

SURFACE TRANSPORTATION BOARD

Passenger Rail Advisory Committee May 6, 2025 Meeting

Subcommittee Reports

At its February 11, 2025 meeting, the Passenger Rail Advisory Committee established four standing subcommittees: Expansion, Joint Operations, Liability, and Current State.

The Passenger Rail Advisory Committee's bylaws require that the subcommittees operate as follows:

- In accordance with 41 C.F.R. § 102-3.3, the Subcommittees cannot "report to a Federal officer or agency." . . . The subcommittee's work must be reported back to the full PRAC. The full PRAC can then consider the subcommittee's work and use it to advise the Board in a public meeting.
- To ensure that the full PRAC is aware of the Subcommittee's activities, each Subcommittee is recommended to create a short summary sheet of their meetings where any issues of substance are discussed and provide to the full PRAC at least 5 days prior to the next public meeting. Any written summaries provided to the full PRAC will be posted on the PRAC website for public inspection and review.

In accordance with these bylaws, this document contains the reports and meeting summaries of each subcommittees' activities since the last PRAC Meeting.

JOINT OPERATIONS SUBCOMMITTEE

Issues for PRAC to Consider 2-3

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Passenger Rail Advisory Committee

Subcommittee on Joint Freight and Passenger Rail Operations

Initial Topics Identified (5/6/25)

The Freight & Passenger Rail Joint Operations Subcommittee has conferred and identified these topics to prioritize for forthcoming efforts and discussion. These are intended to facilitate the work of the Subcommittee and the PRAC and are not intended as the adoption of any policy or proposal by the Subcommittee, its members, or their organizations. The Subcommittee looks forward to continued collaboration with the Board and other PRAC members.

General – Freight and Passenger Coordination

Explore examples where expansion and joint operations works, and where it has failed – why?

- International (particular emphasis on schedule development)
- Examples within the United States

Explore options for more flexibility in approach based on level of freight and/or commuter traffic

- Ensure that critical freight corridors are protected sufficiently.
- Balance need for freight railroad operations (and profitably) and passenger rail to operate on shared corridors
- Consider different models depending on the relevance of the corridor for freight movement

Ensure protection of existing service and labor within service

- Ensure all traditional railroad work is done by railroad employees who are covered by the Railway Labor Act, the Railroad Retirement Act, and the Railroad Unemployment Insurance Act.
- Explore means to streamline operations (e.g. shared dispatching) – with objective to reduce operating costs within challenging fiscal environment

Protect existing investments in passenger rail

- Ensure that Amtrak is not zeroed out or privatized, major capital projects (e.g. Hudson Tunnel and Frederick Douglass Tunnel) are not cancelled or rescinded, and California High Speed Rail's federal funding is not withdrawn.

Management of Daily Operations; On-time Performance

Attribution and accountability for delays

- Improve process to identify and assess delay (high level of administrative burden in current process, explore technology options to improve approach)

Need to better define delays and attribution

- Defining on time performance (conditions, weather, etc.); flaws in how attribution to freight railroads as currently approached

- Need for process that defines acceptable schedules with sustained long-term performance. Answer not to add extra run time, often the approach taken.

Align public communication of delays with process

- Customer OTP – is this a goal of Amtrak?
- Lack of public information shared by Amtrak for pre planned delay; skews perception of party responsible for delays

Capital Investment/Project Delivery

Development of assumptions underlying expectations of required capital improvements for service expansion

- Open ended and often “conservative” assumptions on expected growth of freight and passenger rail traffic – no framework or forum exists to set reasonable expectations

Need to address unnecessary delays caused by environmental rules

- Identify mechanisms to streamline expansion of service on an existing line versus new service; consider potential for threshold when NEPA should be delegated to state DOTs
- Assess degree to which Categorical Exclusions not being applied to the extent possible

Organizational/Structural Service Delivery

Seek opportunities to open market to alternative operators (outside of Amtrak and public sector commuter railroad operators)

- What rules and regulations are in place that favor governmental service operator? Is reform possible to offer potential access to other operators?

Potential Role of STB

Need to establish efficient forum to resolve conflict (short of formal STB proceeding)

- Means for freight railroads and Amtrak/commuter operators to negotiate access in good faith, focus on speed and reasonable level of administrative burden
- Need to establish improved dispute escalation process
- Improved and streamlined STB process related to access and terms and conditions of access; need for improvements in regulatory processes
- Improve STB Board’s role in informal dispute resolution; consider model used on shipper side

Meeting Summary

Passenger Rail Advisory Committee Freight and Passenger Railroad Joint Operations Subcommittee Meeting #1 Monday March 3, 2025

Members Present

Rob Padgett
Carl Warren
Michael McClellan
Husein Cumber
Andy Daly
Chris Perry
Aaron Edelman
Joe Black
Jim Mathews

Meeting Summary

The first meeting of the Subcommittee on Joint Freight and Passenger Rail Operations was held via Teams Video call. The main purpose of this initial meeting was to coordinate on the plans for future meetings and identify key areas of focus for the subcommittee, focusing on those issues relevant to the subcommittee area of focus. The committee also discussed coordination with other subcommittees and plans to present to the full Committee at the May meeting. The next meeting will take place on April 21, 2025.

Meeting Summary

Passenger Rail Advisory Committee Freight and Passenger Railroad Joint Operations Subcommittee Meeting #2 Monday April 21, 2025

Members Present

Rob Padgett
Carl Warren
Michael McClellan
Husein Cumber
Andy Daly
Chris Perry
Aaron Edelman
Joe Black
Jim Mathews

Meeting Summary

The second meeting of the Subcommittee on Joint Freight and Passenger Rail Operations was held via Teams Video call. The main purpose of this initial meeting was to further discuss key areas of focus for the subcommittee. The subcommittee further refined the topic areas and agreed to share the initial list with the full Committee at the coming May 6th meeting. The Subcommittee members noted that most of the topics identified should be considered within the purview of STB. The next meeting will be scheduled after the full Committee meeting.

EXPANSION OF SERVICE SUBCOMMITTEE

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Meeting Notes

Passenger Rail Advisory Committee Freight and Passenger Railroad Expansion Subcommittee Meeting Wednesday, April 23, 2025

Members Present

Aaron Edelman
Mike McClellan
Jonathan Lamb
Jim Mathews
Patricia Long
James Blair
Gregg Baxter
Lucy Shaw (for Greg Regan)
Maux Sullivan (for Shoshana Lew)
Liliana Pereira

TOPICS RAISED

- Streamlining NEPA approvals for existing service.
- Shot clocks for NEPA approvals.
- A national equipment leasing pool for passenger rail that includes a standardization program.
- Streamlining review process internally at FRA and STB.
- How do we introduce competition on the operating side of things on the current setup to facilitate expansion? How do we get big companies interested in the US market?
- How do we remove barriers to entry for suppliers? Especially smaller suppliers.
- How do we get host railroads interested and comfortable with a new operator on their line?
- Are there things that could be done to ease a transition with access agreements to allow others to operate?

- What is the value proposition for the host railroads in even entertaining passenger expansion on these railroads?
- What are the lessons we can learn from North Carolina, Pennsylvania, and Virginia about their relationships with the freights?
- What kind of capacity upgrades, capacity improvements, and just overall additions to capacity on the freight side can be done as an incentive to also grow the passenger side?
- How to handle incremental increases in costs from capacity upgrades following passenger increases?
- Look at what UP and NS have already done and the FRA Corridor ID program to identify areas for potential passenger rail growth.
- What additional sources of funding could be available? What resources could be directed towards expansion?
- Ensure all traditional railroad work is done by railroad employees who are covered by the Railway Labor Act, the Railroad Retirement Act, and the Railroad Unemployment Insurance Act.
- Ensure that Amtrak is not zeroed out or privatized, major capital projects (e.g. Hudson Tunnel and Frederick Douglass Tunnel) are not cancelled or rescinded, and federal funding for new High Speed Rail projects is not withdrawn.

The Expansion Subcommittee has conferred and identified these topics to prioritize for forthcoming efforts and discussion. These are intended to facilitate the work of the Subcommittee and the PRAC, and are not intended as the adoption of any policy or proposal by the Subcommittee, its members, or their organizations. The Subcommittee looks forward to continued collaboration with the Board and other PRAC members.

LIABILITY SUBCOMMITTEE

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**Passenger Rail Advisory Committee
Railroad Liability Subcommittee
Summary Report
May 6, 2025**

RR Liability Subcommittee Members

Gregg Baxter - Chair
Henry Posner
Rob Padgett
Shoshana Lew
Maux Sullivan

John Robert Smith
Lori Winfree
Jim Blair
Jim Mathews

Since the creation of the RR Liability Subcommittee, we have conducted 3 virtual calls scheduled for the last Monday of the month. Participation was excellent with all the committee members.

Our initial focus has been to garner a better understanding of the issues and what should be the focus of the subcommittee. RR insurance is a complex issue, and the issues differ from a Federal, State and local perspective in addition to the various market segments of the industry that include Intercity, Long Distance and Freight Operations.

Resolving the liability and indemnification issue for the market will be vital to promoting the growth of passenger rail in the U.S. and creating a level playing field for a competitive industry. It will be essential to create a system to ensure the Host Railroads are comfortable with the indemnification provisions that will allow them to feel comfortable from a risk perspective to have a non-Amtrak operator.

Since this is such a complex and complicated issue, the committee is relying on Subject Matter Experts to inform and educate the group. During the second monthly call we had a SME from the freight side participate and for future meetings we have identified other SMEs from the industry including from a private operator, an industry broker, Amtrak and potentially others.

The Subcommittee has recognized that there are different components of insurance that will need to be discussed, and ultimately a recommendation provided to the full PRAC. This includes cost, market capacity, sovereign immunity statutory limits and indemnification provisions. It is the goal of the committee to provide a recommendation to the full PRAC and STB at the September meeting.

Meeting Summary

Passenger Rail Advisory Committee Railroad Liability Subcommittee Meeting #1 Monday February 24, 2005 Teams Call 4:00pm – 4:45pm

Members Present

Gregg Baxter
Henry Posner
Rob Padgett
Shoshana Lew
Maux Sullivan
John Robert Smith
Lori Winfree
Jim Blair
Jim Mathews

Meeting Summary

The first meeting of the Railroad Liability Subcommittee was held via Teams Video call and all members of the subcommittee were present. The main purpose of this initial meeting was to organize and schedule for future meeting by setting a regular monthly meeting on the last Monday of every month. Next meeting will take place on March 31, 2025. In addition to the administrative purpose of the meeting, the group was asked to provide more detailed topics for the committee to address in future meetings. This will enable us to involve Subject Matter Experts (SME's) as additional resources that will help the group with ultimate recommendations to the full committee.

Meeting Summary

Passenger Rail Advisory Committee Railroad Liability Subcommittee Meeting #2 Monday March 31, 2025 Teams Call 4:00pm – 4:45pm

Members Present

Gregg Baxter
Henry Posner
Rob Padgett - Absent
Shoshana Lew – Absent
Maux Sullivan
John Robert Smith
Lori Winfree
Jim Blair
Jim Mathews

Meeting Summary

The monthly meeting of the Railroad Liability Subcommittee was held via Teams Video call and the members of the subcommittee listed above were present.

Onna Houck from the Iowa Interstate presented to the subcommittee the issues that Short Lines face in regards to the provision of insurance and liability coverage. There was a robust question and answer period as the group continues to learn more about the complexity of the provision of insurance for rail operations.

The group discussed the limiting factor to find insurance in the current market and that there is a non-existent domestic market for railroad liability coverages.

The Military Contractor industry was identified as potential example to evaluate.

This will enable us to involve Subject Matter Experts (SME's) as additional resources that will help the group with ultimate recommendations to the full committee.

The next meeting will occur on April 28, 2025 and will plan an in person meeting in conjunction with the May PRAC Full Committee Meeting

Meeting Summary

Passenger Rail Advisory Committee Railroad Liability Subcommittee Meeting #3 Monday April 28, 2025 Teams Call 4:00pm – 4:45pm

Members' Present

Gregg Baxter
Henry Posner
Rob Padgett -
Shoshana Lew – Absent
Maux Sullivan - Absent
John Robert Smith
Lori Winfree
Jim Blair
Jim Mathews – Absent

Meeting Summary

The monthly meeting of the Railroad Liability Subcommittee was held via Teams Video call and the members of the subcommittee listed above were present.

The majority of the meeting focused on what the Subcommittee would report out to the larger group.

We also discussed how the efforts of this Subcommittee will potentially affect the work product of other committees and the PRAC. Without having a realistic and workable solution to how liability and indemnification is provided to the industry growth and potentially other service delivery methods will be challenging.

The group also discussed the importance of continuing to have subject matter experts present to the subcommittee regarding the current and potential state of the market. It was agreed that having Amtrak present their risk management approach would be extremely valuable.

We also discussed having a workshop in the future with multiple SMEs present to discuss a specific topic.

Ultimately for the September PRAC meeting the subcommittee would like to provide recommendations to the PRAC and STB on some type of industry reform.

CURRENT STATE SUBCOMMITTEE

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Meeting Summary
Passenger Rail Advisory Committee
Current State Subcommittee virtual meeting
Thursday, March 20
2:00-3:00pm

Members present

Joseph Black
Patricia Long
Christopher Perry
John Robert Smith
Gregg Baxter
Carl Warren
Andy Daly
Robert Padgett
Liliana Pereira
Greg Regan

Meeting Summary

This was the first meeting of the Current State Subcommittee which took place on Zoom. Subcommittee Members reintroduced themselves to each other and reiterated their interests in improving the current state of passenger rail. The committee will present the ideas discussed before the full Committee meeting on Tuesday, May 6.

Continued

Topics from the Current State Subcommittee meeting

- Facilitate the involvement of private operators that are interested in passenger rail operations.
- Find collaborative ways of improving on-time performance when passenger rail shares tracks with freight railroads. Work with freights on improving passenger rail operations.
 - Look at successfully negotiated agreements to see how the operator made freight railroads
- Examine how new entrants have successfully negotiated with the railroads on using their tracks. Start an equipment pool pilot program to improve equipment availability.
 - This would allow new starts to begin procuring equipment faster. The long procurement cycle can delay things for up to 10 years and having a dedicated equipment pool could help new entrants get started.
 - If we invest in an equipment pool program, we should invest it in our own economy and America's manufacturing base.
- Providing sustainable funding is critical for the success of passenger rail systems; there are no passenger rail systems in the entire world that can be sustained through ticket fares alone.
 - We're starting to see the benefits of the Bipartisan Infrastructure Law investments that improved safety, upgraded aging infrastructure, and improved workforce readiness.
- Update the long distance fleet.
- Amtrak's long distance service is what knits this country together but also what knits the policy together. Cutting out Amtrak's long distance service does not save the program money, and neither does privatizing the North East Corridor.
- Providing tax incentives to rail manufacturers would bolster our domestic manufacturing capacity.
- Identify and explore areas where the private sector could be beneficial and what enablers could/should be in place to deliver the benefits to users and the economy.

The Current State Subcommittee discussed these topics during the first meeting which are intended to inform future work by the Subcommittee. These topics are not intended as the adoption of any policy or proposal by the Subcommittee, its members, or their organizations. The Subcommittee looks forward to continued collaboration with the Board and other PRAC members.