

RAILCET INTELLIGENCE REPORT

To: RAILCET
From: Ray Chambers
Date: April 18, 2025

Subject: Legislative Framework for Intercity Passenger Rail Adopted

- Meeting with Stakeholders on Passenger Rail Reauthorization
- APTA Intercity Steering Committee April Meeting

U.S. TRANSPORTATION AND INFRASTRUCTURE COMMITTEE PORTAL FOR STAKEHOLDER PROPOSAL

The T&I Committee has begun a process to shape the next transportation bill to replace the Infrastructure Investment and Jobs Act (IIJA) that expires in 2026. They have opened a portal for all stakeholders to submit proposals for the legislation. The deadline for submission is April 30, 2025. The AIPRO Legislative Framework will be submitted.

LEGISLATIVE FRAMEWORK ADOPTED BY AIPRO

The AIPRO Legislative Framework discussion has been ongoing for weeks, with Tim Ryan and Matt Smith representing RAILCET. Last week, the APTA Board/Leg Committee approved the Framework (see attachment). Tim circulated the framework within the Trustees, not the labor provisions. The language was approved. Minor adjustments may be made to the final report. The Framework will be sent to the US House T&I, Congressional transportation leaders, the US Department of Transportation, and the Surface Transportation Board at the end of the month.

STAKEHOLDER MEETING ON REAUTHORIZATION

On April 18, I participated in a meeting between AIPRO, led by AIPRO Legislative Chair Gregg Baxter and the Rail Passenger Association lead by RPA President Jim Mathews and Vice President Sean Jeans-Gail. We discussed the potential for coordination of intercity passenger rail issues in the unfolding Transportation Reauthorization. It was agreed:

Information Sharing. To hold regular video calls and share information on our legislative proposals. Attempt to reach common goals where possible and speak with a unified voice. I suggested the AASHTO Rail Conference (Shayne Gill) be included in future calls. The group will

meet again prior to the submission of legislative frameworks to the House Transportation and Infrastructure Committee Legislative Portal on April 30.

Equipment. We will work jointly to develop mechanics for a new Equipment Pool concept. I promised to share the current AIPRO position on that issue.

Surface Transportation Board. Both Baxter and Mathews are on the Passenger Rail Advisory Committee (PRAC). Under the leadership of STB Chair Patrick Fuchs, PRAC takes a broad view and will be addressing a wide range of issues to improve intercity passenger service. A Committee, chaired by Baxter, has been established on Liability/Indemnification. I suggested PRAC should play a significant role in proposing reforms necessary to create a high-performance intercity passenger network. Mathews agreed.

Rail Title in the Surface Transportation Reauthorization. Congress is beginning the process of drafting the next major surface transportation reauthorization, with the current law (the Infrastructure Investment and Jobs Act, IIJA) set to expire on September 30, 2026. Both organizations support the idea the Rail Reauthorization should not be stand-alone, as it was in the early years. Rather it should be an integral part of the Surface Transportation Reauthorization. This will follow the more recent precedents where all three modes—highways, transit, and rail—are included in the same bill. This should not be a heavy lift and is added to the AIPRO Legislative Framework.

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ATTACHMENT

AIPRO INTERCITY PASSENGER REFORM LEGISLATIVE FRAMEWORK

(Draft 8 April 18, 2025)

- 1. Establish a Commission on Intercity Passenger Rail Reform to guide the process.**
 - a. Commission composed of Amtrak, private sector operators, labor, equipment providers, risk management, states, USDOT/FRA, STB, Key Associations, and other stakeholders.
 - b. The purpose is to recommend a reformed intercity passenger rail program to the President and Congress.
 - c. Commission to address the long-term future of intercity passenger rail: 1) core city-pair program (routes under 750 miles. 2) Long Distance. 3) Northeast Corridor. D) High Speed Rail.

- d. Amtrak Operations put on a commercial footing to become a fair competitor in a private marketplace.
 - i. Amtrak to be made self-sufficient for the important services they provide. They will compete for grants and operations.
 - ii. The Commission will recommend a method by which existing statutory authorities permitting forced Amtrak access and regulatory compliance are transferred to an organization separate from Amtrak Operations.

2. A carefully prescribed role for the Federal Railroad Administration. Following the recommendations of the Reform Commission, FRA will designate the intercity network, assure safety and interconnectivity. Roughly on the Highway Model, it will provide a sustainable source of matching grants to the states primarily through the Federal State Partnership Program. Infrastructure grants to improve and expand long distance routes, and infrastructure matching grants for major NEC and other projects are also authorized.

3. Increased State Responsibility on for all Corridors under 750 miles: States will be responsible for any subsidy (as in current law) and the management of these corridors under FRA guidelines for Intercity Network safety and interoperability. As a condition of federal grants, intercity corridor projects will be implemented through the Direct Access Model that involves commercial negotiation with dispute resolution by arbitration. Statutory priorities for mandatory access at incremental cost and metrics and standards with regulatory enforcement will only be deployed as a last resort.

4. Competition for Operations and Services. As a condition of federal grants, there will be competition for operations and services.

- a. Projects in the CID pipeline will be required to use a competitive bidding process.
- b. If the grant applicant proposes a sole source selection of operator, either Amtrak or alternative railroad, the applicant shall provide a written public justification that shows why the operator is best taking into account price and other factors and that the use of the proposed operator will not unnecessarily increase the cost of the project. **(adopted from Sec. 301 PRIIA)**

5. Accelerated Permitting Reform. A program to streamline the permitting process for rail projects and require all reviews to be completed within a two-year time frame.

6. Liability and Indemnification Reforms: Reforms to make liability and indemnification processes more orderly and manageable, with equitable access for all states and authorities and participating railroads.

7. National Equipment Pool: Legislative proposal to supply equipment in the coming years for city-pair routes, long-distance routes, as well as commuter requirements.

a) FRA survey of existing equipment in storage, in service and on order. Identify equipment in storage that can be returned to service on start-ups and other projects.

b) FRA survey of equipment needs the next 20 years.

c) For near-term projects, use Market Soundings to align Rolling Stock Providers with specific Corridor Identification and Development (CID) projects now in the scoping stage.

d) Establish a pool of available equipment for all intercity services over the next two decades. No one competitor will control the assets purchased or guaranteed by US taxpayers. Airo equipment, now being procured by Amtrak through Siemens, will become a core for the National Equipment Pool and that not already committed will be available to all intercity services.

e) Options for both public and private financing of the equipment pool will be explored as well as a public-private structure for administering the pool will be explored.

8. Worker Rights Protection: Ensure worker rights on the intercity network are fully protected in the event of a change of operators or a new operator. Existing rights as agreed in PRIIA, Section 301 protecting rail labor in the event of transfer of operations to a new operator or in the event of a start-up are guaranteed. Davis-Bacon prevailing wage will apply to all federally funded or assisted rail construction projects.

9. The Rail Title will be an integral part of the Surface Transportation Reauthorization.