

TESTIMONY OF
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AMERICAN PUBLIC TRANSPORTATION ASSOCIATION
BEFORE THE
HOUSE COMMITTEE ON TRANSPORTATION & INFRASTRUCTURE
ON
“COMPETITION FOR INTERCITY PASSENGER RAIL IN AMERICA”
SUBMITTED BY



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APTA is a nonprofit international association of nearly 1,500 public and private member organizations, including transit systems and high-speed, intercity and commuter rail operators; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA members serve the public interest by providing safe, efficient, and economical transit services and products. More than 90 percent of the people using public transportation in the United States and Canada are served by APTA member systems.

INTRODUCTION

Chairman Mica, Ranking Member Rahall, and members of the Committee, thank you for this opportunity to express APTA's views on the "Competition for Intercity Passenger Rail in America Act of 2011." The American Public Transportation Association's (APTA) member organizations include public agencies and private businesses that are involved with providing commuter rail service and intercity and high-speed intercity passenger rail service.

ABOUT APTA

The American Public Transportation Association (APTA) is a nonprofit international association of 1,500 public and private member organizations, including transit systems, high-speed, intercity passenger and commuter rail operators; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA members serve the public interest by providing safe, efficient and economical public transportation services and products. More than 90 percent of the people using public transportation in the United States and Canada are served by APTA member systems.

OVERVIEW

I appreciate the opportunity to submit comments today on behalf of APTA. I do so with the understanding that our member organizations have had very little time to review the bill and its potential impacts. Our diverse membership will have specific interests and concerns related to the bill. Since it has not been possible to have APTA's member organizations thoroughly review the bill, there may be issues that we will need to revisit with the committee in the future, as our members better understand potential impacts and opportunities. Having said that, I want to credit this committee for attempting to craft legislation intended to encourage the development of high-speed and intercity passenger rail service, and for its efforts to encourage private sector participation and financing for such service.

I also want to encourage the committee to do everything possible to ensure that assets on the existing system are preserved and improved, and that needed service on the existing system continues and has the ability to grow, and that publicly-owned railroads do not end up paying more for access and other operating needs when existing contracts expire and must be renegotiated. APTA recognizes the need for a national intercity passenger rail system, and we hope that the bill does not undermine in any way the continuation of such a national system. In principles adopted well before introduction of this bill, APTA urged the federal government to fully fund the costs of bringing the Northeast Corridor Amtrak, state and commuter rail agency segments to a state of good repair or better over a reasonable period.

I also want to emphasize that APTA does not view public private financing as a substitute for adequate federal investment in the nation's transportation infrastructure. We strongly believe that this bill must be considered as part of a larger, well funded six-year intermodal surface transportation bill that provides predictability at the federal level for public transportation systems, commuter railroads and high-speed and intercity passenger rail operators. Such federal investment in our transportation infrastructure will return enormous benefits to the nation, create and sustain jobs, and is essential to support a growing, vibrant economy.

NORTHEAST CORRIDOR PASSENGER RAIL SERVICE

The Northeast Corridor (NEC) is one of the most complex rail corridors in the world, with more than 2,200 trains operating over the Boston to Washington route each day. Four freight railroads, seven commuter railroads, and Amtrak operate on the NEC. On an average weekday, an estimated 622,000 riders board the commuter railroads that operate on the NEC and Amtrak carries an estimated 41,000 passengers.

While our testimony focuses on state-supported passenger rail, we are still reviewing the potential implications of the changes proposed to the provision of passenger rail service on the NEC. APTA strongly supports passenger rail service in the United States, including efforts to create a national high-speed intercity passenger rail system that includes service on the Northeast Corridor. We want to work with this committee to ensure that its efforts result in more passenger rail service in this country, and that those efforts do not jeopardize existing service in the Northeast Corridor or other parts of the nation.

COMMUTER RAILROADS AND INTERCITY PASSENGER RAIL

I have been asked to specifically comment on Title II of the bill, which would allow states, groups of states, and public agencies to solicit competitive bids to operate intercity passenger rail service under cost share agreements with the states on routes of up to 750 miles. Certainly many commuter and intercity passenger railroads now contract for service, with Amtrak and with other private operators. There are now 27 commuter railroads in the United States, two of which are so new that they have not provided annual data to the National Transit Database (NTD). Of the 25 commuter railroads that have reported to the NTD, 17 agencies purchase transportation service under contract and 8 directly operate service. While a majority of commuter railroad systems currently contract for service, 80 percent of the passenger total are served by the 8 directly operated systems, a group that includes most of the oldest and largest commuter rail systems. According to NTD reported data, the cost of providing this service, based on a cost per passenger mile, is similar whether directly operated and purchased from a third party vendor.

Commuter railroad service is most often provided by contract operators under current law, and this bill would not eliminate that option. While the bill ensures that commuter rail operators dependent on rail access, maintenance, and dispatching will continue to have such services at a level that accommodates existing levels of service, we are concerned about the costs

and terms of access, maintenance, and dispatching in an era when demand for commuter rail service is growing. The fact that there were 19 U.S. commuter rail operators in 2006 and are now 29 operating commuter railroads is just one good indicator of that growth and the need to anticipate more growth in the future.

Further, while it appears that Title I of the bill ensures that commuter rail service dependent on rail access, maintenance, and dispatching on the Northeast Corridor would be at least continued at no less than the current level of service, it does not appear that Title II of the bill, which deals with intercity passenger rail competition, would ensure the continuation of even existing levels for commuter railroads. Our concern is that a contract provider of intercity passenger service would negotiate a new contract with the railroad that owns the right of way and that that new contract could adversely impact commuter rail operations on that line.

Finally, on Title II, we note that the bill creates an advisory commission on the establishment of state-supported passenger rail routes and directs the advisory commission to consult with affected parties, including track owners, labor, Amtrak, and potential applicants. We respectfully suggest that the bill direct the advisory commission to include representatives of commuter rail operations in the consultation process.

CONCLUSION

I again thank the committee for the opportunity to testify on this important proposal and pledge our commitment to work with the committee as it moves the bill forward. We will work with APTA's member organizations to better understand their views on the bill and share those views as we receive them.