consultation with Amtrak, shall submit"; and

(2) in the fifth proviso, striking "Secretary of Transportation shall submit" and inserting "Secretary of Transportation, in consultation with Amtrak, shall prepare and submit".

(b) NATIONAL NETWORK DETAILED EXPENDITURE PLANS.—The heading "National Network Grants to the National Railroad Passenger Corporation" under the heading "Federal Railroad Administration" under the heading "Department of Transportation" in title VIII of division J of the Infrastructure Investment and Jobs Act (P.L. 117-58) is amended by—

(1) in the third proviso, striking "Secretary of Transportation shall submit" and inserting "Secretary of Transportation, in consultation with Amtrak, shall submit"; and

(2) in the fourth proviso, striking "Secretary of Transportation shall submit" and inserting "Secretary of Transportation, in consultation with Amtrak, shall prepare and submit".

* * *

3. **Remove Cap on Size of RRIF Applications Not Subject to Streamlined Review Process** — The language below corrects an apparent drafting error in the IIJA by clarifying that certain requirements of applicants seeking Railroad Rehabilitation & Improvement Financing (RRIF) loans and loan guarantees (including a requirement that they seek loans or loan guarantees with

a “value not exceeding $150,000,000”) apply only to those applicants who request that their applications be considered under a new streamlined application review process. (The current language appears to instead apply such requirements to *all* applicants seeking RRIF loans and loan guarantees.)

Sec. ___. [General Provision]

Section 22402(i)(4)(B) of title 49, United States Code, is amended by striking “under this section” and inserting “under this paragraph”.

* * *

4. **Conform R&E Grant Award Priorities with IIJA-Established Six-Year Grant Period** — The IIJA altered FRA’s Restoration & Enhancement (R&E) grant program, which provides temporary operating funding for new, restored, or enhanced State-Supported Amtrak routes, such that it can now provide that support for up to six years (increased from a previous maximum of three). The language below conforms a paragraph in the relevant U.S. Code section to the new six-year maximum.

Sec. ___. [General Provision]

Section 22908(d)(5) of title 49, United States Code, is amended by striking “beyond the 3-year grant period” and inserting “beyond the 6-year grant period”.

General Rail Policy Requests

In addition to the FY 25-specific proposals and Infrastructure Investment and Jobs Act (IIJA) technical corrections discussed elsewhere in this tab, Amtrak is also requesting a number of permanent changes to federal rail policy, primarily affecting various Federal Railroad Administration- (FRA-) and U.S. Department of Transportation- (USDOT-) administered grant programs. These proposals are arranged by category and summarized below.

Amtrak would be happy to share additional information or otherwise discuss any of its requests with policymakers and can provide sample legislative language upon request.

* * *

Amtrak Funding & Policy

- **Provide Amtrak with a Dedicated and Predictable Long-Term Funding Mechanism** — Intercity passenger rail is the only major mode of surface transportation that does not receive dedicated federal funding via trust fund—meaning that Amtrak must generally depend upon the annual appropriations process to meet both capital and operating needs. The resulting uncertainty inhibits long-term planning and creates costly inefficiencies. While IIJA-provided advance appropriations offer temporary and partial relief through FY 26, Amtrak still needs a dedicated, predictable funding stream for the longer term, such as additional multi-year advance appropriations beyond FY 26 and/or a trust fund-like mechanism.

- **Enable Amtrak to Enforce Its Right to Preference in Train Dispatching** — In violation of statute, host railroads have consistently failed to provide Amtrak trains with preference over freight trains in their dispatching decisions. As a result, countless customers arrive late at their destinations, and many routes do not meet the on-time performance (OTP) standards established by FRA. Current enforcement tools have not solved the problem; by enabling Amtrak to directly enforce its already-existing rights in federal court, Congress could help ensure many more passengers arrive on time, increasing ridership and improving both the company's bottom line and the productivity of invested taxpayer dollars. (Conversely, any erosion of preference rights would have substantial adverse effects.)

- **Allow Use of Amtrak's Grant Funds for Projects' Required Non-Federal Cost Shares** — With certain exceptions, Amtrak's Northeast Corridor (NEC) and National Network (NN) grant dollars generally cannot be used to satisfy discretionary grant programs' non-federal match (or "non-federal cost share") requirements; at the same time, a variety of constraints can also make it difficult for the company to marshal matching funds from other sources (e.g., ticket revenue). As a result, Amtrak's ability to compete for needed discretionary grant funding is sometimes compromised. Allowing Amtrak to put <u>any</u> NEC or National Network grant funds provided by <u>any</u> appropriations bill (inclusive of IIJA-provided advance appropriations) towards the required non-federal cost share for <u>any</u> project supported by <u>any</u> USDOT or FRA discretionary grant program would remove this difficulty, accelerating the delivery of important projects and helping ensure that taxpayer dollars are put to their best and highest use.[47]

USDOT / FRA Discretionary Grant Programs

- **Enable Amtrak to Apply for FRA Railroad Crossing Elimination Grants** — The IIJA established a new FRA Railroad Crossing Elimination (RCE) discretionary grant program to fund highway-rail and pathway-rail grade crossing elimination projects, and provided it with $3 billion in guaranteed funding across FYs 22-26. Amtrak is not currently eligible to compete for this funding, despite owning or controlling many track segments with at-grade crossings (including portions of the Northeast Corridor spine in New England). By allowing Amtrak to apply, Congress could help promote safer, more reliable train travel over these segments.

- **Enable Amtrak to Apply for FHWA PROTECT Grants** — The IIJA established the new Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) grant program under the Federal Highway Administration (FHWA); the program provides both discretionary and formula-based grants to support resilience improvements to surface transportation infrastructure. Discretionary awards, specifically, are available to (among other purposes) benefit "a facility or service for intercity rail passenger transportation,"[48] yet Amtrak—the nation's principal provider of such service—is not directly eligible to apply. In the face of climate change and other threats, Amtrak's assets are at no less risk than any other infrastructure; by allowing the company to apply for PROTECT funds, Congress could help to mitigate risks, prevent future harms, and ensure that Amtrak can continue delivering essential service with minimal disruptions.

Additional Needs

- **Prevent Assaults of Amtrak Employees** — In the course of performing their duties, Amtrak and other intercity passenger rail employees are too often the victims of assaults. These assaults can endanger not just individual employees performing safety-critical work, but (by extension) every person aboard a given train. Unfortunately, ensuring accountability for those who commit on-board assaults can be difficult: in a single trip, intercity passenger trains typically pass through many jurisdictions, each with its own law enforcement force, prosecutors, and courts. Congress should work with Amtrak and relevant labor unions to develop legislative solutions that increase the safety of passenger rail employees, including through the use of civil and/or criminal penalties.

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[47] Note that this proposal is a broader, permanent version of the FY 25-only, Federal-State Partnership-specific proposal contained in "FY 25 THUD Bill & Report Language Requests" elsewhere in this tab and in "FY 25 Annual Appropriations Legislative Language" in tab I. Like that narrower and more temporary change, this proposal would supply the necessary underlying authority on which one of Amtrak's proposed modernization initiatives ("Non-Federal Match for National Network Projects"; see "Modernization Initiatives" in tab I) depends.

[48] 23 U.S.C. § 176(d)(5)(C)

- **Harmonize Federal Agencies' Grant Conditions (Including "Flowdowns")** — Particularly along the NEC, many capital projects are jointly funded by Amtrak (using grants from FRA or other sources) and commuter authorities (using grants from the Federal Transit Administration (FTA) or other sources). However, FRA, FTA, and other relevant agencies impose different, and in many cases conflicting, conditions with respect to grant funding they administer. (Some of these conditions are referred to as "flowdowns," because grant recipients must in turn impose them upon contractors, and monitor those contractors' compliance.) It is often unclear, therefore, which agency's rules apply to a project with multiple funding sources. The procedures Amtrak has in place to comply with FRA's requirements (and Amtrak's own statutory requirements) do not comply with FTA requirements; commuter authorities whose procedures are designed for FTA-funded projects face the same problem on projects funded in part with FRA grants. Congress should update the law to definitively ensure that crucial projects can proceed unimpeded, and should make that update in a way that avoids creating any new or more stringent compliance burdens for Amtrak.

- **Facilitate Emergency Reemployment of Railroad Retirees** — The entire railroad industry faces serious workforce challenges, including shortages of workers with many key skills. In theory, railroads could address some of the most urgent shortages by rehiring retirees who already have needed skills or qualifications. However, under current law, rehired retirees are required to give up earned Railroad Retirement benefits during their period of reemployment, which strongly disincentivizes returning to work. By enabling the Secretary of Transportation to temporarily waive this disincentive under appropriate circumstances, Congress could help mitigate workforce shortages that negatively affect U.S. supply chains and threaten Amtrak's and other railroads' ability to sustain service. (In making this change, Congress could also ensure robust protections for current workers; for instance, in cases where a railroad rehires a former employee, the law could 1) require that such re-hiring be consistent with applicable collective bargaining agreements, and 2) direct the railroad to ensure that no furloughed employee is already qualified or certified for, and capable of performing, the relevant work.)

- **Address Issues Relating to Amtrak's Relationship with Freight / Host Railroads** — At the time of transmittal of this document, it appears that Congress may continue to consider legislation aimed at more effectively ensuring the safe transportation of hazardous materials by rail, and potentially addressing other freight rail-focused safety issues. As such legislation is potentially further developed and acted upon in either chamber, Amtrak will continue to provide Congress with feedback on related issues and policy proposals that affect intercity passenger rail service. Ensuring the safety of our customers and employees is Amtrak's top priority, and the company therefore remains deeply interested in proposals that could improve safety, preparedness, and emergency response as Amtrak trains travel across the nation's freight railroad-owned network (and as freight train operate over Amtrak's own infrastructure, particularly in the densely-populated Northeast).

- **Prevent Unnecessary NEPA Delays of Land Acquisitions** — Amtrak's major infrastructure and facilities projects generally receive federal support, and are thus subject to the National Environmental Policy Act (NEPA); to protect the environment, NEPA requires that projects receive certain governmental clearances before proceeding. Often, carrying out major projects requires Amtrak or its partners to acquire land. (Even when a project site is already owned, adjoining parcels may still be needed—for instance, to provide access for construction equipment.) Currently, the appropriate agency must give a NEPA clearance before any land acquisition can proceed—even though a simple change in ownership generally has no direct effect upon environmental quality. Because both the NEPA process and the acquisition process can take significant amounts of time, Amtrak's and its partners' inability to advance these processes concurrently delays important projects (as has recently happened with the Frederick Douglass Tunnel Program). To prevent future delays, Congress should specifically allow Amtrak or its partners to proceed with land acquisitions *before* the associated project receives necessary NEPA clearances. Alternatively, Congress could ensure that an option that is sometimes permissible already—i.e., agency approval of a land acquisition under a narrow clearance *specific to that acquisition*, as opposed to a broader project-level clearance—is made available for all Amtrak-involved projects.[49]

- **Amtrak's Ability to Satisfy Non-DOT Agencies' Administrative Requirements** — Amtrak is operated and managed as a for-profit corporation and the federal government is its controlling shareholder. As a for-profit government-owned private corporation, Amtrak's unique structure makes it difficult to comply with certain requirements and processes designed for more traditional entities. The problem can be especially acute when Amtrak interacts with agencies outside the USDOT, which are not familiar with Amtrak's structure. As a result, Amtrak can face significant administrative barriers or other difficulties when it seeks to access services or resources from those agencies—even if the company is otherwise a natural fit. For instance, Amtrak's unique financial reporting and compliance with Federal Acquisition Regulations (FAR) subpart 31.2 cost principles may not align with standard requirements under non-DOT grant programs in which the company is fully eligible to participate. Additionally, requiring Amtrak to follow various states' procurement policies instead of following 2 C.F.R. part 200's requirements also adds unnecessary challenges. Such mismatches can endanger Amtrak's ability to successfully negotiate grant agreements necessary to actually access funds. Congress should address this issue by directing agencies to modify or waive non-essential administrative requirements with respect to Amtrak if the effect of those requirements is to substantially impede the company's access to resources or services it is otherwise eligible to receive.

[49] (In either case, Congress could also re-affirm that NEPA continues to prevent any unapproved activity on newly-acquired property until appropriate project-level clearances are received.)

V. Infrastructure Investment & Jobs Act (IIJA) and Capital Delivery

IIJA Overview & Progress Update

Enacted into law on November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58), also known as the Bipartisan Infrastructure Law, created or updated various federal policies that govern Amtrak and intercity passenger rail (e.g., language creating or altering programs; conveying or revoking authorities; adjusting directives and requirements; etc.). Additionally, the law contains two components that relate specifically to federal *funding* for rail:

- **One-Time Supplemental Funding —** The IIJA provides a one-time advance appropriation of $66.0 billion in supplemental funding for intercity passenger and freight rail over a five-year period (FYs 22-26), including $22.0 billion specifically for Amtrak and $44.0 billion for other Federal Railroad Administration (FRA) grant programs. (Amtrak is eligible to compete for funding under many, but not all, such programs.) The supplemental funding provided specifically for Amtrak is reserved for certain kinds of capital investment (principally repair or replacement of obsolete assets); by law, that funding <u>cannot</u> be diverted to meet other needs (e.g., the direct costs of operating trains). IIJA funding is guaranteed, and will become available without any further action by Congress.

- **Authorizations of Additional Funding —** The IIJA contains non-binding authorizations of an *additional* $34.5 billion in "regular" funding for intercity passenger and freight rail, including $19.2 billion for Amtrak and $15.2 billion for other FRA grant programs across FYs 22-26. Unlike IIJA funding, these dollars are available for a wider variety of uses; funding authorized for Amtrak, in particular, can support the company's full range of capital and operating needs, meaning that it <u>can</u> be used for actual delivery of train service, day-to-day maintenance, and other critical activities that IIJA funding is not allowed to support. However, authorizations are only recommendations: they inform, but do not control, subsequent congressional decisionmaking. In other words, funding authorized for a given year is <u>not</u> guaranteed, and becomes available only if Congress chooses to provide it during the annual (regular) appropriations process for that year. (Since the enactment of the IIJA, actual annual appropriations for Amtrak and FRA grant programs have been well below authorized levels.)

These two components—supplemental capital funding and reauthorization of annual appropriations—are not duplicative; rather, Congress intended that they should work in tandem. Historically, annual appropriations have been too meagre and too unpredictable to unlock intercity passenger rail's full potential; one of the IIJA's key aims was to finally realize that potential by delivering robust, reliable funding over a multi-year period (like what many other transportation modes receive). If annual appropriations were to be significantly reduced, the restrictions on IIJA funding mean that critical near-term needs would go unmet—endangering existing service, and undermining the very foundation on which that law seeks to build.

Therefore, **it remains critically important that both Amtrak and other rail-relevant programs and accounts receive robust annual appropriations in FY 25 and beyond**—ideally at or above the authorized level. (For detailed information on Amtrak's requested funding levels for the company's own NEC and National Network grants, see tabs I through III; for information on requested funding levels for other FRA programs and accounts, see "Additional Funding Requests – Topline Levels" in tab IV.)

Distribution of IIJA Funding

The $66.0 billion in guaranteed supplemental funding that IIJA provides for intercity passenger and freight rail supports the following specific programs:

- **$22.0 billion** for grants to Amtrak, including:
    - $6.0 billion for Northeast Corridor (NEC) grants; and
    - $16.0 billion for National Network grants; and
- **$44.0 billion** for FRA discretionary grants, including:
    - $36.0 billion for FRA's Federal-State Partnership for Intercity Passenger Rail (Fed.-State) capital grants, including:
        - not more than $24.0 billion for NEC capital projects, which will be the primary funding source for modernizing the NEC; and
        - at least $12.0 billion for non-NEC capital projects, which will be the primary funding source for expanding and enhancing intercity corridor service; and
    - **$8.0 billion** for other FRA grant programs, which are not specific to intercity passenger rail, including:
        - $5.0 billion for multipurpose Consolidated Rail Infrastructure and Safety Improvements (CRISI) grants; and
        - $3.0 billion for Railroad Crossing Elimination (RCE) grants.

The IIJA also sets aside funding for two other FRA discretionary grant programs, providing:

- at least $250 million for Restoration & Enhancement (R&E) operating grants; and
- up to $15 million for a new Interstate Rail Compacts (IRC) grant program.

Unlike Fed.-State, CRISI, and RCE, these two grant programs did not receive their own separate appropriations and are technically funded using dollars from Amtrak's National Network grant. (In effect, FRA will withhold, or "take down," the necessary funds instead of passing them on to Amtrak.)

Figure 5.1 gives year-by-year breakdowns of IIJA funding for each grant program discussed above:

Fig. 5.1: **IIJA Supplemental Funding for Amtrak & FRA Grants** (*Guaranteed funding, in $millions*)						
Grant	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY 26**	**Five-Year Total**
Amtrak Northeast Corridor	$1,200	$1,200	$1,200	$1,200	$1,200	$6,000
Amtrak National Network	$3,200	$3,200	$3,200	$3,200	$3,200	$16,000
Subtotal, FRA Grants to Amtrak	**$4,400**	**$4,400**	**$4,400**	**$4,400**	**$4,400**	**$22,000**
Fed.-State Partnership	$7,200	$7,200	$7,200	$7,200	$7,200	$36,000
for NEC projects	*TBD*	*TBD*	*TBD*	*TBD*	*TBD*	*≤ $24,000*
for non-NEC projects	*TBD*	*TBD*	*TBD*	*TBD*	*TBD*	*≥ $12,000*
Restoration & Enhancement	≥ $50	≥ $50	≥ $50	≥ $50	≥ $50	≥ $250
Interstate Rail Compacts	≤ $3	≤ $3	≤ $3	≤ $3	≤ $3	≤ $15
CRISI	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000
Railroad Crossing Elimination	$600	$600	$600	$600	$600	$3,000
Subtotal, FRA Discretionary Grants	**$8,800**	**$8,800**	**$8,800**	**$8,800**	**$8,800**	**$44,000**
TOTAL, FRA Grants	**$13,200**	**$13,200**	**$13,200**	**$13,200**	**$13,200**	**$66,000**

"Restoration & Enhancement" and "Interstate Rail Compacts" are FRA discretionary grant programs, but advance appropriations for those programs are technically provided as takedowns within Amtrak's National Network grant, and are therefore counted towards "Subtotal, FRA Grants to Amtrak" rather than "Subtotal, FRA Discretionary Grants."

How Amtrak's IIJA Funding Can Be Used

As noted above, Amtrak's supplemental IIJA funding is generally reserved for specific kinds of capital investment.[50]

The $6.0 billion in supplemental NEC funding can be used only "for capital projects for the purpose of eliminating the backlog of obsolete assets and Amtrak's deferred maintenance backlog of rolling stock, facilities, stations, and infrastructure," and specifically for—

- "acquiring new passenger rolling stock for the replacement of single-level passenger cars used in Amtrak's Northeast Corridor services, and associated rehabilitation, upgrade, and expansion of facilities used to maintain and store such equipment";

- "bringing Amtrak-served stations to full compliance with the Americans with Disabilities Act";

- "eliminating the backlog of deferred capital work on sole-benefit Amtrak-owned assets located on the Northeast Corridor"; or

[50] Pursuant to Secs. 428-429 of Div. L of P.L. 117-103, supplemental funding is technically also available for limited operating expenditures required for these capital investments—but not for general-purpose operating needs.

- carrying out Northeast Corridor capital renewal backlog projects."[51]

Similarly, the $16.0 billion in supplemental National Network funding can only be used "for capital projects for the purpose of eliminating Amtrak's deferred maintenance backlog of rolling stock, facilities, stations and infrastructure," including—

- "acquiring new passenger rolling stock to replace obsolete passenger equipment used in Amtrak's long-distance and state-supported services, and associated rehabilitation, upgrade, or expansion of facilities used to maintain and store such equipment";
- "bringing Amtrak-served stations to full compliance with the Americans with Disabilities Act";
- "eliminating the backlog of deferred capital work on Amtrak-owned railroad assets not located on the Northeast Corridor"; and
- "projects to eliminate the backlog of obsolete assets associated with Amtrak's national rail passenger transportation system, such as systems for reservations, security, training centers, and technology."[52]

By contrast, Amtrak's annual grant funding can be put towards a much wider array of potential uses (including operating needs). More precisely, NEC annual grant funding is authorized to be used "for activities associated with the Northeast Corridor";[53] National Network annual grant funding is authorized to be used "for activities associated with the National Network."[54]

As mentioned above, Congress intended for these different funding streams to complement—not duplicate—one another. Figure 5.2 offers a non-exhaustive, illustrative look at selected needs that Amtrak's annual grant funding will or might support in the coming years; what Amtrak's limited-use IIJA funding will or might support; and what FRA's discretionary Federal-State Partnership grant program will or might support:

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[51] "Northeast Corridor Grants to the National Railroad Passenger Corporation" under the heading "Federal Railroad Administration" under the heading "Department of Transportation" in title VIII of Div. J of IIJA (P.L. 117-58).
[52] "National Network Grants to the National Railroad Passenger Corporation" under the heading "Federal Railroad Administration" under the heading "Department of Transportation" in title VIII of Div. J of IIJA (P.L. 117-58).
[53] Sec. 22101(a) of Div. B of IIJA (P.L. 117-58).
[54] Sec. 22101(a) of Div. B of IIJA (P.L. 117-58).

Fig. 5.2: Illustrative Comparison of Potential Uses for Funding, **Amtrak Annual Grants vs. Amtrak IIJA vs. FRA Fed.-State Partnership Grants**			
Use Category	**Amtrak Annual Grants**	**Amtrak IIJA Funding**	**FRA Fed.-State Grants**
Operating	✓		
Debt	✓		
Capital – Fleet			
New ALC-42 locomotives for Long-Distance service (replacement of existing rolling stock)		✓	
New Airo intercity trainsets for NE Regionals, *various State-Supported routes, &* Palmetto *(replacement)*		✓	
New Long-Distance passenger equipment (replacement)		✓	
Equipment for new routes or expanded service, consistent with FRA's CID (corridor development) selections	✓		✓
Regular day-to-day equipment maintenance / inspections and misc. fleet improvements (both operating & capital)	✓		
Capital – Infrastructure:			
Amtrak's Sec. 212 NEC base capital charge obligations	✓		
NEC major backlog projects (e.g., bridges and tunnels)			✓
Capital renewal (NEC & National Network)	✓	✓	✓
NEC trip time improvements (beyond those included in CONNECT NEC 2037)	✓		
National Network on-time performance improvements and other improvement projects on host railroads	✓		✓
Coverage of non-federal cost share / local match requirements for Fed.-State-funded projects	(requested)	✓ (NEC only)	
Capital – Stations			
ADA compliance		✓	
Station improvements and customer enhancements	✓		✓
Capital – National Assets (*Reservation systems, IT, training centers, etc.*)			
Replace obsolete national assets		✓	
Annual maintenance and other improvements	✓		

Table is illustrative only and does not necessarily reflect clear or firm limits on funding eligibility. Note also that table is forward-looking; programs or projects expected to be funded exclusively with IIJA funding may have received annual grant funding in the past.

Amtrak's $22.0 Billion in IIJA Funding: Detailed Expenditure Plan

Amtrak has been working closely with the FRA to identify programs and projects in which to invest the company's IIJA supplemental funding, consistent with the eligibility criteria that Congress established.

Following enactment, Amtrak developed and submitted to the FRA an initial plan for utilizing the full $22.0 billion that the law provides. Subsequently, consistent with the IIJA's requirements, FRA and

Amtrak drew upon Amtrak's initial plan to cooperatively develop a final "detailed spend plan" (DSP) for Amtrak's IIJA funding. FRA then submitted that DSP to Congress.

By law, this process is to be repeated every year. Amtrak submitted its most recent plan to the FRA late in 2023; the company and the agency subsequently worked to develop the required DSP for that year, which the FRA is required to transmit to Congress.

The most recent plan is summarized in figure 5.3:

Fig. 5.3: **Proposed Uses for Amtrak IIJA Supplemental Funding** (*$millions*)

Program / Project	Northeast Corridor	National Network	Total
Fleet	$1,603	$9,965	$11,567
Airo trainsets (83 base + 4 Piedmont)	*$1,603*	*$2,289*	*$3,892*
Long-Distance passenger cars (replacements only)	—	*$7,000*	*$7,000*
ALC-42 Long-Distance locomotives (75 base + 50 additional)	—	*$676*	*$676*
Facilities (*inc. maintenance & crew base facilities; many will support Airo operations*)	$2,217	$2,727	$4,944
Accessibility & ADA Compliance	$50	$1,290	$1,340
ADA Stations Program (100% Amtrak-responsible compliance by 2029)	*$39*	*$1,273*	*$1,313*
Platform gap solutions deployment	*$2*	*$3*	*$5*
Passenger information display system (PIDS) deployments	*$9*	*$14*	*$23*
National Assets Backlog (*e.g., next-generation reservation system, cybersecurity modernizations*)	—	$601	$601
Federal-State Partnership Matching Funds (*for FRA NEC project inventory projects (e.g., Frederick Douglass Tunnel)*)	$1,604	—	$1,604
Operating Costs (*only in support of IIJA-funded capital projects*)	$48	$52	$100
Programmatic Contingency	$398	$1,016	$1,414
Total	**$5,920**	**$15,650**	**$21,570**

Figures may not sum perfectly due to rounding. Total excludes $430 million for FRA takedowns.

Amtrak-Eligible Discretionary Grant Funding: Progress Report

In addition to planning how to invest the $22.0 billion in supplemental funding that the IIJA provided directly, Amtrak has also been working closely with federal agencies, interested state governments, and many other current or potential partners to seek and make use of additional IIJA funding available through discretionary grant programs, notably including the FRA's Federal-State Partnership program. These efforts have resulted in significant additional awards:

- **FRA Federal-State Partnership Grants (NEC)** — In November of 2023, Amtrak was awarded up to $9.552 billion total via the NEC component of FRA's Fed.-State capital grant program (Fed.-State NEC) for twelve projects up and down the NEC, including $4.708 billion for the Frederick

Douglass Tunnel (Maryland); $2.081 billion Susquehanna River Bridge replacement (Maryland); $1.262 billion for East River Tunnel rehabilitation (New York); $827 million for Connecticut River Bridge replacement (Connecticut); $300 million for Dock Bridge rehabilitation (New Jersey); $133 million to support Sawtooth Bridges replacement; up to $108 million for implementation of the Baltimore Penn. Station master plan (Maryland); $58 million for Pelham Bay Bridge replacement (New York); $30 million for Gunpowder River Bridge replacement (Maryland); $19 million for Bush River Bridge replacement (Maryland); and $26 million for two studies to plan future infrastructure renewal, speed improvement, and capacity enhancements across a large swathe of the Corridor.[55]

- **FRA Federal-State Partnership Grants (non-NEC)** — In December of 2023, Amtrak was awarded up to $109 million total via the non-NEC component of FRA's Fed.-State capital grant program (Fed-State National), including up to $50 million to support reactivation of Chicago Union Station's (CUS's) unused former mail platform and related activities; up to $44 million to support other platform capacity expansions and trainshed ventilation improvements at CUS; and up to $15 million to support improvements to BNSF-owned rail infrastructure along the route of the Chicago-Seattle/Portland *Empire Builder*.

- **FRA Corridor Identification & Development Program** — In December of 2023, Amtrak was awarded up to $2 million total via FRA's Corridor Identification & Development (CID) program to support early project planning work for four potential service expansions: a new **Texas High-Speed Rail Corrido**r between Dallas and Houston, Texas; extension of three daily *Northeast Regional* round trips on the NEC's South End (between Washington, D.C. and New York City) to Ronkonkoma (Long Island), NY; restoration of daily service along the route of the New York-Chicago *Cardinal* (up from current thrice-weekly levels); and restoration of daily service along the route of the Los Angeles-New Orleans *Sunset Limited* (up from current thrice-weekly levels).

- **FRA Consolidated Rail Infrastructure and Safety Improvement Grants** —In September of 2023, Amtrak was awarded Consolidated Rail Infrastructure and Safety Improvement (CRISI) grants of up to $198 million total, including up to $178 million to fund infrastructure and station improvements that support restoration of service between New Orleans, Louisiana, and Mobile, Alabama (suspended since Hurricane Katrina in 2005); up to $9 million to support installation of safety-enhancing security fencing along the NEC, which will help prevent trespassing incidents; up to $9 million for an apprenticeship training program and other activities to further develop Amtrak's workforce of track foremen and inspectors; and up to $2 million to support grade crossing improvements along the route of the *City of New Orleans* in Mississippi and Louisiana.

- **OST Mega Grants** — In January of 2023, Amtrak was awarded a National Infrastructure Project Assistance or "Mega" grant of up to $292 million for the third and final section of a concrete

[55] (Totals for the Frederick Douglass Tunnel and Susquehanna River Bridge replacement include a combined $3.868 billion in contingent Fed.-State NEC commitments under phased funding agreements.)

casing intended to preserve railroad right-of-way for future use as part of the Gateway Program's Hudson Tunnel project in New York and New Jersey.

Altogether, Amtrak has received up to $10.2 billion in discretionary grant awards via various FRA and DOT programs since enactment of the IIJA (inclusive of contingent commitments), with the vast majority of those funds having originally been provided by that law. Substantial additional funding has been awarded to Amtrak's partners to support projects in which the company is involved, but for which it is not the lead sponsor and/or was not the lead applicant; other funding has been awarded to projects in which Amtrak has no involvement.

All told, a majority of the $44.0 billion in FRA discretionary funding that the IIJA provides has now been committed or contingently committed to various projects, and is no longer available for future awards. Figure 5.4 provides a program-by-program overview, covering both IIJA-provided supplemental funding and (where applicable) the smaller amounts of additional funding made available via subsequent annual appropriations laws:

Fig. 5.4: **IIJA & Annual Funding for FRA Grants, FYs 22-26: Share Committed**

FRA Grant Program	Funding* *($millions)*	Primary Use	Committed *(As of 31 Dec. 2023)*
Federal-State Partnership (NEC)	≤ ~$24,100	Capital investments in NEC major backlog projects (e.g., new bridges & tunnels), consistent with FRA's NEC project inventory	~68% committed**
Federal-State Partnership (Non-NEC)	≥ ~$12,100	Capital investments in new / improved / expanded intercity passenger rail service outside the NEC, consistent with FRA's CID program	~68% committed**
Restoration & Enhancement (R&E)	≥ $250	Temporary operating support to help sponsors fund new or expanded Amtrak State-Supported service	0% committed
Interstate Rail Compacts (IRC)	≤ $15	Non-capital support for IRC-implementing entities supporting Amtrak State-Supported routes	0% committed
Consolidated Rail Infra. & Safety (CRISI)	$6,185	Catchall railroad grant for non-operating uses (supports both freight and intercity carriers)	23% committed
Railroad Crossing Elimination (RCE)	$3,000	Elimination of railroad grade crossings (Amtrak not directly eligible to apply)	19% committed
Total	**~ $45,650**	—	**~58% committed**

**Includes all appropriated funding, inclusive of IIJA supplemental funding and annual (regular) funding, provided for FYs 22-26 as of 31 Dec. 2023; does not include any additional funding that may be subsequently provided via annual appropriations for FYs 24-26. | **Includes contingent commitments via phased funding agreements.*

As additional notices of funding opportunity (NOFOs) are announced for relevant grant programs, Amtrak will continue to apply for and support its partners' applications for both IIJA funding and, to the extent available, additional funding that Congress provides via the annual appropriations process.

In order to make the most of the resources and opportunities that the IIJA provides, Amtrak has been working to develop or scale up important capabilities; accelerating or streamlining key processes; and adding even more safeguards to ensure that taxpayers' dollars are put towards their best possible use. Specific efforts have included, among many other steps:

- **Growing the Workforce** — Amtrak has carried out a sustained, multi-year effort to grow its workforce in order to match the scale of current needs. The company hired more than 3,700 new employees during FY 22, and another 4,800 new employees during FY 23.[56] By the end of FY 23, Amtrak's total active headcount stood at more than 21,600; the company aims to add a net of roughly 1,900 additional employees in FY 24, principally to support various capital programs.

- **Reorganizing the Company** — Amtrak has reorganized large parts of its business in order to best meet the challenges and opportunities that the IIJA presents. These changes have included the creation or building-out of several critically important departments, including:

  - a new, executive vice president-led Capital Delivery team focused on developing and executing nearly all non-recurring capital projects, including infrastructure projects; fleet acquisitions; facility upgrades; major station programs; and major third-party projects;

  - a new Network Development team that works with state partners to carry out route-level planning, development, and implementation activities in support of service improvement and expansion initiatives, consistent with the selections of FRA's Corridor Identification & Development (CID) program;

  - a new Community Engagement team intended to improve two-way communication between Amtrak and the communities affected by its activities, and particularly by the infrastructure projects it carries out; and

  - a new High-Speed Rail team tasked with developing and executing strategies for delivering high-speed rail service to new communities outside the NEC.

  Additionally, the company has worked to ensure that existing departments broaden and deepen their ability to cooperate with key partners; for instance, the State-Supported team has created a new strategy and performance management group to increase strategic alignment with the partners who sponsor various routes. (This group will supplement the efforts of the department's existing state relationship management team; its focus will include creating a joint route-level annual plan that reflects partners' objectives.)

- **Establishing Improved Controls and Systems to Support Success** — Amtrak has instituted new internal systems, controls, and metrics to further improve transparency and ensure that taxpayer-

[56] (Figure excludes internal hires.)

provided funds are used effectively. A September 2023 report by Amtrak's independent Office of Inspector General (OIG) set out to "assess the company's early efforts to comply with all IIJA's requirements, with a focus on its ability to use, account for, and report on the $22 billion in direct funding" that the law provides; the report concluded that Amtrak "is actively positioning itself to comply with IIJA's operations, policy, and funding requirements" and cited "positive early steps" toward that end.[57]

At the same time, the company is already putting IIJA funding to effective use. FRA is providing the $22.0 billion that Congress appropriated, less takedowns, via initial NEC and National Network grant agreements and subsequent annual amendments. Amtrak and FRA executed (signed) the initial agreements, obligating a first tranche of $4.3 billion in FY 22 funding, on September 23, 2022. Amendments obligating another $8.6 billion via additional FY 23 and FY 24 tranches were subsequently executed; thus, as of March of 2024, a total of $12.9 billion had been obligated, with more to follow.[58]

To ensure that Amtrak's IIJA funds are used responsibly, and in a way that reflects Congress' intent, every dollar provided is "programmed" in advance; in other words, FRA and Amtrak agree how those dollars will be used. After funding has been obligated, Amtrak communicates its expected expenditures to FRA for each successive quarter; the agency makes an in-advance disbursement sufficient to cover each quarter's needs; and Amtrak then expends those funds.

Progress on key projects has been rapid. Upon execution of the FY 22 grant agreement, Amtrak quickly began entering long-term contracts and taking other concrete steps based on the covered funds' guaranteed availability; similar actions are now happening almost continuously, which means that IIJA funding is already supporting direct, material improvements in intercity passenger rail service. In fact, by the end of FY 23, Amtrak had actually expended roughly $770 million in IIJA supplemental funding.[59] As figure 5.5 shows, the speed of investment is set to accelerate sharply:

[57] "Financial Management: The Company Has Proactively Taken Steps to Comply with the Infrastructure Investment and Jobs Act" (OIG-A-2023-011), Amtrak OIG, September 1, 2023: bit.ly/47I8Adg.
[58] Note that from the moment when funds are obligated to Amtrak (that is, from the moment when a grant agreement or amendment is executed), federal budgetary rules effectively prevent their rescision by Congress.
[59] (Not counting additional expenditures of IIJA-funded discretionary grant dollars.)

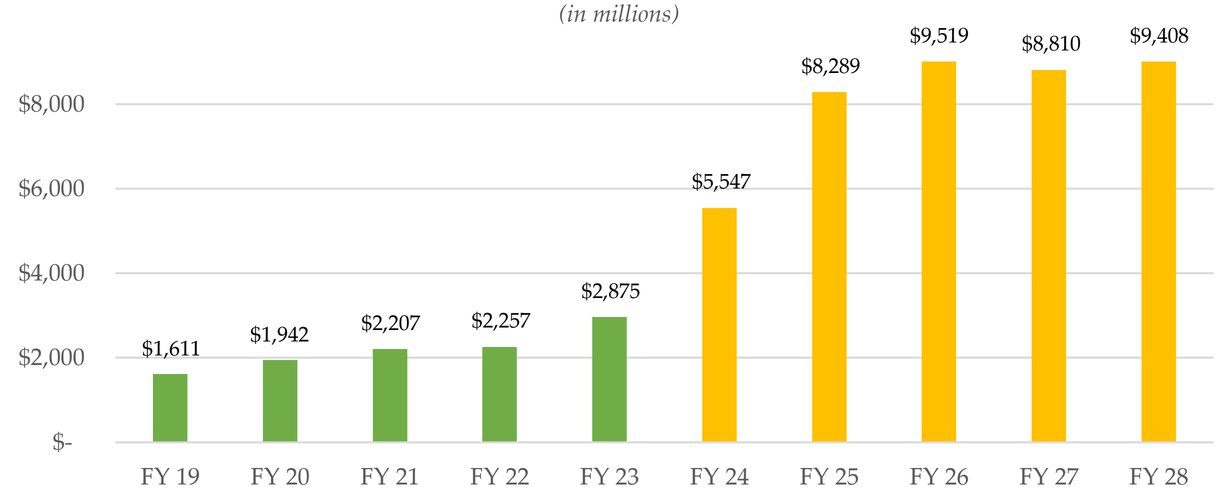
Fig. 5.5: **Actual Expenditures of Amtrak IIJA Supplemental Funding** (*$millions*)					
Category / Program	**Through FYs 22-23 (Actual)**	**Through FY 24 (Plan)**	**Through FY 25 (Projected)**	**Life of Project (Projected)**	**Through FY 25 as Share of Total**
Fleet	$504	$625	$1,823	$11,567	16%
Facilities	$21	$292	$1,106	$4,944	22%
Accessibility & ADA Compliance	$207	$410	$652	$1,340	49%
National Assets Backlog	$38	$120	$221	$601	37%
Fed.-State Partnership Match	—	$178	$416	$1,604	26%
Operating Costs	—	$14	$29	$100	29%
Programmatic Contingency	—	—	—	$1,414	0%
Total	**$770**	**$1,639**	**$4,247**	**$21,570**	**20%**

Figures may not sum perfectly due to rounding. Note that funds can be expended after the year for which they were appropriated; table does not show additional FYs 22-24 IIJA funds planned for expenditure after Sept. 30, 2025.

However, Amtrak is advancing even more critical capital projects than these numbers suggest—and at an even faster rate. The company's FY 23 capital expenditures totaled $2.875 billion, up 27% from the FY 22 total of $2.257 billion, and up 78% from the FY 19 (pre-pandemic) total of $1.611 billion. This aggressive pace of investment reflects the availability not just of Amtrak's IIJA funding, but also additional discretionary grant funding (e.g., the $9.6 billion in Federal-State Partnership awards for NEC projects mentioned above) and Amtrak's annual grant funding. Figure 5.6 shows how quickly total capital expenditures, funded by *all* available sources, are slated to grow:

Fig. 5.6: **Annual Capital Expenditures, Actual & Planned**

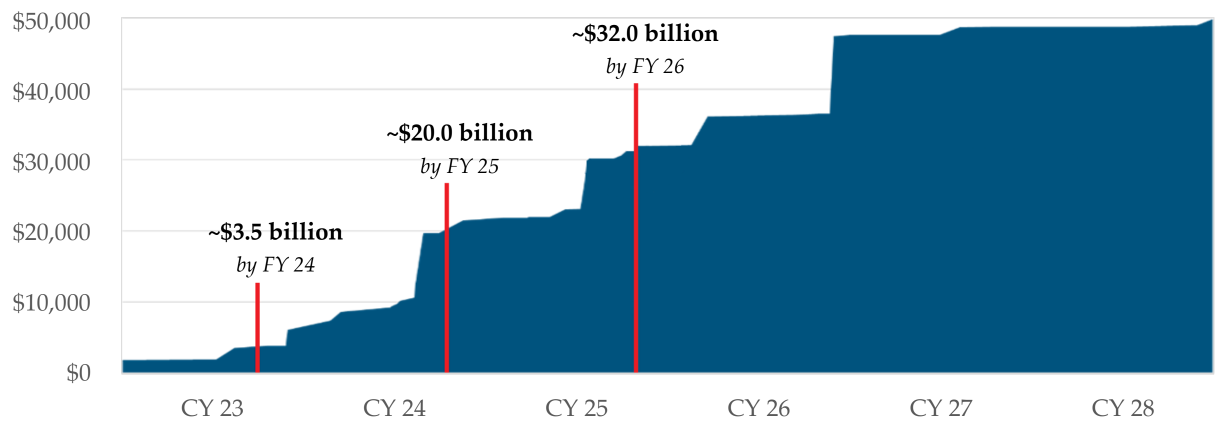
(in millions)



Moreover, Amtrak is committing funds (as distinct from expending funds) faster still. As figure 5.7 shows, the company expects to commit (e.g., by entering into binding contracts) a total of $32.0 billion over the course of FYs 23-25, including roughly $15.0 billion over a period of just fifteen months:

Fig. 5.7: **Projected Capital Commitments over Time**

(*in millions*)



Approximate projection; significant time may elapse between commitment and expenditure of funds.

We are committed to delivering IIJA-funded projects as quickly as safely responsibly possible, such that our passengers—current and future—can enjoy the full benefits of Congress' historic investment sooner rather than later.

Those benefits will take many forms, because Amtrak's investments are supporting many different kinds of projects. Examples include:

- **Fleet** — Amtrak is replacing worn-out passenger equipment (such as more-than-forty-years-old Superliner I cars) and aging, inefficient locomotives (including decades-old P40 and P42 diesels) with cleaner, safer, more efficient, and more accessible alternatives.

- **Infrastructure** — Amtrak is undertaking multiple major construction and rehabilitation projects that will either bring important railroad infrastructure into a state of good repair (as in the case of New York's East River Tunnel) or replace that infrastructure outright (as in the case of Baltimore's 150-year-old B&P tunnel).

- **Accessibility** — Amtrak is bringing all Amtrak-responsible station components into full ADA compliance by 2029, and making additional investments to improve trains' accessibility.

Figure 5.8 gives a progress report on several high-profile projects funded either by Amtrak's IIJA grant funding; by IIJA-supported Federal-State Partnership grant awards; or both:

Fig. 5.8: Highlights of Notable Projects Underway, **Selected Amtrak & Other Capital Investments Funded by IIJA**				
Amtrak IIJA Supplemental Funds				
Project / Program	**Milestones**		**Funding**	
	Complete	*Recent Milestone*	*Total Cost*	*Committed****
New Airo intercity trainsets (*base*)	c. 2035	prototype underway	$4,125,181,361	$3,891,679,189
New Long-Distance passenger cars	c. 2037	RfP issued (12/23)	> $7,000,000,000	$7,000,000,000
New ALC-42 Long-Distance locomotives	c. 2031	units delivered (rolling)	$966,154,679	$675,486,822
New Facilities (*maintenance, crew base, etc.*)	various	RfQs issued (7/23)	$4,944,914,935	$4,943,837,186
ADA Stations Program	2029	117th station compliant	$1,840,957,044	$1,312,801,761
Fed.-State NEC project matches (*listed below*)	various	FRA awards (11/23)	$1,603,712,989	$1,603,712,989
National assets backlog	various	misc.	$679,369,228	$601,308,863
Other Amtrak-planned	*various*	*misc.*	*$1,630,226,917*	*$1,541,173,188*
TOTAL PLANNED FOR USE, Selected Projects				**$21,570,000,000**
cf. total Amtrak grant dollars available under IIJA (less takedowns)				*$21,570,000,000*
FRA Federal-State Partnership IIJA Supplemental Grant Funds				
Project / Program	**Milestones**		**Funding**	
	Complete	*Recent Milestone*	*Total Cost*	*Committed****
Connecticut River Bridge Replacement (CT)	2029	FRA award (11/23)	$1,244,000,000	$826,645,100
Frederick Douglass Tunnel Program (MD)	2035	FRA award (11/23)	$6,030,200,000	$4,707,571,556*
Bush River Bridge Replacement (MD)	2034	FRA award (11/23)	$743,500,000	$18,800,000
Gunpowder River Bridge Replacement (MD)	2036	FRA award (11/23)	$1,305,600,000	$30,000,000
Susquehanna River Bridge Replacement (MD)	2036	FRA award (11/23)	$2,700,000,000	$2,081,215,100*
Dock Bridge Rehabilitation (NJ)	2028	FRA award (11/23)	$375,230,000	$300,184,000
Sawtooth Bridges Replacement (NJ)	2034	FRA award (11/23)	$2,100,000,000**	$133,327,610
East River Tunnel Rehabilitation (NY)	2027	FRA award (11/23)	$1,577,314,971	$1,261,851,977
Pelham Bay Bridge Replacement (NY)	2034	FRA award (11/23)	$716,000,000	$58,272,368
Baltimore Penn. Station Master Plan (MD)	2026	FRA award (11/23)	$251,800,000	$108,320,000
CUS Mail Platform Reactivation (IL)	TBD	FRA award (12/23)	$62,000,000 (est.)	$49,600,000
CUS Platform Capacity & Trainshed Vent. (IL)	TBD	FRA award (12/23)	$55,000,000 (est.)	$44,000,000
Other Amtrak-led projects	*various*	*various*	*$135,600,000*	*$108,500,000*
Hudson Tunnel Project (NY & NJ)	2040	FRA award (11/23)	$16,100,000,000	$3,799,999,820*
NY Penn. Station Access (NY)	2027	FRA award (11/23)	$2,637,000,000	$1,643,579,904*
Other non-Amtrak-led projects	*various*	*various*	*$54,727,582,662***	*$9,516,254,853*
TOTAL COMMITTED, Selected Projects				**$24,688,122,288**
cf. total Federal-State Partnership grant dollars available under IIJA				*$36.000 billion*

*"Total cost" in the case of Fed.-State projects taken from FRA grant award announcements unless otherwise indicated. | *Includes contingent commitment | **Total cost or elements of total cost taken from NEC Commission's capital investment plan for FYs 24-28. | ***"Committed" includes awards and contingent commitments as regards FRA, and clear internal spending plans as regards Amtrak.*

FRA Corridor Identification & Development Program Update

CID Program Purpose & Goals

For decades, efforts to increase and expand intercity passenger rail service were constrained by a lack of federal funding support. When Congress enacted the Infrastructure Investment and Jobs Act (IIJA) in November of 2021, the situation changed: over a five-year period, the law provides historic levels of guaranteed funding for new and existing Federal Railroad Administration (FRA) grant programs that support intercity passenger rail. These investments include—

- at least $12.000 billion for the **Federal-State Partnership for Intercity Passenger Rail (Fed.-State) program's non-Northeast Corridor component** (Fed.-State National), which among other uses can fund capital grants to "expand or establish new intercity passenger rail service,"[60] and

- at least $250 million for the **Restoration & Enhancement program** (R&E), which funds operating grants for up to six years "for the purpose of initiating, restoring, or enhancing intercity rail passenger transportation."[61]

Congress also authorized additional funding for both programs.

To help guide the use of these funds, the IIJA created the **Corridor Identification and Development (CID) program**, a new FRA-led initiative "to facilitate the development of intercity passenger rail corridors," including establishment of new routes; enhancement of existing routes; and restoration of service along all or part of former Amtrak routes.[62] Corridors advancing through CID receive early seed funding for planning and development work, as well as preference in later Fed.-State National and R&E award decisions; backed by those resources (and by FRA's technical assistance), CID is meant to be

> a comprehensive intercity passenger rail planning and development program that will help guide intercity passenger rail development throughout the country and create a pipeline of intercity passenger rail projects ready for implementation.[63]

The program focuses on short-distance corridor routes (i.e., those not more than 750 miles), but increases to the service frequency of less-than-daily Long-Distance routes are also eligible for consideration. Funding comes from FRA's authority to use up to five percent of the funding made available for Fed.-State to carry out planning and development activities related to CID.

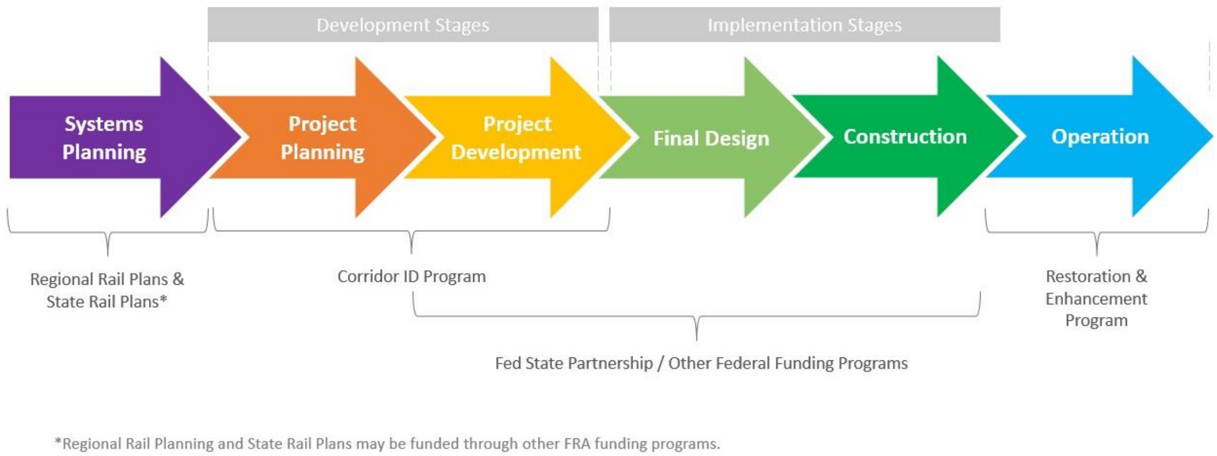
FRA's CID Process

FRA's CID process is designed to ensure that promising passenger rail corridors receive federal support and are ultimately developed, resulting in the operation of new, enhanced, or expanded intercity

[60] 49 U.S.C. § 24911(b)
[61] 49 U.S.C. § 22908(b)
[62] 49 U.S.C. § 25101(a)
[63] "Corridor Identification and Development Program," Federal Railroad Administration: bit.ly/3uCkXte.

passenger rail service. However, CID is just one phase in the multi-stage "lifecycle" of any given corridor development effort. Figure 5.9 shows how the CID program fits into this larger lifecycle:

Fig. 5.9: **Corridor Development Lifecycle Stages & Supporting Programs**

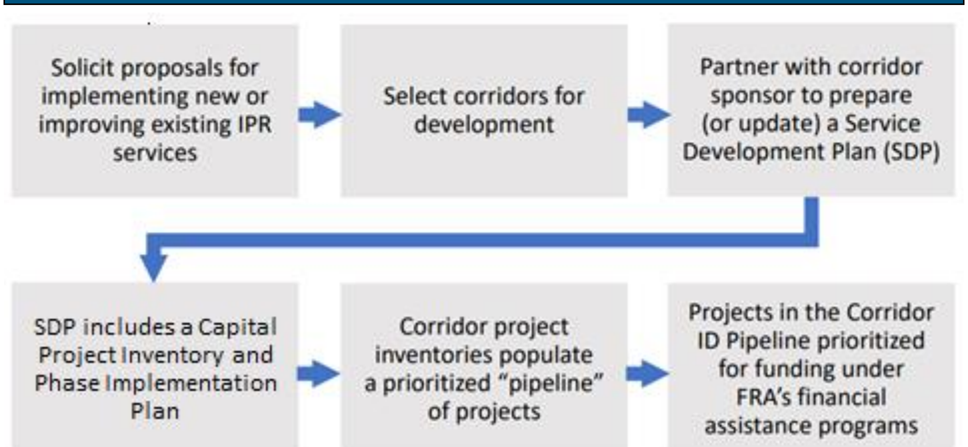


Graphic originally prepared by FRA.

Put simply, CID is meant to help corridors bridge the gap between 1) early, high-level route concepts, and 2) actual implementation work (including construction of the projects on which new, improved, or additional service ultimately depends). More specifically, the program provides funding and technical assistance to support essential development activities (such as detailed planning, environmental review activities, and preliminary engineering work), and offers a stable pathway towards critically-important funding (e.g., capital grants and temporary operating support) available via other FRA grant programs.

Figure 5.10 offers a more detailed look at what happens as a given corridor progresses through CID:

Fig. 5.10: **FRA's CID Program Process**



Graphic originally prepared by FRA. "IPR" refers to "intercity passenger rail."

FRA has chosen to divide the CID stage into three discrete steps. In general, selection of an eligible CID application initiates step one, and completion of project development work (as determined by FRA) concludes step three. Subject to increasing match requirements, the program offers funding to carry out required activities; corridors entering step one can receive awards of up to $500,000 (with no initial match required) to develop a scope, schedule, and budget for the detailed service development planning at the heart of step two.

Selection into step one does not guarantee additional financial assistance, nor does it ensure eventual advancement to step two; progression depends upon successful completion of program requirements, as judged by FRA, and the availability of future funding. However, progressing through successive steps of CID does not require applicants to submit additional grant applications.

Figure 5.11 offers a closer look at what each of CID's three development steps entail:

Fig. 5.11: The **CID Stage Is a Three-Step Process**

			Development Stages		
	Expression of Interest	Submission of Corridor Proposal	Project Planning Step 1: SDP Scoping & Program Initiation	Project Planning Step 2: Service Development Planning	Project Development Step 3
Key Activities	• Submit expression of interest to docket	• Submit corridor proposal in response to upcoming solicitation	• Sponsor creates the capacity necessary to undertake the service planning effort • Sponsor develops scope, schedule, and budget for planning effort	• Sponsor, in collaboration with FRA, prepares service development plan for corridor	*For a Phase of Implementing Corridor* • Sponsor completes environmental review • Sponsor completes PE
Prerequisites	None	None	• Selection of Corridor	• Completion of Step 1	• Completion of Step 2 • Phase likely to be implemented • Phase likely to benefit IPR Service
Binding Commitment	None	None	Delivery of scope and cost estimate for SDP	Completion of SDP, approved by FRA	Completion of PE / NEPA for phase
Funding	None	None	~$500k "seed money," 0% non-Federal match	$XX determined through scoping effort, 10% non-Federal match	$XX determined through SDP, 20% non-Federal match

Graphic originally prepared by FRA.

Notably, Congress did not limit the CID program to a single selection cycle: would-be applicants will have future opportunities to apply. FRA has also indicated that it plans to offer guidance, outreach, and technical assistance to entities whose proposals were not initially selected for or advanced within CID, enabling those applicants to refine their proposals for future reconsideration.

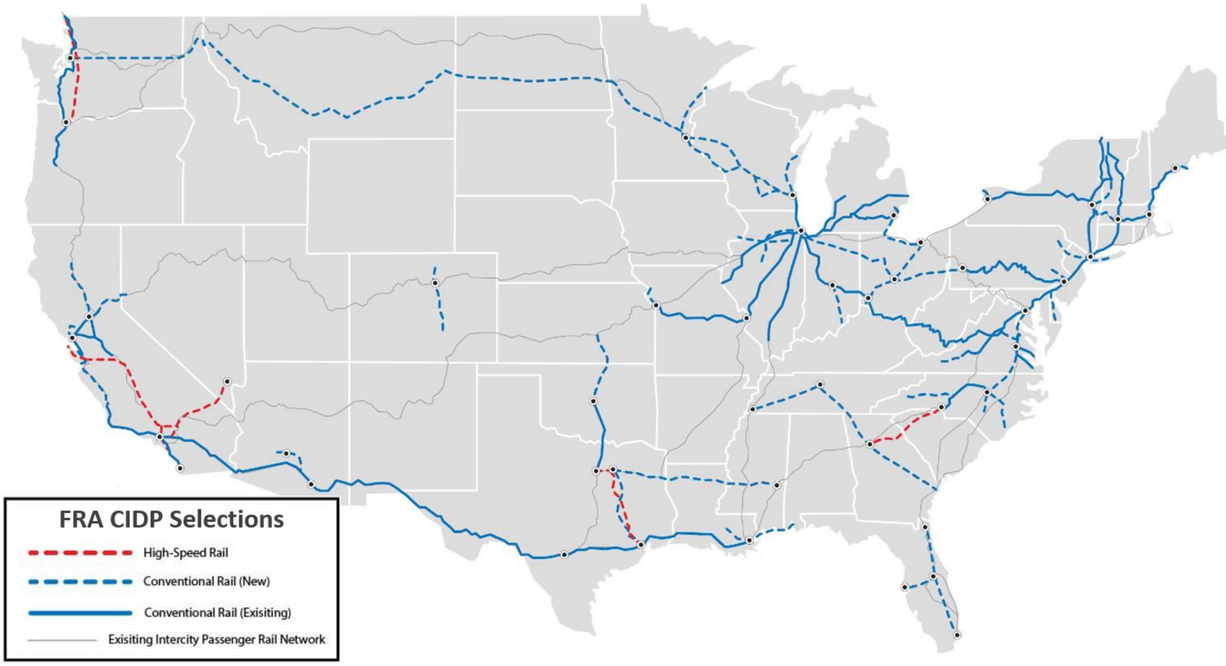
FRA's Initial CID Selections

Following an informal "expressions of interest" process, FRA first solicited official applications under the CID program at the end of 2022; over the next several months, more than ninety eligible applications were submitted, each seeking to develop a different intercity passenger rail corridor. In December of 2023, FRA formally announced sixty-nine selections, including:

- seven new high-speed rail corridors;
- thirty-five new conventional rail corridors;
- thirteen extensions to existing corridors; and
- fourteen infrastructure improvement packages and/or increases in service frequency along existing corridors.

Fifty selected applications were from state agencies, another fifteen were from rail agencies or other local/regional groups, and four were from Amtrak. Figure 5.12, below, shows all of these selections (excepting one in Alaska) on a map:

Fig. 5.12: **FRA's CID Program Selections, Dec. 2023**



Map originally prepared by FRA for informational purposes, with minor modifications by Amtrak. (One Alaska selection not shown.)

Notably, FRA selected <u>all</u> of Amtrak's applications. The company will work directly with the agency as the primary sponsor of those four corridors:

- **Texas High-Speed Rail Corrido**r — Amtrak's application seeks to initiate high-speed passenger rail service between Dallas and Houston, Texas, with an intermediate stop in the Brazos Valley, via dedicated, grade-separated right-of-way.
- ***Northeast Regional* Extension to Long Island —** Amtrak's application seeks to extend three daily *Northeast Regional* round trips on the NEC's South End (between Washington, D.C. and New York City) to Ronkonkoma (Long Island), NY, via stops at Jamaica (Queens) and Hicksville.

This project would entail track, station, and infrastructure upgrades to accommodate these trains (and better integrate Amtrak intercity service with Long Island Rail Road commuter service).

- **Daily *Cardinal* Service —** The *Cardinal* is an Amtrak Long-Distance route currently served by three round trips weekly between New York City and Chicago via Philadelphia, PA; Washington, D.C.; Alexandria and Charlottesville, VA; Charleston and Huntington, WV; Ashland, KY; Cincinnati, OH; Indianapolis, IN; and other intermediate stops. Amtrak's application seeks to increase service levels to one round trip daily.

- **Daily *Sunset Limited* Service —** The *Sunset Limited* is an Amtrak Long-Distance route currently served by three round trips weekly between Los Angeles and New Orleans via Houston, San Antonio, and El Paso, TX; Deming, NM; Tucson, AZ; and other intermediate stops. Amtrak's application seeks to increase service levels to one round trip daily.

<u>What Comes Next?</u>

Successful applicants are receiving grants of up to $500,000 to support their progress through the CID process. Nearly all selected corridors are now in "step 1" of that process, as described in figure 5.11.[64]

The initial phases of the CID process are dedicated to meticulous project planning, and specifically to the formulation of comprehensive service development plans (SDPs) by the applicants (or "corridor sponsors"). With sixty-nine corridors selected for the first step of CID, arranging associated projects into a prioritized "pipeline" (as FRA is required to do) will involve a range of challenges. As corridors progress through the steps of CID, it will become clearer which have the greatest speed and momentum, and which will likely to take longer to develop. In some cases, completion of all three steps could take as long as five to seven years (depending on the complexity of the work needed for a given corridor).

<u>Amtrak's Role in Relation to Other CID Applicants</u>

CID is an FRA program, with the agency determining which corridors will advance through this federal process. Amtrak looks forward to supporting the FRA in their efforts and enhancing and expanding services with various partners. We are eager to bring the benefit of Amtrak's network and experience to support states and local communities as they work to bring intercity passenger rail to new communities across America.

Enacted in 2008, the Passenger Rail Investment and Improvement Act (PRIIA) gave state governments and other public entities a clear role with respect to corridor-length (i.e., up-to-750-miles) routes in Amtrak's network. Outside the Boston-to-Washington Northeast Corridor, such routes are part of the company's State-Supported service line, meaning they are operated under contracts with states or other public partners, and reflect those partners' choices about service frequency, schedules, station stops, and many other particulars. Today, twenty partners provide funding support for twenty-eight routes

[64] In the case of two corridors (Atlanta to Savannah and Colorado Front Range), a service development plan is already in development, with support from a prior grant; awards in these specific cases could support more advanced activities.

pursuant to a uniform, federally-mandated formula, as required under Sec. 209 of PRIIA.[65] In keeping with this well-established partnership framework, most CID applications to date have been led by states and other public entities, as distinct from Amtrak.

Looking ahead, CID corridor sponsors can partner with operators of their choice, including but not limited to Amtrak. However, as America's Railroad, Amtrak is uniquely positioned to deliver the kind of new, improved, or expanded service that CID exists to support. The company's advantages include fifty-two years of experience connecting communities; a nationwide footprint, which facilitates connectivity with other Amtrak routes, provides economies of scale, and offers capabilities that might otherwise need to be developed from scratch; deep staff expertise in areas like new service planning, railroad engineering, and actual train operations; access to key federal funding streams, including preferred access to certain grant programs; unique statutory rights with respect to host railroads (notably rights of access and dispatching preference); and existing liability arrangements.

Notably, the company includes many strong, built-out teams whose work is directly relevant to CID's mission, including Network Planning, State-Supported Services, Host Railroads, and Service Delivery & Operations. The Network Development group in particular exists in part to manage and facilitate all service expansion activities, including coordinating CID activities with state partners and FRA. Therefore, if corridor sponsors (including both current and potential partners) choose Amtrak as their preferred operator, the company has the capability and experience to contribute invaluable planning and operational expertise as those sponsors develop their SDPs (and subsequently).

Examples of specific areas where Amtrak can provide guidance and assistance to our partners include:

- preparation of estimates for ridership, revenue, and operating costs, along with the resulting operating cost subsidy;
- assistance with rolling stock, potentially including access to options for ordering Amtrak Airo trainsets;
- guidance on negotiating operating agreements with host railroads, building on Amtrak's statutory right of access to the nation's railroad network; and
- coordination of planning and project development activities in areas where multiple existing and/or future services share terminals, facilities, or corridor segments.

Additional information about FRA's CID program can be found on the agency's website: bit.ly/3uAHczX.

[65] For more information on State-Supported service, see "About Amtrak" in tab VII.

VI. FY 23 Results & Other Performance Updates

Discussion of FY 23 Results & Accomplishments

During FY 23, Amtrak continued rebuilding its business and began a new era of intercity passenger rail investment. The company grew ridership by roughly 25% year-over-year; worked with partners to restore or expand service across the nation; hired new employees at record levels; and launched or advanced major infrastructure projects that are critically important to passenger rail's future as a mode of transportation. Figure 6.1 compares performance across several key metrics to results in prior years:

Fig. 6.1: **FY 23 Results in Historical Context** (*by Account*)

Metric	FY 19 Actual	FY 22 Actual	FY 23 Actual	YOY Change	
				#	%
Ridership (*millions*)	32.5	22.9	**28.5**	+5.6	+24%
Northeast Corridor	*12.5*	*9.2*	*12.1*	*+2.9*	*+31%*
National Network	*20.0*	*13.7*	*16.4*	*+2.8*	*+20%*
Gross Ticket Revenue (*millions*)	$2,354.3	$1,775.5	**$2,290.5**	+$515.0	+29%
Northeast Corridor	*$1,321.6*	*$906.2*	*$1,266.0*	*+$359.7*	*+40%*
National Network	*$1,032.7*	*$869.3*	*$1,024.5*	*+$155.3*	*+18%*
Total Operating Revenue (*millions*)	$3,322.9	$2,829.8	**$3,390.7**	+$560.9	+20%
Northeast Corridor	*$1,826.9*	*$1,423.7*	*$1,826.0*	*+$402.3*	*+28%*
National Network	*$1,496.0*	*$1,406.0*	*$1,564.7*	*+$158.7*	*+11%*
Adjusted Operating Earnings (*millions*)	($29.4)	($886.8)	**($772.2)**	+$114.6	+13%*
Northeast Corridor	*$541.9*	*($80.6)*	*$151.0*	*+$231.7*	*+287%**
National Network	*($571.3)*	*($806.2)*	*($923.3)*	*-$117.1*	*-15%**
Cost Recovery Ratio (*operating*)	99%	76%	**81%**	+5pp.	+7%
Northeast Corridor	*142%*	*95%*	*109%*	*+14pp.*	*+15%*
National Network	*72%*	*64%*	*63%*	*-1pp.*	*-1%*
Capital Expenditure (*millions*)	$1,610.7	$2,256.8	**$2,874.9**	+$618.1	+27%
Northeast Corridor	*$794.2*	*$1,273.1*	*$1,664.3*	*+$391.2*	*+31%*
National Network	*$816.5*	*$983.7*	*$1,210.6*	*+$226.9*	*+23%*

*Totals may not sum exactly due to rounding. "Cost recovery ratio" is share of operating expense covered by operating revenue. | *More technically, (adjusted operating loss) was reduced by 13% year-over-year.*

Demand for Amtrak service has been steadily returning to pre-COVID-19 levels. In FY 23, ridership grew substantially year-over year for all three of Amtrak's operating service lines: Northeast Corridor (NEC) (+31%), State-Supported (+22%), and Long-Distance (+13%). The resulting increase in revenue helped Amtrak improve FY 23 operating earnings by $86.6 million relative to anticipated results, setting the stage for improving financial performance for Amtrak's train operations in the years ahead. Based on current forecasts, the company expects both ridership and revenue to exceed FY 19 (pre-COVID) levels by the end of FY 24.

Selected highlights from among Amtrak's many results and accomplishments in FY 23 include:

- **Ridership, Revenue, & Operating Earnings —** Provided 28.5 million passenger trips, with 30% of riders being first-time customers. Generated $3.391 billion in total operating revenue (up 20% over FY 22 levels, and up 2% from FY 19 levels), resulting in operating earnings of ($772.2 million) (a 13% improvement over FY 22, and $86.6 million ahead of Amtrak's FY 23 plan due to strong ticket revenue growth). (*Additional information on Amtrak's ridership, revenue, and operating earnings (including route-level results) can be found in "Annual Operations Report for FY 23," elsewhere in this tab , and in the company's year-end monthly performance report, available at bit.ly/3SSYlg9*.)

- **Service Changes —** Completed restoration of service to pre-COVID-19 levels along most routes, and/or completed restoration of most State-Supported routes to a service frequency aligned with the wishes of those routes' sponsoring partners. Expanded service by adding additional round trips to routes like the North Carolina-sponsored *Piedmont* and the Washington- and Oregon-sponsored Amtrak Cascades to help meet growing customer demand. Also worked with partners to lay groundwork for forthcoming service expansions, including State-Supported service along the Gulf Coast and between the Twin Cities, Milwaukee, and Chicago in the Upper Midwest. (*Recent and planned service changes are more fully discussed in "Actual and Planned Service Changes" elsewhere in this tab.*)

- **Jobs & Workforce —** Hired more than 4,800 new employees (excluding internal hires) to strengthen workforce, reflecting increasing demand for passenger rail service and Infrastructure Investment and Jobs Act (IIJA) project delivery needs. Completed contract negotiations for more than 60% of frontline employees, providing wage increases and enhancements. Advanced or took steps towards multiple apprenticeship and/or other training programs. Also, under a 2021 memorandum of understanding with North America's Building Trades Unions (NABTU), signed project labor agreement covering various portions of the Frederick Douglass Tunnel Program. (*Hiring needs and related efforts are further discussed in "IIJA-Related Workforce Needs Report" in tab VII.*)

- **Capital Projects —** Expended $2.875 billion to advance important capital projects (e.g., new, modern train equipment; enhanced stations and facilities; new tunnels and bridges; and other critical rail infrastructure upgrades) and committed significant additional funding, beginning multi-year program of investment that will be the largest in company history. Milestones include:

    - **Equipment —** Continued to introduce new, lower-emission Charger locomotives into Long-Distance service; advanced efforts to replace existing Amtrak-owned equipment with state-of-the-art next-generation *Acela* and Airo trainsets; and launched procurement process for new Long-Distance passenger cars to replace decades-old existing equipment. With partners, continued to introduce new state-owned Venture railcars, which operate or will operate on Amtrak Midwest and California State-Supported routes.

    - **Stations** — In addition to investing in Americans with Disabilities Act (ADA) compliance work and other renovations / improvements at stations across the country, advanced modernization, redevelopment, or other work at major stations, including New York

Penn.; Baltimore Penn.; Philadelphia's WHG III 30th Street Station; Chicago Union Station; and Washington Union Station.

- **Infrastructure** — Working with partners, advanced key Gateway Program projects; received a federal "Mega" grant from U.S. Department of Transportation for the Hudson Tunnel (HT) project, began early work on HT components in both New York and New Jersey, and continued construction of Portal North Bridge in partnership with New Jersey Transit. Began early construction work in support of the Frederick Douglass Tunnel Program in Baltimore; also advanced other major non-Gateway projects and invested more than $124 million in certain annual track improvements up and down the NEC.

(*Capital expenditures are further discussed in "IIJA Overview & Progress Update" in tab V; additionally, detailed updates on key projects and programs can be found on sub-pages of Amtrak's "New Era of Rail" website, available at: www.amtrak.com/new-era-of-rail*.)

- **Safety** — Deployed new or modernized safety and security capabilities (e.g., communications & surveillance) and engaged in education efforts (e.g., internal safety fairs and outward-facing Operation Clear Track," intended to reduce deaths and injuries surrounding railroad tracks and crossings). Company leadership signed Operation Lifesaver Rail Safety Pledge and encouraged others to make their own commitment to saving lives.

- **Accessibility** — Continued working towards 100% compliance with ADA requirements at Amtrak-responsible station components by 2029. Invested more than $114 million in Amtrak's ADA Stations Program (ADASP), which to date has brought roughly 117 stations into full ADA compliance, and another sixty-five to full compliance excluding platforms. Working with state and federal partners, completed ADASP construction projects at locations like Homewood, IL; Yazoo City, MS; Jefferson City, MO; and Wishram, WA, among others. Also deployed accessible Passenger Information Display Systems (PIDS) systems at twenty-one stations; deployed accessible ramps to dozens of Superliner I cars; and took steps to add newly-designed accessible bathrooms to twenty-three Superliner I coach cars. (*Accessibility issues are further discussed in Amtrak's December 2023 "ADA Progress Report," available at: bit.ly/3I89MvD*.)

- **Product Upgrades** — Restored traditional dining service (hot, chef-prepared meals and table service, enjoyed in a dining car) to the Long-Distance *Silver Star* and *Silver Meteor*. Continued routine, rolling adjustments to on-board food & beverage menus; notably, partnered with renowned restauranteur Stephen Starr to elevate dining experience for *Acela* first class passengers. Continued $28 million initiative to refresh Long-Distance Superliner and Viewliner rolling stock; provided new soft goods (bedding, linens, etc.) in private rooms on Long-Distance trains. (*Developments relating to on-board food & beverage service, specifically, are further discussed in "Food & Beverage Update" in tab VII. Improvements to Long-Distance service are discussed in a November 2023 fact sheet, available at: bit.ly/3UTfXeu*.)

- **Resilience & Sustainability** — Continued progress towards long-term sustainability goals, including a commitment to achieve net-zero greenhouse gas emissions by 2045. In partnership with the state of California and various joint powers authorities (JPAs), shifted California State-Supported trains from fossil diesel to renewable diesel, achieving an estimated 63% reduction in greenhouse gas emissions. Also introduced first-ever electric bus in Amtrak Thruway service, in partnership with the Washington State Department of Transportation. (*Resilience & sustainability efforts are further discussed in "Resilience & Sustainability Summary" in tab VII.*)

Additional information on Amtrak's FY 23 performance can be found in the company's year-end press release, available at bit.ly/3wuoHO6, and in its year-end monthly performance report, available at bit.ly/3SSYlg9.

Statement of Operating Revenues & Expenditures for FYs 23-24

Figure 6.2 includes a statement of Amtrak's operating revenues and expenditures for FY 23, and compares those actual FY 23 results to the targets in Amtrak's FY 24 annual operating plan (AOP).

Fig. 6.2: **Amtrak Operating Revenues & Expenditures** (*dollars in millions*)

	Operating Result	FY 23 Actual	FY 24 Plan	Anticipated YOY Change	
				$	%
Operating Revenue	Ticket Revenue (Adjusted)	$2,243.8	$2,471.7	$227.9	10.2%
	Food & Beverage	$55.7	$68.6	$12.9	23.2%
	State-Supported Train Revenue	$348.3	$347.5	-$0.8	-0.2%
	Subtotal, Passenger-Related Revenue	**$2,647.8**	**$2,887.8**	**$240.0**	**9.1%**
	Other Core Revenue	$328.6	$341.9	$13.3	4.0%
	Ancillary Revenue	$414.4	$466.8	$52.5	12.6%
	Total, Operating Revenue	**$3,390.7**	**$3,696.5**	**$305.8**	**9.0%**
Operating Expense	Salaries, Wages, & Benefits	$2,462.8	$2,747.1	$284.2	11.5%
	Train Operations	$338.8	$362.0	$23.2	6.8%
	Fuel, Power, & Utilities	$320.7	$300.4	-$20.3	-6.3%
	Materials	$168.6	$170.1	$1.4	0.9%
	Facility, Communication, & Office	$228.4	$220.6	-$7.9	-3.4%
	Advertising & Sales	$103.9	$95.6	-$8.3	-8.0%
	Casualty & Other Claims	$64.2	$27.4	-$36.8	-57.3%
	Professional Fees & Data Processing	$245.1	$248.4	$3.3	1.3%
	All Other Expense	$588.6	$600.1	$11.5	2.0%
	Transfer to Capital & Ancillary	($358.3)	($449.9)	-$91.6	25.6%
	Total, Operating Expense	**$4,163.0**	**$4,321.8**	**$158.8**	**3.8%**
	Adjusted Operating Earnings[66]	**($772.2)**	**($625.3)**	**$146.9**	**19.0%**

[66] Amtrak reports "adjusted operating earnings" (AOE) as the key financial measure to evaluate results. AOE is defined as net loss under generally-accepted accounting principles (GAAP) excluding: (1) certain non-cash items (depreciation, income tax expense, non-cash portion of pension and other post-retirement employment benefits, and state capital payment amortization); and (2) GAAP income statement items reported with capital or debt results or other grants (project-related revenue/costs reported with capital results, expense related to Inspector General's office, and interest expense, net). Note that while "adjusted operating earnings" is a non-GAAP figure, Amtrak publishes audited, GAAP-consistent consolidated financial statements every year on the "Reports and Documents" page of its website, available at www.Amtrak.com/reports.

Figure 6.3 constitutes an "annual operations report" containing certain route-specific results for FY 23. Additional route-specific information, including on-time performance and changes to service frequency and station stops, can be found elsewhere in this tab, as well as in Amtrak's year-end performance report for FY 23 and our Consolidated Financial Statements for FY 23 (available on the "Amtrak Reports and Documents" webpage at www.amtrak.com/reports).

Fig. 6.3: Amtrak Annual Operations Report for FY 23

Service or Route	Ridership	Passenger-miles	State-Supported Revenue as % of Operating Sources	Adjusted Allocated Operating Sources ($)	Adjusted Allocated Operating Uses ($)	Revenue-to-Cost Ratio	Short-term Avoidable Profit or (Loss) per Passenger-mile ($)
Acela	2,959,382	581,084,206	N/A	498,957,072	398,486,678	1.25	0.17
Northeast Regional	9,162,381	1,626,916,029	N/A	787,732,444	682,386,864	1.15	0.06
NEC Special Trains & Adjustments	N/A	N/A	N/A	7,824,452	14,745,783	0.53	N/A
Total, Northeast Corridor	**12,121,763**	**2,208,000,235**	**N/A**	**1,294,513,968**	**1,095,619,325**	**1.18**	**0.09**
Adirondack	24,656	3,744,146	79%	6,401,415	5,732,982	1.12	0.18
Berkshire Flyer	1,210	56,870	85%	167,881	286,306	0.59	(2.08)
Blue Water	168,848	32,378,436	61%	17,521,336	18,576,230	0.94	(0.03)
Capitol Corridor	905,401	68,034,466	61%	60,241,161	68,077,091	0.88	(0.12)
Carolinian	315,781	70,875,437	17%	20,690,172	23,603,838	0.88	(0.04)
Cascades	668,360	102,452,668	39%	56,173,983	61,225,008	0.92	(0.05)
Downeaster	539,935	46,347,843	39%	18,697,437	21,452,547	0.87	(0.06)
*Empire Service**	1,245,553	202,574,896	-26%	64,179,689	87,455,857	0.73	(0.11)
Ethan Allen Express	86,638	7,729,038	64%	7,414,599	8,289,293	0.89	(0.11)
Hartford Line	438,996	24,916,585	62%	23,096,381	36,884,830	0.63	(0.55)
Heartland Flyer	72,379	13,033,668	68%	7,049,714	9,250,563	0.76	(0.17)
Hiawatha	634,977	51,080,893	38%	26,270,764	31,131,679	0.84	(0.10)
Illini/Saluki	270,017	44,000,907	57%	19,695,308	25,688,487	0.77	(0.14)
Illinois Zephyr/Carl Sandburg	114,521	18,874,041	77%	17,756,823	18,271,414	0.97	(0.03)
Keystone Service	1,106,313	70,124,127	17%	34,417,955	101,034,490	0.34	(0.95)
Lincoln Service	523,304	104,870,065	52%	41,412,451	45,008,154	0.92	(0.03)
Maple Leaf	452,711	88,530,519	45%	39,132,173	43,460,585	0.90	(0.05)
Missouri River Runner	153,181	28,544,785	66%	18,508,683	17,814,740	1.04	0.02
Pacific Surfliner	1,516,667	119,368,416	55%	108,867,981	128,318,866	0.85	(0.16)
Pennsylvanian	192,655	41,272,890	28%	16,602,070	21,842,428	0.76	(0.13)
Père Marquette	85,845	12,967,395	56%	8,196,756	8,803,225	0.93	(0.05)
Piedmont	289,951	33,354,231	45%	10,531,193	12,103,852	0.87	(0.05)
San Joaquins	846,869	123,414,481	66%	86,385,647	101,740,246	0.85	(0.12)
Vermonter	101,940	10,582,480	62%	8,729,024	11,756,722	0.74	(0.29)
VA Service: DC-Newport News	355,715	42,205,584	9%	14,969,400	23,335,016	0.64	(0.20)
VA Service: DC-Norfolk	479,547	63,651,251	11%	20,695,232	31,895,213	0.65	(0.18)
VA Service: DC-Richmond	135,231	11,315,711	51%	7,317,903	8,443,973	0.87	(0.10)
VA Service: DC-Roanoke	324,644	44,412,360	18%	15,448,753	20,335,786	0.76	(0.11)
Wolverine	420,569	91,633,654	46%	41,976,493	46,878,391	0.90	(0.05)
Non-NEC Special Trains & State-Supported Adjustments	N/A	N/A	N/A	318,423	20,966,638	0.02	N/A
Total, State-Supported	**12,472,475**	**1,572,347,843**	**43%**	**818,866,797**	**1,059,664,450**	**0.77**	**(0.15)**

Fig. 6.3: Amtrak Annual Operations Report for FY 23							
Service or Route	**Ridership**	**Passenger-miles**	**State-Supported Revenue as % of Operating Sources**	**Adjusted Allocated Operating Sources ($)**	**Adjusted Allocated Operating Uses ($)**	**Revenue-to-Cost Ratio**	**Short-term Avoidable Profit or (Loss) per Passenger -mile ($)**
Auto Train	283,645	163,570,832	N/A	121,616,446	106,246,072	1.14	0.09
California Zephyr	328,665	225,100,643	N/A	59,172,759	134,449,236	0.44	(0.33)
Capitol Limited	126,309	53,974,804	N/A	17,486,075	44,231,920	0.40	(0.50)
Cardinal	82,698	32,195,738	N/A	8,850,149	28,554,418	0.31	(0.61)
City of New Orleans	233,876	96,171,671	N/A	20,592,180	48,421,089	0.43	(0.29)
Coast Starlight	337,355	148,774,144	N/A	44,830,041	92,342,633	0.49	(0.32)
Crescent	270,628	115,673,474	N/A	36,559,645	80,237,803	0.46	(0.38)
Empire Builder	348,993	254,704,758	N/A	61,116,422	116,642,121	0.52	(0.22)
Lake Shore Limited	351,049	146,989,821	N/A	36,968,931	77,303,000	0.48	(0.27)
Palmetto	318,005	82,168,752	N/A	27,920,494	43,345,960	0.64	(0.19)
Silver Meteor	283,890	152,370,841	N/A	40,052,501	78,254,532	0.51	(0.25)
Silver Star	351,728	151,778,456	N/A	39,544,418	94,175,564	0.42	(0.36)
Southwest Chief	253,838	222,403,456	N/A	43,092,490	125,212,819	0.34	(0.37)
Sunset Limited	77,288	58,464,698	N/A	11,843,495	56,672,297	0.21	(0.77)
Texas Eagle	294,439	138,499,273	N/A	26,374,998	65,436,223	0.40	(0.28)
Long-Distance Adjustments	N/A	N/A	N/A	560	4,747,524	0.00	N/A
Total, Long-Distance	**3,942,406**	**2,042,841,361**	**N/A**	**596,021,603**	**1,196,273,211**	**0.50**	**(0.29)**
Grand Total	**28,536,644**	**5,823,189,439**	**N/A**	**2,709,402,368**	**3,351,556,986**	**0.81**	**(0.11)**

*Empire Service *results reflect past changes to revenue accounting system.*

Discussion of Northeast Corridor Costs and Revenues in FY 23

As directed by 49 U.S.C. § 24315(b)(1)(A), this report includes "a discussion and accounting of Amtrak's success in meeting the goal described in section 24902(a)," which is:

> having revenues derived each fiscal year from providing intercity rail passenger transportation over the Northeast Corridor route between the District of Columbia and Boston, Massachusetts, equal at least the operating costs of providing that transportation in that fiscal year.[67]

Amtrak measures the relationship between Northeast Corridor (NEC) service line[68] operating revenues and operating costs as the "NEC cost recovery ratio." Recent performance and future goals are shown in figure 6.4:

Fig. 6.4: **NEC Service Line Cost Recovery Ratio**

FY 19 Actual	FY 20 Actual	FY 21 Actual	FY 22 Actual	FY 23 Actual	FY 24 Plan	FY 29 Project.
170%	99%	52%	100%	118%	143%	158%

"Cost recovery ratio" describes NEC service line operating revenues as a share of total NEC Service Line operating expenses.

After reaching the statutory goal of 100% in FY 22, Amtrak's NEC cost recovery ratio continued to improve in FY 23, ultimately ending at 118%—the best result since the start of the COVID-19 pandemic. Looking ahead, Amtrak will continue working to improve NEC cost recovery through implementation of new business strategies and other innovations. These include improved schedules that provide more capacity to meet growing demand and low-fare "night owl" pricing that makes Amtrak more affordable and grows ridership and revenue. (Travel between New York City and Washington is possible for less than $20.)

The company anticipates that customer demand for NEC service will continue to grow over time, barring unforeseen external events; in the near term, price inflation continues to affect the cost of goods and services required for Amtrak's NEC operations, but the company is working to manage and minimize these and other financial pressures.

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[67] 49 U.S.C. § 24902(a)

[68] For a detailed explanation of what the NEC service line does and does not include, see "Explanation of Account Structure, Asset Lines, & Service Lines" elsewhere in this tab.

On-Time Performance (OTP) Report for FY 23 (by Route)

On-time performance (OTP) can mean different things in different contexts:

- "**customer OTP**" measures the proportion of customers traveling on a given route / service who arrive at their destinations on time;
- "**endpoint OTP**" measures the proportion of trains operated as part of a given route / service that arrive at their final station stop on time; and
- "**all stations OTP**" measures the proportion of scheduled station stops at which trains operated as part of a given route / service arrive on time.

Of these metrics, "customer OTP" is often the most useful (measuring as it does the experience of passengers rather than trains).

In November of 2020, the Federal Railroad Administration (FRA) established customer OTP of at least 80% as the minimum performance standard for intercity passenger rail service.[69] During FY 23, OTP varied widely for Amtrak's passengers. On the Northeast Corridor, where the company controls most train dispatching, 82.1% of *Acela* passengers and 81.4% of *Northeast Regional* passengers arrived on time—exceeding FRA's standard. But on Long-Distance routes, where "host" freight railroads control nearly all dispatching, only 52.5% of passengers arrived on time—an improvement from FY 22, but still far below FRA's standard. Millions of passengers face long delays every year because Amtrak cannot directly enforce in federal court its passengers' legal right to be prioritized over freight. But a simple policy fix could solve this problem forever: see "Enable Amtrak to Enforce Its Right to Preference in Train Dispatching" in "General Rail Policy Requests" in tab IV.

Figure 6.5 gives detailed information on every individual Amtrak route's OTP.

Fig. 6.5: **FY 23 On-Time Performance by Route**

Service or Route	Customer OTP (%)	Endpoint OTP (%)	All Stations OTP (%)
Amtrak System (*Grand Total*)	**74.4**	**75.5**	**74.6**
Northeast Corridor (*Service Line Total*)	**80.2**	78.0	84.6
Acela	82.1	80.0	85.4
Northeast Regional (*subtotal*)	**76.6**	**77.1**	**80.4**
On-Spine *Northeast Regional*	*81.4*	*79.7*	*84.8*
VA – Richmond/Newport News/Norfolk	*71.2*	*64.3*	*74.2*
VA – Roanoke	*71.5*	*66.1*	*76.0*
Hartford Line (Amtrak) & *Valley Flyer*	*87.7*	*88.9*	*90.0*

[69] 49 C.F.R. § 273.5

Fig. 6.5: **FY 23 On-Time Performance by Route**			
Service or Route	**Customer OTP (%)**	**Endpoint OTP (%)**	**All Stations OTP (%)**
State-Supported (*Service Line Total*)	**74.5**	**76.9**	**78.2**
Capitol Corridor	84.6	82.1	88.9
Carolinian	62.0	68.8	62.9
Cascades	61.8	59.4	75.6
Downeaster	79.9	71.1	83.0
Empire (*subtotal*)	**78.1**	**81.2**	**78.7**
Adirondack	*69.0*	*72.3*	*60.2*
Berkshire Flyer	*54.7*	*35.6*	*52.2*
Ethan Allen Express	*75.4*	*79.6*	*79.9*
Maple Leaf	*73.4*	*67.7*	*72.8*
New York – Albany	*84.7*	*86.4*	*88.6*
New York – Niagara Falls	*72.1*	*79.9*	*76.9*
Heartland Flyer	60.3	55.0	64.6
Hiawatha	86.5	79.7	90.0
Illinois (*subtotal*)	**75.2**	**78.9**	**77.5**
Carl Sandburg/Illinois Zephyr	*78.5*	*82.0*	*78.9*
Illini/Saluki	*73.8*	*75.4*	*74.7*
Lincoln Service	*75.3*	*54.8*	*78.5*
Keystone	94.2	91.5	95.1
Michigan (*subtotal*)	**68.9**	**73.3**	**73.9**
Blue Water	*64.2*	*66.7*	*73.6*
Père Marquette	*87.4*	*88.3*	*90.1*
Wolverine	*67.0*	*70.3*	*71.7*
Missouri River Runner	66.7	64.5	70.0
Pacific Surfliner	79.1	79.3	78.2
Pennsylvanian	80.0	83.3	78.0
Piedmont	67.4	57.6	78.1
San Joaquins	65.1	64.4	70.7
Vermonter	71.5	69.9	69.4
Long-Distance (*Service Line Total*)	**52.5**	**61.8**	**49.2**
Auto Train	57.7	66.8	70.1
California Zephyr	26.4	25.1	43.7
Capitol Limited	66.3	77.0	61.7
Cardinal	54.8	59.2	53.4
City of New Orleans	76.2	85.6	65.9
Coast Starlight	55.3	60.8	51.1
Crescent	57.0	56.9	55.0
Empire Builder	45.5	56.9	42.5
Lake Shore Limited	67.0	83.8	68.3
Palmetto	65.9	69.9	65.5
Silver Meteor	49.1	62.3	50.5
Silver Star	46.5	58.4	46.6
Southwest Chief	32.7	41.1	36.4
Sunset Limited	34.0	44.3	28.2
Texas Eagle	54.4	56.2	50.8

Amtrak grades host railroads based on delay-minutes, but the government's Metrics and Standards for On-Time Performance (OTP) are the best measure of passenger experience. Federal law requires that Amtrak trains receive priority over freight–but hosts often ignore this requirement and favor their own trains. As a result, most Amtrak National Network routes don't meet OTP standards.

	Host Railroad	2023 Grade	4-Year GPA
1	CPKC	A	4.11
2	CSX	B+	3.2
3	Canadian National	B+	3.31
4	BNSF	B	3.33
5	Norfolk Southern	B-	1.81
6	Union Pacific	C-	1.99

Long-Distance: 15/15 Routes Fail

Route	Class I Host(s)	Customers on Time	Meets 80% Standard?
City of New Orleans	CN	75%	Fail
Capitol Limited	NS, CSX	70%	
Lake Shore Limited	CSX, NS	69%	
Palmetto	CSX	67%	
Auto Train	CSX	66%	
Texas Eagle	BNSF, UP, CN	60%	
Coast Starlight	BNSF, UP	58%	
Cardinal	NS, CSX	58%	
Crescent	NS	57%	
Silver Meteor	CSX	53%	
Empire Builder	BNSF, CPKC	51%	
Silver Star	CSX, NS	49%	
Sunset Limited	BNSF, UP	44%	
Southwest Chief	BNSF	34%	
California Zephyr	BNSF, UP	33%	

State-Supported: Most Routes Fail

Route	Class I Host(s)	Customers on Time	Meets 80% Standard?
Keystone	Amtrak	94%	Pass
Pere Marquette	CSX, NS	87%	
Hiawatha	CPKC	86%	
New York - Albany	Amtrak	85%	
Capitol Corridor	UP	85%	
Downeaster	CSX	81%	
Pacific Surfliner	BNSF, UP	80%	
Carl Sandburg / IL Zephyr	BNSF	80%	
Illini / Saluki	CN	80%	
Pennsylvanian	NS	79%	Fail
Ethan Allen Express	CPKC	74%	
New York - Niagara Falls	CSX	74%	
Missouri River Runner	UP	74%	
Maple Leaf	CSX	73%	
Vermonter	(other hosts)	70%	
Adirondack	Amtrak	69%	
Wolverine	NS, CN	69%	
Piedmont	NS	68%	
San Joaquins	BNSF, UP	66%	
Blue Water	NS, CN	66%	
Heartland Flyer	BNSF	64%	
Cascades	BNSF, UP	64%	
Lincoln Service	CN, UP	63%	
Carolinian	CSX, NS	61%	

Host Railroads are graded based on "host-responsible delay per minutes per 10,000 train-miles." 900 host-responsible delay minutes per 10,000 train-miles generally correlates with performance that results in Amtrak trains that are 80% on-time.

Debt Summary for FY 23

At the end of FY 23, Amtrak had a total debt of $1.263 billion. Amtrak's plan is to pay $39 million in FY 24 and $39 million in FY 25 in scheduled debt service for senior notes using passenger revenues. In addition to scheduled debt service payments, Amtrak plans to use $88 million in FY 24 and $204 million in FY 25 to fund credit risk premia; for required debt service reserves; and to pay debt service on the "Railroad Rehabilitation & Improvement Financing (RRIF) III" loan that provides a total of up to $2.450 billion for procurement of next-generation *Acela* equipment.

Amtrak has received a modification of RRIF III to allow for a draw period that extends to September 15, 2025, aligning with the completion of elements of the New *Acela* program. The company has assumed a draw of $275 million from the remaining RRIF III availability in FY 24, and an additional draw of $565 million in FY 25. (No further extension of the draw period is anticipated.)

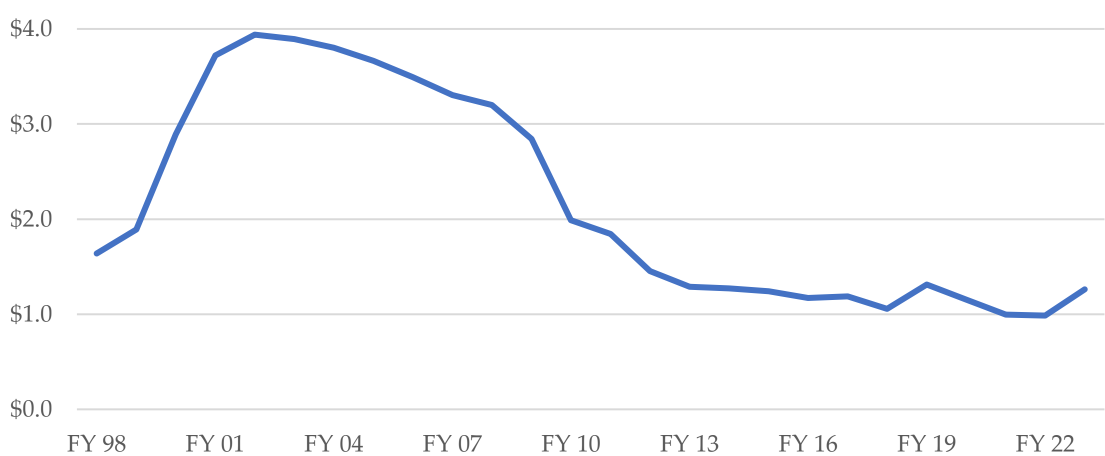
Amtrak also anticipates entering into a facility that would allow it to borrow against reimbursable discretionary grant funding to maintain adequate working capital.

Fig. 6.6: **Amtrak Debt Outstanding, in Millions**

Debt Obligations	Outstanding Balance, End of FY 22	Outstanding Balance, End of FY 23
PEDFA A Frequency Converter	$77.8	—
2016 Unsecured Private Placement Notes	$79.9	$70.3
2016 Secured Private Placement Notes	$266.7	$254.7
RRIF III Loan	$561.3	$937.6
Total	**$985.7**	**$1,262.6**

Fig. 6.7: **Debt Outstanding at Year-End, FYs 98-23**

(in billions)



Actual and Planned Service Changes in FY 23 and FY 24

The Infrastructure Investment and Jobs Act (IIJA) requires that Amtrak communicate annually to Congress—

- "any change made to a route's or service's frequency or station stops" during the preceding fiscal year; and
- "an update of any planned or proposed changes to State-Supported routes, including the introduction of new State-Supported routes," including "the timeframe in which such changes would take effect" and "whether Amtrak has entered into commitments with the affected States" regarding the sharing of ongoing operating and capital costs associated with the new routes.[70]

Given the scale of Amtrak's network, the day-to-day variability of operations, and the uncertainty inherent in long-term plans and timelines, the summaries below focus on high-level changes and overarching trends within Amtrak's business.

Actual Service Level, Route, and Station Stop Changes in FY 23

During FY 23, Amtrak and its partners completed the restoration of service to pre-COVID-19 levels along most routes; the company also carried out incremental expansions of service in targeted markets. Highlights include:

- **Long-Distance Service Line** — The IIJA contains a provision stating that "Amtrak may not discontinue, reduce the frequency of, suspend, or substantially alter the route" of Long-Distance rail service, except in specified circumstances; Amtrak remains committed to following this directive.[71] During FY 22 and into early FY 23, workforce and equipment availability issues necessitated temporary reductions in Long-Distance service along certain routes. The last of those temporary re-reductions ended during October of 2022; subsequently, service along Long-Distance routes was consistently scheduled at pre-pandemic levels, except in the case of disruptions due to temporary factors like trackwork.
- **State-Supported Service Line** — State-Supported routes are operated per contracts with public entities (e.g., state departments of transportation). By the end of FY 23, nearly all State-Supported routes had been restored to a frequency aligned with the wishes of those routes' sponsoring partners, and cross-border service had been fully restored on the routes of both the Amtrak Cascades (in March 2023)[72] and the *Adirondack* (in April 2023).[73] Additionally, in certain cases,

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[70] 49 U.S.C. § 24315(a)(1)(I); 49 U.S.C. § 24712(i)
[71] 49 U.S.C. § 24706(b)
[72] Cross-border service between Seattle and Vancouver, British Columbia, had previously been restored in September of 2022; March 2023 saw the restoration of single-seat cross-border service between Portland and Vancouver.
[73] Cross-border service along Amtrak's third international route, the *Maple Leaf*, was restored during FY 22.

Amtrak worked with its state partners to expand service above pre-COVID levels; notably, the North Carolina-sponsored *Piedmont* added a fourth daily round trip in July. (The Oregon- and Washington-sponsored Amtrak Cascades added two Seattle-Portland round trips, for a total of six, in December—technically, in the first quarter of FY 24.)

- **Northeast Corridor Service Line** — While service on the Northeast Corridor (NEC) remained constrained by workforce and equipment availability issues during FY 23, Amtrak continued to incrementally restore *Acela* and *Northeast Regional* frequencies; service continues to gradually approach FY 19 levels.[74] The company also extended one existing *Northeast Regional* round trip on the NEC's South End to Springfield, Massachusetts, providing a third[75] daily single-seat connection between western Massachusetts, Connecticut, New York City, and Washington, D.C. (with intervening stops).

Figure 6.8 provides additional detail regarding how service levels changed from the end of FY 22 to the end of FY 23 on a route-by-route basis.

Fig. 6.8: **Daily Round Trips (RTs) by Route, FY 22 vs. FY 23**

Route Name	Avg. Weekday Round Trips circa 30 Sept. 2022	Avg. Weekday Round Trips circa 30 Sept. 2023	Notes
Northeast Corridor Routes			
Acela	10 RTs daily	11 RTs daily	increased to 11 RTs in Oct. '22
Northeast Regional	15 RTs daily	18 RTs daily	—
State-Supported Routes			
Adirondack	suspended	1 RT daily	service restored between NYC & Albany in Dec. '22; service along full route, inc. cross-border, restored in Apr. '23
Berkshire Flyer	1 RT weekly (summer only)	1 RT weekly (summer only)	seasonal train
Blue Water	1 RT daily	1 RT daily	—
Capitol Corridor	9 RTs daily	12 RTs daily	temp. reduction at end of FY 22; increased to 12 RTs in Oct. '22
Carolinian	1 RT daily	1 RT daily	—
Cascades	3 RTs daily (SEA-PDX core)	6 RTs daily (SEA-PDX core)	direct Portland - Vancouver service restored in Mar. '23; increased to 6 RTs in Dec. '23
Downeaster	5 RTs daily	5 RTs daily	—

[74] By the end of FY 23, total monthly *ridership* on NEC service line trains, as distinct from the number of round trips, had already exceeded pre-pandemic levels.
[75] Additional round trips are provided by another *Northeast Regional* frequency and the State-Supported *Vermonter*.

Fig. 6.8: **Daily Round Trips (RTs) by Route, FY 22 vs. FY 23**			
Route Name	**Avg. Weekday Round Trips circa 30 Sept. 2022**	**Avg. Weekday Round Trips circa 30 Sept. 2023**	**Notes**
Empire Service	7 RTs daily	8 RTs daily	(additional RT planned to be added circa March '24)
Ethan Allen	1 RT daily	1 RT daily	—
Hartford Line (Amtrak)	7 RTs daily	6 RTs daily	1 RT replaced by South End *Northeast Regional* extension from New York to Springfield
Heartland Flyer	1 RT daily	1 RT daily	—
Hiawatha	7 RTs daily	7 RTs daily	—
Illini / Saluki	1 RT daily	2 RTs daily	restored to 2 RTs during FY 23
Illinois Zephyr / Carl Sandburg	2 RTs daily	2 RTs daily	—
Keystone	12 RTs daily	13 RTs daily	increased to 13 RTs in Oct. '22; may be temporarily affected during FY 24 by trackwork
Lincoln Service	4 RTs daily	4 RTs daily	—
Maple Leaf	1 RT daily	1 RT daily	—
Missouri River Runner	2 RTs daily	2 RTs daily	—
Pacific Surfliner	10 RTs daily	10 RTs daily	—
Pennsylvanian	1 RT daily	1 RT daily	—
Père Marquette	1 RT daily	1 RT daily	—
Piedmont	3 RTs daily	4 RTs daily	increased to 4 RTs in July '23
San Joaquins	6 RTs daily	6 RTs daily	—
Valley Flyer	see *Hartford Line*	see *Hartford Line*	—
Vermonter	1 RT daily	1 RT daily	—
Virginia Service	8 RTs daily	8 RTs daily	service to or from Richmond (1), Roanoke (2), Newport News (2), & Norfolk (3)
Winter Park Express	3 RTs weekly (winter only)	3 RTs weekly (winter only)	seasonal train
Wolverine	3 RTs daily	3 RTs daily	—
Long-Distance Routes			
Auto Train	1 RT daily	1 RT daily	—
California Zephyr	1 RT daily	1 RT daily	—
Capitol Limited	1 RT daily	1 RT daily	—
Cardinal	3 RTs weekly	3 RTs weekly	—

Fig. 6.8: **Daily Round Trips (RTs) by Route, FY 22 vs. FY 23**			
Route Name	**Avg. Weekday Round Trips circa 30 Sept. 2022**	**Avg. Weekday Round Trips circa 30 Sept. 2023**	**Notes**
City of New Orleans	1 RT daily (planned)	1 RT daily	daily service fully restored in Oct. '22
Coast Starlight	1 RT daily	1 RT daily	—
Crescent	1 RT daily (planned)	1 RT daily	daily service fully restored in Oct. '22
Empire Builder	1 RT daily	1 RT daily	—
Lake Shore Limited	1 RT daily	1 RT daily	—
Palmetto	1 RT daily	1 RT daily	—
Silver Meteor	1 RT daily (planned)	1 RT daily	daily service fully restored in Oct. '22
Silver Star	1 RT daily	1 RT daily	—
Southwest Chief	1 RT daily	1 RT daily	—
Sunset Limited	3 RTs weekly	3 RTs weekly	—
Texas Eagle	1 RT daily	1 RT daily	—

Some totals approximate. Trains providing a single-seat through-ride as part of multiple services counted towards both services' totals.

Some of these service level changes had temporary effects upon Amtrak's station stops during FY 23; for instance, stations served only by suspended routes were naturally unserved for the duration of those suspensions.

Permanent route changes did not significantly affect the list of communities that Amtrak served in FY 23. However, many already-served stations received significant upgrades or improvements during that period; these efforts included completion of Americans with Disabilities Act (ADA) compliance work at stations in communities like Homewood, IL; Yazoo City, MS; Jefferson City, MO; and Wishram, WA, among others.

Planned Service Level, Route, & Station Stop Changes in FY 24 and Beyond

Looking ahead, Amtrak will continue to build upon the progress it made during FY 23:

- **Long-Distance Service Line** — Amtrak remains committed to operating a national rail network that serves customers across the United States. The company is not planning any reductions in Long-Distance service, and does not currently anticipate having to temporarily decrease service frequency because of factors beyond the company's control (e.g., equipment and workforce limitations of the kind that temporarily affected service during FY 22). The company does expect to move its Miami station stop, served by the *Silver Star* and *Silver Meteor*, from the current location (next to a freight railroad yard in the Hialeah neighborhood) to the Miami Intermodal Center (MIC) at Miami International Airport.

- **State-Supported Service Line**[76] — Amtrak anticipates continuing to work with current and potential partners to provide new or expanded service along certain routes in accord with those partners' desired service levels. Notably, in the coming months, we expect to initiate—

  - a new **Chicago-Milwaukee-St. Paul service** (one round trip daily, sponsored by the states of Illinois, Wisconsin, and Minnesota, providing additional service to communities already served by the Long-Distance *Empire Builder*), and

  - a new **New Orleans-Mobile service** (two round trips daily, sponsored by the states of Louisiana and Mississippi and by the City of Mobile, Alabama, providing new[77] service along the Gulf Coast, including station stops in the currently-unserved communities of Bay St. Louis, MS; Gulfport, MS; Biloxi, MS; Pascagoula, MS; and Mobile, AL).[78]

  Addition of new round trips and other improvements to existing State-Supported routes, consistent with sponsoring partners' wishes, are also probable, although exact details and timelines depend in part upon factors beyond Amtrak's control. In particular, potential extension of Maine-sponsored *Downeaster* service to Rockland (from the current terminus in Brunswick) is a possibility.

- **Northeast Corridor Service Line** — Additional round trips, enabled in part by the introduction of time-saving fixed forward and backward seating, are expected to increase *Northeast Regional* service on the NEC beyond FY 19 levels over the course of FY 24; *Acela* service is not expected to exceed FY 19 levels during FY 24. Overall NEC service levels are expected to continue growing over the longer term.

Across all three service lines, work to maintain or improve railroad infrastructure and other assets (including major capital projects made possible by the IIJA) may temporarily affect service in various ways; as always, important information can be found on Amtrak's website on the "service alerts and notices" page, available at: bit.ly/4bRL9kg.

Additionally, over the coming months and years, additional IIJA-enabled increases in State-Supported and potentially Long-Distance service levels, including both expansion of service along existing routes and initiation of service along new routes, are likely; Amtrak looks forward to working with new or existing partners to carry out such changes. However, those changes would generally advance through

[76] List excludes any restoration of service that was regularly scheduled in FY 19, and may not capture certain smaller-scale, temporary, and incremental adjustments. Timelines for and certain details of planned service changes are highly contingent, and cannot be given with precision.
[77] Communities to be served remain on the route of the *Sunset Limited*, but service has been suspended east of New Orleans since Hurricane Katrina in 2005.
[78] Amtrak intends to enter into cost-sharing commitments with the sponsors for both of these new routes prior to the start of service. Any changes to existing routes are made in close cooperation with the service sponsors, and are subject to already-existing agreements regarding cost allocations, consistent with the requirements of Section 209 of the Passenger Rail Investment and Improvement Act (PRIIA).

the Federal Railroad Administration's (FRA's) new Corridor Identification & Development (CID) program, as described under "FRA Corridor Identification & Development Program Update" in tab V.

In December of 2023, Amtrak received four up-to-$500,000 awards through CID to lay initial groundwork for the preparation of service development plans (SDPs) for daily *Cardinal* service; daily *Sunset Limited* service; extension of certain *Northeast Regional* service to Ronkonkoma (Long Island), NY; and a new Dallas-Houston high-speed rail route. Similarly, many current and potential Amtrak partners also received awards via CID to begin working towards SDPs for improvement, expansion, or inauguration of service in dozens of additional corridors. In each case, the initial award from FRA represents a first step towards *potential* new or improved service, but eventual outcomes will depend on awardees' and FRA's decision-making, availability of federal grant funding, and a variety of other factors.

Accordingly, at this time, it is not possible for Amtrak to definitively identify further "planned or proposed changes to State-Supported routes" with specificity, apart from those mentioned in the bulleted list above.

Additionally, FRA is in the process of completing an IIJA-required study evaluating "the restoration of daily intercity rail passenger service" along discontinued Amtrak Long-Distance routes, the route of the *Cardinal*, and the route of the *Sunset Limited*; FRA's final conclusions, and their future effects, are likewise not yet known.

VII. Appendix: Other Materials

Grant Request FAQ

Nationwide intercity passenger rail service requires public investment, and Amtrak is committed to helping taxpayers understand what their dollars buy. Below are answers to questions Amtrak often receives from members of Congress, their staff, and the general public. Additional, general information about Amtrak can be found in "About Amtrak" and "How Amtrak Benefits America" elsewhere in this tab.

* * *

<u>What is Amtrak requesting?</u>

Amtrak is requesting that Congress provide $4.000 billion in annual grant funding for the company in FY 25. This amount matches the total level that Congress recommended in Amtrak's most recent reauthorization, and would take the form of a $1.580 billion Northeast Corridor grant (for activities associated with the Boston-to-Washington Northeast Corridor) and a separate $2.420 billion National Network grant (for activities associated with the rest of Amtrak's route network).

<u>Why does Amtrak need this money?</u>

Amtrak would use the requested FY 25 annual grant funding primarily to meet needs for which projected revenues are insufficient, and for which separate Infrastructure Investment and Jobs Act (IIJA) funding is not available to be used, including train operations, important routine maintenance and inspection work, and "baseline capital charge (BCC)" investments along the Northeast Corridor, among other priorities. Importantly, if Congress declines to provide a robust annual appropriation, Amtrak might not be able to sustain current service levels on the Northeast Corridor and National Network—and our progress towards other important goals (such as bringing key assets into a state of good repair) could be severely undermined.

<u>Didn't the IIJA (bipartisan infrastructure law) take care of Amtrak's funding needs for years to come?</u>

Unfortunately, no. While the IIJA provides historic levels of capital funding for Amtrak, Congress set clear ground rules for how those capital dollars can be used. By law, IIJA funding is reserved for specific categories of capital project (mostly repair or replacement of obsolete assets) and other specified purposes; in general, those IIJA dollars cannot be substituted for the annual grant funding necessary to operate trains and maintain the railroad each year. If Congress declines to provide Amtrak with a robust annual appropriation, the company might not be able to sustain current service levels on the Northeast Corridor and National Network—compromising the very foundation on which the IIJA seeks to build.

<u>How does Amtrak's FY 25 grant request compare to past years' request?</u>

By law, Amtrak's annual grant requests must be based upon congressionally-authorized funding levels. Amtrak requested either the authorized level or, where applicable, an amount directly tied to the most recent authorized level, for each of FYs 18-24, and has done the same for FY 25.

Why is investment in Amtrak an effective use of public funds?

Every year, tens of millions of Americans rely on Amtrak to get them where they're going—and then carry them safely home. These trips are just as important as trips by highway, by airplane, by ferry, or by any of the other travel modes the federal government helps to support.

More generally, passenger rail plays a key role in the nation's intercity transportation system, offering a safe, reliable, and convenient alternative to travel by car or airplane. Amtrak's trains take vehicles off of congested highways; give options to those who cannot drive or fly; and offer a vital link to small and rural communities where there may not be another intercity travel mode. Short-distance trips are often trip time-competitive with air travel, and generally deliver passengers directly to the urban centers where many of them are headed. Amtrak is sustainable (34% more energy-efficient than domestic air travel),[79] accessible (we plan to spend more than a billion dollars on ADA-related projects in the coming years), and exceptionally safe (as a mode, passenger rail is almost seventeen times safer than car travel).[80]

Amtrak is also a powerful economic engine for the nation. The company produces direct user, safety, and emissions benefits worth $2.0 billion per year, and its operations support another $7.2 billion in annual economic activity. Importantly, these benefits are concentrated in local communities throughout the United States; for instance, in FY 23, 99% of Amtrak's procurement spending was domestic. Amtrak's operations also support well-paying, middle class jobs: that same year, the company paid out more than $2.6 billion in salaries, wages, and benefits to its more than 21,000 employees. (More broadly, Amtrak operations support approximately 36,000 jobs in total.)

For information on how Amtrak benefits a given state, see "Selected Amtrak Impacts by State" elsewhere in this tab.

Doesn't Amtrak mostly benefit a handful of big cities? Why should anyone outside those places care?

Amtrak is America's Railroad: the company exists to serve the nation. While that means linking major urban centers, our trains stop in every kind of community. One of Amtrak's statutory goals is "serving customers throughout the United States"; by law, this means "connecting urban and rural communities."[81] We are committed to providing all of our customers—urban and rural—with an easy, pleasant, high-quality experience.

In FY 23, Amtrak carried more than twenty-eight million passengers, from every walk of life; a substantial majority traveled on State-Supported or Long-Distance routes, which together pass through forty-five of the forty-eight contiguous states (and Washington, D.C.). All told, Amtrak's trains serve 524 stations; most are in rural communities, towns, and smaller cities. In many of these places, Amtrak is residents' only non-car travel option; its trains offer these Americans an irreplaceable link to their families and friends; to jobs and economic opportunities; and to crucial services and resources.

For information on how Amtrak benefits a given state, see "Selected Amtrak Impacts by State" elsewhere in this tab.

[79] Table 2.15, *Transportation Energy Data Book (Edition 39)*, Oak Ridge National Laboratory: bit.ly/41UxV1k.
[80] (For passengers in the U.S., per passenger-mile; "Deaths by Transportation Mode," National Safety Council: bit.ly/3TgK5Oc.)
[81] 49 U.S.C. § 24101(c)(13)

Why doesn't Amtrak earn a profit? Shouldn't we just have whatever level of rail service private companies can feasibly deliver?

Around the world, almost every passenger railroad depends upon public funding. This is because much of the value of passenger rail service accrues to the communities served in the form of reduced highway congestion; enhanced economic development; and environmental and quality-of-life benefits that cannot be captured through the fares charged to riders.

In the U.S., intercity passenger rail service was by the late 1960s consistently unprofitable, due largely to the development (enabled by major federal investments) of commercial air transportation and interstate highways.[82] At the time, many private railroads were required to provide passenger service, and were incurring huge losses as a result; this dynamic threatened the industry's survival. In response, Congress established Amtrak to ensure the continued availability of intercity passenger service. As the Congressional Research Service has explained,

> *Amtrak was created because private-sector railroad companies in the United States lost money for decades operating intercity passenger rail service and wished to be relieved of the obligation to do so.[83]*

Congress never seriously expected Amtrak to be profitable,[84] in part because of the same realities that required its creation, and profitability is not one of Amtrak's statutory goals. Rather, Congress has directed the company to "provide modern, cost-efficient, and energy-efficient intercity rail passenger transportation throughout the United States," and to use "its best business judgment in acting to maximize the benefits of Federal investments."[85]

At one point, Amtrak was almost breaking even—right? Will the company ever get back to that point?

In FY 19, just prior to the COVID-19 pandemic, Amtrak recovered roughly 99% of its total operating costs from passenger revenues. Since then, much has changed. Enactment of the IIJA means the "capital delivery" part of Amtrak's business is rapidly growing: as Congress intended, the company is using IIJA funding to undertake major capital investments. That growth is creating new costs that have to be considered "operating" costs rather than "capital" expenses under generally-accepted accounting principles (GAAP). While Amtrak's ridership is now returning to pre-pandemic levels, the company has lost years of ridership and revenue growth, and (like the rest of the travel industry) is experiencing a continuing reduction in high-revenue business travelers; at the same time, expenses have grown significantly due to price inflation. As a result, operating costs are expected to continue to exceed revenues for the next several years on a consolidated basis—although our total adjusted operating loss is expected to lessen as we rebuild our business. In the long term, Amtrak seeks to return to the record-level financial performance exhibited just before the pandemic, and the capital investments that Amtrak is making now will help the company to deliver a more valuable service; grow its market share; and generate much higher revenues while carrying many more passengers.

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[82] (Even when funding provided by the IIJA is taken into account, other modes of transportation, particularly highways, receive much higher levels of federal support than Amtrak.)
[83] "Amtrak: Overview," David Randall Peterman, Congressional Research Service, Sept. 28, 2017: bit.ly/3We3DDU.
[84] "Amtrak Profitability: An Analysis of Congressional Expectations at Amtrak's Creation," David Randall Peterman, Congressional Research Service, June 26, 2002: bit.ly/3ThaI5H.
[85] 49 U.S.C. 24101(c)(1)

What safeguards are in place to ensure that public funding for Amtrak is used responsibly?

While operated and managed as a for-profit corporation, Amtrak is majority-owned by (and accountable to) the United States federal government. Nearly all company directors are presidentially-appointed and Senate-confirmed, and the board engages with the general public at an annual meeting.

Precisely because the company relies on taxpayer support, it has put in place stringent internal controls to ensure that funding is put to its best and highest use, and to prevent both actual and apparent conflicts or improprieties; for instance, official company policy requires that the work of the Government Affairs and Corporate Communications Department be funded exclusively by non-federal sources like ticket revenue, to avoid the appearance of taxpayer dollars being used in a way that affects policy outcomes.

Moreover, Congress has prescribed a clear mission and goals for Amtrak, codified in law at 49 U.S.C. § 24101, and annual appropriations are made available only subject to detailed grant agreements containing extensive transparency and accountability requirements. The company is also subject to robust additional oversight by elements of both the executive and legislative branches of the federal government, including the Federal Railroad Administration (FRA), multiple congressional committees, and an embedded Office of Inspector General (OIG), which is tasked with promoting efficiency and preventing fraud or abuse.

Finally, by law, independently-audited, GAAP-compliant information on Amtrak's financial performance is published annually, and reports containing substantial additional information on the company's performance are available at www.amtrak.com/reports.

Is there some other way Congress could help Amtrak *instead* of providing funds?

There is no substitute for robust annual grant funding, and there is no way of avoiding major adverse effects if adequate funding is not provided. However, there are many policy changes that Congress could make in addition to providing robust funding, and some of these changes could reduce (but not eliminate) Amtrak's funding needs over time. Information on constructive, cost-saving policy changes can be found throughout tab IV.

Where can I learn more about how Amtrak benefits America?

Information about Amtrak and how the company benefits America can be found in "About Amtrak," "How Amtrak Benefits America," and "Selected Amtrak Impacts by State" elsewhere in this tab.

Additional high-level information is available in Amtrak's most recent "company profile," available at: bit.ly/4bCwSYK; detailed state-by-state overviews of Amtrak's operations and impacts are available in the company's annual state fact sheets, available at: bit.ly/3gWa7qB.

About Amtrak

Below are answers to questions about Amtrak that we commonly receive from members of Congress, their staff, and the general public. Answers to common questions about Amtrak's grant request and finances, specifically, can be found in "Grant Request FAQ" and additional information about Amtrak generally can be found in "How Amtrak Benefits America," both elsewhere in this tab.

* * *

<u>What is Amtrak?</u>

Amtrak—America's Railroad—is an intercity passenger railroad company, created by Congress and tasked with providing "efficient and effective intercity passenger rail mobility consisting of high-quality service that is trip-time competitive with other intercity travel options."[86]

<u>Why does Amtrak exist?</u>

Historically, by law, private railroads had a "common carrier" obligation to move not just freight, but passengers. By the 1950s and '60s, shifting transportation patterns—driven in part by public subsidies for air and highway travel—meant that most railroads were incurring huge losses on their passenger operations; many were on the verge of bankruptcy. At the same time, Americans recognized that passenger service remained an important public good and were unwilling to let that service disappear.

As a solution, Congress created Amtrak to relieve private railroads of their obligation to serve passengers. In exchange, Amtrak received a combination of equipment, one-time funding, and certain permanent rights (including the right to operate over all rail lines in the national rail network).

Amtrak began national operations on May 1, 1971.

<u>Is Amtrak a private company? Who runs it?</u>

Amtrak is a federally chartered corporation, operated and managed as a for-profit company, but with the U.S. government as its majority shareholder. The Amtrak Board of Directors is appointed by the president of the United States and confirmed by the U.S. Senate.

<u>What kinds of service does Amtrak provide?</u>

Amtrak's intercity passenger trains serve 524 destinations in forty-six states, the District of Columbia, and three Canadian provinces, along more than 21,400 miles of routes. In FY 23, the company carried 28.5 million passengers on its three service lines: Long-Distance, State-Supported, and Northeast Corridor (NEC).

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[86] 49 U.S.C. § 24101(b)

In addition to operating intercity trains, Amtrak performs several directly related functions, including provision of connecting (Thruway) bus service, contract operations for certain commuter (regional passenger) railroads, and railroad infrastructure management (especially along the Boston-to-Washington Northeast Corridor).

<u>What is the difference between Northeast Corridor, Long-Distance, and State- Supported routes?</u>

In 2008, the Passenger Rail Investment and Improvement Act (PRIIA) established three operating intercity service lines within Amtrak:

- *<u>Long-Distance</u>, which includes routes at least 750 miles in length, generally operated over unelectrified "host railroad" tracks, for which the federal government provides operating support;*
- *<u>State-Supported</u>, which includes corridor routes up to 750 miles in length, generally operated over unelectrified "host railroad" tracks, for which a sponsoring state work with Amtrak to determine the exact route, station stops, and service frequency, and for which those states provide operating support; and*
- *The <u>Northeast Corridor (NEC)</u>, which includes* Northeast Regional *and high-speed* Acela *service on the electrified, largely-Amtrak-owned main line (likewise called the NEC) between Washington, D.C., and Boston.*

The Long-Distance and State-Supported service lines together form Amtrak's "National Network" (as distinct from the NEC); note, however, that both "NEC" and "National Network" can have other meanings in other contexts.

<u>Where does Amtrak operate?</u>

Fig. 7.1:
Amtrak's Route Map

The map above depicts Amtrak's current routes,[87] which serve forty-six states and the District of Columbia.

Amtrak, the FRA, and other stakeholders are working together to expand Amtrak's network using new resources provided by the Infrastructure Investment and Jobs Act (IIJA), as discussed elsewhere in this document.

Who owns the tracks over which Amtrak trains operate? (What is a "host railroad"?)

Ninety-seven percent of the route-miles traveled by Amtrak trains are on tracks owned by other railroads. Known as "hosts," these include large "Class I" freight railroads; other, smaller private railroads; and commuter (regional passenger) railroads owned by public agencies. Amtrak pays its hosts for the incremental costs they incur from the company's use of their tracks, and for other necessary resources and services.[88] In most cases, hosts control dispatching over the tracks that they own. As a result, along most routes, Amtrak cannot by itself guarantee that its trains will arrive on time. (The company offers incentive payments to many of its hosts in order to encourage good on-time performance, but the payments are just that: non-binding incentives.)

In some places, however, Amtrak does have direct control over, and responsibility for, the tracks over which its trains travel. The company owns 363 route-miles of the 457-mile NEC main line, and maintains and operates an additional segment between Boston, MA, and the Massachusetts-Rhode Island border. Nationally, Amtrak also owns and maintains other rail line segments between Philadelphia and Harrisburg, PA; Porter, IN, and Kalamazoo, MI; and New Haven, CT, and Springfield, MA. Additionally, the company operates and maintains (but does not own) segments between Kalamazoo, MI, and Dearborn, MI, and between Poughkeepsie and Hoffmans, NY (near Schenectady).

Why are some Amtrak trains delayed?

The single largest cause of delay to Amtrak passengers is freight train interference (FTI). FTI is frequently caused by a host railroad making Amtrak passengers wait so that a freight train can operate first. Federal law requires Amtrak to receive dispatching preference over freight, but too often that law is ignored by some host railroads. (For information on a potential policy solution to this problem, see "Enable Amtrak to Enforce Its Right to Preference in Train Dispatching" under "General Rail Policy Requests" in tab IV.)

Why doesn't Amtrak offer high-speed rail (HSR) service?

While there is no universal, one-size-fits all definition of "high-speed rail service," Amtrak's flagship Acela *trains reach speeds of up to 150 (soon to be 160) miles per hour along the Northeast Corridor, and therefore constitute high-speed rail service under the federal statutory definition codified at 49 U.S.C. § 26105(2) (i.e., they "reach sustained speeds of more than 125 miles per hour"). Many other Amtrak trains that do not technically qualify as*

[87] (Note that if a State-Supported route and Long-Distance route serve the same segment, that segment is shown as State-Supported (blue). If the NEC and either a State-Supported or a Long-Distance route serve the same segment, that segment is shown as NEC (red). Seasonal routes are not shown.)

[88] (On nearly all routes, Amtrak, its state partners, and/or the federal government have also funded capital investments to upgrade or increase the capacity of hosts' tracks.)

"high-speed rail" are still highly trip time-competitive with other modes of travel; systemwide, nearly half of Amtrak trains reach top speeds of at least 100 mph.

In general, high speed rail systems around the world operate at speeds above 186 mph and require dedicated and specially-constructed rights of way and infrastructure. Amtrak strongly supports the development of high-speed rail in appropriate markets in the United States, but we note that the construction of high-speed rail systems around the world was possible due to large infusions of governmental funding provided specifically for this purpose. Historically, the federal government has never provided the required level of sustained investment to enable such development in the United States.

How Amtrak Benefits America

Amtrak serves more than 500 communities across the U.S. These range from small, rural towns like Havre, Montana (population: 9,362), where residents may not have other intercity travel options, to global megacities like New York (population: 8.8 million), where Amtrak offers a convenient, sustainable alternative to driving or flying. For many of these communities, our service is crucial to the local economy, and to residents' quality of life; added together, those local benefits make America's Railroad both a powerful engine of national prosperity and an important public good.

Quantifiable Benefits: Jobs & Economy

The federal funds that Congress appropriates for Amtrak each year ultimately flow into communities across the nation, in the form of wages for residents and contracts with local businesses. According to an economic analysis prepared in connection with Amtrak's service expansion efforts, the company's current network generates direct user, safety, and emissions benefits worth $2.0 billion per year, and its operations support another $7.2 billion in annual economic activity (including $358 million due to tourism).[89] Similarly, the Northeast Corridor—of which Amtrak is the primary owner and maintainer—moves a workforce that contributes tens of billions of dollars annually to the United States' gross domestic product.

If Congress provides the full $4.000 billion that Amtrak is requesting for FY 25, those funds will help sustain current operations and, coupled with separate funding provided by the Infrastructure Investment and Jobs Act (IIJA), will advance capital investments to improve and expand service. Those investments will, in turn, enhance Amtrak's economic contributions, and produce countless other, harder-to-quantify benefits. Here is a closer look at what those contributions can mean in practice:

- **Amtrak provides and supports good, middle-class jobs** — Median wages for railroad industry workers significantly exceed the national average. Amtrak employs over 21,000 skilled workers, including more than 1,900 veterans, and its operations support an estimated 36,000 jobs in total. In FY 23, the company spent more than $2.6 billion on salaries, wages, and benefits; Amtrak is currently in the midst of a concerted, IIJA-driven hiring effort, so that figure is growing over time. We value our employees and recognize that they are the reason for our success—which is why we are especially proud that as of September 2023, the average length of tenure for Amtrak employees was almost 12 years.

- **Amtrak service spurs growth in local communities** — Mayors, chambers of commerce, and other local stakeholders are working to bring Amtrak service to smaller communities—because they have seen firsthand what that service can mean. New or improved service or stations have helped spur significant redevelopment in places as diverse as Brunswick, Maine; Hattiesburg, Mississippi; and Normal, Illinois. And the rise of remote work, hybrid schedules, and other

[89] For more detail, see "More Trains. More Cities. Better Service: Amtrak's Vision for Improving Transportation Across America," Amtrak, June 2021: bit.ly/3Lffj6j.

alternative work arrangements are now making Amtrak service even more valuable to the nation. For example, many people who work in large urban centers now have the option of moving to small towns and rural communities—but they still need the ability to regularly get back to city centers for meetings, work events, and other special occasions. Small municipalities and local businesses can help provide the broadband and other basic infrastructure to sustain these new workers, but it is Amtrak that helps provide the critical transportation links.

- **Amtrak's presence strengthens the finances of state and local governments** — Where Amtrak service creates new jobs, attracts new residents, or spurs new economic activity, governments collect additional revenues (which are often derived from out-of-town travelers, as opposed to local residents). Amtrak service can also reduce the need to expand highways and parking; improve air quality; increase mobility for underserved populations; and free governments to put scarce resources to the best possible use.

- **Amtrak's procurement dollars stay in the U.S.** — Most of Amtrak's procurements are subject to Buy America and other domestic preference requirements, and we are proud to meet or exceed all such requirements. On a value basis, Amtrak used domestic vendors for 99% of our FY 23 procurements ($3.7 billion). Many of those dollars ultimately flowed to communities that are not themselves served by Amtrak trains.

- **Amtrak service reduces the massive economic drag caused by highway congestion** — In 2019, roadway congestion was an $88 billion drag on the national economy.[90] Amtrak service keeps cars off the road—saving time and money not just for our passengers, but for those who continue to use highways, as well.

Importantly, all these benefits (among many others) are scalable. With robust federal investment, Amtrak and its partners can deliver new, improved, or expanded service in high-potential corridors nationwide where service today is minimal or does not exist. If Amtrak and its partners were able to fully implement Amtrak's original 2021 vision for expanded corridor service by 2035, that would mean:

- an extra $1.1 billion per year in direct user and external benefits;

- an extra $6.9 billion per year in additional economic activity due to Amtrak operations; and

- support for 26,000 additional permanent jobs, plus 616,000 person-years of temporary work due to one-time capital investments.[91]

The direct benefits would accrue not just to the more than 500 communities that Amtrak currently serves, but to at least 160 new communities, as well—rural, urban, and everything in between. As with current

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[90] "Sitting in traffic costs D.C.-area residents an average of $1,761 per year, study finds," Lori Aratani, *Washington Post*, March 9, 2020: wapo.st/3gZIBJf.
[91] "More Trains. More Cities. Better Service: Amtrak's Vision for Improving Transportation Across America," Amtrak, June 2021: bit.ly/3Lffj6j.

service, the secondary effects would ripple across the entire economy, bringing new opportunities and improved quality of life even to places that remained miles away from the nearest train stop.

Additional Benefits

Although the quantifiable benefits of Amtrak service are immense, they do not tell the full story. As a mode of travel, intercity passenger rail carries inherent advantages. These advantages can be measured in dollars and cents—but also in the knitting together of diverse, varied communities, and in improved quality of life for the tens of millions of Americans who rely upon the links that Amtrak creates. Our service connects people with social, economic, educational, healthcare, and cultural resources, offering immense value to well-served communities. We want to bring that same value to communities that are still underserved, or not served at all.

Passenger trains are seventeen times safer than travel by passenger car,[92] and 46% more energy-efficient.[93] This makes train travel an increasingly popular choice as people embrace greener, more sustainable options. Train travel also allows our passengers more control over how they spend their travel time, as (unlike motorists) they are freed from the need to "focus on the road." Many Amtrak stations are conveniently located in city centers, affording quick and easy access to local attractions, business districts, lodging, and public transit. And trains also offer a uniquely enabling form of transportation for senior citizens, people with disabilities, and people without the means (or desire) to own a car. Many of these Americans have severely limited mobility choices; serving them is one of Amtrak's key goals.

Similarly, one of intercity passenger rail's unique strengths lies in trains' ability to serve many small or rural communities that could never attract airline service—but that can be efficiently connected to each other, and to larger communities, as intermediate stops on a rail route. Amtrak's Long-Distance and State-Supported services provide many such communities with a safe, reliable travel option—often carrying passengers who have no other choices for intercity transportation. Amtrak is committed to maintaining, and (resources permitting) expanding, service for these people and places.

These kinds of benefits are not fully captured in Amtrak's quantifiable economic impact—but they show that intercity passenger rail service makes life better, easier, richer, and safer for millions of Americans from every walk of life. So, while robust congressional support would help make America a more prosperous nation, it will also make it a better, fairer, and more pleasant place in which to live. It is for this full range of reasons that Amtrak is asking Congress to keep building on the strong foundation that the IIJA recently laid, and provide the full authorized level of $4.000 billion in annual appropriations in FY 25.

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[92] "Deaths by Transportation Mode," National Safety Council: bit.ly/3TgK5Oc.
[93] Tables 2.14 & 2.15, *Transportation Energy Data Book (Edition 39)*, Oak Ridge National Laboratory: bit.ly/41UxV1k.

Selected Amtrak Impacts by State

Amtrak—America's Railroad—has a national footprint. The company serves more than 500 communities across the U.S.—and even in places with no direct train service, connecting Thruway buses enable residents to ride the rails. Amtrak spends procurement dollars and employs people in nearly every state, including several that lack service. And the enactment of the Infrastructure Investment and Jobs Act (IIJA) means that we are expanding: Amtrak is working closely with the Federal Railroad Administration, current and potential state partners, and other stakeholders to bring more trains to more people.

Figure 7.2, on the following page, gives a high-level overview of how Amtrak affected all fifty states and Washington, D.C. during FY 23; the bullets immediately below contain methodological notes.

- **"Current Service"** — Types of service *regularly scheduled* to serve stations in each state as of September 30, 2023, including **NEC** (service operated as part of Amtrak's Northeast Corridor Service Line), **L-D** (service operated as part of Amtrak's Long-Distance Service Line), and **S-S** (service operated as part of Amtrak's State-Supported Service Line).

- **"Stations"** — Number of stations in each state at which passengers boarded or alighted during FY 23.

- **"Passengers"** — Combined total for Amtrak intercity train boardings and alightings at all stations within a given state during FY 23, divided by two. (State totals are approximate; methodological differences cause slight misalignment with "U.S. Total," which is based on systemwide measurements.)

- **"Employees"** — Total active Amtrak employees (both agreement and management) by home state (as opposed to workplace location) circa September 30, 2023; excludes contractors. (Slightly different numbers elsewhere in this document reflect different methodological choices.)

- **"Procurements"** — Total value of Amtrak's purchase order and non-purchase order procurements during FY 23 with vendors headquartered in each state.

Additional information on Amtrak's footprint within a given state can be found at: www.amtrak.com/state-fact-sheets.

Fig. 7.2: **Selected Amtrak Impacts by State in FY 23**					
State	**Current Service**	**Stations**	**Passengers**	**Employees**	**Procurements**
Alabama	L-D	3	22,085	29	$30,825,938
Alaska	—	—	—	—	$2,774
Arizona	L-D	7	44,639	25	$7,336,162
Arkansas	L-D	6	14,158	28	$351,297
California	L-D, S-S	82	4,234,023	1,913	$568,989,019
Colorado	L-D	9	108,397	71	$56,645,464
Connecticut	NEC, S-S	13	904,102	862	$51,815,366
Delaware	NEC, L-D, S-S	2	327,359	1,288	$16,455,349
District of Columbia	NEC, L-D, S-S	1	2,375,703	341	$68,469,413
Florida	L-D	19	468,401	719	$88,932,780
Georgia	L-D	5	69,298	89	$88,847,374
Hawaii	—	—	—	—	—
Idaho	L-D	1	2,376	3	$1,868,170
Illinois	L-D, S-S	30	1,949,102	1,373	$343,212,921
Indiana	L-D, S-S	11	42,416	818	$22,149,994
Iowa	L-D	6	20,066	11	$3,722,941
Kansas	L-D	6	21,150	19	$65,161,850
Kentucky	L-D	4	4,387	4	$8,795,545
Louisiana	L-D	7	89,637	269	$3,016,864
Maine	S-S	6	212,387	38	$1,110,514
Maryland	NEC, L-D, S-S	6	1,026,96 4	2,787	$183,461,404
Massachusetts	NEC, L-D, S-S	13	1,687,740	793	$95,751,004
Michigan	S-S	22	373,349	209	$14,115,996
Minnesota	L-D	6	56,168	42	$73,683,696
Mississippi	L-D	11	43,388	65	$138,690
Missouri	L-D, S-S	13	307,697	91	$56,062,560
Montana	L-D	12	43,862	45	$723,210
Nebraska	L-D	5	18,685	13	$5,677,395
Nevada	L-D	3	44,152	36	$2,610,197
New Hampshire	S-S	4	59,676	41	$21,941,500
New Jersey	NEC, L-D, S-S	6	813,527	2,090	$227,365,249
New Mexico	L-D	7	42,811	55	$621,311
New York	NEC, L-D, S-S	20	6,251,057	1,980	$466,964,380
North Carolina	L-D, S-S	16	580,412	175	$14,146,831
North Dakota	L-D	7	36,417	8	$34,200,414
Ohio	L-D	7	67,225	60	$48,364,754
Oklahoma	S-S	5	38,061	4	$491,245
Oregon	L-D, S-S	7	419,029	76	$4,535,775
Pennsylvania	NEC, L-D, S-S	24	2,831,824	3,214	$429,444,923
Rhode Island	NEC	3	469,665	335	$2,143,428
South Carolina	L-D	11	77,610	68	$28,712,763
South Dakota	—	—	—	4	$2,841,668
Tennessee	L-D	2	34,689	20	$25,031,428
Texas	L-D, S-S	19	195,069	197	$82,582,010
Utah	L-D	4	20,563	43	$11,997,569
Vermont	S-S	11	58,545	2	$19,253,661
Virginia	L-D, S-S	21	1,104,694	889	$212,342,551
Washington	L-D, S-S	16	599,750	459	$169,346,549
West Virginia	L-D	10	15,972	26	$4,675,225
Wisconsin	L-D, S-S	8	382,646	61	$25,513,257
Wyoming	—	—	—	—	$11,250
U.S. TOTAL	**NEC, L-D, S-S**	**517**	**28,536,644**	**21,788**	**$3,692,461,628**

Resilience & Sustainability Summary

Amtrak continues to offer significant climate and environmental benefits relative to other modes of travel. On average, Amtrak service is about 46% more energy efficient than travel by car, or 34% more efficient than domestic air travel;[94] on the electrified Northeast Corridor (NEC), Amtrak travel emits up to 83% less greenhouse gas (GHG) than car travel, and up to 72% less than flying.

While train travel is already one of the greenest options available, Amtrak is striving to become even more sustainable over time. In FY 22, the company's Board of Directors unanimously approved a resolution that commits Amtrak to:

- achieving net-zero GHG emissions by 2045;
- establishing a company-wide climate resilience program;
- reducing fuel usage;
- integrating climate considerations into business operations; and
- meeting 100% of electricity needs from carbon-free sources by 2030.

Additionally, a pre-existing goal—achieving a 40% cumulative reduction in our annual GHG emissions from 2010 levels by 2030—has become an important interim target, which Amtrak is on track to meet.

A Climate Resilience Program and a new Net-Zero Program are at the heart of all these efforts. Amtrak has also established a formal Climate Committee to oversee and govern those programs.

Building Resilience: FY 24 and Beyond

We know that climate change already affects our operations, and that those effects will likely increase over time. Amtrak has established a Climate Resilience Program to ensure that key assets can withstand extreme temperatures, severe storms, rising sea levels, and other climate-related challenges. These efforts will help sustain our ability to safely and reliably serve customers even in difficult conditions.

Resiliency investments will also help protect the value of taxpayers' investments in Amtrak. When Superstorm Sandy flooded the New York-New Jersey North River Tunnel in 2012, Congress provided more than $100 million in relief funding; while those dollars helped address near-term impacts, the storm permanently degraded a vital asset. Ten years later, Sandy's after-effects are still being felt in the form of increased costs, maintenance needs, and service disruptions. Building resiliency now is one of the best ways to prevent similar problems in the future.

[94] Tables 2.14 & 2.15, *Transportation Energy Data Book (Edition 39)*, Oak Ridge National Laboratory: bit.ly/41UxV1k.

During FY 24, Amtrak is beginning work on a National Network Climate Vulnerability Assessment (NNCVA), which will assess how major climate risks (including sea-level rise, storm surge, high winds, heavy precipitation, and extreme temperatures) could endanger specific assets and operations. The results of this assessment will inform creation of a National Network Climate Resilience Strategic Plan (NNCRSP), which will map out concrete steps to protect our assets and sustain our operations nationwide. (The company previously completed a parallel vulnerability assessment and strategic plan for the Boston-to-Washington Northeast Corridor; many of the priority actions proposed in that plan are already underway.) Notably, the NNCVA and NNCRSP will help support the development of a new analytical tool to assess the financial benefits and costs of potential resiliency projects.

Additionally, over the last year, Amtrak evaluated more than 100 internal and external design standards, engineering specifications, building codes, and performance requirements for climate readiness. The results of this survey helped form the basis for Amtrak's own new climate-resilient design guidelines and a new certifications decision tree. These resources will help to seamlessly integrate climate resilience and sustainability design measures into future projects, and will assist project managers and the Procurement team in identifying potential sustainability and resilience certifications that are relevant to our assets and infrastructure development. We see these resources as critical to delivering a more efficient, modernized, and climate-ready Amtrak.

Amtrak's Firm Sustainability Commitment

The environmental and public health benefits of rail are well known; the International Energy Agency describes train travel as the "least emissions-intensive mode of passenger transport."[95] Emissions from electrified rail lines are especially low, particularly when the electricity is derived from renewable or carbon-free sources. In other words, Amtrak's core business is inherently sustainable.

Building on that already-sustainable base, Amtrak's new Net Zero Program aims to chart a path to eliminating Amtrak's GHG emissions by 2045. Over the course of FY 24, the company will continue to develop its net-zero strategy. In the meantime, we are already making important progress. Recent highlights include:

- **Electrification of Connecting Bus Service** — In August 2023, in partnership with the Washington Department of Transportation, Amtrak replaced an existing diesel bus with the first Thruway electric bus. The new bus provides connecting service from the Amtrak Cascades route (at Seattle's King St. Station) to Bellingham, WA; the switch to an electric vehicle is expected to save approximately 10,000 gallons of diesel fuel and cut CO_2 emissions by 109 tons annually.

- **Redesign of the Philadelphia's 30th Street Station Heating System** — After considering valuable input from external stakeholders, Amtrak chose to eliminate gas boilers from plans for

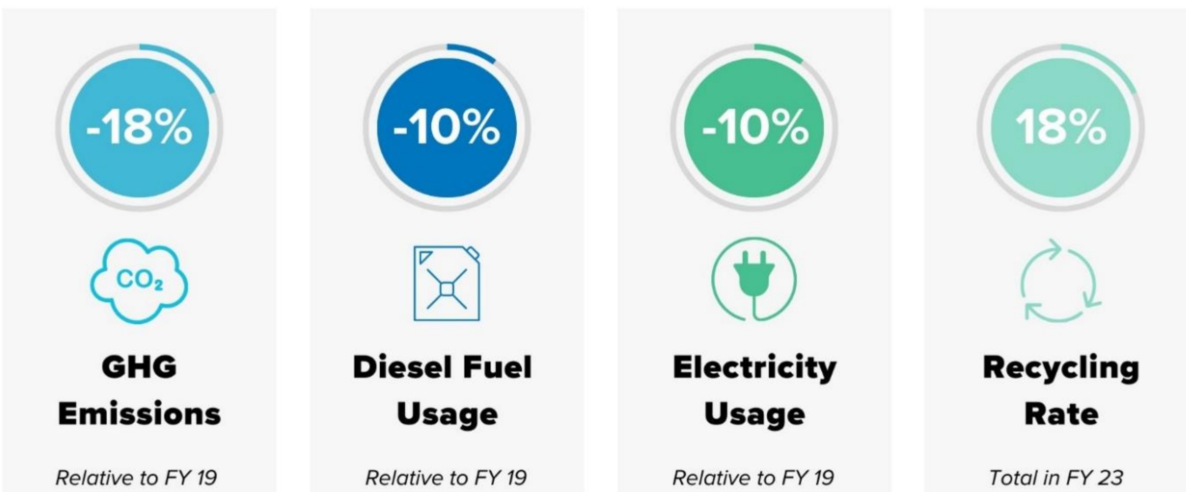
[95] "Rail: More Efforts Needed," International Energy Agency, Sept. 2022: bit.ly/3Es2BvK.

the William H. Gray III 30th Street Station Redevelopment Project in Philadelphia. This change will reduce on-site emissions, and could help make the station more energy-efficient.

- **Renewable Diesel Partnership in California** — Over the course of 2023, Amtrak worked with partners in California to transition locomotives on State-Supported routes from traditional fossil fuel-based diesel to renewable diesel. Renewable diesel—an interim step towards Amtrak's long-term net-zero goal—is made from materials like used cooking oil, and reduces emissions by approximately 63%. By the end of the fiscal year, we had replaced some 620,000 gallons of fossil-based diesel fuel with this more sustainable alternative; looking ahead, we are evaluating how to source additional renewable diesel across the National Network.

We have also continued longstanding efforts to reduce companywide GHG emissions, diesel fuel consumption, and electricity use at major facilities. Figure 7.3 shows Amtrak's estimated[96] progress in these areas during FY 23:

Fig. 7.3: **FY 23 Sustainability Achievements**



Electricity usage and recycling performance measured at selected sites / facilities (vs. systemwide). Reduced diesel fuel use partially attributable to 7% decrease in National Network train-miles vs. FY 19.

In FY 24, Amtrak seeks to build on that work, and has set an annual goal of:

- holding emissions 8.7% below an FY 19 (pre-COVID) baseline;
- maintaining fuel usage efficiency of 2.05 gallons per train-mile (an improvement over previous years' performance);
- reducing electricity usage at forty major facilities by 1% year-over-year;

[96] (Official FY 23 results are undergoing third-party verification, and will be confirmed later this year.)

- deriving 58% of our electricity from carbon-free sources; and
- diverting at least 18.5% of our waste at twenty major sites from landfills to recycling.

A wide variety of initiatives—e.g., procuring more fuel-efficient locomotives, reducing locomotive idling, and making energy efficiency upgrades in Amtrak-owned buildings—will help to drive Amtrak's progress towards these goals; consistent with the company's responsibility to be a good steward of taxpayer-provided funding, such efforts also have the potential to reduce certain costs.

As we advance those efforts, we will also seek to learn from and work with our partners. During FY 24, Amtrak will continue to co-chair the Sustainability Plenary, run by the International Union of Railways (UIC), and participate in various UIC committees to glean best practices from the global rail community. We look forward to putting that knowledge to use.

What Congress Can Do to Help

Congress can support Amtrak's resilience and sustainability efforts by providing robust annual appropriations via the company's Northeast Corridor and National Network grants in FY 25; particularly valuable would be funding for an "Efficiency-Improving Technologies & Resiliency Improvements" modernization initiative, as described under "Modernization Initiatives" in tab I.

Additionally, robust appropriations for other rail related programs and accounts, such as the Federal Railroad Administration's Research & Development account, could help to further support and accelerate Amtrak's efforts; information on specific needs is available under both "Additional Funding Requests" and "FY 25 THUD Bill & Report Language Requests" in tab IV.

Additional information on Amtrak's sustainability and resilience initiatives and progress can be found at: www.amtrak.com/sustainability.

Charter Train & Private Car Policies Report

Amtrak has prepared the below report in satisfaction of a requirement enacted as part of the full-year FY 24 annual appropriations law for Transportation, and Housing and Urban Development, and Related Agencies.

* * *

Amtrak operates charter trains and moves privately-owned passenger rail cars for customers who pay for those services. "Charter trains" may comprise Amtrak cars and locomotives, customer-supplied cars and locomotives, or any combination of the two, and operate as non-regularly-scheduled Amtrak trains. "Private cars" are privately-owned railcars moved as part of regularly-scheduled Amtrak trains.

This report is a continuation of the report submitted in last year's General and Legislative Annual Report to Congress (L&G), and again reflects Congress' acknowledgement that certain information is commercially sensitive and cannot be made public. Amtrak continues to hold regularly-scheduled consultations with private car and charter train customers, which have facilitated communication and resulted in meaningful improvements to the services we offer.

Private Cars

Amtrak has implemented a profit and loss (P&L) statement to address the recommendations of the FY 19 Amtrak Office of Inspector General (OIG) report. This statement is reviewed monthly by Amtrak senior management. Business decisions are made in conjunction with outreach to our customer base.

Amtrak worked with the private car community in developing a new private car pricing addendum, effective October 1, 2023. This adjustment was coordinated with both the American Association of Private Railroad Car Owners (AAPRCO) and the Railroad Passenger Car Alliance (RPCA) at 22.42%, and is directly tied to the Association of American Railroads (AAR) index "Material prices, wage rates and supplements combined (excluding fuel)." Amtrak has made a commitment to both organizations that we will continue to use this index for future price adjustments. In addition, Amtrak holds monthly meetings with both AAPRCO and RPCA to hear and respond to membership concerns. Amtrak also provides 24-hour availability to all customers for any operational issues that may arise.

In FY 23, Amtrak earned $2.70 million in revenue from private car operations. This was a 20.3% decrease in revenue from the previous fiscal year (during which revenue was $3.39 million). There was a 24.1% decrease in total private car mileage during this period. Amtrak attributes the year-over-year decrease in mileage in part to FY 22 results reflecting the one-time effects of a release of pent-up demand for travel that was precluded during the COVID-19 pandemic, followed in FY 23 by a more conservative approach to leisure travel among the relevant customers. Private car-related delays to Amtrak trains, which the company continues to monitor and on which it is heavily focused, decreased by less than 0.1% from FY 22 to FY 23.

Charter Trains

Amtrak continues to pursue carefully chosen markets which will meet our guideline requirements for charter business. All Amtrak charter trains are privately funded by a charterer (an individual or organization seeking a separate train outside of our regularly scheduled trains) and are commercially priced. The charterer signs an agreement with Amtrak specifying terms and conditions, including a requirement that the Charterer have adequate insurance coverage. Under the guidelines, charter trains must operate on existing Amtrak routes, must not be one-time trips, and must generate sufficient profit to justify the diversion of Amtrak resources and assets to execute them.

Amtrak produced $2.57 million in charter train revenue for FY 23. The $2.57 million is comprised of charters that operated with Amtrak locomotives and Amtrak cars ($2.07 million) and charters that operated with Amtrak locomotives and privately-owned cars ($0.50 million). This was a 3.9% decrease in revenue from FY 23 (during which revenue was $2.67 million, including roughly $2.27 million from charters that operated with Amtrak locomotives and Amtrak cars and roughly $0.44 million from charters that operated with Amtrak locomotives and privately-owned cars).

Summary

Amtrak continues to review and monitor the private car and charter train businesses to ensure they generate contribution, while ensuring they do not distract our team from the primary objective of operating core train service as safely, punctually, and efficiently as possible. Amtrak worked hard to communicate and review our private car and charter train business with its key stakeholders prior to making any significant changes, and this dialogue has generated positive results for the company and our customers. FY 23 showed indications that we will continue toward a recovery from the adverse business effects of the COVID-19 pandemic. Both the private car and charter train businesses remain healthy, and we are encouraged by the private partnerships that have been fostered and developed throughout the last few years from working with our valued customers.

IIJA-Related Workforce Needs Report

Amtrak has prepared the below report in satisfaction of a requirement enacted as part of the full-year FY 24 annual appropriations law for Transportation, and Housing and Urban Development, and Related Agencies.

Note that in addition to Amtrak's "base needs" funding request, the company is seeking $14 million for an additional "Training Center & Workforce Development" proposal (for details, see "Modernization Initiatives" in tab I). Separately, Amtrak is also seeking $10 million for "Workforce Development, Training, and Apprenticeship Programs" via the Federal Railroad Administration's "Research & Development" account (for details, see "FY 25 THUD Bill & Report Language Requests" in tab IV). Both proposals align with needs or could help support initiatives discussed below.

* * *

Overview

Amtrak is now seeing demand for service exceed pre-pandemic levels in many places across its network. If this trend continues, we expect to have our highest-ever total ridership during the current fiscal year, surpassing a record set in FY 19 (pre-COVID-19). Amtrak remains focused on attracting more riders and maintaining our current fleet and infrastructure while at the same time advancing numerous essential, complex capital projects funded by the Infrastructure Investment and Jobs Act (IIJA). To achieve our daily operational goals and to deliver some of the country's biggest infrastructure projects, we will continue working aggressively to recruit, hire, and retain employees to meet workforce needs.

In FY 23, Amtrak hired more than 4,800 new employees (not counting internal hires); our FY 24 plan calls for hiring approximately 4,400 (internal and external). **Figure 7.4 gives a snapshot of the overall hiring picture as of the end of December 2023.**

Fig. 7.4: **FY 24 Hiring Progress as of the End of Q1: Overall Picture**

Active Headcount	FY 24 Hiring Goal	FY 24 Hiring YTD	Remaining FY 24 Need
22,021	**4,400** *(goal reflects need for both new positions (IIJA / incremental growth) and backfills)*	**936** *(750 external; 186 internal)* *(totals include both new positions and backfills)*	**~3,400** *(**on track to meet yearly goal**; over 20% of anticipated hiring completed in Q1)*

Some totals may be approximate; small methodological choices in how headcount is calculated can yield slightly different numbers.

Amtrak's proactive hiring and retention efforts will grow our workforce from 21,652 at the end of FY 23 to a projected 23,512 at the end of FY 24, which reflects an overall increase of about 9%. These additional workers will enable Amtrak to make important progress in our efforts to address lingering effects of the COVID-19 pandemic (e.g., restoration of idled equipment to active service); meet increasing demand for service on our existing routes; and advance critical capital projects funded by the IIJA. Looking ahead through the remainder of FY 24 and beyond, we are committed to building on our progress to date. Based on our current understanding of service and project delivery needs, we plan to hire a total of 4,400 people (internal and external) over the course of FY 24 to 1) address attrition / backfill newly-open positions, and 2) support incremental workforce growth (new positions) to reflect evolving business needs.

<u>IIJA-Related Workforce Update</u>

The majority of IIJA hiring is focused within the maintenance-of-way (MOW) crafts: agreement-covered employees working on infrastructure inspection, maintenance, construction, and contractor protection services. In FY 23 the net increase in our MOW crafts was ~1,000 positions. In FY 24 we are planning for a net increase of ~800.

As mentioned in a previous "IIJA-Related Workforce Needs Report," Amtrak's top near-term staffing priority has been to "restaff across all jobs and crafts necessary to restore and maintain pre-COVID levels of service," in particular by "addressing immediate needs related to the skilled railroad operating and mechanical crafts."[97] As we noted at the time,

> Staffing many of these positions takes time: many critical-skills roles have a minimum six-month learning curve before a newly-hired employee can safely be considered qualified. For locomotive engineer jobs, the training and qualification process can take up to two years.[98]

Since then, we have made significant progress, hiring (through the end of FY 23) 2,655 new employees for roles with a direct service impact (against 1,023 separations), including 761 in Mechanical Department roles (responsible for equipment—e.g., mechanics, electricians, and coach cleaners) and 440 in Transportation Department roles (responsible for service delivery—e.g., conductor and locomotive engineer trainees). This hiring progress, made possible by the strategies and investments detailed in previous reports (e.g., growth of the Talent & Acquisition team, improved use of relevant technology, and additional improvements), has helped enable Amtrak's restoration of service to pre-pandemic levels on nearly all routes, and has supported service increases above pre-pandemic levels on routes like the Amtrak Cascades. Moving forward, we will continue to expand our workforce capacity to support increased operations and future service growth. We will also continue to employ strategies of skills-centric hiring from diverse talent pools, in alignment with workforce planning goals.

Additionally, most of the recruiting efforts and apprenticeship programs detailed in previous reports are planned to continue, and are discussed below:

- **Recruiting**
    - <u>Recruitment Marketing</u> — Proactive recruitment marketing remains a key initiative in attracting talent in FY 24. Amtrak has been recognized as an employer of choice, receiving four best-in-category awards from *Forbes* including recognition as one of

[97] "IIJA-Related Workforce Needs Report," *General and Legislative Annual Report & Fiscal Year 2024 Grant Request*, Amtrak, March 2023: bit.ly/3OVXNVQ.
[98] *Ibid*.

"America's Best Large Employers" two years in a row. Additionally, the "Your Future Rides with Amtrak" national recruitment video, accessible at bit.ly/3IaIynQ, won a Platinum Award in the 2023 "Viddy Awards," an international competition. To further position Amtrak as an employer of choice, FY 24 recruitment marketing activities include in-person hiring events in key markets; organic social media campaigns highlighting critical roles; and strategically-placed job board advertisements.

- Employee Referrals — Originally launched in February 2022, Amtrak's employee referral program provides financial awards to current employees who refer a job applicant to Amtrak, if that applicant is subsequently hired and remains on the job for a specified length of time. In FY 23, 37.5% of all external hires were the result of an employee referral, exceeding the industry benchmark by 4.5%. The program is continuing through FY 24, with analysis and reconsideration planned for FY 25 to account for changes in the demand for labor.

- Sign-On Incentives — As needed, Amtrak continues to offer sign-on incentives to fill critical roles across the company. In FY 23, this tool helped attract new employees, growing the size of teams ranging from the Mechanical Department to the Amtrak Police Department (APD). In FY 24, this program will be utilized strategically, on a case-by-case basis, in alignment with critical business needs.

- **Apprenticeship Programs**

  - Mechanical Apprenticeships — Amtrak's Mechanical Apprenticeship Program was started at the heavy maintenance facilities in Beech Grove, Indiana, during FY 22. Over the course of FY 23 and early FY 24, that program has been fully implemented and is now operating at other locations, including Wilmington, DE; Ivy City in Washington, DC; Sunnyside Yard in New York City, NY; Chicago, IL; and Los Angeles, CA. Amtrak has exceeded the original training goal of fifty-five students; to date, there are 120 students benefiting from this apprenticeship opportunity. The program has also increased employee engagement and is changing the culture of learning at Amtrak.

  - IMCS Apprenticeships — In September of 2023, Amtrak was awarded an up-to-$8.8 million FY 22 Consolidated Rail Infrastructure & Safety Improvements (CRISI) grant for an apprenticeship program focused on employees in our Infrastructure, Maintenance, & Construction Services (IMCS) division, specifically aimed at training engineering foremen and track inspectors who will be critical to our success in delivering projects funded by the IIJA, particularly along the Northeast Corridor. The next iteration of this program is expected to begin by Q1 of FY 25.

Assessment of Near-Term and Projected Needs as a Result of the IIJA

In FY 24, Amtrak has continued to develop its workplan for the pipeline of projects that IIJA dollars (including potential discretionary grants) are available to support in the years ahead. We will continue working to align future reporting updates with this plan as we advance our major capital projects and better understand the needs of our contractors and vendors, our employees, and the communities we serve, particularly in the context of Amtrak's delivery of some of the largest infrastructure projects in the country.

Our FY 23 hiring goal was 5,600 new employees (including both internal and external hires), of whom approximately 2,100 were expected to be needed for work focused on IIJA investment projects; figure 7.5 shows Amtrak's hiring progress against that IIJA-specific hiring goal:

Fig. 7.5: **FY 23 Hiring Progress: Jobs Related to IIJA Projects**

Job Category (*Union*)	FY 23 Hiring Goal	FY 23 Hiring Actuals
Electric Traction Linemen, Electricians, Power Distribution (*BMWE, IBEW, ATDA*)	245	215
Signalmen (*BRS, IBEW*)	210	195
Trackmen (*BMWE*)	1,160	917
Buildings & Bridges Mechanics (*BMWE, IAM, IBEW, SMART*)	286	208
Managers	209	153
Total	**2,110**	**1,688**

Building on this progress, our FY 24 hiring goal will be, as mentioned above, 4,400 new employees; of these, we currently project about 1,500 will be needed for work focused on IIJA investment projects, as shown in figure 7.6:

Fig. 7.6: **FY 24 Hiring Goals: Jobs Related to IIJA Projects**		
Job Category (*Union*)	**FY 24 Hiring Goal**	**FY 24 Q1 Actuals**
Electric Traction Linemen, Electricians, Power Distribution *(BMWE, IBEW, ATDA)*	204	32
Signalmen *(BRS, IBEW)*	184	32
Trackmen (*BMWE*)	860	244
Buildings & Bridges Mechanics (*BMWE, IAM, IBEW, SMART*)	213	56
Total	**1,461**	**364**

These new employees will perform a wide variety of tasks, all of which are essential to the work of advancing IIJA projects. The specific roles include:

- **Electric Traction** — Employees responsible for the inspection, maintenance, and construction of catenary, substations, 3rd rail, and power distribution across the system; also employees responsible for providing electrical clearances and electrical protection for employees and contractors.

- **Communications and Signals** — Employees responsible for the inspection, maintenance and construction of the signal system and communication technologies; also employees responsible for providing signal protection for employees and contractors.

- **Track** — Employees responsible for the inspection, maintenance, and construction of the track and subsurface; employees responsible for providing track safety protection for employees and contractors; and employees responsible for the maintenance and repair of railroad maintenance machines.

- **Buildings and Bridges** — Employees responsible for the inspection, maintenance and construction of bridges, tunnels, culverts, and facilities in relation to the right-of-way.

<u>Conclusion</u>

Our workforce planning and Human Resources teams are continuously evaluating business needs to properly align workforce decisions, from hiring to training, with the long-term need to effectively deliver IIJA-supported projects. Amtrak is grateful to Congress for providing historic levels of funding via the IIJA; we will continue to keep the House and Senate Appropriations Committees updated on our progress in putting that funding to effective use, and about our efforts to be good stewards of the public's investments in the Amtrak service on which communities across the country rely.

Food & Beverage Update

Amtrak has prepared the below report in satisfaction of a requirement enacted as part of the full-year FY 24 annual appropriations law for Transportation, and Housing and Urban Development, and Related Agencies.

* * *

Amtrak continues working to improve on-board food and beverage service and offerings. Recent or forthcoming developments include the following:

- **Expansion of Traditional Dining** — Following a successful pilot program, Amtrak in June of 2023 permanently restored traditional dining service (hot, chef-prepared meals and table service, enjoyed in a dining car) to the company's two Long-Distance routes connecting New York and Miami (the *Silver Star* and *Silver Meteor*). With this change, traditional dining service is now available to sleeper car passengers on eight of Amtrak's fourteen overnight trains. On five Western routes, fixed-price traditional dining is also available to coach class passengers on a limited "first come, first served" basis. Figure 7.7 shows current dining options on all Long-Distance routes:

Fig. 7.7: **Food Options on Long-Distance (Overnight) Routes**

Route	Max. Nights Aboard	Meal Service?	Café Service?	Coach Class Access to Dining Car?
Auto Train	1	Traditional	Yes	—
California Zephyr	2	Traditional	Yes	Yes
Capitol Limited	1	Flexible	Yes	—
Cardinal	1	Flexible	Yes	—
City of New Orleans	1	Flexible	Yes	—
Coast Starlight	1	Traditional	Yes	Yes
Crescent	1	Flexible	Yes	—
Empire Builder	2	Traditional	Yes	Yes
Lake Shore Limited	1	Flexible	Yes	—
Palmetto	0	Café Only	Yes	—
Silver Meteor	1	Traditional	Yes	—
Silver Star	1	Traditional	Yes	—
Southwest Chief	2	Traditional	Yes	Yes
Sunset Limited	2	Traditional	Yes	Yes
Texas Eagle	3	Mixed*	Yes	—

Information accurate as of October 1, 2023. "Traditional" dining constitutes hot, chef-prepared meals and table service, enjoyed in a dining car; "flexible" dining constitutes hot, ready-to-serve meals that passengers can enjoy in their compartments (via room service) or in a communal dining or lounge area. | *Texas Eagle *dining is flexible between Chicago & San Antonio and traditional between San Antonio & Los Angeles (i.e., when consist is joined to* Sunset Limited*).*

- **Customer Experience Upgrades on *Acela* Trains —** As part of an ongoing effort to improve the experience of customers who book trips on Amtrak's premium *Acela* service, the company began a pilot program in October 2023 allowing passengers on certain trains to order food and beverages online, and in some cases have those orders delivered to their seats. Additionally, Amtrak is exploring the use of recyclable or compostable cutlery on *Acela* trains; if successful, this initiative could be expanded to other routes in the future.

- **Rolling Menu Upgrades Systemwide —** All on-board menus (traditional, flexible, *Acela*, café car, etc.) are routinely re-evaluated, and adjusted on a rolling basis. Notably, in May of 2023, Amtrak and award-winning restaurateur Stephen Starr of the STARR Restaurant Group announced the launch of an all-new premium dining menu for first class *Acela* passengers, which features a rotating selection of dishes from various STARR eateries.

- **Response to Food & Beverage Working Group Report —** The Infrastructure Investment and Jobs Act (IIJA) provided for creation of a Food & Beverage Working Group (FBWG) comprised of representatives of food & beverage stakeholders, and directed that group to make recommendations for improving Amtrak's food & beverage service. The group finalized its proposals in May of 2023; in many cases, Amtrak agreed with the group's ideas, and is taking or will take steps to implement them. In other cases, the company saw value in a given recommendation—but lacks the resources needed to carry it out. Congress could support further improvements to food & beverage service by helping Amtrak to defray these implementation costs; for additional detail, see the proposal for a "Food & Beverage Service Improvements" modernization initiative under "Modernization Initiatives" in tab I.

Explanation of Account Structure, Asset Lines, & Service Lines

In 2015, the Fixing America's Surface Transportation (FAST) Act directed the Secretary of Transportation, in consultation with Amtrak, to define an account structure that divides the company's finances into a **Northeast Corridor (NEC) account** and a separate **National Network account**. By agreement between Amtrak and the Federal Railroad Administration (FRA), the NEC account records "financial sources and uses associated with the business activities on the Northeast Corridor main line (NEC) between Boston, Massachusetts, and the District of Columbia, and the proportional share of facilities and services used to operate and maintain that line"; the National Network account records "financial sources and uses associated with the business activities on the national rail passenger transportation system, and the proportional share of facilities and services used to operate and maintain that system, exclusive of the NEC."[99]

The FAST Act also required that Amtrak be organized into what are today known as "service lines" and "asset lines." By agreement between Amtrak and FRA, **service lines** are "set[s] of Amtrak business activities that typically share a common mission, core customers, and/or management structure"; **asset lines** are "the business activities and resources required to manage Amtrak's assets and deliver the needs of the Service Lines."[100] Thus, "Service Lines use the resources from the Asset Lines to deliver transportation and related services to customers."[101]

Amtrak's five service lines, as defined by Amtrak and FRA,[102] are:

- **Northeast Corridor** — "The NEC Service Line provides premium and regular intercity rail passenger transportation along the NEC main line between Boston, Massachusetts and the District of Columbia. Its primary customers are the intercity train travelers."

- **State-Supported** — "The State Supported Service Line provides intercity rail passenger transportation and supporting services along short-distance corridor routes of not more than 750 miles between endpoints, as defined at 49 USC § 24102(7)(D). Its primary customers are the intercity train travelers along these routes and State departments of transportation or other entities subject to PRIIA Section 209 (or successor legislation) that have responsibility for providing intercity rail passenger transportation."

- **Long-Distance** — "The Long Distance Service Line provides intercity rail passenger transportation along long-distance routes of more than 750 miles between endpoints, as defined at 49 USC §24102(7)(C). Its primary customers are travelers and communities across the National Network and the Federal government."

[99] "Amtrak Account Structure Overview: Methodology and Definitions," Federal Railroad Administration, Oct. 2018: bit.ly/3SPDMz5.
[100] *Ibid*.
[101] *Ibid*.
[102] *Ibid*. (succeeding definitions).

- **Infrastructure Access** — "The Infrastructure Access Service Line seeks to safely and efficiently plan, develop, manage, and provide access to Amtrak-owned or Amtrak-controlled infrastructure and facilities, consistent with Amtrak's statutory obligations. Its primary customers include commuter and freight railroads, the Federal government, and third-parties such as States and localities, utilities, and others that seek to make use of Amtrak's infrastructure and fixed assets."

- **Ancillary Services** — "This service line is composed of three functions: Amtrak Services, Reimbursable Services, and Real Estate/Commercial Services.

  "- Amtrak Services provides commuter rail passenger transportation services, maintenance, or related services for a cost-based fee to commuter rail agencies;

  "- Reimbursable Services provides maintenance, engineering and capital improvement activities for freight and commuter operators, and other outside enterprises on a reimbursable cost basis;

  "- Real Estate/Commercial Services engages in real estate activities and/or commercial arrangements with public and private sector entities to leverage Amtrak-owned fixed assets."

Amtrak's five asset lines, as defined by Amtrak and FRA,[103] are:

- **Transportation** — "Transportation means the train crew operating trains on the road, crew providing on-board services on the trains (for example, service attendants, café attendants), on-board food and beverage supplies, commissary contract operations and management, diesel fuel and electric propulsion costs, host railroad maintenance of way and performance incentive payments, dispatching, passenger inconvenience payments, commissions, passenger claims, connecting bus service, and the management, supervision, and support required to perform activities listed here."

- **Equipment** — "Equipment means the management and maintenance of Amtrak-controlled locomotives, cars, and trainsets, train servicing, crew moving equipment in terminal yards, maintenance of facilities where equipment is maintained, and the management, supervision and support required to perform activities listed here. This service line also includes any preventive maintenance and minor repair performed by external vendors or contractors to maintain the locomotives, cars, trainsets, and non-revenue equipment. Work related to Amtrak's fleet strategy is also included in this Asset Line."

- **Infrastructure** — "Infrastructure means management and safe maintenance of Amtrak-controlled fixed assets, and the management, supervision and support required to provide a safe and reliable railroad. Fixed assets include but are not limited to track and associated materials,

[103] *Ibid*. (succeeding definitions).

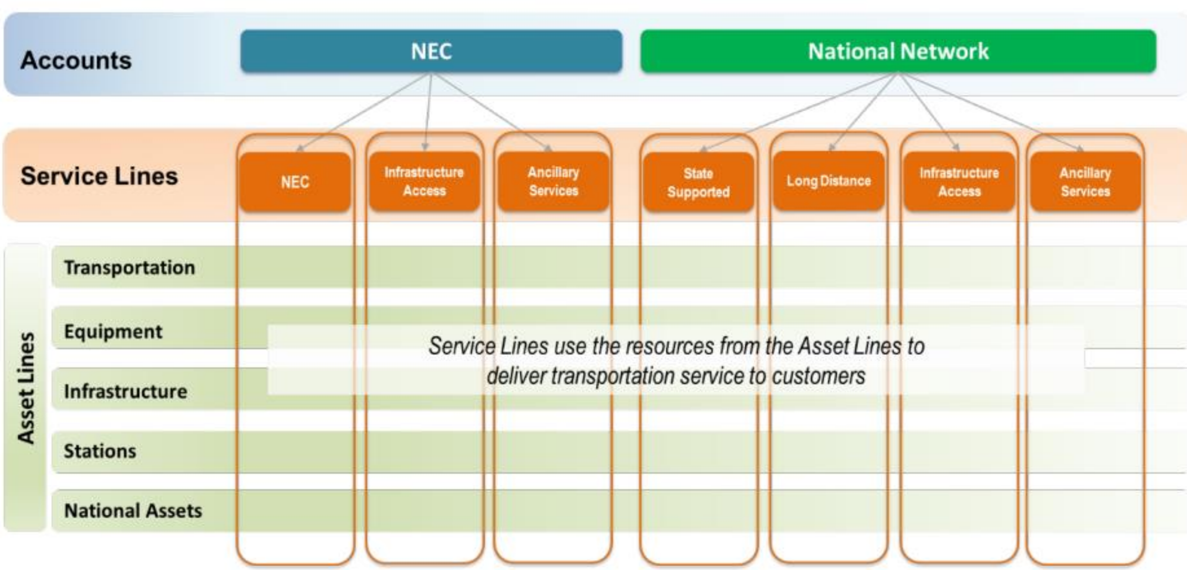
communication and signal, electric traction propulsion generation and transmission, tunnels, bridges, culverts, rights-of-way, signs, real property and associated air rights buildings. It excludes stations and facilities where equipment is maintained."

- **Stations** — "Stations means all passenger rail stations served by Amtrak trains, with a focus on Amtrak-controlled stations and elements of other stations for which Amtrak has legal responsibility or where it intends to make capital investments. This includes the maintenance and operation of such facilities that serve one or multiple routes, and their related management, supervision and support."

- **National Assets and Corporate Services** — "National Assets are defined as [the] Nation's core rail assets shared among Amtrak services, including: systems for reservations, security, training and training centers, and other assets associated with Amtrak's national rail passenger transportation system. Corporate services are defined to include company-wide functions, such as, legal, finance, government affairs, human resources, information technology, etc."

Each service line is associated with one or both of Amtrak's two accounts, and relies upon some or all of Amtrak's asset lines; figure 7.8, below, shows exactly how each individual account, service line, and asset line relate.

Fig. 7.8: **Accounts, Service Lines, & Asset Lines**



The FAST Act also directed that future appropriations for Amtrak should take the form of separate NEC and National Network grants;[104] the NEC grant flows to the NEC account, and the National Network grant flows to the National Network account.[105] The Infrastructure Investment and Jobs Act (IIJA) later renewed that directive; as in years past, therefore, Amtrak's FY 25 annual grant request contains both an

[104] (Previously, these appropriations had taken the form of "operating" and "capital" grants.)
[105] Sec. 22101(b) of Div. B of IIJA (P.L. 117-58).

NEC and a National Network component, and shows how each component would be allocated across the company's service lines (figure 1.13) and asset lines (tabs II and III, and figure 1.12). Unless otherwise noted, all references to a specific service or asset line elsewhere in this document reflect the definitions quoted above.

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