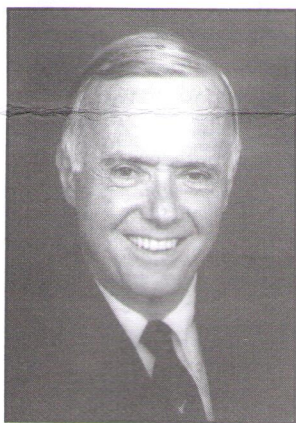


House High Speed Bond Bill Introduced

Reps. Amo Houghton (R-NY) and James L. Oberstar (D-MN) introduced their version of the High Speed Rail Investment Act on June 27. The bill, H.R. 2329, had an impressive total of 125 original sponsors; four more signed up a day later.



Rep. Amo Houghton

H.R. 2329 provides for the issuance of \$12 billion in bonds over 10 years for qualified passenger rail projects, with a maximum of \$1.2 billion available each year. Bondholders get federal tax credits rather than interest payments; the full faith and credit of the federal government is *not* pledged.

At a June 27 Capitol Hill news conference upon introduction of the new bill, Oberstar said, "We have had plenty of money for studies...but haven't had money to implement the studies." Responding

to critics who "usually argue that [high-speed rail] won't work here," Oberstar said they "fail to understand that travel choices are greatly influenced by public policy choices. The governments of Europe and Japan made conscious policy decisions to invest in rail and to provide a high-speed rail preferential option for most travel of less than 500 miles. Their deliberate policy decision was to reserve scarce airport and airway system capacities for long-distance travel."

Houghton called the bill "forward looking, cost-effective, and absolutely necessary if we are to ensure that our nation's transportation system can handle the expected growth in travel without being overwhelmed by congestion and gridlock."

The bill is similar to the Senate bill, S.250 (Feb. *News*), with these notable exceptions:

- The Secretary of Transportation picks the projects, with priority for those alleviating highway and airway congestion.
- An independent trustee holds all proceeds, dispersing funds only for a particular project when it is ready to proceed.
- The bonds, issued through Amtrak, may be applied for by other intercity rail passenger carriers or local/state agencies in concert with Amtrak, which may re-lend the proceeds to those other organizations.
- Outside the Northeast Corridor (NEC), the \$3 billion cap

applies to individual states rather than corridors, increasing the dollars potentially available to multi-state corridors. (By virtue of the Empire, Keystone and Northern New England Corridors, New York, Pennsylvania and Massachusetts are eligible for funds in addition to those earmarked for the NEC.)

- One billion dollars is set aside for lines (including Alaska Railroad) other than those the Secretary of Transportation has designated as high speed. (In S.250, up to \$1 billion may be used for non-designated lines. Under both bills, Alaska is not required to provide a state match.)

OHIO POLL SUPPORTS PASSENGER RAIL

The Ohio State University Center for Survey Research OSU-CSR) released a poll ("Tracking Ohio") on March 8, 2001, showing strong support for passenger rail. The poll found that 80% of Ohioans want the state to develop passenger rail service. Nearly two-thirds (65%) said state money should be used to attract federal passenger-rail funding to Ohio, if such federal funding were available. (High Speed Rail Investment Act bond funding would fit that description).

More than half (53%) said the best way to relieve road traffic congestion is to "improve all forms of transportation including mass transit and high-speed rail." The statewide poll was conducted January 2-31, 2001, as part of the OSU-CSR's monthly Buckeye State Poll in which 520 Ohio adults were randomly interviewed by telephone. The margin of sampling error was no more than +/-4.3%.

The poll was commissioned by the Ohio Association of Railroad Passengers. The exact text of the first two (of 11) questions were:

"1. Ohio officials have considered promoting the development of passenger train services. Do you strongly favor, favor, neither favor or oppose, oppose, or strongly oppose state efforts to develop passenger train services in Ohio?" [80.2% strongly favored or favored.]

"2. If federal funding is available for improving passenger rail services, Ohio may try to attract these rail improvement funds by pledging to pay for a portion of the project with state money. Is this something you definitely favor, somewhat favor, neither favor nor oppose, somewhat oppose or strongly oppose as a way to raise money to develop passenger rail service in Ohio?" [65.0% in the "favoring" categories.]

More information, including the other questions, is at OARP's web site, <<http://www.oarprail.org>>.



Rep. James Oberstar

Madison Line Environmental Assessment Released

The Wisconsin Department of Transportation on June 12 released a favorable Environmental Assessment for the proposed Milwaukee-Madison high-speed rail line. In it, Wisconsin DOT proposes starting six daily round trips in late 2003, expanding that to ten trips when service can be extended beyond Madison to St. Paul, MN. Top speed would be 110 mph, with a Milwaukee-Madison travel time of 1:07 (average speed 76.1 mph). This level of service is consistent with the goals of the nine-state Midwest Regional Rail Initiative (Feb. '99 News) and Wisconsin's Translinks 21 multimodal transportation plan and State Rail Plan.

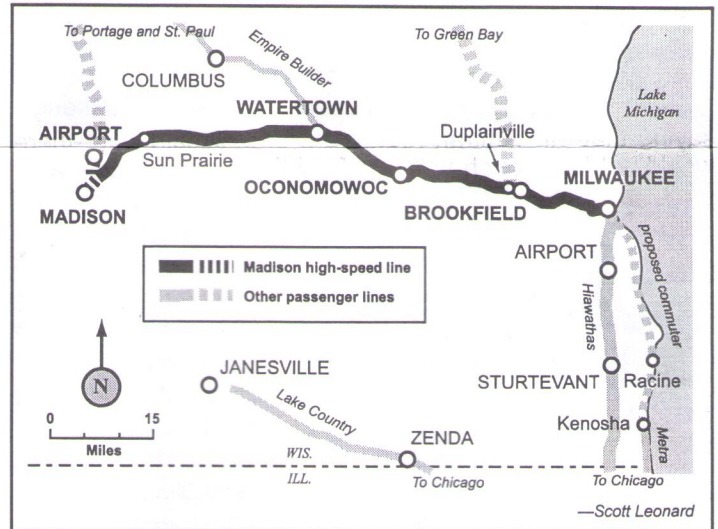
In a June 12 release, state Transportation Secretary Terry Mulcahy said, "High-speed rail is a sound public investment and a vital component to meeting our future transportation needs." However, he (and the Environmental Assessment) noted that "the federal government must play a strong role in funding this intercity transportation option." The best solution in play right now is the federal High Speed Rail Investment Act (S.250 in the Senate, Feb. News), which for the first time would provide states with federal matching funds for intercity passenger rail infrastructure needs. Such funds have been available for highway and aviation projects for decades.

The Madison proposal calls for rebuilding most or all of the railroad between Milwaukee and Madison. This is former Milwaukee Road trackage, now owned mostly by Canadian Pacific. The portion between Madison and Watertown is freight-only with low traffic levels—its middle section was unused for part of the 1990's. The Watertown-Milwaukee segment is part of CP's main line to the Twin Cities and is used by Amtrak's *Empire Builder*. The CP single-tracked part of this segment (Watertown-Duplainville) in the 1990's, and the second track would have to be restored.

Because the project uses existing rights-of-way, no farmland or residential properties are needed. Two commercial buildings may be needed in Madison, depending on final selection of a station site. Total infrastructure cost is estimated at \$176 million for 85 miles (less than a half-million per mile), not adjusted for inflation, and not including station and train-set costs. Ridership forecast for 2010 is 872,000, which includes through-passengers on the entire segment to/from Chicago and the Twin Cities.

There are 122 public grade crossings in the Milwaukee-

Madison segment; the plan calls for closing just nine of them. The rest would get enhanced protection devices such as those being tested elsewhere in the US (June '00 News). Crossing design would allow communities to apply to the Federal Railroad Administration for a "Quiet Zone" (final rule still pending, Apr. News). The report acknowledges concerns about "negative impact on the quality of life due to noise and safety concerns" expressed by some local residents west of Watertown, for which "WisDOT would continue to coordinate with individual communities...in the project corridor." Bypasses around communities "would not meet the purpose of minimizing costs and environmental impacts."



The Madison service would "provide connectivity" to today's six-times-daily, Chicago-Milwaukee Hiawatha trips. A proposal on the current Hiawatha route, but also of benefit to future Madison-line passengers, is a station on Milwaukee's far South Side, near Mitchell Airport. Governor Scott McCallum (R) on June 11 announced that the state would begin design on such a station and its linkage to the airport terminal.

In Milwaukee, the existing Amtrak station is now state-owned and will be renovated into an intermodal terminal. The next station would be Brookfield, where an 1867 station would serve western suburbs and the most likely Milwaukee-Green Bay route (proposed by the Midwest Regional Rail Initiative). At Oconomowoc, an addition to that city's historic station (Jan. '94 News) would be built. New stations would be needed at Watertown (likely near Third St.) and Madison, where a site selection process is still underway. A downtown site at the new convention center would be more useful to visitors to the state government and university areas, while two possible east-side sites would be located on the future route to St. Paul, offer more parking, and might be less costly. One east-side site is adjacent to the Dane County Airport.

Madison (metro area population over 400,000) has been without passenger rail service since the last Milwaukee Road train to Janesville and Chicago on the eve of Amtrak's start-up in 1971. The last Madison-Milwaukee passenger service on the proposed high-speed route ran about 1956.

The entire Environmental Assessment can be read at selected libraries and Wisconsin DOT offices; the executive summary is available on-line at <<http://www.dot.state.wi.us/dtd/hdist1/hsr-index.htm>>.

NARP BOOSTS LONG-DISTANCE TRAINS

For NARP Executive Director Ross B. Capon's column in the June *Railway Age*, "Let's not forget the long-distance trains," go to <<http://www.railwayage.com/jun01/commentaryofthethmonth.html>> or send NARP a self-addressed, stamped envelope.

AMTRAK REVENUES UP, AIRLINES DOWN

"May [2001] domestic [airline] passenger revenues dropped some 10% from a year ago even with a healthy addition in seating capacity" (*Barron's*, July 2). Amtrak's passenger revenues rose 5.4% both for May and for the October-May period.

Senate Appropriations Hearing Includes Amtrak

Patty Murray (D-WA), new chair of the Senate Transportation Appropriations Subcommittee, held her first hearing on Amtrak (and aviation) June 28. She said Amtrak's finances are a source of concern, but, "increasingly, I am coming to the conclusion that Amtrak's drive to become self sufficient is resembling some kind of 'fool's errand.' At a time when the nation's Mayors and Governors are asking us for more and more intercity passenger rail service, we are allowing Amtrak to get deeper and deeper into debt while we invest more and more money into other modes of transportation."

Sen. Robert Bennett (R-UT), another subcommittee member, questioned the need for any long-distance trains, including in Utah. He suggested that support for federal Amtrak funding would be greater without Amtrak's focus on such "money-losing, long-distance trains."

Sen. Joseph Biden (D-DE) called this "mouse-trapping," saying that—if Amtrak routes are dramatically cut—there would not be enough votes to fund the rest of it, no matter what any Senator says today. Biden held up an imaginary gun to Federal Aviation Administrator Jane Garvey (a fellow

Update on Amtrak Mail and Express

Paul Vilter addressed the NARP Board on April 26. He is Senior Director-Strategy and Development, reporting to Amtrak Chief Financial Officer Arlene Friner, with a "dotted line" to Mail and Express (M&E) President Lee Sargrad."

Vilter noted that Sargrad's appointment last year and the establishment of M&E as a separate business unit were intended to set it apart as a business that would "live or die on its own." [M&E is on Amtrak Intercity books now, but will have its own starting October 1.] He said Amtrak can do transcontinental business a day quicker than the fastest freight-railroad intermodal service, but that a transcontinental railroad merger would likely reduce Amtrak's competitive advantage.

A 20-person strategic design team worked intensively during five two-day meetings to understand the right business targets. They developed an optimization analysis to fill limited train slots with the most profitable traffic. Although Amtrak has the right to run 30-car trains everywhere, there are some places where it is not operationally practical. There was a concentrated effort to align the commercial M&E strategy with Amtrak's operating capabilities. "It was good to be aggressive in getting the business off the ground," but Amtrak should not be "trying to do things we can't do well."

The design team also looked at practical business volumes. "Today we have about 210 M&E loaded originations daily. At one point, we were talking about 600, and our operating people were cringing. Now, we think we can dramatically improve the express bottom line with just 250 daily originations."

Vilter identified three "core market" segments for express:

- Print media. The Postal Service increasingly wants to handle just "the last mile," which gives companies an interest in dealing directly with Amtrak for the "other miles."
- Perishables (like lemons, oranges), which Amtrak is just starting, refurbishing a fleet of up to 350 refrigerator cars.
- Premium truckload shipments that are too big for UPS but less than a full boxcar. ■

witness) to make his point that Congress forced the operating self-sufficiency mandate on Amtrak—"Either you become self-sufficient, or we blow you away.' Of course Amtrak said 'yes.' Maybe they never should have accepted the challenge."

Asked if there was any risk of Amtrak going bankrupt in fiscal 2002, assuming passage of President Bush's \$521 million request (all available October 1), Amtrak President George Warrington said, "No. Only uncontrollable events which we cannot possibly foresee today would pose such a risk."

Warrington said Amtrak generally pays less than commuter lines, with New York Penn Station dispatchers making \$10 an hour less than Metro North and New Jersey Transit counterparts. Other positions follow that trend to a lesser degree. ■

NARP DIRECTOR HONORED

Dr. Bill Pollard of Conway, AR (at left, with Amtrak President George Warrington), was honored at Amtrak's annual Presidential Service and Safety Awards, June 22, for representing "the highest degree of civic leadership on behalf of passenger rail service."



—Amtrak

He is chairman of the Texas Eagle Marketing and Performance Organization (TEMPO), a NARP Region 9 board member, and president of the Arkansas Rail membership group.

Pollard was among those recognized as a "Champion of the Rails," for his work on helping save the *Texas Eagle* a few years ago, on TEMPO, on assisting the Arkadelphia station renovation project, on getting "pathfinder" highway signs for all Arkansas stations, and on starting the Hot Springs Thruway bus.

STATE OFFICIALS OPPOSE ARC PLAN

At a June 26 hearing in Newark, states from Maine to Delaware opposed the Amtrak Reform Council's proposal to "appropriately separate" (as they now phrase it) Amtrak's infrastructure from its operations.

New York DOT Deputy Commissioner Jack Guinan said the ARC has not "framed a debate about the future of passenger rail" but simply presented options on how to implement an Amtrak-restructuring "conclusion ARC has already reached." New Jersey Transportation Commissioner James Weinstein: "Separation will ultimately destroy both our national rail passenger system and our regional system as well."

Harry Harris, Bureau Chief of Connecticut DOT: "Even the most efficiently run national system probably needs operating subsidy. We need a stable and reliable funding source."

New Jersey Transit Executive Director Jeffrey Warsh said Amtrak [negotiators] are "sharp, they're smart," and every bit as competent as the private-sector negotiators he deals with.

TRAVELERS' ADVISORY

New Northeast Corridor timetable—was issued July 9, both in booklet format and individual “wallet cards.” Weekday Acela Express Boston-New York service increases from four to five (each day, each way); New York-Washington from three to six (two of them replacing Metroliners). Weekend Acela Express Boston-New York service goes from two to three; New York-Washington remains at two.

All Shore Line NortheastDirect trains are converted to all-electric Acela Regional—the only train still using diesels Boston-New Haven is the *Twilight Shoreliner*.

The Empire Corridor has significant changes with the end of the Metro North construction period.

Capitol Limited—has a schedule change July 9. Westbound, it arrives Chicago 19 minutes earlier. Eastbound, it leaves Chicago 6:40 pm, 55 minutes earlier than now and arrives Washington 1:23 pm, 77 minutes earlier than now. Most of the reduction is west of Toledo, including removal of Hammond-Whiting and Elkhart stops (which NARP is questioning Amtrak about).

Vermont—was restored to full service June 24/25, but with 45 minutes' delay north of Springfield still possible. Amtrak annulled the northern segment June 1 due to deteriorated track conditions on New England Central that would have meant 2.5 hours in delays.

Eagle reroute—Illinois is upgrading track and signals on the 111-mile Springfield-Dwight segment, with “Illinois FIRST” funds (July '99 News), to prepare for high-speed rail service envisioned by the Midwest Regional Rail Initiative. To facilitate that, the northbound *Texas Eagle* runs Springfield-Chicago over Illinois Central (via Gilman, Kankakee)—not continually, but in streaks, for several days at a time—through September. In Springfield, a temporary *Eagle* platform is used on detour dates, with a shuttle bus from the Amtrak station. On detour dates that the IC can't take the train from Springfield, the *Eagle* detours over Union Pacific and IC from St. Louis, via Pana, Tuscola, Gilman.

Fares—To promote weekend Acela Express patronage, Amtrak has a “free companion” program, for sale through September 20, valid for weekend travel through September 23. It includes Labor Day (September 3—but not September 1 or 2). Tickets must be bought at least three days before travel, and are valid both in business and first class.

The new Amtrak California Rail Pass allows seven days of travel in any 21-day period. Also, there are Northern and Southern California pass options allowing five days of travel in any seven-day period. These passes are accepted on Thruway buses but generally not long-distance trains in California.

Thruways—The shuttle van connecting Hot Springs, AR, with the *Texas Eagle* at Malvern is being discontinued; last trip July 17.

Trails and Rails—this on-board narration program of Amtrak and the National Park Service was expanded May 26 to the *Adirondack* (Yonkers-Hudson; Saratoga Springs-Westport) and *Vermont* (Amherst-Essex Junction), on weekends (plus Monday holidays).



—CARTS

Amtrak *Texas Eagle* passengers at San Marcos, TX, began using an attractive, new intermodal station July 1. The station, on S. Guadalupe (two blocks from old site), was opened May 15 by Capital Area Rural Transportation System for Greyhound service. Local transit will begin serving it July 16.



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