



RBC & Associates- LCC

Ray.chambers@aipro.org 202 257 4099

7203 Park Terrace Drive

Alexandria, Virginia 22307

To: RAILCET
From: Ray Chambers
Date: December 23, 2022

Subject: *FRA releases Solicitation for Corridor Identification Projects*

Earlier this week the FRA announced it will solicit projects for its Corridor Identification and Development (CID) package. This is a brand-new program authorized in the Bipartisan Infrastructure Law (BIL) that gives the FRA the funding and authority to expand intercity passenger rail corridor operations across the country. More than \$65 billion is appropriated for this program over the next five years.¹ There is a total of \$1.8 billion that can be applied to passenger rail.

The CID program began with a Solicitation of Expressions of Interest by the FRA requesting states, government organizations and Amtrak to suggest project proposals that will expand intercity passenger rail service. There were 100 EOIs submitted.

This recent FRA Solicitation is a request for actual projects FRA will then fund. The deadline for submitting projects is March 20, 2023. The initial Step #1 projects that are accepted by FRA into CID can be Incomplete. FRA will partner in finalizing the project through a service development plan (SDP). Each Step #1 project accepted into the CID will receive a half-million no-match planning grant to advance the SDP.

The projects that then pass the test can proceed to Step #2 and will enter the FRA project pipeline. The Applicant (state/authority) will not have to compete for funds—the Federal Railroad Administration will automatically commit money—to the extent funds are available. FRA Administrator Amit Bose said in a statement. “With President Biden’s infrastructure investments, we have an opportunity to support new intercity passenger rail corridors and develop a national strategy to make rail transportation more available and reliable, boosting economies.

A major activity for me will be tracking the Corridor Identification and Development Program for RAILCET in the coming year. Over time, each project is likely to be accompanied by significant capital investment. This program is completely new and it is not clear how it will actually work. As the process unfolds, alert rail construction, maintenance and operations contractors may be in a position to “partner” with applicants in projects that enter the pipeline. While the accord that has been established between rail unions and building trades on work sharing must be maintained, this innovative process may well provide RAILCET contractors an opportunity to promote competition for rail contractor operations, maintenance, and construction as a way of creating cost savings and efficiency and cost savings as a new intercity network emerges.

HAPPY HOLIDAYS!

Ray

ENDNOTE

¹ When the Bipartisan Infrastructure Bill was being developed in Congress, Amtrak made a major push for a \$75 billion Amtrak Trust Fund to give Amtrak monopoly control over all future intercity passenger funding and development. Senator Richard Blumenthal (D-Conn) sponsored the Amtrak legislation. I helped lead a coalition of private rail operators and construction contractors together with several states that vigorously opposed the Amtrak Trust Fund. In the Senate we proposed that the grants be made available to states/authorities and not just Amtrak. Further, we proposed FRA, not Amtrak, manage the process of designing a high-performance intercity passenger rail network. Finally, we asked that competition for intercity corridor operators be allowed and encouraged. While there was no publicity on this episode our Coalition was completely successful. The Amtrak Trust Fund was rejected and our alternative proposals were included in the Senate-passed bill. State/authority eligibility for intercity passenger funding as well as the option for operator competition was at the heart our proposals. This new and innovative program will be carried out through the FRA Corridor Identification and Development Program. The House gridlocked on a major infrastructure rail passenger package (which as more favorable to Amtrak) and then passed the Senate bill without change. It went to the President who signed it.