

AMTRAK'S ROLE AS THE NATION'S HIGH SPEED PASSENGER RAILROAD

Amtrak plays an essential role in our national transportation network. The time to invest in the railroad's operating and capital needs, support its skilled and dedicated employees, and ensure that our national passenger rail carrier plays a central role in delivering on the promise of high-speed rail is now. We are heartened by President Obama's unprecedented and personal commitment to passenger rail and the vision he has advanced that recognizes the need to finally give chronically underfunded Amtrak the resources it needs to succeed.

We support the President's call in his budget for the infusion of billions more in support of Amtrak's capital and operating expenses as part of his plan to expand investments in a high-speed rail and in the process boost U.S. manufacturing jobs by rigidly enforcing Buy America rules. We also urge the President and Congress to restore the funds cut from Amtrak in 2010, which amounted to a reduction of \$275 million below authorized levels. And in 2012 we will work to fully fund Amtrak which is authorized to receive almost \$2.2 billion.

Sadly, rather than investing in our future, many in Washington want to drive Amtrak out of business by cutting its budget, privatizing its service and impugning its quality. Although critics would never admit it, Amtrak provides high quality service that is vital to many regions of the country. In fact, this is a new era for Amtrak with on-going performance improvements and increasing popularity among riders.

Amtrak ridership has grown for each of the last 15 months and has set annual ridership records in seven of the last eight fiscal years. On the Northeast Corridor (NEC), Amtrak is operationally in the black as the performance metrics on that part of its network continue to improve. Now that the company enjoys stable management with a vision to grow the railroad, Amtrak is instituting a rapid culture change, yielding positive results for passengers and employees alike. Amtrak's financial standing is improved and its debt load is significantly lower than in years past. In just the last few months, Amtrak offered several new visions for growth and improved efficiency, including plans to build the Gateway passenger rail tunnel under the Hudson River and a proposal to upgrade and transform the capabilities of the NEC. Those who seek to slash Amtrak's budget or privatize services ignore the fact that the railroad is performing better than at any time in its history.

Amtrak privatization is ill-conceived and ignores the lessons of history. When British Rail went private in the early 1990s, fares jumped, draconian layoffs were implemented and maintenance suffered. Service deteriorated rapidly while accidents increased. The story of British rail privatization reached a tragic climax with the 1996 Stafford rail crash, which killed 31 passengers and was linked to the failures of privatization. In 1999, the British government finally gave up on its failed privatization efforts and created a national passenger rail system that looks very much like Amtrak.

Congress created Amtrak after the Penn Central Railroad went bankrupt in 1970. It recognized the importance of passenger rail and the near impossibility of operating this capital intensive system without federal support. We reject the notion that private interests should now be able to take over passenger rail service with track improvements, station assets and rolling stock that exists thanks to decades of federal investments. And those who push for privatization ignore the fact that service would only be provided where it is profitable for private investors and shareholders. To hold passenger rail to that standard would limit service to a few choice routes and abandon riders in the rest of the country. None of the world's finest passenger rail systems are run under such a model. Their governments invest billions in capital and offer subsidies necessary to ensure the highest quality service.

Americans clearly want more transportation choices and a strong passenger rail network with Amtrak at its core is central to that effort. Old and tired ideas that say only the private sector can provide this service must be rejected. Instead, we call on Congress and the President to support and fully fund Amtrak and make this company and its workforce the centerpiece of high-speed rail in America.

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