



A bold voice for transportation workers

PRIIA REAUTHORIZATION: LONG TERM INVESTMENT IN AMTRAK AND MIDDLE CLASS JOBS

TTD member unions are committed to an integrated, multi-modal transportation system. Based on public statements made in Congress, early in 2013 the House and Senate are poised to consider the reauthorization of the Passenger Rail Investment and Improvement Act (PRIIA), which provides an opportunity to advance a long-term plan for Amtrak and our national passenger rail system.

PRIIA expires at a critical time for Amtrak, whose popularity is on the rise. Last year, with more than 31 million riders, Amtrak had its best year ever. But its physical infrastructure and rolling stock are badly aging at a time when Congress is dominated by too many politicians who fail to understand the enormous economic benefits of modernizing our passenger and freight transportation system and equipment. The rest of the world embraces an integrated, long-term approach to planning and investing in an efficient transportation system that weaves together all transport sectors into a national policy. In America, our policy leaders in Washington have forced Amtrak and the entire transportation network to survive long periods of underinvestment and disrepair. These cycles of neglect must end.

It is with this backdrop that Congress will consider legislation to lay out a long-range vision for Amtrak. Lawmakers will have a choice between ending decades of chronic underinvestment or pursuing misguided attempts to dismantle Amtrak and run a fire sale on its high-value assets. The latter approach assures the destruction of a national system and threatens up to 20,000 jobs and collective bargaining rights. We will make the case that as the world's greatest economy America cannot succeed without a viable passenger rail system. And Amtrak should be its centerpiece, whether the carrier provides high-speed service on the Northeast Corridor (NEC) and on other higher speed corridors or in regional and long-distance train service.

PRIIA – signed into law by President Bush in 2008 – was an important milestone for Amtrak and our national passenger rail service. It was a bipartisan law providing the carrier with realistic, multi-year funding levels and rejecting risky privatization measures designed to starve Amtrak, sell-off the carrier's most prized routes and assets, and hollow out the remainder of the network. The bill also wisely strengthened Buy America requirements, provided some protections for Amtrak employees in the event of a transition to another provider of passenger rail and continued the application of prevailing wage requirements to rail construction work. It should not be lost on lawmakers that the limited privatization pilot projects included in PRIIA received virtually no private sector interest and served only to distract federal officials from implementing national rail policy.

The reauthorization of PRIIA must build on this framework and at the same time advance needed reforms. First, Amtrak must receive the funding it actually needs to upgrade and operate the NEC, provide the regional and long-distance trains that are crucial to the system and be positioned to implement the high-speed rail services that states are planning. Too often Congress has failed to actually appropriate the funds authorized by PRIIA, making it difficult for Amtrak to complete major capital improvements and modernize its network and equipment. More importantly, the rewrite of PRIIA must recognize that the capital needs of the passenger rail system are enormous and can no longer be ignored or deferred. According to Amtrak's 2012 Revised Vision, the proposed NEC Capital Investment Program would cost \$151 billion with \$5.2 billion going towards high-speed rolling stock. Funds are needed to restore infrastructure that was built between 80 to 150 years ago. According to Amtrak's Fleet Strategy Report, the carrier must also replace its badly aging fleet that has exceeded its commercial life and is incapable of meeting capacity needs.

We understand and agree that these needs must be met in partnership with individual states and, where appropriate, leveraged with private sector sources. In 2010, Amtrak's fare box recovery was the highest reported for any U.S. passenger railroad at 79 percent. But state partners and private sector investors will only participate if Amtrak and passenger rail programs receive stable and adequate public funding. In other words, partnerships between the public and private sector in large rail infrastructure initiatives will not succeed if the federal role is weak, unreliable and poorly defined. In addition, politically motivated efforts to cut off funding for high-speed rail must be rejected, including the prohibition in the pending House appropriations bill to prohibit funding for California's ambitious projects. Support for high-speed rail should not be jeopardized simply because of a political vendetta designed to kill a signature priority of the President.

Beyond providing critical funding, this bill must recognize that Amtrak is uniquely qualified to serve America's high-speed rail needs. The carrier has an established national network which includes an extensive reservation system, mature relationships with the freight railroads, the physical infrastructure needed to support high-speed rail initiatives and decades of demonstrated compliance with all federal rail laws. Most importantly, Amtrak has a dedicated and experienced workforce that will be critical in rolling out and operating new passenger rail services.

PRIIA reauthorization must also reject risky attempts to privatize Amtrak's NEC operations and long-distance routes. It should also be remembered that passenger rail service was provided by private railroads for over one hundred years before Amtrak was created. Private railroads were unable to provide passenger rail service without sustaining significant financial losses for at least 50 years. And it was because private operators were unable to continue to provide the service without sustaining huge losses that Amtrak was created to provide passenger service and to relieve private operators of the responsibility to provide that service.

Fortunately, the ideologically-driven privatization agenda that was pushed by some in the last Congress did not gain momentum. Though countless hearings were held on the subject, the privatization legislation did not move forward and we are hopeful that it will not be considered this year. Permitting private companies to seize those routes is a recipe for ending Amtrak service across the country and giving investors the green light to extract profits from assets paid for over many decades by the American taxpayer and rail passengers. Further, Congress should not micromanage Amtrak and arbitrarily pick and choose which routes will survive.

We will also oppose proposals previously offered that would force Amtrak to contract out food and beverage service. In fact, some in Congress actually declared that Amtrak charges too much for cheeseburgers. Amtrak should be permitted to run its business, sell its services and concession items, and decide how to staff the railroad's operations. Federal outsourcing mandates ignore the role of these front-line employees, who not only serve food and beverage but act as first responders during on-board incidents and emergencies. These measures would also threaten 2,000 Amtrak jobs. Those attempts are another example of the kind of congressional meddling that only interferes with Amtrak's ability to maintain a qualified work force and meet customers' expectations.

As Congress seeks to update and expand passenger rail, the reauthorization must safeguard the rights, jobs and wages of front-line workers. For rail workers, labor protections provided for in PRIIA should be updated to ensure they apply to all rail workers when federal funds are used to create new services, or to add or transfer infrastructure and equipment to a new entity. The PRIIA protections should also apply when rail lines are sold to states but are still used for interstate rail transportation. In addition, it must be ensured that rail workers performing traditional rail work are covered under the appropriate rail and labor statutes including the Railroad Retirement Act, the Railway Labor Act and the Railroad Unemployment Insurance Act. Taken together these laws protect railroad employees and retirees and provide the stability and benefits that all rail workers have enjoyed for decades. At the same time, Davis-Bacon prevailing wage requirements should fully apply to all covered rail construction work and project labor agreements should be used wherever possible. Allowing employers to circumvent labor laws or to undercut wages and benefits and then claim the private sector is more efficient or profitable is a game that must not be played if we are serious about having a first-class rail system and one that creates and sustains middle class jobs.

Additionally, we will work against attempts in this bill to cut workers' overtime pay or limit pension payments as a condition of receiving federal funds. Overtime assignments are an unavoidable aspect of transportation work. Capping overtime pay or excluding it from pension calculations would constitute an unacceptable assault on the living standards and rights of rail workers while making no worthwhile improvement to passenger rail customer service or performance efficiency.

PRIIA's investment in passenger rail is also an opportunity to boost U.S. manufacturing capacity and jobs. To do so, the bill must uphold strong Buy America laws and emphasize smart procurement policies. This would ensure that these federal investments are leveraged to achieve the greatest possible economic impact and job growth. We applaud the efforts Amtrak has already made to increase the efficiency and productivity of its procurement process through the

work of the Next Generation Corridor Equipment Pool Committee and a partnership with the California High-Speed Rail Authority. This reauthorization must build upon these efforts to incentivize the use of American made products throughout the production process. Not only will this put more Americans to work faster, it will ensure that we have a robust manufacturing sector able to supply the products needed by the passenger rail industry for years to come.

PRIIA reauthorization is an opportunity to make a much needed investment in a critical segment of our transportation system that suffers from the same neglect as the rest of our transportation infrastructure. We will push for timely passage of a bill that stabilizes long-term Amtrak funding, supports the jobs and rights of Amtrak's skilled and dedicated employees, rejects unwanted and ill-advised privatization proposals and lays out a national rail policy integrated with America's multi-modal transportation system needs.

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