

Support Grows for Rail Bond Bill

Momentum is growing for the best chance to fund improved intercity passenger rail: the High Speed Rail Investment Act (S.1900, H.R.3700).

By mid-July, sponsors included almost half the Senate (49, including eight of 19 Finance Committee members) and more than a quarter of the House (131). Among the House sponsors: 17 members of the 39-member Ways and Means Committee, including Ranking Democrat Charles Rangel (NY).

The Act has been endorsed by (among others):

- American Consulting Engineers Council (Transportation Committee),
- American Road & Transportation Builders Association,
- National Governors' Association,
- Sierra Club,
- Southern California Intercity Rail Group (includes government associations and Caltrans),
- Southern Rapid Rail Transit Commission (formed by Louisiana, Mississippi and Alabama),
- Transportation Trades Department, AFL-CIO.

On June 6, Gov. Gray Davis (D-CA) wrote to all members of the California delegation urging them to co-sponsor, and Sen. Bob Graham (D-FL) sent a "Dear Colleague" endorsement letter to other senators. Minnesota Transportation Commissioner Elwyn Tinklenberg wrote his state delegation on May 16.

The bill was expected to be on the agenda of a July 25 hearing of the House Ways and Means Subcommittee on Oversight, chaired by Amo Houghton (R-NY), who introduced H.R.3700.

What the Act Does

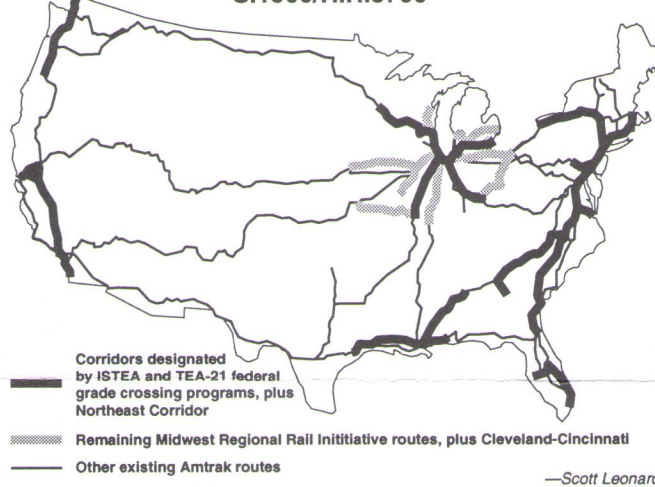
The Act allows for the sale of up to \$10 billion in bonds over ten years, primarily for developing high speed rail "corridors of the future" as designated by the Secretary of Transportation. (Up to 10% of the funds could go to lines other

than designated high-speed corridors.)

States must provide at least a 20% match, and bondholders would get federal tax credits rather than interest payments. The 20% in state payments would go directly to the projects. An interest-earning escrow account would be established with \$200 million of the proceeds of the original bond sale, which would be managed by an independent trustee, and this would be used to pay off the principal. The Act does *not* pledge the full faith and credit of the Federal government.

The Joint Committee on Taxation estimates the bill's cost at \$13 million the first year and \$762 million over five years. The budgetary impact is far lower than would be the case with appropriations, where the impact is dollar-for-dollar. Indeed, the Committee's ten-year cost estimate is just one-third of the amount of funding the bill would permit.

VARIOUS CORRIDORS THAT COULD BENEFIT FROM S.1900/H.R.3700



There are a few differences between S.1900 and H.R.3700, which should be resolved easily in conference.

- Under S.1900, only Amtrak could sell the bonds. H.R.3700 has a broader definition that also includes the Alaska Railroad and any other intercity passenger-rail carriers. The broader wording is likely to be in any final product.

- H.R.3700 puts a \$3 billion (30%) ceiling on the amount of the bill's funding that could go to the Northeast Corridor. (A likely outcome would be application of the 30% cap to each corridor: California, Pacific Northwest, Midwest, Empire, Northeast, Keystone [Philadelphia-Harrisburg], Southeast, Florida, Gulf Coast and up to three others not yet designated.)

Both bills for the first time put the Northeast Corridor and the rest of the nation on equal footing for rail passenger infrastructure investment: the 20% state match is universal. ■

FRA REOPENS CORRIDOR COMMENTS

The Federal Railroad Administration (FRA) has reopened a comments and application process for high-speed corridor designation under the TEA-21 grade crossing safety program. States may file applications for new (or amendments of existing) corridor designations until August 14. Public comments are due August 4 to Docket Clerk, DOT Central Docket Management Facility, Room PL-401, 400 Seventh St., SW, Washington, DC 20590, or via the web at <<http://dms.dot.gov/>> (reference Docket No. FRA 1998-4759).

Los Angeles Rail Transit: Quiet Success Story

Rail transit ridership is steadily growing in Los Angeles. There are rush-hour standees on the Red and Blue Lines. Some rail lines the national media have written off will be built after all. With the June 24 extension of the Red Line from Hollywood & Vine to North Hollywood (including a stop right at Universal Studios), the Metropolitan Transportation Authority (MTA) reported that daily ridership in early July surged to 120,000, from previous highs of around 65,000, and parking lots at some of the new stations already are jammed.

The Los Angeles-Long Beach Blue Line (light rail) is nearly at capacity. Daily ridership now exceeds 60,000; platforms at some stations are being lengthened for three-car trains. The Norwalk-Redondo Beach Green Line (also light rail) is at 30,000 trips, even though one must switch to shuttle buses to reach Los Angeles International Airport to the west and the Norwalk/Santa Fe Springs commuter rail station to the east.

The commuter rail network, Metrolink, is averaging 33,000 weekday riders and growing. Metrolink lines connecting Los Angeles with Lancaster, Riverside, and San Bernardino have Saturday service; Sunday service just began on the latter.

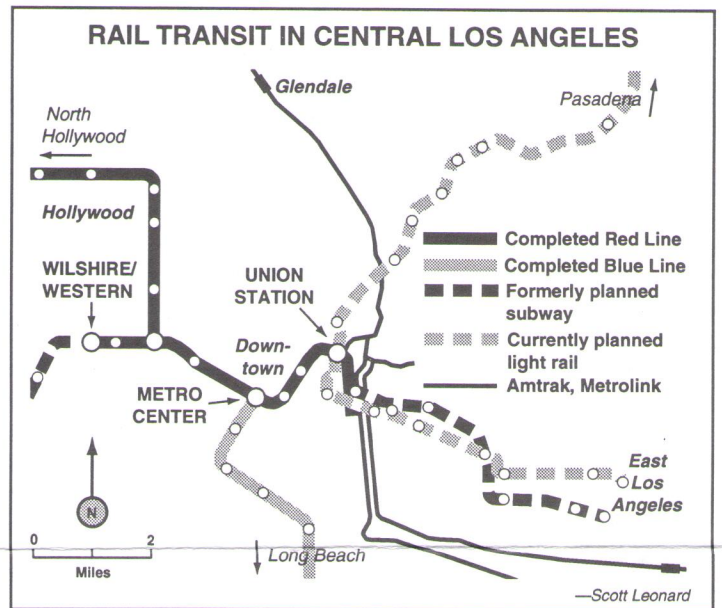
In reaction to Red Line construction mishaps, delays and high costs—and past MTA mismanagement—Los Angeles County voters in November, 1998, decided that county funds could not be used to build any more rail *tunnels*, though they did approve light rail funding.

However, the above-ground Pasadena-Union Station Blue Line (light rail) is likely to go out to bid as a Design/Build project by the new agency overseeing it. This line will use the ex-Santa Fe route of Amtrak's *Southwest Chief* (until its 1994 Fullerton reroute). The East Los Angeles line also is likely to get built, though not as a Red Line extension (see box). Gov. Gray Davis' budget has funding for both of these projects.

There is currently a debate about service beyond North Hollywood in the San Fernando Valley, along a former rail right-of-way. There is support for light rail, for busways—and "NIMBY" support for doing nothing.

Unfortunately, a planned Blue Line light rail branch (Exposition) southwest of downtown may end up as a busway.

Still, the Los Angeles rail transit reality is far brighter today

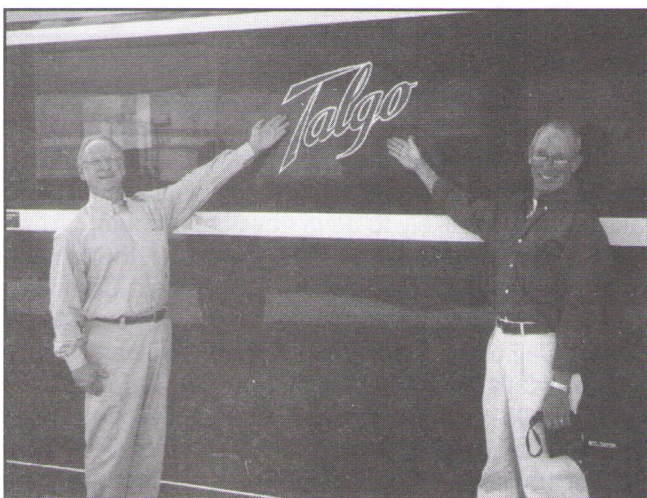


than on August 28, 1997, when a *New York Times* front-page story was headlined, "The Subway to Nowhere, No Time Soon; An Effective System for Mass Transit Eludes Los Angeles." It will be good when the national media, which often mocks Los Angeles rail, reflects this reality. ■

HISPANIC COMMUNITY WINS RAIL FIGHT

East Los Angeles' transit-dependent, Hispanic community did not lie down when told that the 1998 county vote meant they would not get a promised Red Line extension from Union Station. The negative reaction to MTA busway studies was so strong that the project is now light rail (mostly above-ground, with state and federal funds to be used for limited tunneling). Transit ridership potential in East Los Angeles is as great or greater than for any other area rail line—built or planned. Here, as in Boston (Sept. '99 *News*), anti-rail elements' efforts to paint themselves as true supporters of inner-city mobility are failing.

TALGO DRAWS CROWDS IN ARIZONA



A Talgo train set meant for Amtrak's planned Las Vegas-Los Angeles service made a Phoenix-Tucson demonstration run in May—perhaps the first Amtrak train in Phoenix since the *Sunset Limited* was routed away in 1996 (May '96 *News*). Among the invited guests were NARP President John R. Martin (left) and Region 11 Director George Chilson (right).

The media inspected the blue train in Phoenix May 4. On May 5, the train picked up passengers at Bank One Ballpark in Phoenix. There was a stop in Coolidge to drop off the Secretary of State and some reporters, and pick up more passengers. Tucson arrival was about three hours after leaving Phoenix. There was a celebration at the station—which is being restored—with music, food, banners and local media. Mary Peters, Director of Arizona DOT, was master of ceremonies, recognizing elected officials and event sponsors. The train returned to Phoenix in time for a major league baseball game, and for a reception the Arizona Rail Passenger Association hosted at a nearby brewpub.

On May 6, the train was on display for the Transpo 2000 fair, next to the Ballpark. Thousands attended the fair and the train was a popular attraction. The Talgo visit to Arizona got terrific media coverage.

Technically, the trip was in doubt up to the last minute as a Federal Railroad Administration safety waiver was needed. NARP's Ross Capon testified in support of the waiver at a May 3 hearing in Washington.

Amtrak Looks to New Guarantee and Logo to Improve Image

With great fanfare—including special events at the Washington, Philadelphia, Chicago, and Los Angeles stations—Amtrak on July 6 unveiled “an unconditional guarantee of guest satisfaction” and a new logo.

Satisfaction Guarantee

In the words of Amtrak’s release, “under the guarantee, which began July 4, Amtrak promises all of its guests a safe, comfortable, and enjoyable travel experience. If guests are not satisfied at any point...they will be encouraged to bring their concerns to the attention of any Amtrak employee, who will try to make it right. If the guest feels that the effort is not enough, they can call 1-800-USA-RAIL for a Service Guarantee Certificate, which entitles them to equivalent free travel in the future.”

An Amtrak “question-and-answer” sheet advises guests to “keep their ticket stubs as our Customer Relations Representatives will use the ticket number on the ticket stub to determine the value of the Service Guarantee Certificate.”

The certificates are mailed to guests. “Will every guest who requests a...Certificate receive one, no questions asked? Yes, no questions asked. Guests may be asked about incidents so that we can take measures to see that it doesn’t happen again and, of course, we’ll take reasonable steps to ensure that fraud doesn’t occur.”

Customers living far from staffed stations may be inconvenienced, as certificates can’t be redeemed for tickets-by-mail.

The Q&A states that “all Amtrak employees are empowered to take the initiative to ensure that every guest is a satisfied guest...Every Amtrak employee has completed a comprehensive training program, and new procedures have been adopted to empower employees to take a personal initiative to solve guest problems, often before they occur.” Amtrak states that “a one-percent increase in its guest retention rate would add \$13 million in annual revenues.”

Significant Challenges to Satisfaction Remain

The “unconditional” nature of the new guarantee sets it apart from the *Coast Starlight* program that began in 1996, which excluded mechanical problems and on-time performance. This has been another rough summer for on-time performance on many of Amtrak’s long-distance trains.

Among the hardest hit trains have been the *Southwest Chief*, *Texas Eagle* (both Los Angeles-Chicago), and *Sunset Limited* (Los Angeles-Orlando). Each ran several days in a row several hours late. Freight railroad traffic played a partial role, but there have been Amtrak mechanical problems and express-related delays as well.

Another bad sign: At stations served by trains using CSX tracks, an undated letter co-signed by Amtrak Intercity President Ed Walker and CSX Transportation Executive Vice-President Michael J. Ward is posted, blaming “unavoidable delays to many Amtrak trains operating on some CSX routes” on “an unprecedented increase in freight traffic” and “an aggressive

track maintenance program.”

Nonetheless, the guarantee should be a positive, assuming it does not cause passenger expectations to rocket away from reality.

New “Corporate Brand Identity”

Amtrak says its “new corporate identity will replace the ‘inverted arrow’ logo that has represented the company for 29 years. The new brand identity features a Travel Mark whose shape, convergent lines, and suggestion of movement capture the excitement of the travel experience. Amtrak’s new, sturdy Word Mark reflects the company’s growing strength and reliability. Combined, they represent a revitalized corporation that puts the safety, comfort and enjoyment of every guest first, and backs it up with a one-of-a-kind commitment to guest satisfaction.”

Amtrak says there will not be a costly, “overnight” phase-in of the new identity. Work will be done “incrementally as equipment is overhauled” and when stations require sign changes. Amtrak hopes its state, local and private partners will do the same with stations (and trailblazer signs) they own. ■



Amtrak’s old red-white-and-blue logo with black letters (top) is replaced by one with one color (the quasi-blue launched last year for the Acela service).

HOW YOU CAN HELP THE CAUSE IN AUGUST!

As this is an election year, when Members of Congress break for the August recess, most will be in their districts campaigning for re-election. They—and their opponents—will be at neighborhood rallies, “coffees,” fundraisers, county fairs, parades, picnics, etc. Most candidates will be open to ideas from constituents. You could have a significant impact on how Members feel about H.R.3700 or S.1900.

- Drop by their district office and leave a message that you would like them to co-sponsor the High Speed Rail Investment Act.

- Visit them on the campaign trail and let them know you support this legislation and ask them to publicly support it. Make sure you give them a name and address so that they can respond.

- Send them an e-mail on the bill (again include your name and regular postal address).

- Give them a copy of the front page of this newsletter.

- Use the media to get the message in front of your Congressman. Call-in radio shows can help raise the issue especially when members are in their district.

- Write a letter to the editor.

- Attend candidates’ town meetings.

- Get involved in local election activities.

- Identify local rail suppliers that may benefit, and get them involved.

It is always most effective to be courteous and honest, present the issue clearly, concisely and in writing, personalize the issue, leave them some information on the issue, and thank them for their time.

For more information, visit Senator Lautenberg’s high-speed rail web site, <<http://lautenberg.senate.gov/highspeed>>, and the NARP site, <<http://www.narprail.org>>.

TRAVELERS' ADVISORY

Amtrak fares—Several changes took effect June 20, including: lowest-level fares on most Intercity trains rose 2%; *Coast Starlight* sleeper fares rose 4%; Business class on Metroliner, NortheastDirect, and Acela Regional rose \$2; Auto Train fares rose 2% (except for highest fare levels). Explore America fares increased to the following:

	Peak	Off-peak
Florida zone	\$129	\$109
1 zone	\$299	\$279
2 zones	\$399	\$359
3-4 zones	\$499	\$429

Northeast Corridor—New timetable took effect July 9. Amtrak and Pennsylvania DOT began a 9th week-day Harrisburg-Philadelphia Keystone round trip. An additional Boston-Washington weekend Acela Regional (all-electric) round trip began.

Thruways—Shuttles between downtown Richmond and the Amtrak station were discontinued July 9, due to low patronage.

The bus connecting Michigan points to the *Pennsylvanian* at Toledo was discontinued by its operator July 19.

Stations—Amtrak moved into a new intermodal station on S St. in Bakersfield, CA, July 4 (replacing trailers on F St.)...Rededication for renovated Amtrak station at Temple, TX, was July 8.

Transit—Los Angeles Metro opened a Red Line extension from Hollywood/Vine to Hollywood/Highland, Universal City, and North Hollywood (the last two in the San Fernando Valley) June 24.

Metro North opened a six-mile extension of its Harlem commuter line north from Dover Plains, to Wassauc, NY, July 9.

Denver RTD opened an 8.7-mile extension of its light-rail line from I-25/Broadway south to Mineral Ave., Littleton, July 14.

NEW ROADBUILDING WINS SWEEPSTAKES

Demand for transit has been growing faster than highway travel, as our June lead story noted, but on the supply side the emphasis is still on highways.

A Surface Transportation Policy Project (STPP) report found that "over \$9 billion in federal funds went to new road capacity in 1999, an 80% increase in just two years. Although federal funding of transit is also rising, it is commanding a smaller share of total spending than in the past."

This is because TEA-21, the big 1998 highway/transit funding bill, provides that if more money is collected than had been anticipated, "rather than being divided between the highway and transit programs on the traditional 80/20 basis, all the new money would go to the highway program...This year, the Treasury Department predicts there will be \$3 billion in unanticipated money [so] the share of federal transportation spending devoted to transit will continue falling."

The report, "Changing Direction: Federal Transportation Spending in the 1990s" is at <www.transact.org>, or call 202/466-2636 (ask for Jerome).

TEA-21 RAILROAD LOANS—The July 6 *Federal Register* has a Federal Railroad Administration final rule (effective September 5) on the Railroad Rehabilitation and Improvement Financing Program (RRIF), authorized by TEA-21 in 1998. It will allow \$3.5 billion in railroad loan guarantees. Of that, at least \$1 billion is for smaller freight railroads, but some of the remainder could go to passenger rail infrastructure. The rule (49 CFR Part 260, Docket No. FRA 1999-5663) is on-line at <http://www.access.gpo.gov/su_docs/aces/aces140.html>; comments by others are at DOT site <<http://dms.dot.gov>>.

CORRECTIONS—Last month's "North Carolina Advances Crossing Safety" (p. 2), should have said the Sugar Creek Rd. crossing was in Charlotte...April 30 is the correct date for the lead story in *The Washington Post* that covered big growth in transit ridership (covered in our lead story).

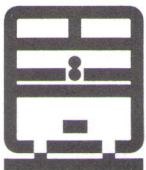
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