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HOUSE OF REPRESENTATIVES
COMMONWEALTH *of* PENNSYLVANIA

House Democratic Policy Committee Hearing
Passenger Rail

Wednesday, August 30, 2023 | 10:00 a.m.

Representative Bridget Kosierowski and Representative Kyle Donahue

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| 10:00a.m. | Welcome and Introductions |
| 10:15a.m. | Mike Carroll, Secretary
<i>Department of Transportation</i>

<i>Q & A with Legislators</i> |
| 10:35a.m. | Larry Malski, President
<i>PA Northeast Rail Authority</i>

<i>Q & A with Legislators</i> |
| 10:55a.m. | Joe Barr, Director of Network Development East
<i>Amtrak</i>

<i>Q & A with Legislators</i> |
| 11:15a.m. | John P. Blake, District Director and Economic Development Specialist
<i>U.S. Congressman Matt Cartwright</i>

<i>Q & A with Legislators</i> |

Remarks and Testimony can be found by scanning the QR Code below:

Lawrence C. Malski, Esq., President
Pennsylvania Northeast Regional Railroad Authority
Testimony to the PA House Majority Policy Committee
August 30, 2023

Regarding the FRA Corridor ID Application Filed by PennDOT as the Lead Applicant and Pennsylvania Northeast Regional Railroad Authority (PNRRA) and NJ Transit (NJT) as Co-Applicants

Thank you for the opportunity to update this Committee and the Pennsylvania Legislature on the progress of the Passenger Rail Restoration Project between Scranton, the Pocono region, Northeastern Pennsylvania and New York City (Penn Station).

Per the Notice of Solicitation and Funding Opportunity issued by the Federal Railroad Administration and authorized by the Federal Infrastructure and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL), an application was filed for acceptance into the FRA Corridor ID Program. The application to be a State Supported Corridor which would restore rail passenger service between Scranton and New York City (Penn Station) was filed by PennDOT as the lead applicant and New Jersey Transit and the PNRRA as co-applicants.

The Scranton to New York City rail corridor is completely owned by three public agencies, Pennsylvania Northeast Regional Railroad Authority (PNRRA) between Scranton, PA and the Slateford, PA, New Jersey Transit (NJT) between Slateford, PA and Kearney, NJ and Amtrak between Kearny, NJ and New York Penn Station. This is significant because it does not require access to private Class I freight rail carrier properties or facilities which has been an impediment to other proposed new passenger rail service proposals.

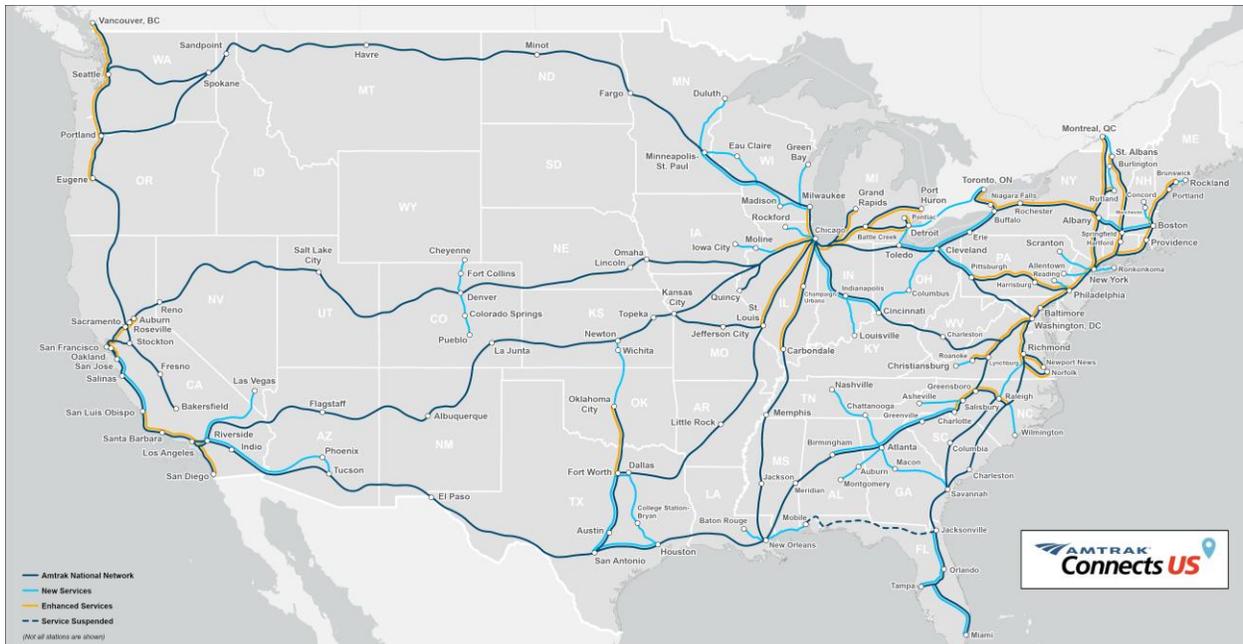
This project is in the construction phase which greatly differentiates it from other proposed rail passenger projects which are in the study phases or proposed phases in Pennsylvania. New Jersey Transit is currently in construction of the first 7 mile phase of the project between Port Morris, NJ and Andover, NJ and construction of the new Andover station at that site.

Over 20,000 Pennsylvania residents currently live in northeastern Pennsylvania and travel to northern New Jersey and New York City by bus and car and the dire daily and increasing congestion they face on Interstate 80 threatens their safety and mobility. Our project will provide a safe, secure, all weather and reliable transportation alternative to these Pennsylvania residents and many other Pennsylvania residents and will help relieve congestion on I-80 for New Jersey residents travelling on I-80.

This Amtrak service will benefit the tourism, recreation and educational markets in the Pocono Region and Scranton and allow Pennsylvania residents and northern New Jersey residents to access the national Amtrak rail network to travel to the over 500 Amtrak stations in the United States and Canada. This Amtrak service is denoted in Exhibit A attached hereto and made a part hereof.

We are, respectfully asking the Pennsylvania Legislature to provide the continued funding for the requisite continued construction of this rail passenger corridor that is vital to all of northeastern Pennsylvania. The Federal Government, the States of Pennsylvania and New Jersey and Pennsylvania Northeast Regional Railroad Authority have already expended \$94,538,759 on acquisition and construction for getting this project started and under construction. Amtrak forecasts that the completion of this passenger rail service will produce \$84 million in economic benefits per year. Again, this is not only a “shovel ready” infrastructure project, but actually a “shovel in the ground” infrastructure project that will pay back major economic development, transportation alternative and tourism and recreation benefits to northeastern Pennsylvania and the Commonwealth for many generations to come.

EXHIBIT A



Lawrence C. Malski, Esq., President
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Joseph E. Barr
Director of Network Development-East
Amtrak / National Railroad Passenger Corporation
Testimony to the Pennsylvania House of Representatives Democratic Policy Committee
August 30, 2023 – Electric City Trolley Museum – Scranton, PA

Chair Bizzarro and members of the Policy Committee; on behalf of [Amtrak](#) Chief Executive Officer [Stephen Gardner](#) and the entire Amtrak Executive Leadership Team, I want to start by thanking you for the opportunity to testify before this Committee and provide an update on Amtrak's work to help bring both expanded and new intercity passenger rail service to Pennsylvania. My name is Joe Barr, and I am the Director of Network Development-East for Amtrak, and I'm joined by my colleague that I'm sure a number of you know, Jane Brophy, Director, in our Government Affairs State and Local Government Field Team.

At Amtrak, I work on service improvement and expansion projects throughout the Eastern United States. We are very excited about the opportunities that we have in Pennsylvania, with a supportive state government, engaged regional and local partners, and a population that is passionate about the potential for intercity passenger rail to support economic and community development, enhance residents' ability to get around, and help combat climate change.

In 2021, we released the [Amtrak Connects US](#) plan, providing a vision for how intercity passenger rail could expand across the country to serve an additional 160 communities. This plan helped seed a larger vision for improving rail in the United States, culminating in the passage of the Infrastructure Investment and Jobs Act, or IIJA, also known as the Bipartisan Infrastructure Law, or BIL, on November 15, 2021. This is a once-in-a-generation opportunity for Amtrak and passenger rail to play a central role in improving how people move and in securing our economic future. This historic investment represents more funding than Amtrak received over our prior 50 years in existence. It provides \$66 billion in funding for freight and intercity passenger rail, with \$22 billion for Amtrak to repair or replace old and obsolete assets and \$44 billion for Federal Railroad Administration, or FRA, discretionary/competitive grants.

One of the most important funding opportunities the law created is the FRA's [Corridor Identification and Development](#), or CID, program, which is intended to provide initial funding for enhancing existing intercity passenger rail service, extending service to new destinations, and creating entirely new services. CID will provide funding for project sponsors to create a Service Development Plan for these improvements, complete preliminary engineering, and fulfill the requirements of the National Environmental Policy Act. Initial applications for the program were due in March, and last week the FRA indicated that they intend to announce the CID project selections in November, so we will soon know which projects have been picked to move forward. More information about the CID program is available on the [FRA's web site](#).



Within Pennsylvania, we know that there has been significant interest in the FRA's CID program, with multiple applications submitted. The FRA has not released a list of applicants, but we know that applications have been submitted for additional service on Amtrak's Pennsylvanian route connecting Philadelphia and Pittsburgh, as well as new service connecting Scranton to New York City, and new service connecting Reading to Philadelphia. CID does not require that sponsors work with Amtrak to operate service, but given our existing service and partnerships within Pennsylvania, we hope to continue to play a very significant role operating these new services. Some of the advantages of partnering with Amtrak include our statutory access to the national rail network, the potential to assist with the operating costs of new and enhanced routes in the early years of operation, and access to option orders for our new [Airo](#) trainsets.

Moving forward, we are excited to continue our partnerships with the [Pennsylvania Department of Transportation](#) and our regional and local partners such as [Pennsylvania Northeast Regional Railroad Authority](#) and the [Schuylkill Valley Passenger Rail Authority](#). While \$66 billion is a very generous amount of funding, we also know that it is not going to be enough to support all the worthy projects that people are getting excited about across the country, and obviously here in the Commonwealth. Making these projects real is going to require ongoing investments and support at the local, regional, state, and national level.

Examples of the types of support we need include the following:

- Continued Federal Funding – Amtrak is still dependent on annual appropriations to operate its trains and make the routine investments needed to maintain our assets. Further, Amtrak can use a portion of its annual grant to support corridor development, like these projects in Pennsylvania. Ideally, this annual support would be provided by a multi-year mechanism, such as a trust fund, which is how every other major transportation mode is funded other than passenger rail. This would enable Amtrak and our partners to plan more effectively for the future and support the ongoing development and operation of these CID projects.
- State and Local Contributions – By law, state sponsors are required to cover any operating loss of corridor routes, so it is critical that state funding is made available for these services. In addition, state and/or regional/local funding is necessary to cover the non-federal share that is required to leverage the available federal grants.
- Access to Host Railroads – Almost all these services will operate wholly, or in part, on tracks owned by private freight railroads. While Amtrak has statutory access to these lines, strong political support is often the key to turning that access right into a real service that operates frequently and reliably.

In conclusion, I want to reiterate how excited Amtrak is to have the opportunity to work in partnership with all our state, regional, and local partners in Pennsylvania to help bring more trains for more people. Thank you again for the opportunity to testify and I'm happy to answer any questions or provide more context on any of these topics.