

U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE & TRANSPORTATION

Senator Maria Cantwell, Chair

U.S. Senator Maria Cantwell Nominations Hearing for Amtrak Board of Directors September 11, 2024

Opening Statement VIDEO

Good morning, the Commerce Committee will come to order. Today, we are having a hearing for the nominations for Amtrak Board Members.

Before we begin though, I want to acknowledge the solemn anniversary of the September 11th attacks. Yesterday, President Biden issued a White House proclamation declaring September 11, 2024, as Patriot Day, a National Day of Service and Remembrance. On this day, we remember the innocent victims our nation lost 23 years ago.

The Commerce Committee is here to meet to consider four of the President's nominees for Amtrak's Board of Directors. Amtrak is in the midst of one of the most significant transformations since it was founded over 50 years ago thanks to the Bipartisan Infrastructure Law.

While President Biden may be the company's most high-profile supporter, I want to acknowledge members on both sides of the aisle here who continue to work supporting Amtrak, holding the company accountable and ensuring that our constituents get the services they deserve.

The company is working to improve and grow its services. This year ridership is on track to exceed pre-COVID levels. And so far this year, it has returned the Northeast Corridor to operating in the black, making more in ticket sales than it costs to operate.

The company's service options are also growing. At the end of last year, Amtrak added two roundtrips to the Cascades service between Seattle and Portland. In May, the Amtrak Borealis, a new state supported route, began service between Chicago and St. Paul. And just last week, DOT announced that Amtrak would receive a \$64 million fund to advance a high-speed rail project between Dallas and Houston. That is just one of the 69 new passenger rail corridors in 44 states that the Federal Railroad Administration is working to develop in coordination with Amtrak.

But despite these successes, challenges remain:

- In the wake of the DuPont derailment in the State of Washington, I worked to require FRA to conduct an in-depth safety assessment of Amtrak. In 2022, FRA found 30 areas where Amtrak could improve and while Amtrak has worked to complete 13 of the recommendations, more work needs to be done; and
- The company also needs to significantly quicken its pace to become compliant with the Americans with Disabilities Act, as documented by the Amtrak Inspector General report. I want to thank my colleague, Senator Duckworth, for her work on that issue.

This is the role of the Amtrak Board Members—to ensure that Amtrak is meeting the needs of American's transportation system and using taxpayer dollars wisely. Whether it is wise and effective infrastructure investments or ensuring safety remains the company's top priority, it is the job of these Board Members to make sure these issues are addressed.

I especially want to thank my colleague Senator Tester for leading the fight to ensure the Biden Administration nominated individuals from the West. Thanks to his efforts, the nominees here today, and the most recent nominee announced this week, bring a broader geographic representation that is much needed.

Shortly, we will hear from four of the President's nominees for the Amtrak Board of Directors:

David Capozzi of Maryland, who has dedicated his career advocating for people with disabilities, including veterans. And as I mentioned, Senator Duckworth fought so hard for this in the Infrastructure Bill. Samuel Lathem of Delaware, who is a local labor leader and has extensive experience serving on public boards. Ron Batory of Santa Fe, New Mexico, and who has had a long career in the private rail industry, including serving as the head of the Federal Railroad Administration under President Trump. Elaine Clegg, who is from Boise, Idaho, and has spent over 20 years of public service in local government, including her current role as executive director of Valley Regional Transit, which serves 650,000 people.

I look forward to hearing from all of you, and your priorities, should you be confirmed, on ways to improve Amtrak and hold the organization accountable.

First Question: Safety and Service <u>VIDEO</u>

Senator Cantwell: I wanted to ask the nominees, you all mentioned safety and thank you for that. According to the latest report I mentioned in my opening statement, there were 13 completed items, but there are 30 recommendations.

One, how will you drive Amtrak to complete those items of safety and operations?

And number two, I am obviously very concerned about the Western Empire Builder and Coast Starlight service that serves many communities. How will you each commit to protect the nation's long-distance service, particularly in the West? Mr. Capozzi and then just down the line, safety and service.

Mr. Capozzi: In terms of long-distance service, I have to say I value all types of train service that Amtrak offers, long-distance, state-supported and the Northeast Corridor services, and I share your commitment to long-distance train service. And I would commit to that, as a board member, equally as well as to security. Safety, security, and accessibility are kind of three legs to a stool, and I think they're all very important.

Mr. Lathem: Preventive maintenance is very important to me. I think if we did a lot more preventive maintenance, maybe we could handle some of the issues that come up, and long-distance transportation is definitely important, so I support you in that in that area.

Mr. Batory: Yes, Chair Cantwell, safety never sleeps. Safety is the cornerstone of good business. Safety requires constant focus. And I've been committed to safety my entire railroad career, and it's unwavering. Insofar as the train network system of Amtrak, I am a proponent of the National Network as related to long-distance trains, state-supported trains, the Northeast Corridor, insofar as how it connects and creates a national network.

Ms. Clegg: Thank you, Chair Cantwell. I have worked on safety my whole career. Before this job, I worked on bicycle and pedestrian safety and transit safety, bringing forward the process that helped develop the safe systems approach that the FHWA is now using for those modes of travel.

Safety is always top of mind. While at the National League of Cities TIS committee, we worked with railroads and communities across the country to ensure that communication between the railroads and first responders was what it should be, so that if incidents did happen, those first responders could respond well and will bring that experience.

As you know, I'm from the West and very interested in expanding the long-distance network, as well as making sure that it ties in well to the Northeast Corridor, so that we have a connected system. Helping people get from one place to the other means not just one city to the next city, but from wherever they are to wherever they want to travel. And to do that, we need a much better-connected system of travel on the railroads in the United States. I'll work toward that.

Second Question: On-Time Performance VIDEO

Senator Cantwell: Thank you. Well, I appreciate your commitments. I'm definitely going to ask a few more detailed questions on safety for the record, but I want to get your thoughts about the Cascades services. Because pre-pandemic, we had a lot of issues. We were able to restore Seattle to Portland, but there was a lot of banging on the door. And so this issue of where states have big concerns, how does Amtrak communicate to them? And without having us be right in the middle of it.

Right now, the Amtrak Cascades trains only arrive on time 64% of the time. This is the third worst performing state-supported route in the nation, and it's really unacceptable. So what can you do to improve the performance of the Cascades route?

Ms. Clegg: Sure, you know on-time performance is a long-standing issue. I don't have any magic. I'll add that in addition to living in the logging camp, my grandfather had to ride the logs down the river and deliver them to the mill. And when there was a log jam, he had to break it up. And he talked to me about how to do that, and he did it by looking at it from all perspectives, poking around, finding something that would move, seeing if he could get that move, and then the next thing, the next thing. That's how I'll approach these systems, these issues at Amtrak. Poke around, ask a lot of questions, try to see what we can get moving.

Mr. Batory: Yes, Chair Cantwell, as far as the Pacific Northwest is concerned, I was somewhat surprised by hearing your remarks that it was in the mid-60s. There's obviously a major opportunity for improvement, but that responsibility towards improvement resides with Amtrak and the host railroads. And that's where it should be addressed, and that where it needs to be resolved, not through third-party intervention.

Mr. Lathem: I still think it still comes down to preventive maintenance, not just the rails, the locomotives themselves, the depots, to make sure that everything is operating the way it should be operating, especially the machinery, which is preventive maintenance.

Mr. Capozzi: I think it goes back to Amtrak's mission. And Amtrak's mission is to provide efficient and effective inter-city passenger rail mobility, consisting of high-quality service that is trip time competitive with other inter-city travel options. And you know, I think we need to be driven by the mission to ensure that we meet that through all facets of Amtrak travel.

Third Question: Increasing Pacific Northwest Capacity <u>VIDEO</u>

Senator Cantwell: One of the things I wanted to do, Ms. Clegg, obviously we're excited about a Western member that could understand some of the dynamics. Obviously, I already asked about working with the communities and the states in a more robust and transparent way, particularly on the on-time service, but you mentioned in your statement about Boise and about some of the added capacity that we could see in the Pacific Northwest.

What do you think those best options are?

Ms. Clegg: Senator Cantwell, could you repeat the last part of that?

Senator Cantwell: What do you think some of the best options are for increasing that capacity? When I think about how trains split off in Spokane and go down to the Tri-Cities, or how we might reestablish Yakima, or maybe even in the Montana corridor, come down through Billings and Bozeman...

Ms. Clegg: Thank you for clarifying. I think there are a lot of opportunities in the Northwest. Right now, we have only the train up the coast, the Cascadia, and then, of course, the Empire Builder that goes over the mountains and across the North. And there are already tracks that travel through Yakima to Pendleton, probably the Columbia River Crossing would be the challenge with that one. There's already tracks on both sides of the Columbia, down to Pendleton and then down through the Cascades into Boise, into port Pocatello, Salt Lake, and then points East. At Pocatello, there's a track that still exists that connects to Butte, Montana. Senator Hickenlooper talked about the track that exists from Cheyenne to Billings.

Ultimately, we could have quite a connected system in the Northwest. I think it will require that the state-supported routes really become more supported by those Western states, that the corridor identification program be used to identify which of those corridors will be most likely to succeed and how we can help them succeed, but really look forward to a robust, connected system in a place where we desperately need it.

Senator Cantwell: Thank you. Thank you for that.

Fourth Question: Two-Crew and LNG <u>VIDEO</u>

Sen. Cantwell: Mr. Batory, I wanted to return a follow-up to Senator Markey's question about your time at FRA in the Trump Administration on the FRA issues on safety. During the time you were working in the rail industry, would you have ever had a two-mile-long train operating across the country with only one crew member?

Mr. Batory: Senator, not knowing the specifics, it's doubtful that I would. There's no such word as can't. But as far as generically saying, would I run a train across the country two miles long with one crew member? Probably not. Because there are portions of the rail network that are complicated, there's topography, there's demand issues, so there's a lot of variables that come into play. And that's why I've always said, let the people closest to the work decide what needs to be done.

Senator Cantwell: And what about LNG? Because I think under your leadership at the FRA you worked in coordination with the Pipeline and Hazardous Materials Administration to allow the transport of liquefied natural gas by rail across the country. And obviously, it's much more dangerous. Do you still believe that LNG should be permitted to ship on a two-mile long train?

Mr. Batory: Regardless of the length of train, the vessel itself, the vessel, the tank resided within the pipeline agency. The only thing we looked at was the vehicle that carries the vessel, and we had no difficulty with the vehicle, the flat car that carries the vessel on top. So I can't answer your question insofar as the details associated with the vessel.

Senator Cantwell: Even though NTSB had safety concerns?

Mr. Batory: I would respect those concerns. They need to be investigated and answered accordingly in a non-biased way.

Senator Cantwell: So, you will commit to taking a look at those, the NTSB recommendations. As an Amtrak board member, you will look at those recommendations?

Mr. Batory: If it were to percolate to the Amtrak board, ok. And if I was confirmed, I would certainly, we could take a renewed interest in it.

Senator Cantwell: This is a really important question, so I want you to think about this for a minute. One of the things that I think our Committee as a group has worked very hard on is to make sure that the FAA listens to the NTSB. The major legislation that Senator Wicker and I worked on established early reporting that the NTSB would do on an annual basis. What are the safety trends? Why? Because we didn't think the FAA was paying enough attention to them.

We certainly want the NTSB to be paid attention to, and so I am just asking your commitment to take their recommendations seriously.

Mr. Batory: I have always taken the NTSB recommendations seriously, and will continue to, regardless of the subject matter.

Fifth Question: Western Service Expansion <u>VIDEO</u>

Senator Cantwell: I wanted to ask a little bit more about the efficiency of the service. As we continue to look at the challenges as we were just discussing, Ms. Clegg and maybe anybody, really the rest of the nominees, establishing of service and efficiencies. And from the West, you get a different mode because you are empowering communities.

I would say access to some of our National Parks being one of the key components of that. Being in Glacier and seeing everybody get off the train. I mean, that's why they're there, to go see that park. And they were so benefited that they got to ride on Amtrak to get there.

How are you all thinking about these expansion services, or even the I-10 corridor, which is another example in another part of the country. How are you guys looking at the economics of these decisions on expansion of service?

Ms. Clegg: Senator Cantwell, I'll take the first shot at that. I think if you followed the FRA long-distance study, you probably do know this, that one of the criteria that they looked at was national parks, another was educational institutions, another was disadvantaged communities along the route. I think there were 15 or 20 different criteria.

I think if we look at that study and look at what they learned about some of those routes, we can use that to ensure that the routes that we build are the correct ones, and that we do it well.

In terms of trying to figure out how to provide the best service, I would say that the places that do have local commissions and local groups already are the ones that are working hard to provide that better service because of that local expertise on the ground. And would hope that Amtrak could not just work with those groups, but help spur the formation of some of those groups because I think it will help Amtrak service in the long run if we can.

Senator Cantwell: Ok, any comments by other witnesses about how to expand this service and look at the economics of the issues?

Mr. Batory: Senator, I just think that within Amtrak, there's a host of subject matter experts associated with scheduling of trains, trains that got cut, they're operating today, as well as trains that should operate tomorrow. And we should endorse and foster that type of work. And by doing that, we will continue to build upon the national network that we know of today. And the national network we know of today is not necessarily the perfect or the exact network that we need for the future, but it's an evolution and the board needs to support the Amtrak management team to develop and continue to maintain that development of a national network that patronizes the people of this country.

Senator Cantwell: I was asking a little bit more, as Ms. Clegg mentioned, on those criteria that are included in a list as opposed to just the operations, people looking at the operation time.

The Northeast Corridor is unique, but so is the West and I would say so is the South. There are big regional priorities within those areas. I was really looking to see the nominees' thoughts about how important expansion of Amtrak is. To me, I think it's an important tool. Some of those criteria are there and in place, and part of it is figuring out what else we need to do to make sure that we communicate about the viability of these services to an entire region. And I'm not sure that we have the full scope of that. Again, because I think if we did we might have that I-10 corridor development already there.

Mr. Lathem: Senator, I would like to see more expansion into rural areas. Being a small state, we still have a problem with transportation in the rural areas. I think there's a lot more states like us that can use more rail service in those rural areas.

Mr. Batory: Senator, the expansion of rail breeds economic development in the communities that rail serves, and that's why I think it's so important to continually look at that network and say, what can we do? Because it's not just about making money or how much money we lose on a train, it's what it does to the communities it serves and the people that will live in those communities. And I share the same feeling about rural America.

Senator Cantwell: Thank you.