

American Public Transportation Association
Principles for Funding Rail Passenger Services
(June 3, 2002)

Rail passenger service in the United States is in the midst of a renaissance at the local and regional level, yet is facing critical policy decisions at the national level. Ridership on our commuter rail, rail transit, and intercity rail systems continues to increase dramatically. The development of rail passenger service merits support and should continue to be the focus of attention at all levels of government.

America needs a balanced transportation system that provides alternatives for travelers. Traffic congestion on our highways and in the air costs the U.S. economy \$100 billion annually. Rail transportation provides an important means to help alleviate growing highway and airport congestion. Many state and local governments already see rail passenger service as an essential element necessary to assure future mobility for their citizens. The federal government needs to work in partnership with state and local agencies to increase America's investment in passenger services. According to a recent GAO report, from 1971 – 2000, the federal government invested \$225 billion in aviation and \$607 billion in highways. In contrast, the federal investment in intercity rail over the same period was \$39 billion. A similar commitment is necessary in the rail passenger service industry, especially given national security needs, and the growing need to complement air and roadway service. The following policy principles represent APTA's general view on issues related to rail passenger service:

- The federal government must in the near term provide sufficient funding to Amtrak to assure vital continuation of our national intercity rail network. Many commuter rail operations rely upon Amtrak facilities, and contract services. Such arrangements must continue without disruption.
- APTA supports investment in the overall growth of the rail passenger industry, which includes intercity rail system, regional high-speed rail, commuter rail, and rail transit systems. Priority of investment should be given to projects where such investment would benefit and contribute to multiple use corridors and to intermodal connectivity to other transportation systems including intercity bus service.
- The current Amtrak system is an essential network that supports the development and current operations of intercity, high speed rail and commuter services. Any changes to Amtrak's institutional structure must protect the integrity of the network and honor existing contracts, commitments and financial arrangements, including provisions of existing contract services to some commuter railroads and public transportation providers. Should changes to Amtrak's institutional structure be adopted, they must be coordinated with state and public authorities to ensure an orderly transfer of such responsibilities, operations and services as may be required. Consideration must be given to the impact of any such changes on public transportation services generally. Examples of impact areas include rail access rights, ownership, facilities, stations, and equipment used in public transportation rail passenger operations.

- Investment funding for all types of rail passenger service should come from a combination of federal, state, and local sources. Incentives need to be developed that would encourage private sector participation.
- Highway Trust Fund resources and general funds dedicated to the support and preservation of public transportation and highway programs are currently inadequate to support the growing needs of both the public transportation and the highway program. Current federal funding levels for investment in intercity and high-speed rail projects also are inadequate to support the growing demands for improvement in intercity and high-speed rail service. Increased federal funding is necessary to foster the growth of all modes of passenger rail and public transportation.
- Intercity rail and high-speed rail corridor projects, as well as other passenger rail projects, should be coordinated with the federally required state and regional transportation planning process. Coordination with state and regional transportation planning organizations and current rail operators must be assured.
- Intercity and high-speed rail services should be linked and coordinated with commuter rail, rail transit, intercity bus and other local transportation systems as defined by state and local transportation plans and policies. Rail infrastructure, such as stations and track, should be shared in a cooperative and efficient manner consistent with public policy goals. Reasonable and consistent procedures for access to and compensation for use of rail freight track and / or rights of way should be established. for commuter rail service.
- Commuter railroads generally are constituted at a state or regional level and are separate from intercity and high-speed rail systems. Any new laws pertaining to intercity and high-speed rail systems should not, by extension, be presumed to automatically apply to or exclude commuter rail. Many commuter railroads are currently subject to burdensome railroad-only laws originally written for interstate commercial railroads. Significant financial and regulatory burdens on local government authorities and their contractors forced to comply with such costly provisions have a direct financial impact on riders, taxpayers, and state and local governments.
- Any new or amended Amtrak legislation must consider the impact on commuter railroads regarding changes to the railroad retirement system. Any changes regarding Amtrak's payment into the railroad retirement system should also consider the payments of commuter railroads which face similar financial pressures and cross-subsidy issues.
- APTA urges the Administration and Congress to develop and implement a National Transportation vision, policy and strategy that balances future investments in transportation systems based on economic, social and environmental criteria.