

# Congress Passes Amtrak Bill!

## Early Financial Crisis Averted; Capital Funds Now Accessible

*"This gives Amtrak a fighting chance to succeed and survive."*

—House Transportation and Infrastructure Chairman  
Bud Shuster (R-PA)

As the 1997 session of Congress ended, Republicans and Democrats fashioned bipartisan solutions to three Amtrak-related issues that had divided members largely along party

lines for months. Both Houses passed identical "reform" reauthorization bills November 13. President Clinton was expected to sign it, making Amtrak eligible for its \$2 billion in capital funds in the Taxpayer Fairness Act (see box, p. 2).

The ball really began rolling November 7 with unanimous Senate approval of a bill version that House Republican leaders liked—though they wanted more dramatic change to the Amtrak Board of Directors. The Senate's action was a tribute to the commitment of Kay Bailey Hutchison (R-TX) and the collective ability of Hutchison, John F. Kerry (D-MA) and John Breaux (D-LA) to reach compromises on labor and liability issues that stymied action for two years (see box, p. 3).

The unanimous vote did not mean that Senate Commerce Chairman John McCain (R-AZ), a longtime Amtrak foe, was absent—or converted. He worked hard to help craft the compromise but said, "I believe Congress must carefully evaluate whether this is the best use of our limited taxpayer dollars."

Chairman Bud Shuster (R-PA) of the House Transportation and Infrastructure Committee on November 12 unveiled a July 24 letter from Assistant Attorney General Andrew Fois arguing that the board in the Senate-passed bill was not constitutional. Shuster said, "I would be derelict in my duties if I were to bring this bill to the floor recognizing that it has been said by the Justice Department [to be] unconstitutional."

Late November 12, James Oberstar (D-MN), the Committee's Ranking Democrat, made the key move. Believing Shuster was unlikely to bring up the unaltered Senate bill, and seeing that Shuster had an Administration letter to support his position, Oberstar decided to negotiate with Shuster.

The President will appoint the new "Reform Board," with seven voting members serving for five years (the length of the authorization). All will be subject to Senate confirmation, except for the Secretary of Transportation, should he be appointed. They must "have technical qualification, professional

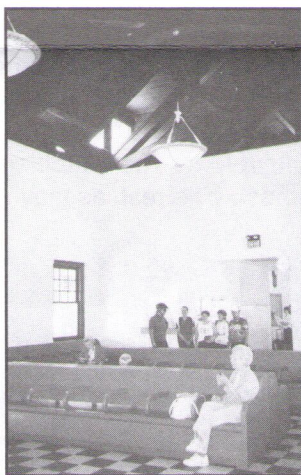
*(continued on page 2)*

### ALEXANDRIA REPAIRS COMPLETE



Union Station in Alexandria, VA, built in 1905, has been restored to much of its original glory, with a June 21 grand re-opening (above). It is used by Amtrak and Virginia Railway Express (commuter) trains, with Metro rapid transit nearby (King St.). Most striking is the removal of partitions and false ceilings in the waiting room (right), revealing wood-clad steel roof trusses and greatly opening what was a rather claustrophobic space (right).

Washington Post architecture writer Benjamin Forgey had this to say (August 23): "Most of the money for this modest but exemplary project ...came from a federal grant under the farsighted Intermodal Surface Transportation Efficiency Act [ISTEA]. (Amtrak and Atlantic Commonwealth Properties also contributed toward the \$840,000 budget). The 1991 Act is being renegotiated in Congress. The Alexandria station is a splendid demonstration of why such funds for non-road projects should be retained."



—both, Scott Leonard

### GALLUP POLL: 69% FAVOR AMTRAK FUNDING

An October 27 Gallup Poll sponsored by CNN and USA Today asked whether "the federal government should continue to provide funding for the cost of running Amtrak, in order to ensure that the US has a national train service, or the federal government should stop funding Amtrak, even if that means the train service could go out of business if it doesn't operate profitably on their own."

Favoring continued funding were 69% of respondents, with 26% against (and 6% other responses).

## 1998 TRANSPORTATION FUNDING

Compared with Previous Years  
Appropriations (\$ millions)

Administration	1995	1996	1997	1998	1998	1998	1998	1998	1998
	Enacted	Enacted	Enacted	Amtrak Request	Clinton Request	House bill	Senate bill		
Federal Highway	19,879	19,970	20,947	—	22,030	22,976	23,583	23,275	+ 11%
Federal Aviation	8,392	8,216	8,291	—	8,461	9,060	9,129	9,077	+ 9%
Federal Transit	4,614	4,051	4,382	—	4,487	4,838	4,685	4,840	+ 10%
Federal Railroad	1,162	874	1,031	—	918	919	772	937	- 9%
* Amtrak + N.E. Corr.	994	750	843	1,138	789	793	616	793	- 6%

\* Also in Federal Railroad Administration total.

### Intercity Passenger Rail Categories

Amtrak:	1995	1996	1997	1998	1998	1998	1998	1998	1998
Operations (A)	392	285	223	245	202	201	201	202	- 9%
Capital	230	230	223	751 (C)	422 (C)	260	0	199	- 11%
Mandatory payments (B)	150	120	142	142	142	82	142	142	n.c.
Northeast Corr.	222	115	255	(C)	(C)	250	250	238	- 5%
Penn Sta./Farley	0	(D)	0	0	24	0	24	12	n.a.
High Speed Rail	23	24	25	—	20	19	26	20	- 18%
TOTAL	1,017	774	867	1,138	809	811	642	813	- 6%

#### NOTES:

- A) 1996 operating figure includes \$100 million for "transition costs" related to Amtrak restructuring, service cuts, equipment retirement.  
 B) Federal railroad retirement and unemployment insurance costs in excess of Amtrak's demands on system, therefore not part of true cost of operating Amtrak system.  
 C) The 1998 capital requests are for a single figure which includes Northeast Corridor (except the Administration says at least \$200 million goes to the Northeast Corridor).  
 D) \$20 million of Amtrak capital was divertable to Farley project in 1996.

### FISCAL 1998—A "HIGHWAY" YEAR!

The appropriations committees sent highway spending skyrocketing in fiscal 1998, even as they nickel-and-dimed Amtrak, dragging it through a strange debate over "mandatory payments." This debate produced a Senate subcommittee hearing in which Amtrak, the Department of Transportation, and the Office of Management and Budget "sang from the same song sheet" to a degree perhaps never before seen in Washington. Ultimately, the full \$142 million requested for this was appropriated.

Appropriators also effectively lopped off \$199 million (the amount they provided for general capital) from Amtrak's "Roth" capital dollars. Future-year appropriations could include a similar provision, cutting Roth dollars still more, though they were never intended to replace regular appropriations. The Clinton Administration and NARP favor eliminating this "deduct" clause.

The table at left understates the growth of highway spending. If one leaves out special, "one-time" fundings in 1997—\$650 million for flood relief (primarily in the Dakotas and California) and \$634 million of additional money for regular highway programs—1997 federal highway funding would have been \$19.4 billion and 1998 would show a 20% increase!

## Amtrak Bill Passed

(from page 1)

standing, and demonstrated expertise in the fields of transportation or corporate or financial management." They may not be "representatives of rail labor or rail management." The board's eighth member will be the President of Amtrak, who "shall serve as an *ex officio*, nonvoting member."

Originally, Shuster required that two Presidential nominations each be made in consultation with the Speaker of the House and the Senate majority leader and just one each in consultation with the minority leaders of the House and Senate. Under the deal worked out with Oberstar, the bill simply requires that, in filling all six "consultation" slots, the President "should consult with" all four Capitol Hill leaders. These six may not be "employees of Amtrak or of the United States."

The new Board is to take over March 31, 1998, "or as soon thereafter" as there is a quorum (four). If this is not done by July 1, 1998, the funding authorized in the bill "shall cease to be effective," but there would be no impact on the capital funding provided under the Taxpayer Relief Act. Funding "ceasing to be effective" would give the appropriations committees a rationale for badly underfunding Amtrak in fiscal 1999.

It is not clear whether the Amtrak President would be Chairman. Our impression is that Former President-but-not-Chairman Alan Boyd devoted an inordinate amount of time briefing his outside chairman on board agendas (and lobbying the chairman for them). The current law, as revised in 1981, says "the President of Amtrak serves as Chairman of the board."

The new Board "shall have the authority" (but not be required) "to recommend to the Congress a plan to implement the recommendations of the 1997 Working Group on Intercity Rail regarding the transfer of Amtrak's infrastructure as-

sets and responsibilities to a new separately governed corporation ['Amrail']." NARP does not think the Working Group's report plan would advance rail passenger service. The Group (members listed in April News, page 2) seemed too familiar with the arguments of Amtrak's opponents and barely acquainted with Amtrak's own initiatives.

Overall, however, the resolution seemed a successful ending to the difficult quest for an Amtrak reauthorization.

The "quest" threatened to unravel October 24 after the House narrowly voted (195-223) in effect to weaken the labor provisions in its own Amtrak bill. This vote came on a motion by Jack Quinn (R-NY) that, if adopted, would have defeated a Steve LaTourette (R-OH) amendment the leadership believed would have gutted the bill's labor reforms.

That day, Shuster pulled the bill off the floor rather than risk final adoption of a "reform" bill he considered lacking in meaningful reform. Then, problem-solving in the Senate began in earnest. The rest, as they say, is history. ■

### WHY THE \$2.3 BILLION IS LESS THAN \$2.0 BILLION

The Amtrak ("Roth") capital funding in the Taxpayer Fairness Act is \$2.323 billion, but Amtrak actually may get \$1.985 billion (half in early calendar 1998, half in early calendar 1999). A 6% "set-aside" (1% for transportation purposes in each state with no Amtrak service) will consume \$139 million. The "deduct" clause in the 1998 appropriations law (see chart, above) cuts Roth capital by another \$199 million. If future-year appropriations included a similar provision, Roth dollars would drop still more, even though they were never intended to supplant regular capital.

## AMTRAK / BMW AGREEMENT

On November 2, Amtrak announced an agreement with the Brotherhood of Maintenance of Way Employees. The agreement has retroactive and future lump sum payments or wage increases of 3 or 3.5% for each year from 1995 to 1999.

There are major work-rule and productivity improvements that cover 33% of the agreement's wage increases. BMW has committed to a net \$7 million in work-rule improvements and agreed to find an additional \$6 million. If \$3 million in productivity gains are identified, 20% of those gains (plus 50% of gains above \$3 million) accrue to the corporation.

The deal, requiring union and Amtrak Board approval (likely in early December), is contingent on:

- Enactment of the reauthorization (lead story);
- Appropriation of the \$134 million total shortfall between actual fiscal 1996 and 1997 operating grants and the President's budget request;
- Funding of the budget "glidepath" through 2002;
- Elimination of the 1998 appropriations law clause reducing "Roth" capital dollars by the \$199 million appropriators provided for 1998 nationwide capital;
- Appropriation of at least \$129 million in general capital funding for 1999 and for 2000 (this is the level the Administration initially proposed for 1999).

Amtrak can void the wage increases if these items are not enacted. Any cancellation is unlikely before mid-1998, and would be followed by 30 days of negotiations and a 30-day cooling-off period.

## THE "HUTCHISON SUBSTITUTE"...

...approved by the Senate November 7, is (technically) the original bill, modified to reflect these newly struck deals:

- *Liability* payments to Amtrak passengers involved in accidents are limited to a total of \$200 million per accident;
- *Labor protection* comes out of federal law upon enactment. Management and labor are to negotiate this for 180 days after which, if they fail to reach agreement, they may resort to "self help" (management to impose new terms; labor to strike).
- *The ban on contracting-out* comes out of federal law upon enactment of the bill. This ban is inserted in the labor contracts, and presumably would be negotiated along with other contract issues when contracts become amendable, two years from now.

## NORTHWEST PROGRESS—AND MORE SERVICE

If the Federal Railroad Administration approves a State of Washington application for higher speeds on curves, a fourth Seattle-Portland frequency could start December 1.

Meanwhile, the first ten coach shells for the new Pacific Northwest Talgo trains (*Mar. News*) arrived from Spain by ship at Long Beach, CA, October 2, and have gone to Seattle for completion. More shells will arrive through next spring, and in late 1998 should replace existing Superliner and leased Talgo equipment between Vancouver, BC, and Eugene, OR.

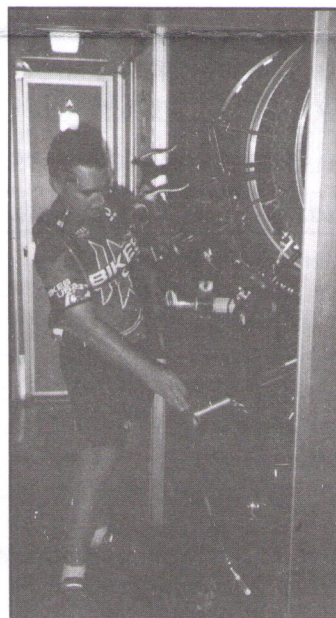
## AMTRAK A LITTLE MORE INTERMODAL WITH FIRST LONG-DISTANCE ROLL-ON BIKE ACCESS

For the first time, Amtrak has allowed unboxed bicycles on a long-distance route (the *Cardinal*, Chicago-Indianapolis-Cincinnati-Charleston-Washington)—the alternative always had been partial dismantling of the bike, boxing it, and checking it as baggage (if your train and station had checked baggage, that is). On the *Cardinal*, there is a \$15 reservation fee for each of the four bike spaces.

The first day of the trial was August 1, and a small party of bicycle activists marked the occasion with a short Washington-Alexandria excursion using the *Cardinal* one-way. Shown at far left at Washington (from left) are *Cardinal* Conductor W. W. Martin, Jim Bellas (Chief Executive Officer of retailer Bikes USA), Joe McHugh (Amtrak Government Affairs Director), Allen Greenberg (Government Relations

Director, League of American Bicyclists), and Brooks Sido (Community Relations Coordinator, Bikes USA).

At left, Sido adjusts his bike in the bike storage area, adjacent to the vestibule in the lower level of the Superliner coach-smoking car. Bikes are hung from hooks (and secured with bungee cords) in an alcove near the restrooms. In other coach-smoking cars, this alcove still holds storage shelves; in the *Cardinal* cars, additional storage shelves still remain in a second alcove near the stairs and smoking lounge.



—both, Scott Leonard

## TRAVELERS' ADVISORY

**October 26 Amtrak timetable—Northeast:** A 10th Empire Corridor New York-Albany round trip was added...Cornwells Heights, PA was added as a *Clocker/Keystone* stop...Fair Haven, VT was added as an *Ethan Allen* (New York-Rutland) stop.

**Intercity:** *Lake Shore Limited* leaves Chicago 8:15 pm (2:15 later than before) for late-arriving western connections; NARP has protested elimination of dinner service...All trains Chicago to Quincy, Carbondale, St. Louis and Kansas City now require reservations...Trains 350 and 355 no longer serve Detroit-Pontiac (MI), reducing that segment to two round trips daily (train 350 leaves Chicago at 8:20 am, 1:20 later than before).

**West:** New, 10th San Diego-Los Angeles *San Diegan*.

**Thruways**—New buses connecting with Amtrak Silver trains started October 26: Palatka-Hawthorne-Gainesville (FL), Tampa-Tarpon Springs-New Port Richey-Spring Hill (FL), Fort Lauderdale-Naples-Fort

Myers (FL), Florence-Camden-Columbia (SC), Florence-Conway-Myrtle Beach (SC). Dropped on June 23 was Orlando-Cocoa-Melbourne (FL).

Also, new buses connect Newport, Toledo and Corvallis (OR) to the *Coast Starlight* at Albany (also *Cascadia* northbound).

**North America Rail Pass**—Amtrak and VIA Rail Canada will start this joint pass in January. It will be similar to the Canrailpass, good for 30 days with unlimited stops. The cost is C\$895 in peak season and C\$625 off-peak (approximately US\$649 and US\$453). Seating is coach, but can be upgraded.

**Miami Metropolitan Lounge**—A first-class lounge opened at the Miami Amtrak station August 16.

**Florida Fun Train**—Began October 15 from near Fort Lauderdale (near the Hollywood Sheridan St. Tri-Rail commuter station) to near the Orlando-area attractions (3.5 miles southwest of Kissimmee on Old Tampa Hwy.). Their number is 888/FUN-TRACK (Aug. *News*, p. 4).

### COMING IN FEBRUARY: FOURTH TEXAS EAGLE

Amtrak adds a fourth weekly *Texas Eagle* Chicago-San Antonio and through to Tucson and Los Angeles along the *Sunset Limited* route. The new frequency originates in Chicago on Fridays starting February 6 and Los Angeles on Mondays starting February 9. Once again, Midwesterners can make weekend trips to Texas or Arkansas, leaving late Friday (or Thursday) and arriving home on Monday.

Between Los Angeles and San Antonio, this will be the most frequent passenger-train service since 1970, when the *Sunset* changed from coach-only daily to full-service tri-weekly. Also, this will be the first time since 1965—when Southern Pacific dropped sleeping cars and replaced the diner with an automat car—that this route has had a full-service train on more than a tri-weekly schedule.

### HOW TO BE A NARP BOARD MEMBER

To become one of NARP's 70 regional directors, send us your name, address, telephone number(s), and a statement of candidacy *not to exceed 75 words*. Candidates must have been NARP members for at least a year. First-time candidates must provide letters of recommendation from three other NARP members living in their region. Directors serve two-year terms.

Send materials to "NARP Candidate"; 900 Second St., NE, Suite 308; Washington, DC 20002 (*not the P.O. box on our reply envelopes!*), postmarked by January 2, 1998—or hand-carried, faxed or e-mailed by January 5.

Ballots containing the statements will be sent to each NARP member shortly thereafter. Elections will take place at regional meetings and by mail. Future board meetings include Washington, DC, April 23-25, 1998 (and April 1999); San Diego, October 15-17, 1998; Toronto, October 1999.



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