

QUESTIONS FROM SENATOR CLELAND  
AMTRAK Oversight Hearing  
March 14, 2002

PANEL II

**To Mark Morial, Mayor of New Orleans, and President, U.S. Conference of Mayors:**

1. The Amtrak Reform Council report suggests that interstate passenger rail links should be left to the states, with states forming regional compacts to implement and pay for intercity passenger rail. Do you agree with this idea, or do you think that interstate passenger rail should be considered a national issue, as are our highways, waterways, and airways?

2. I have heard that as a nation we spend over \$30 billion a year on our highway infrastructure, yet increasing traffic gridlock is strong evidence that we are unable to keep up with demand. Do you believe that passenger rail is a cost-effective transportation alternative, and if so, why?

**To David King, Deputy Secretary, North Carolina DOT:**

1. About two years ago the Metro Atlanta Chamber of Commerce convened a meeting of business leaders from Virginia, the Carolinas, and Alabama to discuss what they can do to promote a seamless high speed rail network connecting cities throughout the southeastern United States. These far-sighted business leaders recognize that not only economic development, but quality of life are compromised by highway gridlock and poor air quality.

How do you think the break-up of Amtrak would affect high speed rail travel in this country?

2. Have you invested your state's dollars in intercity passenger rail? If so, what kind of economic impact has that investment had on your state?

**To Mr. Edward Hamberger, President & CEO, Association of American Railroads:**

1. TEA-21 authorizes two commuter rail lines in Georgia: an Athens to Atlanta line and a commuter rail line between Macon, Griffin and Atlanta. Successful negotiations between the State and CSX and Norfolk Southern are key to getting these commuter rail lines up and running. What do you believe are the major challenges to reaching rail agreements between States and the freights?

2. Could you tell us about your Members' experience with existing commuter operations on your network and whether they satisfy the freights' core concerns of safety, capacity, indemnification, and compensation?

3. Do the freights see the development of commuter and intercity passenger rail service as a help or hindrance in meeting the infrastructure needs of their companies?

4. Assuming liability and safety issues could be addressed adequately and assuming that there was no impact--or a net positive impact--on freight rail capacity, what other issues are there that must be addressed in order to gain the freight operators' support for passenger rail operation?

**To Gil Carmichael, Chairman, Amtrak Reform Council:**

1. The United Kingdom recently admitted that their rail privatization plan--which is very similar to the plan suggested by the Amtrak Reform Council--had failed after only five years. Now I hear that the UK's Transportation Secretary has announced a plan to spend \$100 billion over the next 10 years to revamp Britain's passenger rail system.

Why do you believe ARC's proposed plan will succeed where Great Britain's has not? Do you believe we can assume the ARC plan will be a less expensive proposition than the current Amtrak system?

2. In regard to long-distance trains, the Amtrak Reform Council report indicates that these routes may initially operate with some federal subsidies which will later be transferred to the States.

What do you foresee will happen if some states along a given corridor opt not to contribute to the rail service?

Do you have any provision in case this scenario does occur?

Let me present a further scenario, if I may. Let's say certain states opt not to fund the corridor service while states on either side demonstrate a willingness to continue service. How do you propose to literally bridge the gap through these states which choose to opt out?

3. The Northeast Corridor is often held up as the crown jewel of the Amtrak system. The Amtrak Reform Council proposes the creation of a new Northeast Corridor infrastructure company distinct and separate from the rest of the system.

Since the Northeast Corridor has utilized a large share of the federal subsidy provided over the last 31 years, how do you plan for the equitable distribution to taxpayers in non-Northeast Corridor states of any proceeds from the disposition of Northeast Corridor infrastructure?

4. The Amtrak Reform Council has proposed that Amtrak should be broken up into three entities: a government-owned company running the Northeast Corridor; an operating company that would contract routes outside the corridor to states and private companies; and a federal oversight

agency to manage both companies. Based on the ARC's suggestion, what is your assessment of the resulting viability of nationwide rail passenger service from an economic and service standpoint?

With three different staffs, boards and contracts, please explain to this Committee how you think this arrangement would reduce the expense to the taxpayer.