

# News Release



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## AMTRAK COVERS 88% OF OPERATING COSTS Federal capital investment supports future growth

WASHINGTON – Amtrak President and CEO Joe Boardman told a Congressional committee today that America’s Railroad® is leveraging record ridership to reduce dependence on federal operating subsidies. He announced that in FY 2012 the federal government paid just 12 percent of Amtrak’s operating costs while Amtrak covered 88 percent with ticket sales and other revenue.

Boardman explained that while the railroad has taken actions to chip away at operating costs and increase revenue, a vital component of its success has been the federal government’s willingness to invest in the Amtrak national network. Federal capital investment helps to reduce operating costs, supports the existing system, funds solutions to reduce future costs and provides the infrastructure and equipment to sustain ridership and revenue growth.

“Previous federal capital investment levels have sufficed to keep the system going, but they are not going to be adequate in the future,” Boardman stressed. “If we are to realize rail’s potential, we will need much higher levels of federal capital funding.”

He added that the Amtrak long distance trains are an important part of a larger national network connecting rural communities to larger cities and major urban areas. They serve passengers with disabilities, the elderly and rural populations that are losing scheduled intercity air and bus service. In fact, long distance trains bring one million riders a year to the Northeast Corridor.

A copy of his presentation is attached and can be found [here](#).

### **About Amtrak®**

Amtrak is America’s Railroad®, the nation’s intercity passenger rail service and its high-speed rail operator. A record 31.2 million passengers traveled on Amtrak in FY 2012 on more than 300 daily trains – at speeds up to 150 mph (241 kph) – that connect 46 states, the District of Columbia and three Canadian Provinces. Amtrak operates intercity trains in partnership with 15 states and contracts with 13 commuter rail agencies to provide a variety of services. Enjoy the journey® at Amtrak.com or call 800-USA-RAIL for schedules, fares and more information. Join us on facebook.com/Amtrak and follow us at twitter.com/Amtrak.

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# Freight and Passenger Rail in America's Transportation System

Testimony before the Railroads, Pipelines  
and Hazardous Materials Subcommittee of  
the House Transportation and  
Infrastructure Committee

**Joseph H. Boardman**  
**President & CEO**

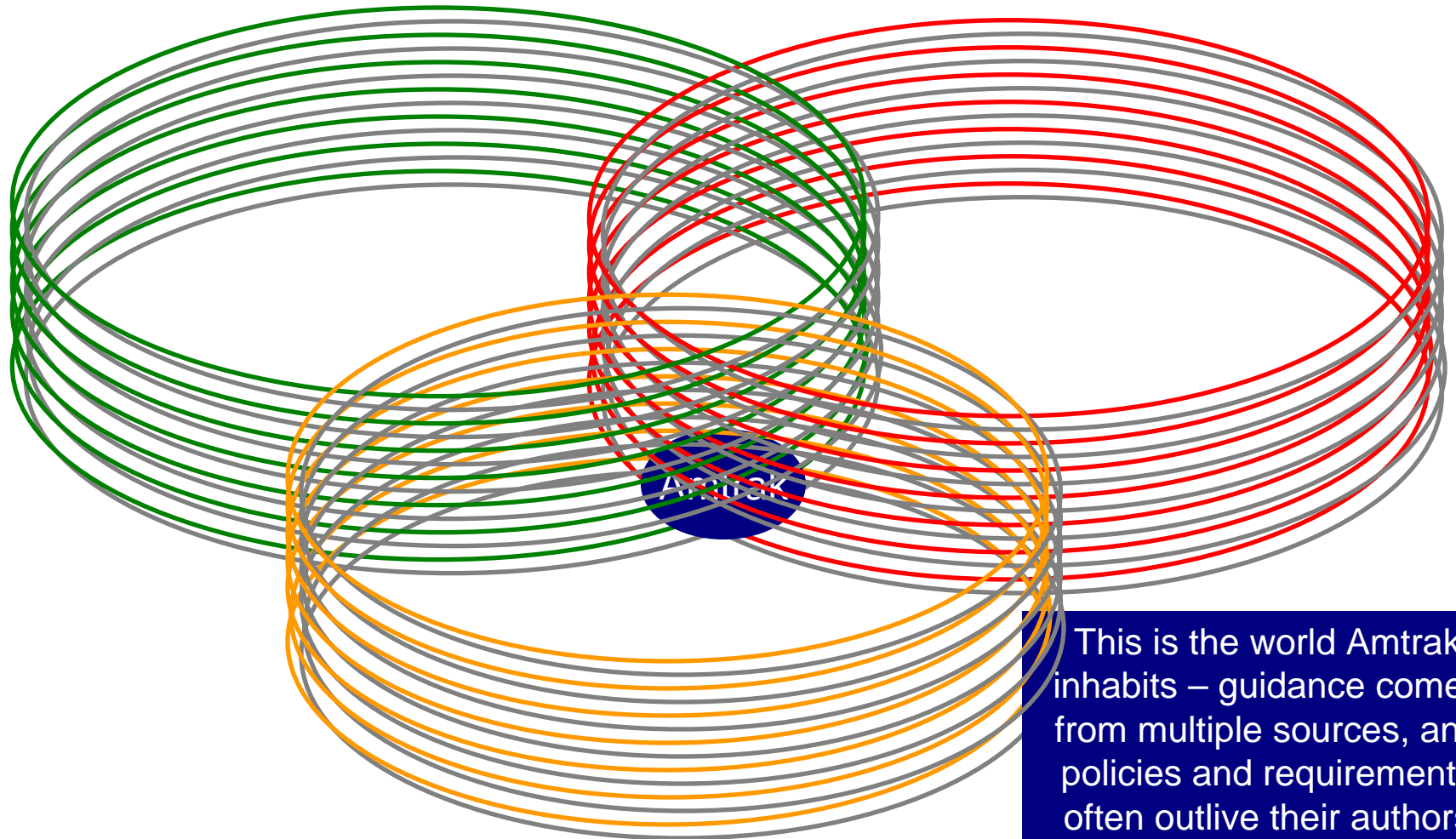
# In the beginning



First day of Amtrak – May 1, 1971

- Prior to 1970
- Rail Passenger Service Act
- Amtrak's formation
- Industry implications

# Existence at the intersection



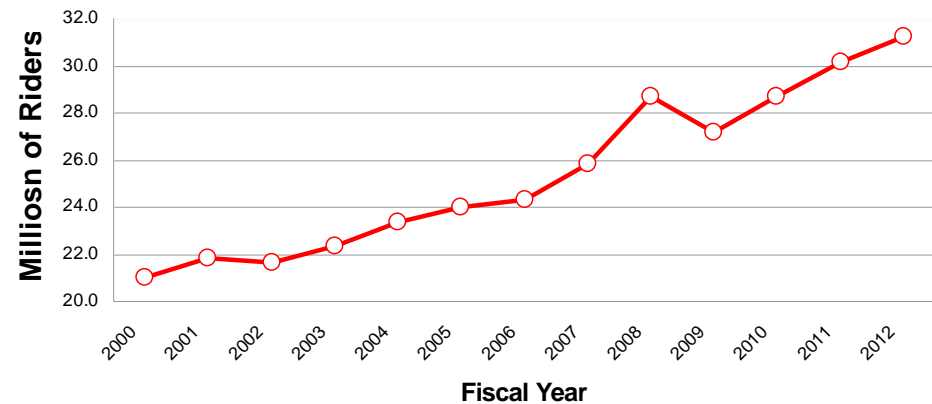
This is the world Amtrak inhabits – guidance comes from multiple sources, and policies and requirements often outlive their authors and the circumstances that produced them.

# System basics

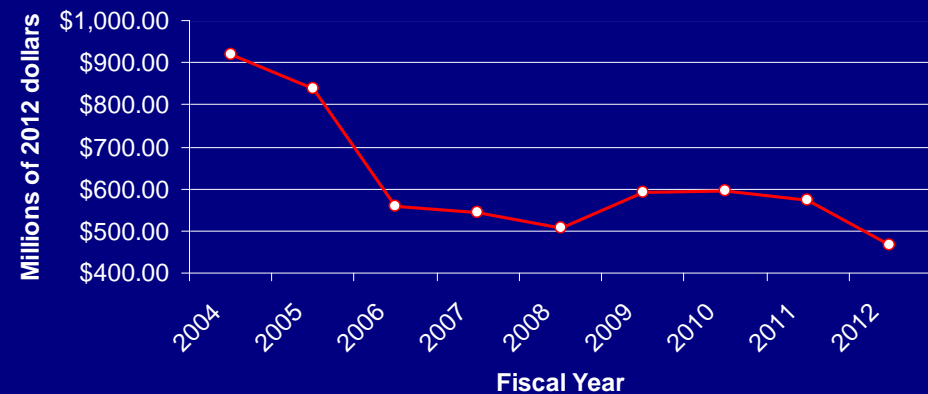


- 22,000 mile operation (mostly on other railroads)
- More than 300 daily trains
- More than 500 stations in 46 states
- Amtrak's Strategic Plan aligns our services into three Business Lines:
  - Northeast Corridor (NEC)
  - State-supported trains
  - Long Distance Trains

Amtrak Annual Ridership



Amtrak Operating Funding Level, 2004-Present

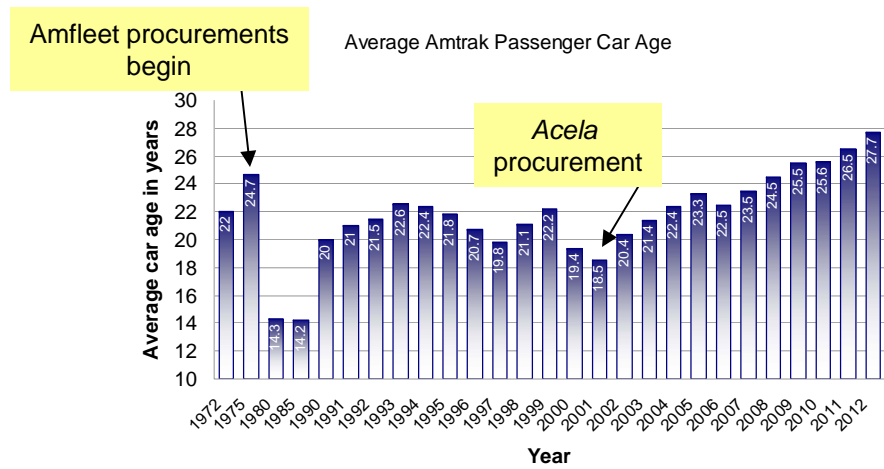
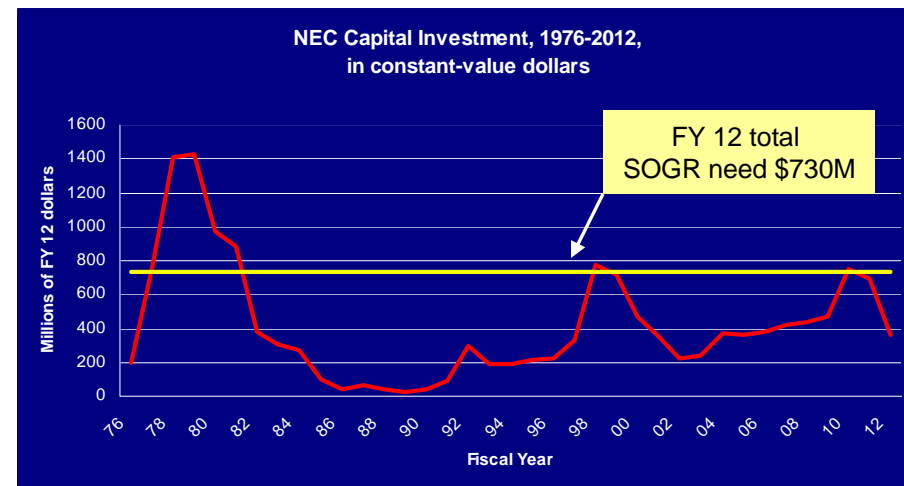


Federal capital investment underpins operating cost recovery improvements

# Amtrak's capital needs are significant



- Infrastructure investment lagging
- Fleet age is a major challenge
  - Today the fleet is the oldest we've ever had
  - Procurements have begun – but funding needed to sustain progress
- Infrastructure investment needed to accommodate traffic in coming years
  - Gateway
  - NextGen HSR equipment
- Investment needs affect the whole system



Note: data set at 5 year intervals prior to 1990

Sustained capital funding will be the key to future improvement



# Critical Infrastructure Needs on the Northeast Corridor

January 2013



# The Gateway Project



**16** Highline Bridge Replacement & Newark to New York Fourth Track

**17** Portal Bridge North & South

**18** Hudson River Tunnels

**19** Moynihan Station Phase Two & New York Penn Station Capacity Expansion

Courtesy NEC Infrastructure And Operations Advisory Commission



# The long distance trains

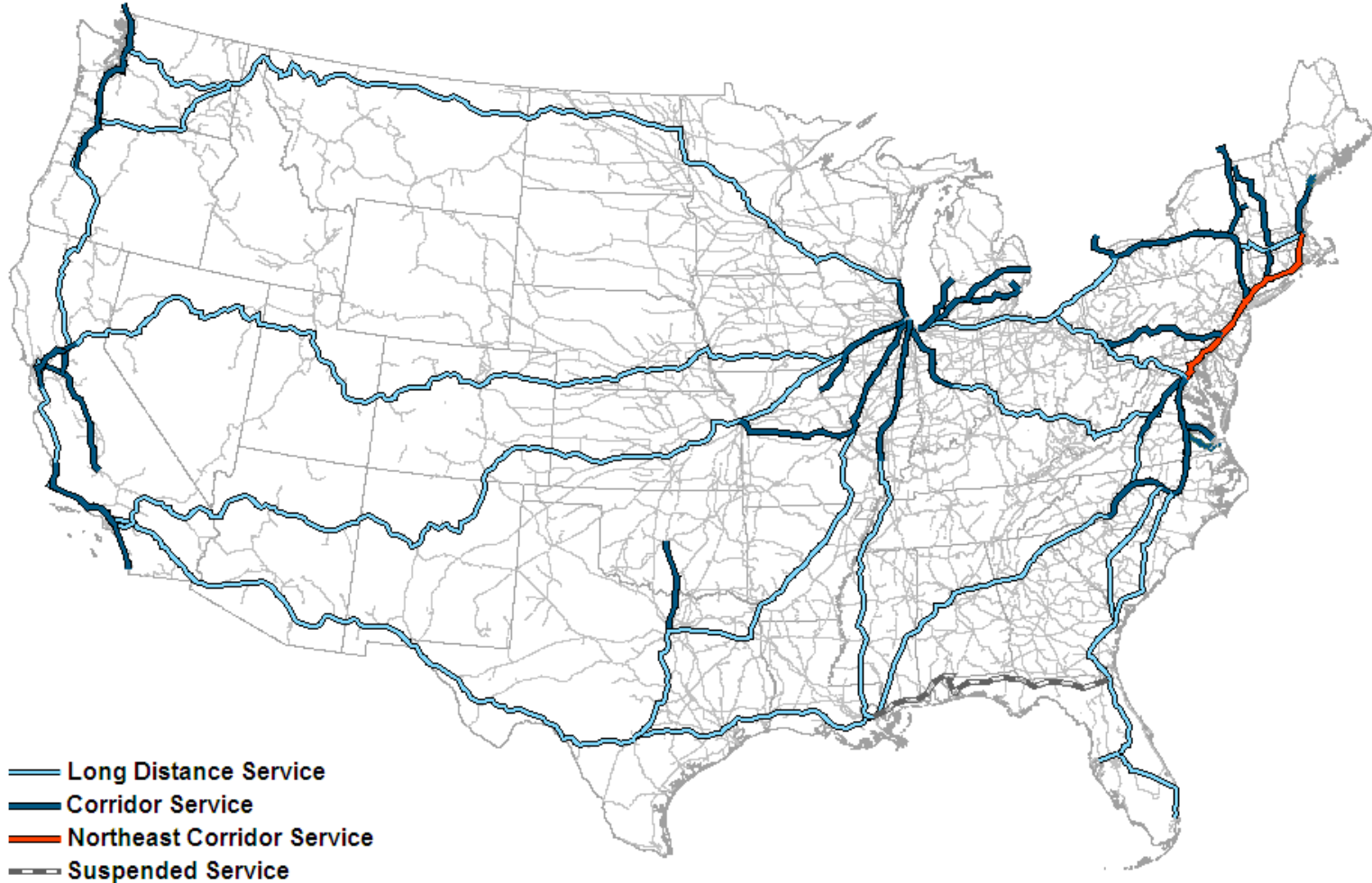


Intercity Bus Coverage			
State Name	% of rural residents served, 2005	% of rural residents served, 2010	Change (%)
Alabama	92.4%	60.9%	<b>-34%</b>
Georgia	92.4%	66.1%	<b>-28%</b>
Kansas	71.8%	52.6%	<b>-26.7%</b>
Kentucky	70.7%	50.2%	<b>-28.9%</b>
Louisiana	91.2%	72.7%	<b>-20.3%</b>
Mississippi	93.8%	62.8%	<b>-33%</b>
Missouri	80.4%	69.6%	<b>-13%</b>
Nevada	85.3%	66.1%	<b>-22.5%</b>
New Mexico	84.3%	61.0%	<b>-27.6%</b>
North Carolina	95.0%	72.9%	<b>-23.3%</b>
North Dakota	50.7%	35.2%	<b>-30.1%</b>
Virginia	89.2%	68.0%	<b>-23.8%</b>
West Virginia	75.7%	46.2%	<b>-38.9%</b>

- A public service:
  - 43% of passenger-miles, but only 11% of frequencies
  - 15% of ridership, but 25% of ticket revenues
  - 42% of identified passengers with disabilities who use Amtrak
  - Only Amtrak service at half our stations and in half the states we serve
- Serve about 40% of America's rural population
- More than half of adult passengers are age 55 or older
- In many places, only remaining scheduled intercity transportation (bus services serve 11% fewer Americans in 2011 than 2005)

Source: USDOT

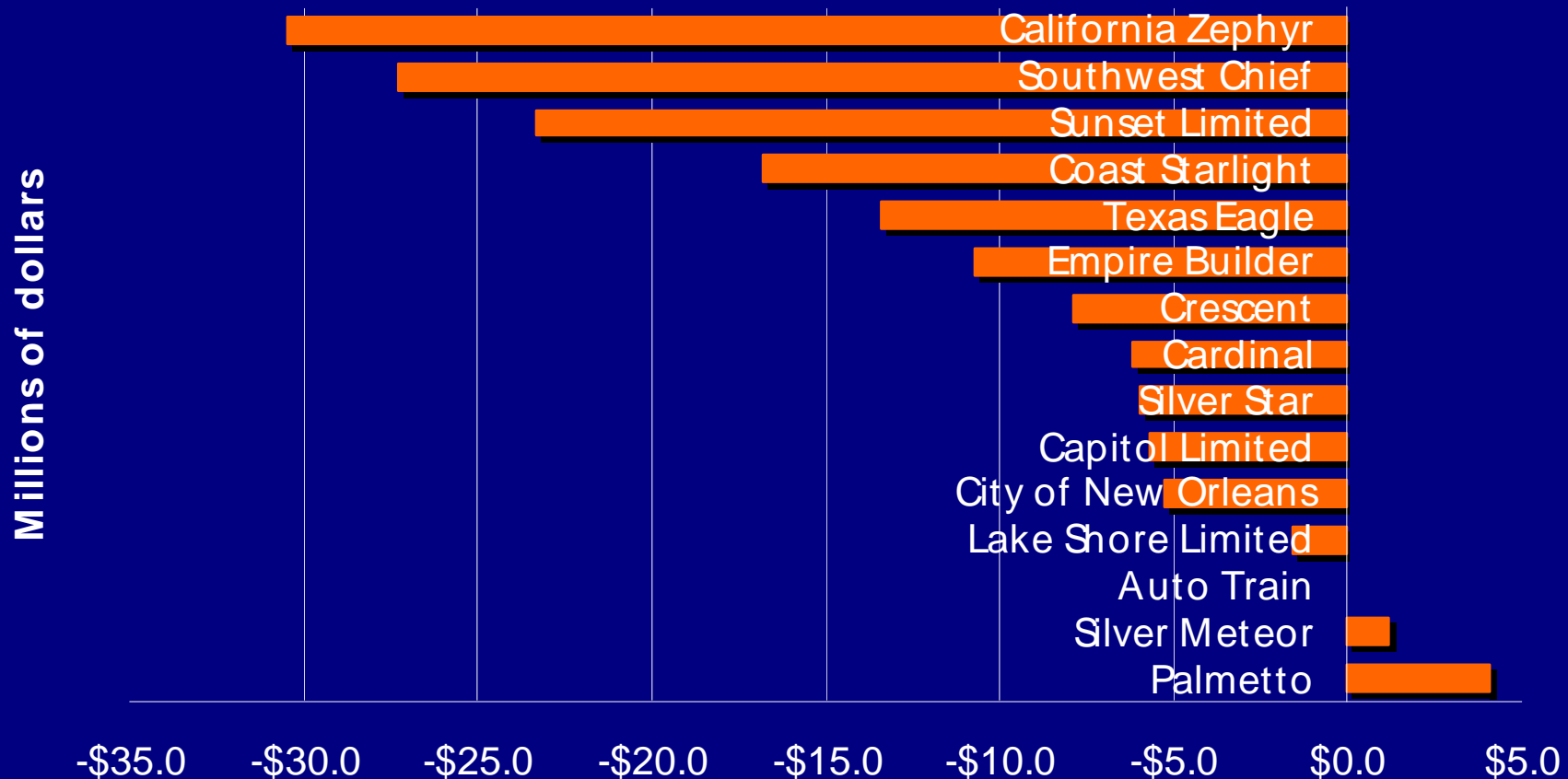
# Today's Amtrak System



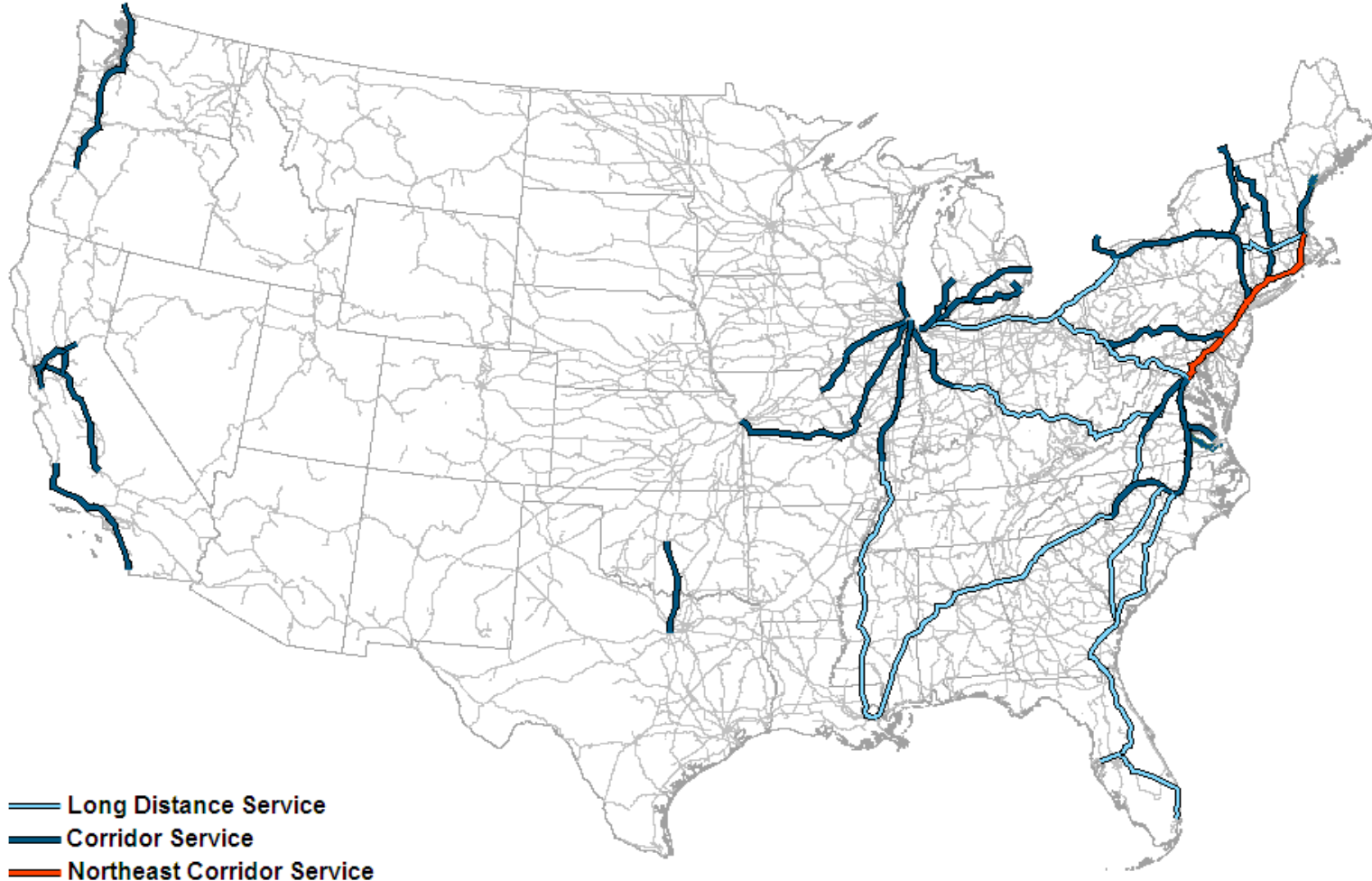
# Direct Operating Losses of Long Distance Trains



## Operating Loss/Contribution Based on Direct Costs



# The Amtrak system - minus western long distance services



This shows what happens if you remove the six long distance trains with the highest annual total operating loss