So, What Does $70B Get Us?

With the massive allocation in the books, let’s find out where it’s going. BY DAVID KRISO

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With the much-needed $70 billion allocation, Amtrak weighs in on what all that funding is actually going to do. BY DAVID KRISO

the right side of the tracks
There are ambitious plans to put into motion the FRA’s large financial appropriation, including at Chicago’s Union Station. “These improvements will create a 21st century experience rather than offering a 19th century one,” says Patrick Darcy, General Chairman of the Brotherhood of Locomotive Engineers and Trainmen.
It’s 2024, and the passenger railroads have never been more ready for the recent historic news: Late last year, the Federal Railroad Administration (FRA) awarded the passenger railroads a staggering $70 billion to reinforce infrastructure, station enhancement and passenger service. The big money doesn’t just affect one carrier, but multiple carriers, plus various entities woven into the passenger rail industry’s fabric.

The most important hint of information is discovering how carriers including Amtrak, and passenger railroad employees will be affected by this pivotal achievement in our country’s transportation industry. From the major carriers to labor unions, to administrative functions, there are, yes, some 70 billion ways which this compelling amount of money will forge the future of America’s passenger railroad way of life.
American Rail

PASSENGERS FIRST

All Aboard Amtrak!” and “Let the journey begin!” are two of the most iconic advertisement slogans for America’s railroad, an entity who by all accounts is very pleased about the infusion of capital into rail. “The $66 billion dollar included for rail in the Infrastructure Investment and Jobs Act (IIJA) is the largest investment in passenger rail in the past 50 years”, says Kyle Anderson, Amtrak’s Senior Public Relations Manager. “Thanks to this historic investment and a resurgence in passenger rail ridership, Amtrak is leading a new era of passenger rail, investing in modern trains, enhanced stations, new tunnels and bridges and other critical infrastructure upgrades.”

In direct terms, the monetary investment includes $22 billion for grants to Amtrak, consisting of $6 billion for the Northeast Corridor (Boston-Washington, DC) and $16 billion for Amtrak’s National Network.

“Ye, $44 billion was allocated for FRA discretionary grants including the Fed-State Partnership for Intercity Passenger Rail grant programs, CRISI grant program, Railroad Crossing Elimination grant program and more,” Anderson says. “The $70 billion allows up to $24 billion for Northeast Corridor capital projects, and at least $12 billion for non-Northeast Corridor capital projects. Also, through Amtrak is traditionally known as a passenger rail operator, today Amtrak is also a major construction company executing the largest capital program in the company’s history. Some $50 billion of capital investments in planning and development are possible because by the passage of the Infrastructure Investment and Jobs Act.”

But the large piggy bank is more than just an eye-opener to Amtrak management. According to the Brotherhood of Locomotive Engineers and Trainmen (BLET), Amtrak’s locomotive engineers union, this funding is a breakthrough moment well worth celebrating. “While this is real money, it is long overdue,” says Patrick Darcy, BLET’s General Chairman. “The public wants improved passenger service. The key to that is improving the infrastructure. Amtrak is using $66 billion for improvements that will speed trains primarily on the Northeast Corridor. Engineers welcome this. When you’re in front of the locomotive, you see the aging infrastructure and know that some tunnels and bridges date back to the 19th century and are long overdue for improvements.”

So, the question must be asked: How is Amtrak spending their share of the money? What’s the plan? “In late 2023, President Biden and the FRA announced more than the $10 billion allocated through IIJA programs for Amtrak projects, which includes the CRISI Program and Fed-State Partnership for Intercity Passenger Rail Program,” Anderson says. “This also includes up to $4.7 billion for the new Frederick Douglass Tunnel Program, which is now fully funded with an estimated budget of $6 billion after incorporating Amtrak and State of Maryland contributions. Thanks to the Biden Administration, the project is now underway.”

Besides the Portal Bridge in New Jersey, the Baltimore & Potomac Tunnel and the Susquehanna River Bridge, Amtrak has ambitious plans to put into motion with the FRA’s large financial appropriation. The fourth and final grant program funded through IIJA that announced project selections in 2023 is the Corridor ID program, which awarded $34.5 million to 39 states and localities for planning and development of 69 new and improved intercity passenger rail corridors. Amtrak received $4 million across four allocations through this program: Texas high-speed corridor (Dallas-Houston); Long Island Northeast Regional extension; daily Cardinal service (New York-Chicago via Washington, DC); and daily Sunset Limited service (Los Angeles-New Orleans).

“These improvements will lead to improved run times and greater comfort for passengers, especially between New York and Washington, DC,” Darcy of the BLET says. “It will create a 21st century experience rather than offering a 19th century one.”

The Long Island Northeast Regional extension would be a tremendous help to Amtrak passengers traveling in and out of the densely populated New York City area. Amtrak would provide round-trip service between Washington, DC and New York City with extended service to Ronkonkoma, with stops in Jamaica (Queens) and Hicksville. This would entail track station...
and infrastructure upgrades to accommodate such train movements, including better integration of Amtrak with Long Island Railroad commuter service. When any federal government entity awards a large amount of funding, one can wonder if there are restrictions to using the money. Are there any strings that the FRA put on the use of the $70 billion? Hence, is the money specifically earmarked for certain purposes? Are there strings attached? Can the money be used to improve service, on-time performance and maintenance of stations, locomotives and rolling stock?

“Amtrak has been excited to celebrate these much-needed historic investments in passenger rail infrastructure,” Anderson says. By law, the IIJA advanced appropriations are only allowed for dedicated infrastructure and capital projects such as bridges, tunnels and stations.” Further, he said, “Amtrak still relies on the US Congress to provide annual funding to run its trains and maintain its National Network. We can’t use the IIJA funding announced in 2023 to operate our trains or day-to-day maintenance of our infrastructure, fleet and facilities.” In other words, according to Anderson, Amtrak has ample elbow room, but needs to be mindful of its hip movement.

There is one significant group of people which the FRA’s billions will have an impact: Amtrak’s passengers who take trains both intercity and long-distance on a daily basis. We again asked Kyle Anderson to weigh in on that all important topic. “As Amtrak Board Chair Tony Coscia said, ‘Our vision for new state-of-the-art infrastructure is no longer just a vision. It’s becoming a reality.’ Many of these projects will materialize over the next 5-15 years, delivering a safer and more reliable railroad for the next century of passenger rail riders. We’re also driving economic development while creating jobs and investing in communities. Our new trains will introduce modern customer amenities and we’ll continue to advance accessibility for all customers,” Anderson says.

Any of the proposed rail projects couldn’t be possible without support from Congress such as the historic infrastructure bill and continued appropriations. In addition, it also takes not just strong vision by everyone within the passenger carrier itself, but strong relationships with outside partners.

“For 50 years, intercity passenger rail has been an essential and growing part of our transportation system for millions—both for business and leisure travel—despite the challenges of chronic underfunding,” Anderson says. “We’ve delivered this service, through good times and bad, safely and with increasing efficiency.”

But, does anyone know what the long-term effect of the significant financial investment into rail projects may yet be? Maybe. “Because of the passage of the IIJA and increased recognition of the environmental, economic and social benefits of rail travel, we anticipate adding new routes, new state partners and a future of continued change and evolution,” Anderson says. “Americans clearly agree that investment is key. In an independent survey conducted last year, 83 percent support passenger rail investment funded by the US Congress in the infrastructure law. 81 percent want their states to invest in bringing more passenger rail service into their area, the intended focus of the aforementioned national Corridor ID program.”

Amtrak and its outside partners couldn’t be in a better position. The FRA is proving to be a historic jump-start to the America’s railroad industry. The US relies heavily on its railroad network to move people from city to city. Not only does it rely on the railroad to move people from point A to point B but must do it safely and efficiently, of course. The new endowment allows Amtrak and its many commuter counterparts to expand and strengthen their partnerships, serving passengers in harder-to-reach areas.

Bottom line: These impressive and necessary accomplishments simply don’t happen without the massive financial commitment. The FRA’s $70 billion is that much needed—and long overdue—shot in the arm for America’s cities and intermediate communities to flourish into the future. Amtrak cannot succeed long term without the lion’s share of the earmarked funds. With the significant endowment firmly in place, America’s passenger railroad industry has the resources and the ability to expand, flourish and enable rail passengers to be America’s heartbeat once again. And, clearly, Amtrak—and its engineers—are on board.