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Transportation Committee
Public Hearing on
Increasing Passenger Train Service
in the Harrisburg-Pittsburgh corridor

David L. Lawrence Convention Center
Room 303
Pittsburgh, Pennsylvania 15222

Date: Tuesday, August 23, 2016
Reporter: Donna M. McMullen, RMR

* * * *
Pennsylvania House of Representatives
Commonwealth of Pennsylvania

1 Committee Members:

2
3 Representative John Taylor
4 Transportation, Chairperson (Majority)
5 177th Legislative District-R
6 Philadelphia County (Part)

7 Representative William F. Keller
8 Transportation, Chairperson (Minority)
9 184th Legislative District-D
10 Philadelphia County (Part)

11 Representative Tim Hennessey
12 26th Legislative District-R
13 Chester (Part) and Montgomery (Part) Counties

14 Representative Bryan Barbin
15 71st Legislative District-D
16 Cambria (Part) and Somerset (Part) Counties

17 Representative Mike Carroll
18 118th Legislative District-D
19 Lackawanna (Part) and Luzerne (Part) Counties

20 Representative Robert F. Matzie
21 16th Legislative District-D
22 Allegheny (Part) and Beaver (Part) Counties

23 Representative Michael H. Schlossberg
24 132nd Legislative District-D
25 Lehigh (Part) County

Representative Mark Keller
86th Legislative District-R
Cumberland (Part) and Perry (Part) Counties

Representative Ed Gainey
24th Legislative District-D
Allegheny (Part) County

1 COMMITTEE STAFF PRESENT:

2 Eric C. Bugaile
3 Majority Executive Director-R
4 Transportation Committee

5 David J. Kozak, MBA
6 Research Analyst-R
7 Transportation Committee

8 Meredith Biggica
9 Minority Executive Director
10 Transportation Committee-D
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2 P R O C E E D I N G S

3 (10:01 a.m.)

4 REPRESENTATIVE TAYLOR: Good morning,
5 everyone.

6 AUDIENCE: Good morning.

7 REPRESENTATIVE TAYLOR: Thanks to
8 everybody in the audience and to our members here
9 for attending our meeting of the House
10 Transportation Committee. It's a very important
11 topic we're here to talk about.

12 And to get started, I'd like to have all
13 of our members introduce themselves and some of our
14 staff. I'll start to my far, far right. David.

15 MR. KOZAK: I'm David Kozak with the House
16 Transportation Committee.

17 REPRESENTATIVE TAYLOR: Chairman.

18 REPRESENTATIVE HENNESSEY: Tim Hennessey
19 from the southeastern part of Pennsylvania.

20 REPRESENTATIVE MARK KELLER: I'm
21 Representative Mark Keller, the 86th District,
22 which is central Pennsylvania.

23 MR. BUGAILE: Eric Bugaile. I'm with the
24 House Transportation Committee staff.

25 REPRESENTATIVE WILLIAM F. KELLER: Bill

1 Keller, 184th District, south Philadelphia.

2 MS. BIGGICA: Meredith Biggica with the
3 House Transportation Committee.

4 REPRESENTATIVE CARROLL: Good morning.
5 Michael Carroll, representative from
6 Lackawanna/Luzerne Counties.

7 REPRESENTATIVE BARBIN: Bryan Barbin. I
8 represent the 71st District, which is the Johnstown
9 area.

10 REPRESENTATIVE MATZIE: Rob Matzie. I
11 represent portions of Allegheny and Beaver County.
12 Welcome to the west. I'm from the House.

13 REPRESENTATIVE TAYLOR: It seems like our
14 voices carry over and beyond the microphone. I
15 don't even know if we need them, so if anybody is
16 from this end not loud enough, please let us know.

17 Again, I'm Representative John Taylor.
18 I'm from Philadelphia, as is my counterpart,
19 Bill Keller, so we're always glad to be in
20 Pittsburgh. But today we're here to talk about the
21 increase in passenger service on our rail lines,
22 particularly from Harrisburg in to Pittsburgh, and
23 all points in between. And this is not a new topic
24 for any of you. It's not a new topic for us, but
25 it's a topic that's probably as important now as it

1 ever has been.

2 And we're here today to really gauge a few
3 things. We're certainly going to hear testimony
4 about the demand and the extent of the demand for
5 ridership on that line. And I'm fairly certain we
6 know how that's going to work out. But, in
7 addition, the logistics of how to do it, and after
8 we figure that out, how to pay for it, which is
9 always, in the end, it's our part for the
10 legislative and the executive branch. But we're
11 committed to really learn everything we can about
12 it and try to figure out a way to make this happen.

13 I'd like to now just turn it over to my
14 counterpart, Representative Chairman, Bill Keller.

15 REPRESENTATIVE WILLIAM F. KELLER: Thank
16 you, Mr. Chairman. I think you've said it all.
17 We're here to learn, and just on the trip up last
18 night on the train, I've learned a lot more than I
19 knew before I got there, so that was very formative
20 on the way up. So I know how important this is;
21 especially Representative Barbin has been
22 championing this for a long time. So we're here to
23 take testimony and hopefully learn a lot more and
24 be able to find out a path forward on this project.
25 Thank you.

1 REPRESENTATIVE TAYLOR: Thank you,
2 Mr. Chairman. Yeah, coming from Philadelphia it
3 certainly -- it's more of a reliable mode of
4 transportation to go to Philadelphia from
5 Harrisburg -- to Harrisburg and back. And we know
6 this is probably an important economic development
7 tool in the western part of the state as well as a
8 convenience to many passengers.

9 We will get right to it, and our first
10 witness is Rich Fitzgerald, our County Executive
11 from Allegheny County. Good morning, Rich.

12 MR. FITZGERALD: Thank you. Thank you,
13 Mr. Chairman, Chairman Taylor, Chairman Keller and
14 members of the Committee. I appreciate you being
15 here, particularly folks from the other end of the
16 state. Representative Matzie stole my thunder. I
17 was going to welcome you, but he already did it, so
18 he beat me to the punch, but certainly, welcome.

19 I'm the Allegheny County Executive, and I
20 want to thank you for the invitation to appear
21 before you and address this need to increase
22 passenger train service in the Harrisburg to
23 Pittsburgh corridor. And I'm proud to join so many
24 organizations in this call to action, specifically
25 the Western Pennsylvanians for Passenger Rail and

1 the Pittsburgh Downtown Partnership. They've long
2 been leaders in this advocacy and focused their
3 efforts on improving choices for those in our
4 region. I commend them for their efforts. I know
5 you're going to be hearing from them more in detail
6 later on this morning.

7 As you probably are aware -- maybe you
8 have learned some of this last night -- PennDOT,
9 the Pennsylvania Department of Transportation, paid
10 Amtrak approximately \$14 and a half million in the
11 2014-15 fiscal year to subsidize cross-state
12 Pennsylvania and the Keystone service from
13 Harrisburg to Philly.

14 While the Pittsburgh to Harrisburg route
15 receives only one train a day between Harrisburg
16 and Philly, there are 13 different options going
17 both ways beginning from 5:00 a.m. to 11:00 p.m.
18 And as you see, there's a little bit of inequity
19 there, and we'd like to see some more service than
20 just the once a day coming from Pittsburgh. Based
21 on that stat, it's evident that the bulk of the
22 funding goes to the eastern part of the state.

23 We continue to see growth in that line,
24 and we know particularly around holidays or long
25 weekends that riders should purchase reserve

1 tickets or plan way ahead to ensure that they can
2 get on the train. The service, the 43
3 Pennsylvanian, has sold out, and even when not sold
4 out, riders have a very difficult time even finding
5 a seat. And I'm sure you hear that just from an
6 anecdotal evidence, but it's clear there's support
7 here for the market.

8 In 2014, WPPR and PDP, the two groups I
9 mentioned before, issued a report entitled "On
10 Track to Accessibility, Increasing Service of the
11 Pennsylvanian: Benefits and Costs." The report
12 studied the costs and benefits from changing
13 frequency, and its results showed that there could
14 be three daily trips on the Pennsylvanian using
15 existing equipment and infrastructure and providing
16 opportunity for thousands of new passengers to take
17 the train.

18 And although I take every opportunity to
19 talk about why folks should come to Pittsburgh and
20 our region and Allegheny County, the real benefit
21 of such an expansion would be that we connect
22 Pittsburgh to so many other places. And you're
23 going to hear from some of the folks later on from
24 Westmoreland. I know Commissioner Anderson is
25 here. You're going to hear from the Mayor of

1 Johnstown. So along that whole corridor between
2 here and Harrisburg, there's a lot of folks that
3 would really benefit from the connection to
4 Pittsburgh.

5 The Pennsylvanian route connecting
6 Pittsburgh with Harrisburg, Philadelphia and New
7 York City is situated between two of Amtrak's mega
8 regions. The Pennsylvanian helps connect these
9 major markets, but, again, Pittsburgh only gets one
10 train a day.

11 Some of the interesting facts of the
12 report that I mentioned: A March, 2013 report from
13 the Brookings Institute notes that Amtrak
14 nationwide ridership grew by 55 percent over the
15 last 20 years, faster than any other travel mode,
16 GDP and population group. Ridership on the
17 Pennsylvanian has nearly doubled in the past ten
18 years. The Pennsylvanian had record ridership and
19 revenues back in 2013.

20 Assuming that the benefit of two
21 additional Pennsylvanian routes would be for
22 riders, who have an origin or destination west of
23 Harrisburg, the *On Track* report estimates that
24 ridership would see a net increase of over 195,000
25 riders and a net revenue increase of \$10.5 million.

1 The indirect benefits of such efforts is
2 further impacted on reduced emissions, prevented
3 accidents from travel on our highways, reduced need
4 for highway maintenance, and household savings by
5 traveling in a budget-friendly manner. The "On
6 Track" report estimates these costs/benefits to be
7 an additional \$291 million.

8 The Pennsylvanian deserves the support of
9 the Committee and the Commonwealth. While we would
10 welcome anyone traveling by train to our region,
11 our goal is to link Pittsburgh to the rail service
12 that the Pennsylvanian provides access with
13 additional frequency. Residents and visitors alike
14 will use the rail service if it is more accessible,
15 frequent and convenient.

16 Our region continues to see economic
17 growth, and having another form of transportation
18 providing easy access to our city center can only
19 continue that growth. It is a great alternative
20 for travel in this Commonwealth and one that we
21 should be supporting without exception.

22 I want to thank you for allowing me to
23 offer this testimony. And the last thing I will
24 say is, as Pittsburgh continues to grow -- and we
25 are. We have a lot of jobs and a lot of

1 opportunities -- connections, travel and
2 transportation is a major challenge getting people
3 in and out to the urban core. So to be able to
4 connect a lot of folks who might not have some of
5 the economic opportunities, that aren't part of my
6 county, but are apart of western Pennsylvania, all
7 the way to Harrisburg, would improve job growth
8 opportunities for folks in that corridor.

9 So I thank you and would be willing to
10 take any questions that you might have on this
11 issue.

12 REPRESENTATIVE TAYLOR: Sure. Thank you,
13 Rich. And before we do that, I do want to -- we
14 have been joined by Representative Ed Gainey.

15 REPRESENTATIVE GAINNEY: Mr. Chairman.

16 REPRESENTATIVE TAYLOR: Mr.
17 Representative, do you want to say hello?

18 REPRESENTATIVE GAINNEY: Good morning,
19 Chairman, and thank you, County Exec,
20 Mr. Fitzgerald. It's good to see you. You know I
21 agree with all of your comments. We have talked
22 about it before. So I'm glad to see you here.
23 Welcome, everybody.

24 REPRESENTATIVE TAYLOR: We've also been
25 joined by Representative Mike Schlossberg. Mike.

1 REPRESENTATIVE SCHLOSSBERG: Thank you,
2 Chairman. Good morning, Mr. Executive and
3 everyone. Mike Schlossberg, State Rep out of the
4 City of Allentown. This is part of learning how we
5 can help western Pennsylvania, and from a purely
6 selfish perspective, how we can expand rail in the
7 Lehigh Valley as well.

8 MR. FITZGERALD: Thank you,
9 Representative.

10 REPRESENTATIVE TAYLOR: Questions or other
11 comments from the panel? Representative Barbin.

12 REPRESENTATIVE BARBIN: Thank you,
13 Mr. Chairman. And thank you, Mr. Fitzgerald, for
14 being here.

15 I was reading -- there's a recent article
16 about Norfolk Southern and how they've made some
17 additional improvements in their efficiency by
18 projects that help move traffic, both freight
19 traffic as well as passenger traffic.

20 One of the things they did in Indiana to
21 speed up the movement of both freight and passenger
22 trail from Chicago to Cleveland was something
23 called the Indiana Gateway Project, and it was
24 basically built as a public-private partnership
25 that had multiple participants in it.

1 Would you, on behalf of Allegheny County
2 or the Greater Pittsburgh area, be willing to
3 support a public-private partnership approach that
4 would increase maybe signals or crossover tracks
5 that would allow passengers to not disrupt the
6 freight car traffic, which is heavy through western
7 Pennsylvania?

8 MR. FITZGERALD: Yes, Representative. And
9 that's something we work very closely with two of
10 the major carriers, both CSX and Norfolk Southern.
11 They're great partners. We've done a lot of
12 overpasses that we've raised to allow double-stack
13 to come through the area.

14 A lot of the trains that come through our
15 city kind of tend to go along the riverfronts, so
16 there's not a lot of what you're talking about of
17 crossing. There's some, in some of our river
18 towns, and that's something we can work with the
19 railroads, and we'd be glad to do that. We have
20 no -- there will be no problem with us working with
21 the rail industry. Pittsburgh's been a rail hub
22 for many years, mostly around freight is what we
23 think about when we talk about rail. Bombardier,
24 Ansaldo, LB Foster. Many companies who do rail do
25 it right here because we're such a hub of that. So

1 talking about passenger rail service would be a
2 natural and to be able to utilize some of those
3 lines that are already there, working with the ones
4 I mentioned, would make a lot of sense.

5 REPRESENTATIVE BARBIN: So you would be
6 willing to commit resources to try to make a
7 public-private partnership work if it had the goal
8 of increasing their efficiency and also allowing
9 passenger?

10 MR. FITZGERALD: Yeah, we would take a
11 look at that, and depending on how many resources
12 and where we would get that, what the source would
13 be, I think this community would support that.

14 REPRESENTATIVE BARBIN: Thank you.

15 REPRESENTATIVE TAYLOR: Rich, during the
16 morning here, I'm sure we're going to be talking a
17 few times about not only the lines that come into
18 Pittsburgh from the east, the Pennsylvanian, but
19 the ones that go out particularly to Chicago.

20 Do you think that that's still heavily
21 utilized as it is? I know there's a gap of things
22 right now, but we're going to talk about that a
23 little bit. I just wanted to get your comments on
24 how well utilized you think that line is.

25 MR. FITZGERALD: I think you would see a

1 lot of increased usage to the west, particularly --
2 and I'm going to go in to another topic -- but air
3 service has been cut from a lot of Midwestern
4 cities as a lot of the airline industry has
5 dehubbed. And I'm talking about places like
6 Cleveland, Kansas City, Cincinnati, et cetera. So
7 I think rail becomes another option for people to
8 travel. So I think for us to be able to connect
9 west to our partners in Ohio, in Indiana and
10 Illinois, I think would be something that, again,
11 it comes down to frequency, cost, convenience,
12 those type of things on any type of transportation
13 decision that we all make. I think that's
14 something that people will definitely take a look
15 at.

16 REPRESENTATIVE TAYLOR: Representative
17 Matzie.

18 REPRESENTATIVE MATZIE: Rich, thanks for
19 your testimony. I think it's important for the
20 Committee to know and to hear from you, as the
21 County Executive, about some of the improvements
22 from an infrastructure perspective as well as
23 planning, not only in Allegheny County and the City
24 of Pittsburgh, to drive more traffic into the city
25 and to get more people to live in the city. And as

1 more people are moving into the city and some
2 exciting projects that are on the horizon, they are
3 relying less on vehicles and using mass transit
4 and/or rail, I think talking a little bit about
5 some of the infrastructure improvements that have
6 occurred specifically as it relates to the region
7 and the area where the bus terminal is as well as
8 where train traffic comes through Pennsylvania.

9 MR. FITZGERALD: Yeah, and I think there's
10 no question, particularly a lot of the folks who
11 work in Allegheny -- or excuse me -- work in
12 downtown Pittsburgh, almost a third of them do not
13 even live in Allegheny County. They come from
14 outside of the county and figure out ways, as you
15 mentioned. Some of them drive, and it's getting
16 much more difficult as the downtown is growing and
17 getting more congested to be able to use other
18 modes of transportation, transit. Rail would be an
19 absolute natural for folks from Westmoreland
20 County, from Cambria County to be able to get here,
21 to come in conveniently, work in Pittsburgh, and
22 then get back home for their commute in the
23 evening. So I think that's something that we
24 could -- that this would very much help.

25 REPRESENTATIVE MATZIE: Thanks for your

1 stamp of approval because I think it's important to
2 note for the rest of the Committee that the
3 relationship from the county's perspective, to the
4 city's perspective, to the legislative delegation's
5 perspective in a bipartisan way is probably as good
6 as it's been in a long time as far as
7 communications is concerned. And for us as
8 policymakers at the state level to achieve any of
9 those goals, having partners like yourself and the
10 Mayor onboard to ensure that we can find ways to
11 make this happen and even coupled with --
12 Representative Barbin talked about maybe a
13 public-private partnership. We have to look at all
14 avenues because it's definitely void and it's
15 something that we need to look at. So we
16 appreciate you spending some time today to address
17 the Committee.

18 MR. FITZGERALD: Thank you,
19 Representative.

20 REPRESENTATIVE TAYLOR: Any other
21 questions or comments? Rich, thank you so much. I
22 think it was important that you were here to show
23 that you guys are in favor, and we appreciate you
24 being here.

25 MR. FITZGERALD: Thank you, Mr. Chairman

1 and members of the Committee. Thank you.

2 REPRESENTATIVE TAYLOR: The next witness
3 is Henry Pyatt, who is the Small Business and the
4 Redevelopment Manager for the City of Pittsburgh.

5 MR. PYATT: Thank you, Representative
6 Taylor.

7 REPRESENTATIVE TAYLOR: Good morning.

8 MR. PYATT: How are you? I haven't seen
9 you in a long time. I used to worked at NK CPC in
10 Philly, and we appreciated your support there. We
11 appreciate you being here today, and your fellow
12 members of the Transportation Committee, thank you
13 as well for making the trip out here to hear us
14 out. And Representative Carroll and Schlossberg, I
15 wish you the best of luck with the Lehigh
16 Valley/Delaware/Lackawanna projects. I know that
17 they're important to your regions as well, and you
18 have been part of the public processes around
19 those. And it's an uphill battle, but it's
20 important for all of us to use that infrastructure
21 that we've got all over the state.

22 My name is Henry Pyatt. As you mentioned,
23 I'm the Small Business and Redevelopment Manager
24 for Mayor William Peduto. First, I'd like to thank
25 you for the opportunity to represent Mayor Peduto

1 and the citizens of Pittsburgh and our strong
2 support of increased service along the Keystone
3 West Corridor from Pittsburgh to Harrisburg.

4 Second, I'd like to thank the Chair and members of
5 the Pennsylvania House Transportation Committee for
6 taking the time focus on this critical service and
7 the infrastructure on which it relies as they
8 provide an increasingly important and popular link
9 for western Pennsylvania cities to the economic and
10 cultural opportunities of eastern Pennsylvania and
11 the entire northeast corridor.

12 While some may view traditional speed rail
13 as an antiquated mode of transportation, the
14 traveling public has been choosing the mode more
15 and more often. Ridership on the current
16 Pennsylvanian service has nearly doubled in the ten
17 years from 2004 to 2014, in the absence of any
18 significant improvements. This is in part a
19 reflection of Pennsylvania's and the entire
20 nation's renewed focus on our traditional urban
21 cores, the cities and towns that were historically
22 the epicenter of Pennsylvania's economy, culture
23 and government. Passenger rail, especially in
24 western Pennsylvania, is particularly well-suited
25 to serve the increasing city center to city center

1 travel demand because the infrastructure was built
2 long before our cities matured, bringing passengers
3 to the heart of our urban areas directly.

4 And unlike adding capacity to road
5 infrastructure, increasing the capacity of the rail
6 system does not require costly and disruptive
7 property acquisition and extensive lengthy and
8 expensive construction in our most populated
9 places. In fact, the 2014 report, On "Track to
10 Accessibility," commissioned by the Pittsburgh
11 Downtown Partnership, states that three
12 Pennsylvanian trips per day could reduce needed
13 expenditures for highway and bridge maintenance by
14 an additional \$201 million per year over the
15 current state of affairs.

16 As our city centers are reinvigorated by a
17 renewed desire among Pennsylvanians to live, work
18 and play in dense, diverse, vibrant urban places,
19 we also see increased demand for intraregional day
20 trips. Given the limited air and bus service and
21 single daily trip provided by the Pennsylvanian to
22 other western Pennsylvania cities in Harrisburg,
23 this is nearly impossible without an automobile and
24 its associated monetary and environmental costs.

25 For this and other reasons, as articulated

1 in "On Track to Accessibility," we feel that
2 expanding the Pennsylvanian service to three trains
3 a day is the ideal initial expansion for service.

4 An additional benefit of expanded
5 frequency to three trips in each direction per day
6 is that it would leverage greater utility for both
7 the municipalities that have no other mode of
8 public intercity transit, as well as those that
9 service regional hubs for intrastate buses, like
10 Johnstown, Altoona and Harrisburg. The communities
11 in the latter category serve as a hub for their
12 regions, and adding rail frequency would help
13 passengers coming from places like Hazleton or
14 Ebensburg make trips to trains or make connections
15 to trains in Harrisburg or Johnstown to complete
16 journeys without layovers that often top three
17 hours.

18 Another pressing concern for the
19 municipalities of western Pennsylvania is air
20 quality. The American Lung Association currently
21 rates Johnstown, Altoona and Pittsburgh as among
22 the worst 25 metropolitan areas for year-round
23 airborne particulate matter of the 430 metros in
24 the nation. Increased passenger rail service
25 cannot only reduce emissions per passenger mile,

1 but it can induce activities in urban cores and
2 reduce the frequency and distance of intraregional
3 trips by helping to encourage dense, compact places
4 where people don't have to travel as far to get
5 where they need to be.

6 As you know, the rail corridor that hosts
7 the Pennsylvanian west of Harrisburg is owned by
8 Norfolk Southern Railroad, and Amtrak pays the
9 railroad to use those tracks. Recently Norfolk has
10 announced that the Keystone West corridor is part
11 of what it has dubbed the "premiere corridor."
12 This corridor will be the subject of increasing
13 investment by the railroad to increase train speeds
14 and the total capacity of the line. This
15 represents a unique opportunity for the
16 Commonwealth to partner with the railroad and share
17 in investments that will benefit many facets of the
18 State's economy and reduce the outlay required by
19 any individual partner to met their desired
20 improvements to track infrastructure.

21 Finally, as Pittsburgh grows and again
22 becomes a popular destination for visitors and new
23 residents from near and far, and continues its role
24 as a regional hub for education, medical care,
25 corporate leadership and cultural attractions, it

1 is all the more important that our transportation
2 system provide the connectivity that these visitors
3 need. If our city is to continue to grow, we need
4 a robust, multimodal transportation system like the
5 one that facilitated its growth in the previous
6 century with its dependability, frequency and
7 reasonable pricing.

8 In closing, I'd like to again thank
9 Representative Taylor and the members of the House
10 Transportation Committee for taking the time to
11 experience the Pennsylvanian and come to Pittsburgh
12 to hear western Pennsylvania's desire for a more
13 robust rail connection closer to that which is
14 provided in the eastern part of the state. We
15 strongly advocate for the legislature to make a
16 wise investment, increasing service on the train
17 three runs each way per day so that we may all reap
18 the benefits in terms of costs savings, increased
19 mobility, downtown revitalization, improved
20 environment, and regional interconnectedness.
21 Thank you very much.

22 REPRESENTATIVE TAYLOR: Thank you, Henry.
23 I don't know if you're the very person to ask this.
24 If you're not, just tell me that. Are there other
25 regional rail lines that run through the city

1 from -- not the Pennsylvanian, but from different
2 sections?

3 MR. PYATT: We have the Capitol, which
4 runs Chicago to DC, and I think you referenced that
5 one talking to the Executive. Unfortunately,
6 though, it comes through in the middle of the
7 night, so very few people in Pittsburgh use it.
8 And then we at one time in the 1980s, PAT attempted
9 commuter service from Westmoreland County into
10 downtown, and that lasted about two years.

11 REPRESENTATIVE TAYLOR: So no other from
12 the regional suburbs that come in?

13 MR. PYATT: Not unless you count the light
14 rail, which is run by the Port Authority of
15 Allegheny County.

16 REPRESENTATIVE TAYLOR: Right. That is
17 what I'm talking about. Tell me about that.

18 MR. PYATT: Okay. It's been a 30-some
19 mile system. It comes in from the southern
20 suburbs. It's part of what was the interurban line
21 from here to Washington and from Washington on to
22 Morgantown. Today the part of the track that goes
23 down to our county line in the little village of
24 Library is what's left. If you all have been to
25 the State trolley museum in Washington, that's also

1 another piece of that historic track.

2 We run about a seven-minute headway on the
3 red line, and I think it's about a ten-minute
4 headway on the blue line during rush hour. It's
5 worked really well. A lot of our stations,
6 especially in the inter city South Hills
7 neighborhoods, like Beltzhoover and Beachview are,
8 again, reorienting themselves towards the rail
9 line, and they are using that as an impetus to draw
10 new activity and revitalize those communities; and
11 it's working really well, as well -- and because I
12 helped them write it, I know that the Borough of
13 Pitcairn is banking on the same thing, if this
14 service were to resume again, especially if we had
15 commuter service with more stops.

16 But, yeah, it functions very well. The
17 only real problem that we have is the expense of
18 expanding the infrastructure, but once the
19 infrastructure is there, the operating cost and
20 frequency is a lot easier to maintain because it
21 never gets stuck in traffic, and it goes through
22 just like this big passenger rail line, it goes
23 through traditional communities that have kind of
24 seen disinvestment over the past couple of decades.
25 And so putting attention towards that service means

1 putting attention towards communities that need the
2 attention. And that analogy could be the little
3 tiny neighborhood of Beltzhoover in Pittsburgh or
4 it could be the big important city of Johnstown,
5 Cambria County.

6 REPRESENTATIVE WILLIAM F. KELLER: Henry,
7 thank you for your testimony.

8 MR. PYATT: Yes, sir.

9 REPRESENTATIVE MARK KELLER: I was just
10 wondering, could you give us some examples of how
11 this line will help small businesses in Allegheny
12 County?

13 MR. PYATT: Well, quite frankly, a lot of
14 the smaller businesses tend to be in our
15 traditional, like, inter city communities, right.
16 So when you got folks moving out to the suburbs in
17 a place, say, like, Cranberry, the way business is
18 done there is automobile oriented. You're pushing
19 for more customers and, therefore, you need a
20 bigger store. That means the barrier to entry to
21 opening a store there is much higher. So the
22 smaller businesses with less capital tend to focus
23 on city neighborhoods with cheaper real estate,
24 smaller needs, a smaller footprint, because they
25 can afford to. The barrier to entry is smaller in

1 those places. Well, this infrastructure also goes
2 directly into those same places, into those same
3 traditional communities that have been around since
4 the 1960s and before because that's when rail
5 infrastructure was built, and it spurred the growth
6 of those communities then. And as we -- there's a
7 perfect corollary between the disinvestment in rail
8 and the disinvestment in those communities and all
9 the other ways as well. And as we come around the
10 bend over the past 20 and 30 years to realize how
11 important it is to focus on those urban
12 communities, we've done -- we've made a lot of good
13 headway. I mean, that's what I've been doing with
14 my career working for community development
15 corporations. But some of that infrastructure that
16 supports that growth needs to come along as well,
17 and this is an example of that.

18 REPRESENTATIVE WILLIAM F. KELLER: Thank
19 you.

20 REPRESENTATIVE TAYLOR: Representative
21 Barbin.

22 REPRESENTATIVE BARBIN: Thank you for your
23 testimony, Mr. Pyatt. I graduated from Pitt in
24 1982, and I didn't have a car, and I worked for the
25 court, and I had to take trips across the state at

1 that time. And there were three lines that went
2 from Pittsburgh on the Pennsylvanian that allowed
3 me as a 25-year-old law school graduate to travel
4 across the state with certainty that I would get
5 home the next day, or when the court session ended.

6 We see statistics that are going to be
7 offered from Amtrak that said -- and I think
8 Norfolk Southern would agree with it -- that say
9 that the people that use the trains the most were
10 the ones who seemed to have the greatest increases
11 in our growth of Amtrak are Millennials, people
12 that are coming out of colleges, senior citizens,
13 because they don't want the hassle, I guess, of
14 driving in large metropolitan areas that are
15 congested, and also international students.

16 As the center of our international
17 students, that are coming to our major
18 universities, whether it's Duquesne or Carnegie
19 Mellon or Pitt or any of the other great schools in
20 this area, have you done anything to reach out with
21 the schools that are in the area to get them to
22 support this initiative? Because we've gone from
23 having three trains a day moving across from
24 Pittsburgh to Philadelphia, and we're now down to
25 one. And if we wanted to get to Chicago, you've

1 got to wait until midnight to get there.

2 So is there anything that's being
3 suggested by Mayor Peduto which would encourage
4 this sort of investment or partnership to kind of
5 help grow the educational opportunities that we
6 have?

7 MR. PYATT: I can't say we've explicitly
8 reached out to students to encourage them to use
9 the service more. However, that's definitely one
10 of our motivations. I think you're hitting the
11 nail on the head there. I mean, folks are coming
12 from other countries. This is how the rest of the
13 world gets around. And so sometimes they come
14 here, and they're really confused because the mode
15 that they're used to being the predominant one,
16 wherever they're from -- and it doesn't matter if
17 it's Europe or India or China -- is the least
18 popular mode here. And it can be vexing and
19 confusing for those folks. And we know darn well
20 that creating -- breathing new life into the system
21 that we already have and bringing it up to par is a
22 way to make ourselves more inviting to those folks
23 that you mentioned. And they are exceptionally
24 important to our economy. I mean, anecdotally
25 having been here -- having moved here first in

1 2001, that's a lot of the growth, is the people
2 you're describing are the folks that are moving in,
3 you know, buying some of the houses that have been
4 empty for a little while and taking up jobs once
5 they get out of school.

6 So, you're right, that is a very important
7 demographic. We do have some connection to
8 Carnegie Mellon because they study transportation a
9 lot, and their Metro 21 program has been
10 encouraging folks to pay attention to this
11 particular effort to advocate for increased
12 Pennsylvanian service and advocating for those
13 students in related fields to participate as well
14 as professors. But that's, to be perfectly honest,
15 that's about the extent of it to date.

16 REPRESENTATIVE BARBIN: Thank you.

17 REPRESENTATIVE TAYLOR: Representative
18 Schlossberg.

19 REPRESENTATIVE SCHLOSSBERG: Thank you,
20 Chairman, and thank you, Henry. As we were walking
21 from the railroad station to our hotel yesterday,
22 we saw the beginnings of Uber's driverless cars.
23 And we saw the Uber car with what looks like the
24 world's strangest hat. And it strikes me that this
25 is a city that's obviously on the edge of

1 innovation. And it also, as we're sitting here
2 talking about how certain Millennials are less
3 likely to use cars, they're more interested in
4 using rail.

5 Can you talk a little bit more about the
6 possible complement between expanded rail service
7 and Uber and other new forms of transportation?

8 MR. PYATT: Absolutely. I mean, it comes
9 down to a simple question of efficiency. When
10 you're moving a lot of people between the same
11 places, you ought to put them in the same vehicle,
12 and that's what trains are good for. But, nobody's
13 ever going to get exact -- well, very few people
14 are ever going to be within walking distance of our
15 downtown train station. They're going to want to
16 go to Squirrel Hill, they're going to want to go to
17 Observatory Hill, or any of our other neighborhoods
18 that have hill in the name.

19 REPRESENTATIVE SCHLOSSBERG: And that's
20 all of them, isn't it?

21 MR. PYATT: And nobody wants to walk
22 there. So it's that last mile, the last two miles,
23 that last five miles, that last ten miles where
24 Uber is exceptionally effective because we still,
25 like, for example, I live in a neighborhood called,

1 surprisingly, Troy Hill, and we have about 1600
2 people in my neighbor. There's not going to be a
3 huge transit service to bring people up to the top
4 of that hill. But the top of that hill is only
5 about three-quarters of a mile from the train
6 station. So those two things complement each other
7 exceptionally well.

8 I get a little worried sometimes because
9 some folks think that there is a false dichotomy
10 between new technology and transportation and old
11 technology and transportation.

12 We're blessed here in Pennsylvania to have
13 built some of the most amazing and robust
14 infrastructure anywhere in the country. So many
15 people came from all over the world and busted
16 their humps to build these wonderful pieces of
17 railroad track that connect all of our cities,
18 towns and boroughs all over the place. And if we
19 ignore that and turn our backs to it, which, by the
20 way, is more durable and less expensive than
21 roadways, we're fools. But, at the same time, if
22 we ignore and turn our backs to or are scared of
23 new technologies, like the one you mentioned, then
24 we're also fools. And it's that nexus that you're
25 pointing to that's going to make this system and

1 systems -- it's going to make the modern iteration
2 of Pittsburgh transportation system have some of
3 the factors that I referenced here, historically
4 having a dense infrastructure in our cores, and
5 then leverage that way further out to be way more
6 impactful. Because before you get off the train,
7 you could walk to the lower hill, you could walk to
8 the downtown or the near north side, and that was
9 about it. But with services like what you're
10 describing, you know, \$7, \$15 gets you pretty much
11 anywhere in the city you need to be.

12 REPRESENTATIVE BARBIN: But you still need
13 a car.

14 MR. PYATT: Right.

15 REPRESENTATIVE BARBIN: Thank you very
16 much.

17 MR. PYATT: Thank you, sir.

18 REPRESENTATIVE TAYLOR: Any other
19 questions or comments for Henry? Henry, thanks a
20 lot.

21 MR. PYATT: Thank you, sir.

22 REPRESENTATIVE TAYLOR: We really
23 appreciate it. We'd now like to assemble our
24 Keystone West local government panel. If all those
25 folks come up at once, then we'll have you all

1 I'm the Chairman of SPC and also a Westmoreland
2 County Commissioner.

3 REPRESENTATIVE TAYLOR: You get to start,
4 Charles.

5 MR. ANDERSON: Yes, sir. Thank you,
6 Mr. Chairman.

7 REPRESENTATIVE TAYLOR: Pull the mic
8 closer to you. Thank you.

9 MR. ANDERSON: Thank you, Mr. Chairman,
10 members of the Committee. Good morning and thank
11 you for the opportunity to testify before the House
12 Transportation Committee.

13 As I said, I'm Chuck Anderson. I'm a
14 Westmoreland County Commissioner and Chairman of
15 the Southwestern Pennsylvania Commission, our
16 region's metropolitan planning organization.

17 I'm here today to express the Southwestern
18 Pennsylvania Commission's support for increasing
19 passenger rail service along Amtrak's Pennsylvanian
20 service route between Pittsburgh and Philadelphia
21 and then onto New York, and from one train daily to
22 three.

23 Increasing this service from one to three
24 trains daily would provide a much better access for
25 the many people traveling to Pittsburgh and points

1 west, and to Harrisburg and points east along the
2 Pennsylvanian. In addition to increasing
3 efficient, multimodal options for travelers has a
4 positive impact on decreasing highway congestion
5 and improving air quality in the southwestern
6 Pennsylvanian region and across the Commonwealth.

7 A recent study by the Pittsburgh Downtown
8 Partnership titled "On Track to Accessibility"
9 suggests ridership would nearly double with three
10 additional trains daily, along with a corresponding
11 increase in passenger revenue from tickets and
12 other services. This reinforces findings from
13 PennDOT's 2014 "Keystone West High-Speed Rail
14 Study" that states that "...demand appears to be
15 increased by improvements in frequency first..."
16 This increased level of service will represent
17 increased mobility for all the people living in the
18 communities along the route.

19 In addition to increasing frequency of
20 service, public investment in the rail
21 infrastructure along the Keystone West should be a
22 priority for multimodal funding. As has been the
23 case along the Keystone East, this public
24 investment will spur economic development in
25 communities of southwestern Pennsylvania. Some of

1 the projects that could form the basis for this
2 public investment have already been identified in
3 the incremental improvement section of the
4 "Keystone West High-Speed Rail Study."

5 The substantial increase in multimodal
6 funds made available through the General Assembly's
7 passage of Act 89 has made the Commonwealth's
8 financial commitment to these service and capital
9 improvements more obtainable.

10 And I'd like to thank you and to commend
11 you and the legislature for their passage of Act 89
12 as it has provided a measure of stability to the
13 region's planning efforts. Since its enactment,
14 SPC has seen the positive effects of the
15 legislation and is appreciative of the additional
16 funding and authorizations as provided.

17 And finally, as the MPO for southwestern
18 Pennsylvania, we'd like to point out that this
19 proposal is consistent with "Mapping the Future,"
20 our region's long-range transportation plan,
21 specifically the following policies and strategies:

22 Revitalization and redevelopment of the
23 region's existing communities is a priority.

24 Transportation and development choices
25 will reflect a priority on safe and secure

1 multimodal and intermodal networks for both people
2 and goods.

3 And placing an emphasis on a strong
4 multimodal system, including highways, transit,
5 railways and waterways.

6 In closing, SPC is grateful to the House
7 Transportation Committee for this opportunity to
8 testify before you today. We appreciate the
9 opportunity to discuss potential projects that will
10 have a great impact on communities in the region.
11 We look forward to continuing to work together to
12 maximize the effectiveness of the public's
13 transportation investments and enhance the regional
14 economy of southwestern Pennsylvania and the
15 communities within it.

16 Thank you, Mr. Chairman. Thank you,
17 Committee, for listening to my testimony.

18 REPRESENTATIVE TAYLOR: Thanks, Chuck.
19 And you'll be able to stay with us, right?

20 MR. ANDERSON: I will.

21 REPRESENTATIVE TAYLOR: So it would be my
22 preference, unless a member has a compelling reason
23 to ask you right now, is to go through the entire
24 panel, and then we'll ask you questions, and maybe
25 even we can have more of a freewheeling

1 conversation after that.

2 We're going to go to Cambria County, both
3 Mr. Chernisky and Mayor Janakovic.

4 MAYOR JANAKOVIC: Close enough.

5 REPRESENTATIVE TAYLOR: As you know, I
6 represent a lot of the eastern European names like
7 this, so I apologize.

8 MAYOR JANAKOVIC: Thomas asked that I go
9 first.

10 REPRESENTATIVE TAYLOR: Okay.

11 MAYOR JANAKOVIC: I've served on City
12 Council, Deputy Mayor, and Mayor of the City of
13 Johnstown for over 12 years. It's my pleasure
14 today, Chairman Taylor and Keller and distinguished
15 members of the Pennsylvania House Transportation
16 Committee, with President Commissioner Tom
17 Chernisky and I are here to represent the city, the
18 City of Johnstown's residents and Cambria County to
19 express our support to extend the Keystone West
20 passenger train service from Harrisburg to
21 Pittsburgh. We believe that this project receive
22 the highest priority by the Pennsylvania General
23 Assembly as it will benefit the citizens of
24 Johnstown, Cambria County, and our entire region.
25 You have the opportunity, through

1 intuitive legislative action, to increase the
2 accessibility of Amtrak's Pennsylvanian passenger
3 rail services between Pittsburgh and Harrisburg.

4 In Brian O'Neil's book, *The Paris of*
5 *Appalachia: Pittsburgh in the Twenty-First*
6 *Century*, he shares how Pittsburgh can experience a
7 renaissance. And I believe with your help, our
8 city, my city and Johnstown can have that same
9 rebirth.

10 Johnstown is the largest metropolitan area
11 between Pittsburgh and Harrisburg. We watch and go
12 to the Steelers' games every Sunday, attend
13 Pirates' games all summer, and remember the Stanley
14 Cup champs actually started their preseason in
15 Johnstown. And Johnstown is forever known as the
16 Hockeyville, USA. The very first in the United
17 States, so kudos.

18 We feel we are already a sports and
19 cultural partner to Pittsburgh, and thus we can
20 share in its economic success. With rail stops in
21 Altoona, Johnstown, Latrobe, Greensburg and
22 downtown Pittsburgh, this will extend opportunity
23 for economic growth for all.

24 Expanded rail service will make it easier
25 for people to come in to Johnstown to visit with

1 their family and friends, spend money in hotels and
2 restaurants, attend our many music and ethnic
3 festivals and sporting events, creating a win for
4 the entire region and, conversely, allow our
5 citizens to spend more time in Allegheny County.

6 Many of our citizens are senior citizens
7 who do not drive in inclement weather. Passengers
8 utilizing the expanded rail service will be of
9 benefit to Pennsylvania by reducing emissions,
10 accidents, highway and bridge maintenance costs as
11 well as avoiding the Squirrel Hill Tunnel traffic
12 jam phenomenon that we experience every time we
13 come into Pittsburgh.

14 We have been setting the stage for just
15 this kind of expanded service by investing in
16 extensive repair and renovations to the Johnstown
17 Train Station. Right now we get only one eastbound
18 train from Pittsburgh and one westbound train from
19 New York City. The westbound train from Johnstown
20 to Pittsburgh leaves early in the evening and
21 doesn't return until the next morning. This
22 service is impractical and inefficient for
23 potential riders who seek employment opportunities,
24 cultural enrichment, graduate studies, or even
25 specialized medical service offered in the area.

1 Despite the impracticability, we are still seeing a
2 growth in ridership of over 24,000 riders annually.
3 Therefore, with more stops this trend will only
4 continue to grow.

5 In closing, if I had to rely on the
6 current train schedule to speak as scheduled today,
7 I would have had to have left Johnstown at
8 6:00 o'clock Monday evening and waited until
9 Wednesday, tomorrow morning, at 9:00 o'clock, to
10 return home. That's not what I would call
11 efficient.

12 Thank you for your time and for inviting
13 us to address these important issues for our
14 community.

15 REPRESENTATIVE TAYLOR: Thanks, Mayor. In
16 fact, it would be 7:30 last night, not 6:00 as
17 scheduled. Thank you. And to show you how,
18 subconsciously, we take our sports seriously,
19 Philadelphia as well: When you mentioned the
20 Penguins, I started to sweat. It was kind of --
21 without even knowing it. Tom.

22 MR. CHERNISKY: Thank you. The Flyers are
23 playing in Pittsburgh the 25th of February. And
24 that's the 40th anniversary slapshot in the best
25 seats of Pennsylvania, Johnstown.

1 Thank you, Mayor, for your testimony and
2 Cambria County resident David Napper for working on
3 exploring passenger rail service in our region.

4 To the members of the Transportation
5 Committee, I do appreciate your time and
6 opportunity to address what could be a powerful
7 opportunity for growth for our citizens.

8 As a Commissioner of Cambria County, I
9 represent approximately 140,000 residents. Much
10 like Pittsburgh and Allegheny County, the anchors
11 in our county are health care and post-secondary
12 education. Cambria County has Admiral Peary
13 Vocational-Technical School, the Greater Johnstown
14 Career Technology Center, Hiram G. Andrews, Mt.
15 Aloysius College, Penn Highlands Community College,
16 Penn State Extension, St. Francis University, and
17 the University of Pittsburgh, Johnstown.

18 The Mayor was right. We're an important
19 part of the fabric of western Pittsburgh,
20 Pittsburgh and Allegheny County, western
21 Pennsylvania.

22 A recent study by the Pittsburgh Downtown
23 Partnership suggests with additional stops,
24 ridership will nearly double. As air and bus
25 services decline and highway congestion increase,

1 creating viable passenger rail service has become
2 increasingly important. Senior citizens, younger
3 passengers and international travelers are showing
4 a growing preference for passenger rail travel.

5 Limited rail service is a deterrent to
6 those considering enrolling in many of our colleges
7 and universities. Blair and Cambria Counties have
8 a total of 42,392 residents who commute in to and
9 out of the surrounding counties. A greater
10 percentage of those utilize the train instead of
11 cars would create a savings for the State to reduce
12 emissions, accidents, and road maintenance costs.
13 The tracks are already there; adding stops would
14 not significantly increase costs. In comparison,
15 the cost to build just one mile of four-lane
16 interstate costs anywhere between \$4 million to \$10
17 million, depending on where you're building.

18 Passenger rail advocates are seeking three
19 train stops per day. This will give passengers
20 opportunities to make one-day trips to Pittsburgh,
21 Harrisburg and yes, Philadelphia. Overnight trips
22 could be made to New York, Chicago and Washington,
23 DC. This is a win-win situation for riders and the
24 economic growth for our entire region.

25 The Cambria County Comprehensive Plan

1 shows integrated transportation options would
2 create economic development and revenue for the
3 state. We need your support and strong action to
4 increase passenger rail. Planning by local
5 community and government leaders emphasize the
6 importance of regional and multimodal access from
7 our region to the Pittsburgh and Harrisburg
8 markets. We remain committed to be champions for
9 expanded passenger rail service that will lead to
10 greater economic growth and opportunity for the
11 entire region.

12 We thank you for your time and leadership
13 on what could be a victory for all the citizens and
14 generations to come. Thank you.

15 REPRESENTATIVE TAYLOR: Thank you, Tom.
16 Lucinda.

17 MS. BEATTIE: Thank you very much,
18 Chairman Taylor. It's a pleasure to be here today
19 testifying before the House Transportation
20 Committee. My name is Lucinda Beattie. I'm the
21 Vice President of Transportation for the Pittsburgh
22 Downtown Partnership, a business advocacy group
23 focused on the revitalization of downtown
24 Pittsburgh.

25 I'm here today to express the Downtown

1 Partnership's full support for additional passenger
2 rail service on the Keystone West line between
3 Harrisburg and Pittsburgh. We believe this project
4 should receive the highest priority of the
5 Pennsylvania General Assembly and of PennDOT, as it
6 provides access to more transportation choices for
7 those traveling between eastern and western
8 Pennsylvania. It provides a connectivity that we
9 don't have today.

10 Three years ago as the Passenger Railroad
11 Investment and Improvement Act of 2008 was being
12 implemented, those of us in western Pennsylvania
13 were faced with a very real possibility that
14 PennDOT would not fund our one daily passenger rail
15 connection with the east coast. Today, we are here
16 because not only were we able to save the
17 Pennsylvanian in 2013, but also because communities
18 along that route now want to add two additional
19 daily trains to the existing one daily train.

20 In 2014, the Pittsburgh Downtown
21 Partnership, working with Western Pennsylvanians
22 for Passenger Rail, developed an affordable and
23 implementable proposal for adding this additional
24 service. I would like at this time to submit a
25 copy of that proposal, "On Track to Accessibility,"

1 into the minutes of this hearing. And you each
2 have a photocopy of the proposal attached to my
3 testimony.

4 Our proposal assumes that PennDOT would
5 need to make a capital investment in new rolling
6 stock amortized over 30 years, maintain certain
7 fixed costs that would now be spread across all
8 three trains instead of one train daily, and pay
9 Amtrak the cost differential between fare revenues
10 and operating costs.

11 Our estimate of what it would cost to
12 implement three daily trains along the
13 Pennsylvanian route is 10 million to 12.9 million
14 annually. And we estimate that ridership currently
15 at 232,000 annually would double to well over
16 414,000 annually. And I would say that those
17 numbers are probably very conservative because when
18 that report was written, the number of folks
19 traveling the Pennsylvanian was around 218,000 at
20 that time. So, in two years' time, there's already
21 been a 14,000 increase in riders.

22 To put this cost into perspective,
23 constructing a four-lane highway in a rural or
24 suburban area costs \$4 to \$6 million per mile and
25 8 million to 10 million in an urban area. This

1 project, the one we're proposing, is not only
2 affordable, but it's very reasonable from a
3 transportation-funding perspective.

4 We know that other state departments of
5 transportation, in particular those in Virginia and
6 North Carolina, have worked with Amtrak and Norfolk
7 Southern to successfully add service to their
8 state-managed passenger rail routes. Virginia
9 today has six sponsored passenger rail routes and
10 is adding one to Roanoke in 2017 for which the
11 construction began in 2014. So in a three-year
12 period, they have gone from doing infrastructure
13 projects to adding the service. Where there is an
14 existing rail line and some basic rail
15 infrastructure, implementation of additional
16 service is not a generational aspiration. It is
17 doable within a matter of a few years.

18 What is needed is the political will on
19 the part of the state and cooperation among
20 PennDOT, Amtrak and Norfolk Southern. The
21 challenge for us as Pennsylvanians is to ensure
22 that we successfully work together to bring this
23 level of passenger rail service back to western
24 Pennsylvania.

25 In closing, the Pittsburgh Downtown

1 Partnership appreciates this opportunity to bring
2 our proposal for two additional passenger rail
3 trains before this Committee, and we look forward
4 to continuing to work with you on this project and
5 stand ready to assist you in any way we can. And
6 thank you, Mr. Chairman, and members of the
7 Committee.

8 REPRESENTATIVE TAYLOR: Thank you.

9 MS. SHADE: Good morning. I was really
10 wishing there was a train this morning when I was
11 leaving Harrisburg at 5:30 this morning, and then
12 at 8:30 when I was sitting outside of the Squirrel
13 Hill Tunnel, and at 9:00 o'clock when I was trying
14 to get off Stanwix Street. So it did take me four
15 hours to get here, but it's worth the trip, and I
16 thank you for the time that you've afforded us this
17 morning.

18 Again, my name is Julie Shade. I am the
19 Executive Director of the Modern Transit
20 Partnership. We are a 501(c)(3) non-profit
21 organization that was formed in Harrisburg in 1997
22 initially to bring regional commuter rail service
23 to south central Pennsylvania. Over the past 19
24 years, we have adapted our mission to become an
25 advocate of multimodal transportation systems for

1 all of our region and ultimately the entire state.

2 As an advocate for expanded and improved
3 public transportation throughout south central
4 Pennsylvania, the Modern Transit Partnership has
5 long been a supporter of additional passenger rail
6 service. Our vision is still to connect the
7 communities in our region with high-quality public
8 transportation, whether rail or bus or a
9 combination of the two. Highways alone are not the
10 solution to Pennsylvania's transportation
11 challenges. We believe our efforts have borne
12 fruit with the increase in the number of trips in
13 the past decade along Amtrak's Keystone corridor
14 connecting Harrisburg with Lancaster and
15 Philadelphia. We would like to see that service
16 expanded west of Harrisburg, providing additional
17 passenger rail service connecting Harrisburg with
18 Pittsburgh and points in between. This is more
19 than just connecting Pittsburgh to Harrisburg.
20 There are communities and constituencies all along
21 this corridor who need transportation
22 alternatives to connect them with other areas of
23 this state, whether it's Johnstown to Paoli,
24 Altoona to Lancaster, or Greensburg to
25 Philadelphia.

1 In the past year, the Modern Transit
2 Partnership has formed an informal coalition among
3 a variety of groups along the Keystone West
4 corridor who all recognize there is a strong need
5 to connect these communities with other areas of
6 the state.

7 We have been pleased to collaborate and
8 assist the Pittsburgh Downtown Partnership and the
9 Western Pennsylvanians for Passenger Rail in their
10 efforts to educate the various communities along
11 the corridor about this issue. They, along with
12 the Pittsburgh Community Revitalization Group, have
13 invested significant time and resources to
14 undertake the analysis of this issue that has
15 previously been mentioned by a number of folks who
16 are testifying this morning, the 2014 study "On
17 Track to Accessibility." This study offers
18 compelling evidence that increasing service to
19 three daily round trips between Harrisburg and
20 Pittsburgh would be eminently feasible.

21 The Modern Transit Partnership has been a
22 willing partner with the PDP and WPPR in visiting
23 various communities and hosting events to promote
24 this concept. We have approached the
25 administration requesting support for this issue.

1 In May of this year, the MTP hosted a lunch with
2 this topic as the highlight in Harrisburg. Over
3 100 local, regional, and state business and
4 community leaders attended. Ms. Beattie
5 highlighted the results of the study, and Governor
6 Wolf was there to share his vision for public
7 transportation for the Commonwealth.

8 There is great potential for improved
9 connections along this corridor. The business
10 community, looking to enhance economic development
11 in Harrisburg, Pittsburgh, and the many communities
12 connected by the rail line.

13 Place-bound students who attend a variety
14 of colleges and universities along this corridor.

15 Patients and consumers seeking health care
16 services from the world class health providers
17 along the corridor: UPMC, CHOP in Philadelphia,
18 Hershey Medical Center in the Harrisburg area.
19 They all provide the Commonwealth with a wealth of
20 opportunities to increase movement and connections
21 and provide transportation alternatives to people
22 across the state.

23 The Modern Transit Partnership has worked
24 tirelessly over the last 19 years to bring
25 attention to the need for a truly multimodal

1 transportation system for our region as well as the
2 Commonwealth as a whole. And we stand ready to
3 support the House Transportation Committee and the
4 Department of Transportation in the decision to
5 improve and increase rail service in this corridor.

6 And I thank you very much for your time
7 this morning.

8 REPRESENTATIVE TAYLOR: Thank you, Julie.
9 I guess it would be fitting at this point for me to
10 make an editorial comment. We had some
11 conversations with Lucinda both last year and last
12 night. One of the things that was mentioned was to
13 have the legislature direct PennDOT to just do
14 this. We can suggest to PennDOT to do this as well
15 as we can suggest it to all the other stakeholders
16 and players. Eventually, it will come down to how
17 are we going to pay for it?

18 So I would suggest to all of you from your
19 regions to be as much of an advocate as you can to
20 your legislators, say, when it comes time to pay
21 for it, they have to pay for it. So that's a very
22 difficult decision. So, it's very easy to advocate
23 for more things. You just have to pay for it. I
24 would be willing to vote in such a way. We have to
25 make sure that many more members are willing to do

1 that, and that will not only solve this problem,
2 but many other problems we have in this
3 Commonwealth. So that's stuff we need help with.
4 They don't really want to listen to a member from
5 Philadelphia and tell them how they should vote,
6 but perhaps advocates from their own communities
7 across Pennsylvania. I'm not singling any
8 particular group out, but we need to pay for what
9 we get.

10 So with that, I will turn it over
11 to Chairman Keller.

12 REPRESENTATIVE WILLIAM F. KELLER: Thank
13 you, Mr. Chairman. Lucinda, there's been a couple
14 of testifiers that have already mentioned the
15 estimated cost to implement the three daily trains
16 would be 10 to 12.9 million, that's just coming
17 from your study. But you are the first to mention
18 the capital investment.

19 I was wondering if you could put a number
20 on that capital investment that PennDOT would have
21 to make to implement this service.

22 MS. BEATTIE: Well, the study breaks it
23 out based on a range, and the point that we made in
24 developing our budget was that the capital cost
25 would be amortized over 30 years at about

1 5 percent.

2 REPRESENTATIVE WILLIAM F. KELLER: Yeah,
3 but I was wondering about the cost. What are your
4 estimates for the capital cost to PennDOT? Because
5 as the Chairman just said, this is going to be the
6 bottom line of this whole process. What the cost,
7 the final costs are going to be. And it looks to
8 me that the capital cost seems to be the big cost
9 in this whole project.

10 MS. BEATTIE: But if you --

11 REPRESENTATIVE WILLIAM F. KELLER: I
12 didn't ask you what it cost. I asked you for a --
13 do you have an estimated number?

14 MS. BEATTIE: Yes, we do.

15 REPRESENTATIVE WILLIAM F. KELLER: Okay.
16 That's the number I want, not amortized over 30
17 years. What would you believe it would cost
18 PennDOT for this capital improvement?

19 MS. BEATTIE: There's a range of capital
20 costs that we estimated between 37,000,000 and
21 75,000,000, and it's based on how many locomotives
22 and how many additional rail cars you get.

23 REPRESENTATIVE WILLIAM F. KELLER: Thank
24 you.

25 MS. BEATTIE: It's like a set of two to

1 four.

2 REPRESENTATIVE WILLIAM F. KELLER: I
3 appreciate that, because, again, as the Chairman
4 said, that's what this is going to come down to.
5 And I appreciate your total honesty in the
6 estimates. Thank you.

7 REPRESENTATIVE TAYLOR: Chairman
8 Hennessey.

9 REPRESENTATIVE HENNESSEY: Thank you,
10 Mr. Chairman. I'll just direct this question to
11 the entire panel, and you can choose how you want
12 to answer it or who might want to answer it first.

13 I've heard -- you know, we've heard the
14 testimony estimates of increased ridership from
15 213,000 to 414,000, I think, and we talked
16 Harrisburg to Pittsburgh, but most people aren't
17 riding from Harrisburg to Pittsburgh. Some are
18 getting on in Johnstown and getting off in
19 Pittsburgh. Some are getting on at Altoona and
20 getting off in Johnstown.

21 If we expand the service, as you're
22 asking, there will be many more people, perhaps,
23 that will ride from Lancaster to Johnstown or from
24 Paoli and near Philadelphia to Altoona.

25 Has anybody broken down these figures?

1 You know, to say we're going to increase from
2 213,000 to 414,000 people, ridership, has anybody
3 broken those down in figuring out how many people
4 might commute by rail from Johnstown into
5 Pittsburgh? How many additional people and how
6 much they would pay for that ticket so that
7 somebody -- you know, it's probably a mind-boggling
8 idea for an individual to do it, but with
9 computers, somebody could probably figure out a way
10 to tell us that if we increase by 10,000 the number
11 of people who commute by rail from Johnstown to
12 Pittsburgh and how much they're paying for a
13 ticket, how much that actually turns into dollars
14 that's flowing to the rail provider.

15 Is the study broken down -- I'm looking at
16 it now. And I appreciate the fact you've given us
17 this study, but has anybody broken it down in that
18 kind of detail? Because that seems to me -- we
19 can't just focus on Harrisburg to Pittsburgh, but
20 we've got to figure out if we have more train
21 availability, people in the intermediate stops will
22 be using it a lot more. But we also have to figure
23 out how much money they'll pay for that and how
24 much revenue that generates to the system.

25 MR. SPADA: I'll try to answer that a

1 little bit.

2 REPRESENTATIVE HENNESSEY: Mark's the
3 courageous guy that's going to reach for that mic.

4 MR. SPADA: That's okay. The National
5 Association of Railroad Passengers has compiled
6 statistics on all of the Amtrak routes. And
7 looking at the Pennsylvanian and for all of the
8 routes, they list the top ten city pairs in terms
9 of both ridership and revenue.

10 And in 2015, of the top ten city pairs,
11 six of them had at least one of the cities or towns
12 west of Harrisburg. The top two were Pittsburgh to
13 New York and Pittsburgh to Philadelphia, but also
14 included in the top ten were Johnstown to
15 Philadelphia and Johnstown to Pittsburgh.

16 So, partially to answer your question, in
17 looking at this study and looking at some of these
18 numbers, we felt that the ridership statistics,
19 based on information like that, supported the
20 conservative estimate of ridership, and the revenue
21 projections came from looking at not only the
22 average trip, but the average fare per trip.

23 And last year on the Pennsylvanian, the
24 average fare, based on the information we had, was
25 around \$50 a ticket. And so far in fiscal 2016,

1 it's up above \$52. So that was for the average
2 trip, which is about 230 miles. So in looking at
3 what folks would pay coming from one of the
4 intermediate towns really depends on certain where
5 they're going.

6 Today the average ticket, if you want to
7 purchase a Pittsburgh to Harrisburg trip today, is
8 probably going to be in the \$40, \$45 range,
9 depending, of course, if you buy early you might
10 get a lesser ticket. So it depends on where you're
11 going. If it's Pittsburgh to Altoona or Pittsburgh
12 to Johnstown, for example, the fare's going to be
13 somewhat less.

14 But all those were figured into trying to
15 determine what the extra revenues would be, how
16 much people would have to pay, and what the total
17 effect would be. I hope I'm answering your
18 question.

19 REPRESENTATIVE HENNESSEY: You are. Let
20 me just ask you this way. When somebody says we
21 can increase ridership from 230,000 to 414,000, is
22 that from Harrisburg to Pittsburgh, or is that from
23 Harrisburg to -- you know, in picking up people in
24 Altoona, picking up people along the way?
25 Everywhere we stop, Tyrone and all the different

1 stops along the road to get to Pittsburgh. How do
2 you measure that 414,000 estimate?

3 MR. SPADA: Right. Well, I believe the
4 projection was basically -- was based on overall
5 ridership, so it wasn't specific to any, any
6 particular city pair. But if you look at the
7 numbers that are available, when we took a look at
8 it, when this report was being produced, it seemed
9 that approximately 40 percent of the riders on the
10 Pennsylvanian actually started or disembarked in
11 the towns between Pittsburgh and Harrisburg. So a
12 fair amount of the Pennsylvanian ridership doesn't
13 come from Philadelphia to New York or Lancaster to
14 Philadelphia. A fair amount of it comes from the
15 western part of the state.

16 So we believe the ridership projections
17 and what people will be paying are solid in putting
18 these numbers together.

19 REPRESENTATIVE HENNESSEY: Thank you.
20 Thanks, Mr. Chairman.

21 REPRESENTATIVE TAYLOR: Representative
22 Barbin.

23 REPRESENTATIVE BARBIN: Yes. I want to
24 follow up on Representative Hennessey's questions
25 because we do have some statistics that will tell

1 us what happens. We have statistics from the 1990s
2 that say when Governor Casey decided he was going
3 to change the bridges to make double-stacks
4 available, we know that that artery has worked
5 because Norfolk Southern has made it into what they
6 now call the premium corridor. It works. We know
7 in 2006 when Governor Rendell finished the
8 \$145 million Keystone Corridor Improvement Project,
9 we know that the ridership from Harrisburg to
10 Philadelphia went from 700,000 to 1.4 million
11 riders.

12 Now, an estimate like that isn't very
13 different than the estimate that's being provided
14 from this "On Track to Accessibility" provision.
15 And it does make a difference as to how many cars
16 we're going to have to purchase, how many trains
17 we're going to have. But the bottom line is, all
18 of those numbers have been met each time we've
19 decided to make an improvement to the services.

20 And the bottom line from this testimony,
21 to me, is, we have one passenger corridor in
22 Pennsylvania. We have one interstate corridor from
23 New York City to Washington that goes through
24 Philadelphia, and we have one Pennsylvania corridor
25 which goes from Harrisburg to Philadelphia. What

1 we don't have -- we have an artery of freight. We
2 have an artery of interstate traffic, but we don't
3 have a passenger corridor that completes east to
4 west.

5 And what they're telling us right now, I
6 think, is that if we made some minimal improvements
7 which allowed freight to exist and Amtrak, you
8 know, across Philadelphia to Chicago to exist, we
9 would be able to double ridership. And I believe
10 that's true because my kids go back from Johnstown
11 to Pittsburgh at 6:00 o'clock at night and come out
12 at 7:00 o'clock in the morning to get back to
13 Johnstown. Now, if you change those things,
14 they're the exact opposite of what you need to get
15 people, who are older or professionals, in and out
16 of the city, I think it's going to more than
17 double. But, you know, the numbers that they're
18 using are clearly reasonable numbers.

19 And the other thing I just want to point
20 out on the cost, there is a way through the new
21 Federal Transportation Funding Bill to find out
22 what an additional line will cost without a capital
23 cost being paid for by the Commonwealth. And those
24 are the TIGER grants. They're going to come up
25 later in the testimony.

1 But this testimony, I think, establishes
2 the fact that we can double ridership. And if we
3 do, it gives us \$10 million more money, which
4 should be able to pay for additional capital costs,
5 because that's the numbers in the Amtrak testimony.

6 So that was my comment.

7 REPRESENTATIVE TAYLOR: Any response to
8 that?

9 MR. PYATT: Can we just applaud?

10 AUDIENCE: (Laughing.)

11 MR. ANDERSON: I don't think there's any
12 dissent on this end.

13 REPRESENTATIVE TAYLOR: Reversing roles
14 here, but that's all right. And speaking of the
15 word reverse, this might have been touched on a
16 little bit, but in the Philadelphia area,
17 certainly, we have almost as many people leaving
18 Philadelphia in the morning to go to work as we do
19 coming into Philadelphia to go to work. In
20 these -- in Westmoreland or Cambria, have you found
21 that that's the case or it could be?

22 MR. CHERNISKY: Absolutely. It could be
23 the case and will be the case. We can be a bedroom
24 community, and I'm sure Westmoreland County,
25 Cambria County, we come to Pittsburgh now and vice

1 versa. They're taking the train now to Johnstown
2 to FolkFest. They're taking it now and they are
3 staying overnight. It's good economically across
4 the board. Allegheny County is doing great. You
5 know what, we can be a sister county and a brother
6 county and work together.

7 There's no problem working in Pittsburgh
8 and living in Westmoreland and Cambria, Blair and
9 Indiana County. And it's great for the economic
10 development of the entire region. It ties
11 everybody together. We come now. Just do it more
12 often. And, oh, by the way, we go to Philadelphia.
13 I see that happening more often, too, in one day
14 trips. Go to Philly in the morning and come back.
15 You came from Harrisburg today. You drove. You
16 could have easily got on the train and got off,
17 went one block and testified and went home the same
18 day. It's simple. We've got to crawl, walk and
19 run. We're doing it now. We just need to add to
20 it.

21 MR. ANDERSON: And convenience is a big
22 chunk of this. I mean, we have to be able to get
23 out on a regular basis.

24 REPRESENTATIVE TAYLOR: Well, it seems
25 like you do it in the opposite way, though.

1 MR. ANDERSON: Yeah.

2 REPRESENTATIVE TAYLOR: Right?

3 MR. ANDERSON: Yeah, exactly.

4 Unfortunately, it is.

5 REPRESENTATIVE TAYLOR: So if Julie was
6 leaving Pittsburgh to testify in Harrisburg, that
7 could work out and still get home, but it would be
8 a long day.

9 MR. ANDERSON: But we have tons of people
10 that are -- we have 15, 16 buses a day that leave
11 Westmoreland County to go into downtown Pittsburgh,
12 and they're all loaded. And, of course, all of
13 those people are coming back in the evening, too.
14 Of course, we're dead head -- wouldn't it be great
15 to have those trains at the train station coming
16 from Cambria County through Latrobe right into
17 downtown? And that's the great thing about it. It
18 cuts down on the traffic on the highways. I mean,
19 as we get -- continue to grow -- I mean, more
20 trucks here in the eastern part of the state or the
21 western part of the state. We have the Marcellus
22 Shale and all that stuff that's growing. So
23 there's a lot of big rigs and things like that on
24 the highway that we can alleviate the smaller
25 traffic. But it's that sort of thing.

1 I have a daughter who's in college now,
2 just about ready to finish up -- knock on wood --
3 in Pittsburgh, and she and her friends love to run
4 into Philadelphia to New York. And they get the
5 train, but a lot of times what they'll do, because
6 sometimes because of the traffic and the
7 connections in the Harrisburg area, they'll just
8 drive to Harrisburg, get on the train, and then
9 take it from there, which takes a lot of the
10 convenience out.

11 MR. SPADA: One of the other issues, too,
12 I think we all experience in western PA is the
13 weather itself because many times I will not travel
14 to Pittsburgh or Harrisburg or wherever because of
15 the weather there, but I feel safe getting on a
16 train and coming to Pittsburgh or Harrisburg or
17 Philadelphia.

18 MS. SHADE: If I wanted to take the train
19 from Pittsburgh to Harrisburg, I would have an hour
20 in Harrisburg before I had to turn around and get
21 on the next train coming -- "the" train coming from
22 Harrisburg to Pittsburgh. So that's not much time.
23 I guess I could testify if I needed to.

24 REPRESENTATIVE TAYLOR: You timed it just
25 perfect.

1 MS. SHADE: If you could arrange that for
2 me, yes.

3 MR. CHERNISKY: Having a train station,
4 people -- you know, I visualize Johnstown's train
5 station in downtown Johnstown. People go park.
6 They get on the train. They come to Altoona. They
7 go to Westmoreland County, Allegheny County or
8 Philadelphia. But the other day they were coming
9 back from Johnstown. So I picture the city of
10 Johnstown being a hub where they park their car,
11 they go to work. No matter what, they're going to
12 stay there, they're going to spend money there.
13 They go back and forth. No different when you go
14 to Mt. Joy. You get on the train station in Mt.
15 Joy in the eastern part of the state, and you go to
16 New York or you go to Philadelphia. You go to a
17 Flyers' game, you go to an Eagles' game. And, oh,
18 by the way, you go back to the train station, get
19 in your car and drive home. The same thing here.
20 They go here -- they park at the Johnstown Train
21 Station, park downtown Altoona at their train
22 station, then get on -- can recreate, go to a
23 Penguins' game, a Steelers' game, Pirates' game.
24 Yeah, if it goes extra innings you got to leave
25 early, go on the train and come back. But it's a

1 great destination place for our city. It's great
2 activity in the downtown Altoonas, in the world,
3 and downtown Johnstown. It creates more activity,
4 and you see a growth of activity.

5 REPRESENTATIVE TAYLOR: Well, thank you.
6 And speaking of timing, Julie, we are exactly on
7 time, and we want to keep it so. But I would
8 encourage you all to stay because we just heard
9 why. Now we're going to try to figure out how in
10 our next segment, so stick around for that. And if
11 our next group would start to assemble. Ray and
12 Beth and Rudy.

13 So our next group of witnesses is
14 Ray Lang, who is the Chief of State Government
15 Relations for Amtrak. Rudy Husband is the Resident
16 Vice President of Government Affairs for Norfolk
17 Southern, and Beth Bonini, who is the Chief of the
18 Urban Transportation Division for PennDOT. Welcome
19 to all of you. Thanks for being here. And I think
20 Ray, you're going to start?

21 MR. LANG: I believe so, yeah.

22 REPRESENTATIVE TAYLOR: Okay.

23 MR. LANG: Thank you very much for the
24 opportunity to be here before you today. It really
25 is a pleasure to be in Pittsburgh with you all. I

1 love the hockey references in the previous panel.
2 I would remind everybody, I'm from Chicago and that
3 the Blackhawks have won three Stanley Cups in the
4 last seven years now, so.

5 REPRESENTATIVE TAYLOR: You're going to
6 have to fight all these people on the way out.

7 MR. LANG: That's right. Well,
8 congratulations to the Penguins.

9 As I said, I'm Ray Lang with Amtrak's
10 Government Affairs Office. I'm out of Chicago.
11 With me today is Caroline Mael and Chris Natale
12 from our office in Philadelphia. And they interact
13 on a daily basis with Beth and the folks from
14 PennDOT. I do the legislative side. They really
15 do the contract side. If I need to call on them
16 during the Q and A period, I will.

17 But it was really a great pleasure to ride
18 across Pennsylvania yesterday. That was a
19 remarkable trip. I really would like to thank Ben
20 Levin for the donation of his private rail cars for
21 that trip yesterday. They were remarkable cars,
22 and Ben is just a wonderful individual who
23 really -- he has the ultimate retirement job which
24 is to just tell people about passenger trains and
25 ride around the country inviting people to ride

1 with him. It was really a wonderful day. And I
2 thought really we had a very good, frank discussion
3 throughout the day and then particularly last night
4 as we headed on into Pittsburgh.

5 And so based on a lot of the comments and
6 remarks made prior to my testimony this morning and
7 also really based on that discussion that we had
8 onboard the train last night, I'm going to deviate
9 pretty heavily from my prepared remarks, but they
10 are there in front of you. You don't need to
11 follow along. I think, based on your comment about
12 "learn the what," now we need to know "the how," I
13 think I'll try and walk you through that, and then
14 turn it over to my counterparts here at Norfolk
15 Southern and PennDOT.

16 Amtrak is a federally owned corporation,
17 and there's not really anything else quite like us.
18 We're set up as a corporation. Believe it or not,
19 we have stock. It's held by the Secretary of
20 Transportation. We have a Board of Directors. Our
21 board members are nominated by the President of the
22 United States, and then they're subject to Senate
23 confirmation, and they serve five-year terms. They
24 then choose the management team at Amtrak and
25 govern the place as a corporation. We receive an

1 annual federal operating subsidy, and we get an
2 authorizing bill through the Congress in theory
3 every five years. Our authorizations are generally
4 five years. But more often than not there's a lot
5 of debate about the Amtrak authorization bill, and
6 we tend to be unauthorized for lengthy periods of
7 time.

8 We really, as a railroad, though, the
9 authorizing legislation, which sets up sort of the
10 federal policy that governs us, we really do now
11 three different things. Depending on where you
12 live in the United States, I think that really
13 depends on how you view Amtrak.

14 In the northeast corridor, which we own,
15 we run high-speed trains between Boston, New York
16 and Washington, DC. We run trains as fast as
17 150 miles per hour in the northeast corridor. The
18 Acela trains tilt. They're powered by overhead
19 electric catenary system. We're actually going to
20 increase speeds on the Acela service to 165 miles
21 per hours here in the next 12 to 18 months or so.

22 The northeast corridor is really a
23 remarkable piece of infrastructure, very important
24 piece of transportation infrastructure in the
25 United States. The number one travel market in the

1 United States is between New York and Washington,
2 DC. The No. 2 is between New York and Boston.
3 No. 3 is LA to San Diego, but what that tells you
4 is that the northeast corridor is a really needed
5 significant percent of infrastructure, really
6 important to the country.

7 We dominate the air rail market on the
8 northeast corridor in both the north end and the
9 south end. We have over 70 percent of the air rail
10 market between New York and Washington, DC and well
11 over 50 percent of the air rail market between New
12 York and Boston. I think what that tells you is if
13 you have fast, frequent, reliable service on a
14 priority corridor, you can really penetrate that
15 market with passenger rail, really dominate it.

16 The second thing we do outside -- the
17 second thing we do as a railroad around the country
18 is we run a network of overnight, long-distance
19 trains all over the country. And I think most
20 people outside of the northeast corridor when they
21 think of Amtrak, they think of the long-distance
22 train network. They really imagine themselves
23 sleeping in a sleeping car and having dinner in a
24 diner car. That really captures, I think, the
25 public's imagination.

1 But realistically, there's only 15
2 long-distance overnight trains left in the United
3 States. One of them, the Capitol Limited, comes
4 here through Pittsburgh, and I'll be boarding that
5 train tonight to get back to Chicago tomorrow
6 morning, to get back into the office.

7 As I said, there's only 15 of those trains
8 left, but we're very proud of the long-distance
9 network. We really defend it. We fight for it.
10 We'd love to see more of it, but realistically I
11 don't think there's going to be an expansion of the
12 long-distance network anytime soon.

13 The third and last thing we do is what
14 we're here to talk about today. In partnership
15 with state governments all over the United States,
16 we run a series of short-distance corridor trains
17 from Point A to Point B. These trains really are
18 funded by states under contracts with state
19 governments. A better way to think of them is
20 these trains would not exist but for the contract
21 between Amtrak and the state government. There is
22 nineteen states which pay us to run trains, big and
23 small. Our biggest state partner is the State of
24 California. The smallest state partner is the
25 State of Vermont.

1 States approach us to run these trains for
2 a variety of different reasons, but generally it's
3 to help them meet their transportation needs.

4 This kind of discussion that we're having
5 here this morning is really going on all over the
6 United States. I travel around the country now
7 testifying before state legislative bodies about
8 this very issue. Just last week Beth and I spoke
9 on the phone, and I was up in the upper peninsula
10 of Michigan, Marquette, Michigan, having a
11 discussion like this; and a few weeks ago, I was in
12 Pueblo, Colorado, a city that we don't serve having
13 a discussion like this in Pueblo. So we're really
14 seeing a tremendous increase in enthusiasm and
15 desire for passenger rail in the United States.
16 I'm really happy to be here to sort of help you
17 through this issue.

18 You have in front of you some stats and
19 figures about Amtrak service in Pennsylvania. You
20 can take a look at that at your leisure. I think a
21 lot of the previous speakers talked, I think, very
22 good about why intercity passenger rail is
23 important to them and what corridor trains can do
24 for them.

25 Somebody on the train last night said, "Is

1 this a question of if you build it, they will
2 come?" And that really is kind of true. We are
3 seeing remarkable increases in ridership on our
4 trains all over the United States. About 50
5 percent of our ridership is on the state-funded
6 trains around the system now. So about 15,
7 16 million passengers a year ride on state-funded
8 trains. It's really the fastest growing part of
9 the Amtrak system.

10 When we were created by the Congress in
11 1971, we were given some very unique and important
12 access rights. And that's really what is important
13 to you here today. The authorizing legislation,
14 which created us back then, essentially said that
15 Amtrak has the right to access any piece of
16 railroad track in the United States at an
17 incremental cost, meaning what it cost the freight
18 rails, the owners, to have us there. They have to
19 run -- the law says they have to run us with
20 preference by law. So we run -- they're supposed
21 to run us on time, on the agreed-upon schedule by
22 law.

23 The law also essentially says that when we
24 access, though, that freight rail, that
25 infrastructure, if the railroad says that they

1 don't have capacity to accommodate the passenger
2 train, that we come to the table with info.

3 So if you want to start a new service or
4 add frequencies on a particular corridor, you bring
5 capital to the table to create capacity on that
6 railroad so that they can accommodate the faster
7 moving passenger train and run it with priority by
8 law.

9 And so in this case, it would be -- we
10 would go to Norfolk Southern and talk to them about
11 what they would need to accommodate additional
12 frequencies, whether it's one frequency, two or
13 three or more frequencies. We would come to
14 Norfolk Southern with capital, provided by the
15 state or another entity, to create the capacity on
16 that railroad so that they could run the trains on
17 time.

18 There's lots of examples of this taking
19 place all over the United States. I think last
20 night when we were talking I talked about the
21 partnership we have in the State of California on
22 the Capitol corridors between Oakland and
23 Sacramento. In 1992, the State of California
24 started running corridor service between Oakland
25 and Sacramento with two daily round trips. It's

1 about a 109-mile corridor, I believe. They had a
2 vision for multiple frequencies on that corridor,
3 and by 2006, they've gone from two daily round
4 trips to 16 daily round trips. So in 14 years that
5 was their vision. They went from two to 16.
6 Thirty-two train movements a day on that corridor.

7 They came to the table with capital, paid
8 the host railroad to build additional capital on
9 that railroad, but they achieved a vision. They
10 did it incrementally over time. I think that's
11 really the example you should follow here. We
12 would have the right of access. We could be your
13 partner to provide service. Norfolk Southern would
14 be the host carrier. They would dispatch the
15 railroad, own it, maintain it. You come to them
16 with capital. You build capacity. You run
17 passenger trains on that railroad.

18 PennDOT would be the contracting agency.
19 PennDOT has actually asked us for ridership revenue
20 cost information between -- for additional service
21 on the Pennsylvania corridor, and we're working
22 with them now, working through that. I hope that
23 we can come to an agreement with them on a proposal
24 for start up with service at some point later this
25 year. And then we could come to you together with

1 both ridership revenue cost information for the
2 frequencies in increases, and then work with
3 Norfolk Southern for a capital estimate.

4 So, I think I covered sort of the
5 parameters of what I wanted to talk about. I'll
6 let them go next, and then we'll have Q and A.

7 REPRESENTATIVE TAYLOR: And, Ray, I think
8 we talked about this last night, but for the
9 general public here -- and, Beth, you might want to
10 add to this -- what's the timing of that, do you
11 think, of this sort of collaboration of plan?

12 MR. LANG: They asked us about a year ago,
13 so we're getting very close. The things we're
14 looking at realistically to make this affordable
15 for you, the best way to do it is with an extension
16 of the Keystone frequency, extended west, rather
17 than a completely new service because I think it
18 will make the start-up costs better. We have to
19 pick which one we want to do, what makes the most
20 sense. And sometimes the one that's cheapest and
21 makes the most sense doesn't always have the best
22 ridership and revenue. So you want it -- it's more
23 art than science. You want to get the best sort of
24 proposal in front of you, so that's what we're
25 going through now.

1 But I hope this year -- I mean, I really
2 hope that -- I really hope that when you convene
3 your session next year, we have something in front
4 of you so that you can make an educated decision.

5 REPRESENTATIVE TAYLOR: Thank you. Rudy.

6 MR. HUSBAND: Thank you, Chairman Taylor
7 and Chairman Keller, members of the Committee.
8 Thank you for the opportunity to offer Norfolk
9 Southern's perspective on passenger service over
10 our lines, as well as some specific information on
11 the Pittsburgh to Harrisburg corridor.

12 To provide everybody a brief description
13 of NS, we are one of the largest freight railroads
14 in North America. We operate over 20,000 group
15 miles of track in 22 states, with approximately
16 30,000 employees. Pennsylvania is the largest
17 state on the NS network with more than 5500
18 employees and a payroll of \$340 million.

19 In 2015, we purchased more than a billion
20 dollars in goods and services from Pennsylvania
21 vendors, and we paid 35 million in state and local
22 taxes.

23 When proposals to create or expand
24 intercity or commuter rail service are brought to
25 us, both NS and the passenger service sponsor are

1 guided by a very specific set of principles. First
2 and foremost is safety. Anything that is done is
3 going to have a strong emphasis on safety. Second
4 is -- and Ray alluded to this a little bit. An
5 operational feasibility study needs to be conducted
6 so that everyone fully understands all the
7 potential impacts of new or expanded passenger
8 service.

9 The proposed passenger operation must
10 create transparency over our system, which means
11 that the passenger service must operate somewhat
12 independently of the freight railroad so that we
13 don't impact the passenger operations, passenger
14 operations don't impact us. A good example is what
15 happened yesterday. Through no fault of anybody's,
16 we received your train an hour and 40 minutes late,
17 and in order to try to get it over our system
18 between Harrisburg and Pittsburgh had a pretty
19 serious impact on our freight trains. So we have
20 to be careful on when new service or expanded
21 service is introduced.

22 Passenger projects for us -- and we're
23 involved in a lot of them, and we want them to be
24 successful. So the feasibility study will focus on
25 the proposals full-build scenario versus any

1 interim plan. Along the same lines, freight
2 volumes will grow, so any study will anticipate
3 future freight levels. Freight operations are
4 long-distance, customer-driven, which precludes
5 passenger-only operating windows or any type of
6 separation, such as nighttime-only freight
7 operations. Passenger projects might cause network
8 effects on our system that are broader than the
9 project area. So while the focus today is on
10 Harrisburg and Pittsburgh, for us we really have to
11 look at what the downstream effects expanded out
12 east of Harrisburg, west of Pittsburgh, and to the
13 southern part of our network.

14 And the rail environment does change over
15 time. Conditions attach to various forms of
16 funding differ. Therefore, until funding is
17 available, any passenger study is hypothetical. A
18 completed operational feasibility study is a
19 prerequisite to progress a project. NS will
20 support only passenger project requests that have
21 been fully studied and modeled.

22 As the transportation industry is dynamic,
23 any proposal that does not secure funding cannot be
24 shelved for future use because each proposal is
25 unique and requires its own up-to-date study.

1 Sometimes public funding comes with
2 special conditions and requirements and that could
3 represent additional costs to Norfolk Southern.
4 Just as NS does not customarily agree to guarantees
5 with our freight customers, the public sponsor
6 would be responsible for any passenger guarantees.
7 Additionally, it's possible that public funding may
8 be taxable to Norfolk Southern so the public
9 sponsor must indemnify NS for any income tax --
10 increased income taxes paid or incurred as a result
11 of the receipt of public funding.

12 We will coordinate the operational
13 feasibility study. We will provide estimated costs
14 to the sponsoring public agency, but these studies,
15 they're not cheap, and they take time, at least a
16 year or probably more.

17 The third principle is simple and
18 straightforward: That we will receive fair
19 compensation for the use of our transportation
20 corridors. They consist of track and right of way
21 that might or might not be fully utilized at any
22 given time. As traffic flows change over time,
23 this capacity and the flexibility and potential it
24 represents is a key Norfolk Southern asset.

25 In determining a fair price for the use of

1 our assets, we will factor in any new equipment,
2 including Positive Train Control and costs as well
3 as additional property and other taxes that would
4 not be incurred absent new passenger service.

5 The fourth and final principle is equally
6 simple and straightforward: New or expanded
7 passenger operations will require adequate
8 liability protection. Passenger operators must
9 compensate or indemnify NS for additional risks
10 created by the passenger projects, and any
11 indemnification needs to be backed up by an
12 adequate level of insurance.

13 The cost to the passenger carrier for
14 insurance and indemnification is substantial as
15 borne out by our experience with commuter
16 authorities.

17 Let me turn briefly specifically to the
18 line segment between Pittsburgh and Harrisburg. As
19 was noted before, this segment literally sits in
20 the middle of our premier corridor, which connects
21 Chicago and the New York metropolitan area. From
22 both a customer service and a revenue standpoint,
23 there is not a more important rail line within
24 Norfolk Southern's 22-state network. And because
25 of that, we cannot look at this particular segment

1 in a vacuum. The Pittsburgh-Harrisburg segment
2 should be viewed as a bridge that connects shippers
3 to the East Coast, to the Midwest, to the western
4 and Canadian freight railroads, and to hundreds of
5 short lines. As such, any additional trains,
6 whether passenger or freight, may have serious
7 ramifications on other parts of our network.
8 That's why a comprehensive operational feasibility
9 study is absolutely critical.

10 Additionally, as you all saw yesterday,
11 this is a very challenging piece of railroad to
12 operate over. There's a lot of elevation. There's
13 a lot of curves. And we operate 40 to 60 freight
14 trains a day over it, so there's a lot of volume.
15 And so we're providing a critical freight service
16 to Pennsylvania manufacturers who have facilities
17 along our Pittsburgh line and many Pennsylvania
18 short lines interchange with NS off this line
19 segment. It's further worth noting that our
20 locomotive shop in Altoona, which employs a
21 thousand people, is served off of this line
22 segment.

23 And I'll add that I know the focus is on
24 increasing passenger service, but we are working
25 incredibly hard to generate new freight

1 opportunities between Harrisburg and Pittsburgh, so
2 we're hoping to add volume freightwise.

3 In closing, projections by the U.S. DOT
4 call for significant increases in the demand to
5 move freight within our country over the coming
6 decades. As you all know, our highway system is
7 already severely congested. The freight rail
8 industry has made and will continue to make
9 significant investments in infrastructure and
10 technology to ensure that we have sufficient
11 capacity to meet that demand.

12 I'll add to that that over the last five
13 years, Norfolk Southern has invested close to
14 \$700 billion in our infrastructure just in
15 Pennsylvania alone. Adding additional passenger
16 service between Harrisburg and Pittsburgh will
17 require capacity improvements that, quite frankly,
18 in the report that has been referred to, often
19 doesn't include any capacity costs in it. So
20 additional capacity will not be cheap if the
21 expanded passenger service is going to be
22 successful without harming the Norfolk Southern
23 franchise.

24 Thank you for allowing me to address you
25 today, and I look forward to your questions and

1 comments later.

2 REPRESENTATIVE TAYLOR: Thanks. And there
3 will be a lot. Beth.

4 MS. BONINI: Sure. Good morning, Chairmen
5 and Committee members. Thank you for having me
6 here to provide testimony on the passenger rail
7 service in western Pennsylvania. I have submitted
8 written testimony for your consideration today and
9 will provide a brief overview of this written
10 testimony.

11 Before I begin, I just want to tell you a
12 little bit about myself. I've been with the
13 department for 15 years now. In that time, I've
14 worked with our planning deputy, rail, freight,
15 ports, and waterways, which some of you might know
16 me from, and most recently I spent about eight
17 years in public transportation.

18 So I am going to stick to the script, as
19 you did not have to stick to the script, but give
20 me a little bit of time because I have been
21 involved only with passenger rail for the past
22 couple of weeks, so I'm coming up to speed pretty
23 quickly, and you can see that just in that couple
24 of weeks we talked on the phone a bunch of times.
25 I talked to his staff, and I've had other

1 conversations with different teams of folks from
2 Amtrak just getting up to speed with all the
3 different projects and studies that have been going
4 on. So I appreciate all of their cooperation over
5 these past couple of weeks during this transition
6 into my new position. So thank you very much.
7 It's a big organization to navigate through and to
8 try to understand who to talk to when, where and
9 what.

10 So in order to get started, the
11 Commonwealth of Pennsylvania has a long history of
12 supporting intercity passenger rail through
13 strategic capital investments and operating
14 assistance to provide safe and reliable passenger
15 rail to millions of travelers annually. PennDOT,
16 along with Amtrak and federal funding partners, is
17 committed to continuing its support of passenger
18 rail in a way that fosters the long-term
19 sustainability of the service.

20 PennDOT supports two Amtrak passenger rail
21 services in Pennsylvania. The Keystone Service,
22 which operates between Harrisburg and Philadelphia,
23 with some through service to New York on
24 Amtrak-owned right of way. The Keystone is high
25 frequency and time competitive with the automobile

1 and continues to experience increasing ridership.

2 The Keystone corridor is eligible for both
3 Federal Transit Administration and Federal Railroad
4 Administration funding for capital improvements.

5 The Pennsylvanian service operates between
6 Pittsburgh and Harrisburg and onto Philadelphia,
7 and New York currently offers one round trip daily
8 on the Norfolk Southern owned right of way. The
9 trip takes five and a half hours, as you know, from
10 Pittsburgh to Harrisburg, which is not competitive
11 to a three and a half hour trip by car.

12 The Pennsylvanian has recently experienced
13 declining ridership and perhaps that's due to gas
14 prices that we've seen over the past year. With
15 the enforcement of provisions established through
16 the Passenger Rail Investment and Improvement Act,
17 which is PRIIA, that requires states to fully fund
18 both capital and operating expenses associated with
19 the designated state-supported rail corridors.
20 Pennsylvania's financial responsibilities have
21 increased significantly in the past few years,
22 including the requirement to fund the Pennsylvanian
23 service for the first time.

24 Through Act 89, sufficient funding was
25 provided to sustain the current service through the

1 increased state-required contribution. But
2 additional funding was to support an expansion of
3 service is not currently available. With PRIIA,
4 PennDOT is required to replace or fund the
5 financing cost to replace train sets currently
6 utilized on the Keystone Service and the
7 Pennsylvanian when they reach the end of their
8 useful service life. This cost, while not
9 immediate, will be a significant long-term capital
10 investment and must be planned for now to ensure
11 funding availability in the future.

12 PennDOT has requested Amtrak to develop a
13 cost and schedule for an additional daily
14 round-trip train between Pittsburgh and Harrisburg.
15 Expanding the existing Amtrak service using
16 existing equipment may minimize cost by adding only
17 the incremental cost of additional operating
18 expenses. If the service cannot be accomplished
19 with existing equipment, additional capital
20 investment in equipment would be also required. If
21 equipment can be located and the cost can be
22 absorbed, Amtrak will then have to negotiate with
23 the lines' owner, Norfolk Southern, to accommodate
24 a second passenger train. Given the obvious
25 interests in expanding service to Pittsburgh,

1 PennDOT will carefully evaluate Amtrak's cost and
2 time estimate when it is received to see if the new
3 service is potentially feasible within existing
4 budgets.

5 In closing, PennDOT supports passenger
6 rail in Pennsylvania and understands the intercity
7 transportation needs of western Pennsylvanians.
8 PennDOT will continue to work with Amtrak and local
9 stakeholders to evaluate the most responsible way
10 to provide passenger rail service while focusing on
11 our four overarching goals for the state's rail
12 transportation network, which is system,
13 preservation, safety, personal and freight mobility
14 and stewardship. Information on ongoing projects
15 supporting passenger rail in Pennsylvania could be
16 found on our Plan the Keystone website. Thank you.

17 REPRESENTATIVE TAYLOR: Thank you. I have
18 a couple just pretty direct questions, and then I'm
19 sure our members will have some questions.

20 But, Rudy, going to the feasibility study,
21 so that obviously makes sense, right? That would
22 happen after --

23 MR. HUSBAND: Yeah, once --

24 REPRESENTATIVE TAYLOR: -- Amtrak and
25 PennDOT --

1 MR. HUSBAND: -- got together to figure
2 out a conceptional plan, then it's really time to
3 apply the schedule that they envision, the stops
4 they envision, and see how it fits in, not only to
5 our current operation, but what we anticipate in
6 the future.

7 REPRESENTATIVE TAYLOR: Okay. So
8 that's -- so at the end of this year perhaps the
9 two of you and then we're going to hand it over
10 to... okay. And then, you know, there's a lot of
11 talk from our advocates about the three trips a day
12 that used to occur.

13 Can we -- can someone go into exactly why
14 that's no longer the case, and if we did three --
15 probably Rudy would have an answer to this -- why
16 it wouldn't be that much easier to just do it, but
17 probably just due to the increased rate, but I'll
18 let you guys answer.

19 MR. LANG: In terms of the history of the
20 frequencies in Pennsylvanians, yeah.

21 As I said, we get an authorizing bill that
22 sort of governs us about every five years or so.
23 In the mid-'90s there was an authorizing bill
24 passed which essentially had as its goal the
25 elimination of operating subsidies for passenger

1 trains. We refer to it as a mandate for
2 self-sufficiency. This was a bill in the 90s,
3 which essentially was a seven-year bill, which
4 expired on January 1st of 2003, which essentially
5 said that by 2003 there should be no operating
6 subsidies for passenger trains.

7 And to editorialize, there was a lot of
8 cheerleading going on in certain sectors of the
9 country that were encouraging us to cut money
10 losing trains. And so we eliminated a lot of
11 trains, a handful of trains really in the 90s as a
12 result of the mandate to be operationally
13 self-sufficient by 2003. Realistically, we failed
14 miserably in an attempt to be operationally
15 self-sufficient. But a lot of trains were victims
16 of that mandate.

17 That bill expired, as I said, on
18 January 1st of 2003. The new bill was not passed
19 until the fall of 2008, so we were then
20 unauthorized for five years. But the law of the
21 land in the United States for really 15 years or so
22 was that there should be no operating -- that
23 passenger rail was not worthy of operating
24 subsidies. So that's when Pennsylvania lost two of
25 its frequencies in that time period.

1 The 2008 bill had some good things and
2 some other controversial things. Beth alluded to
3 that a little bit. PRIIA, the Passenger Rail
4 Investigation Improvement Act, essentially said
5 that any train in the Amtrak system which is --
6 which operates 750 miles or less should be funded
7 by a state, or it goes away. And that took -- that
8 was a five-year phase-in of that legislation. So
9 2012 or 2013, states had to start picking that up.

10 There were trains that we inherited the
11 day we were founded in 1971 which were affected by
12 this. A lot of trains were, frankly, were affected
13 by this. It was a very difficult time frame. We
14 were very nervous about this. Some states had to
15 go -- like, New York state had service between New
16 York City and Albany over to Buffalo, which we
17 inherited the day we were founded, but we have
18 always been funded through our federal operating
19 support. They only paid for the one train, the
20 Adirondack up to Montreal. About \$2 and a half
21 million. They went up to about \$45 million a year
22 they had to start paying. Michigan went from like
23 \$7 million a year to \$25 million a year. This was
24 a really difficult transition Pennsylvania went
25 through then.

1 But the point of that discussion is that
2 although the mandate for self-sufficiency went
3 away, there was a new mandate that said states had
4 to pay for short-distance trains, or they wouldn't
5 operate.

6 So I really think that Pittsburgh and
7 western Pennsylvania in many respects, the limited
8 Amtrak service in this part of the state is a
9 result of 15 to 20 years of policy that limits
10 investment in intercity passenger rail.

11 You have alluded to this in your comments
12 that you're going to have to pay for all of this.
13 There's really not a federal matching program for
14 intercity passenger rail, which I think is really
15 unfortunate. It's really the weak part of the
16 transportation funding policy right now in the
17 United States is that you get matching federal
18 dollars for highways, for the courts, for airports
19 and for transit, but not for intercity passenger
20 rail.

21 And although the FAST Act for the first
22 time put Amtrak into the transportation bill, we
23 had always been authorized separately even though
24 there's a surface transportation bill and then
25 there's Amtrak, who is clearly surface

1 transportation. The FAST Act for the first time
2 put us into the surface transportation bill and has
3 some modest pilot programs for matching operating
4 capital dollars. It's very limited.

5 As we work I hope proactively with you to
6 expand passenger service on this corridor, I hope
7 that we time it in such a way that in the next
8 reauthorization bill for the surface transportation
9 bill in the United States that we have a program
10 that's robust and vibrant, and you can take
11 advantage of it to help you meet your needs.

12 REPRESENTATIVE TAYLOR: In our similar
13 discussions last night, it was suggested that if we
14 connected the route to Chicago more directly than
15 whatever gap we have now, that would be beyond the
16 750 miles and, therefore, be subject to federal
17 subsidy.

18 MR. LANG: Certainly the long-distance
19 trains are funded through our annual federal
20 operating appropriation now. I don't see us
21 extending an existing train to sort of get around
22 that, but -- he's laughing. Yeah. But if we had
23 more long-distance trains here, they would not be
24 the funding responsibility of the state.

25 Short-distance trains are, under current federal

1 guidelines, the funding responsibility falls on the
2 state or really a non-Amtrak entity. It could be
3 the Port Authority or somebody else, but it would
4 be a non-Amtrak entity.

5 REPRESENTATIVE TAYLOR: Thanks. This was
6 very helpful. Mr. Chairman.

7 REPRESENTATIVE WILLIAM F. KELLER: Thank
8 you, Mr. Chairman. Rudy, I was pleasantly
9 surprised last night on the ride up to see so many
10 double-stacked containers on the rails. I mean,
11 that's -- I don't know if people remember, but 20
12 years ago, or more than that, when Governor Casey
13 started that people thought he was -- "What are you
14 doing spending money on that," but now you see --

15 MR. HUSBAND: I was involved in it, so was
16 --

17 REPRESENTATIVE WILLIAM F. KELLER: It was
18 unbelievable the amount of cargo that was on the
19 rails. So I was pleasantly surprised at that,
20 which, as you know, my interests is the Port of
21 Philadelphia, so that really is helpful when it
22 comes to that.

23 What I was wondering, we were talking
24 about, it seems like a lot of this will depend on
25 the feasibility study.

1 MR. HUSBAND: Yes, sir.

2 REPRESENTATIVE WILLIAM F. KELLER: Now, I
3 know it was just a few short years ago when the
4 refineries in Philadelphia were going out of
5 business. One was shut down, right. We were
6 panicked. We had to scabble to save that. That
7 was the economic backbone of the whole southeast
8 region. I don't think anyone, feasibility study or
9 anyone could have predicted that in order to save
10 the refineries, we had to get rail service, three
11 trains a day, oil trains a day from the Balkans
12 into the Philadelphia area to save the refineries
13 and did away with all the importing through ships.

14 How do you prepare for something like that
15 when -- I mean, nobody had an idea that there were
16 going to be three additional trains, hundred-car
17 trains on the rails going to the Philadelphia
18 refineries. What happens --

19 MR. HUSBAND: You had a lot of private
20 investment going into that, and CSX served the PES
21 refinery. You had a similar story with PBF in
22 Delaware City, Delaware, where they invested an
23 infrastructure to accept four loaded trains a day,
24 which meant also trying to get four empty trains
25 out.

1 REPRESENTATIVE WILLIAM F. KELLER: Yeah.

2 MR. HUSBAND: But it -- when there is
3 money immediately available --

4 REPRESENTATIVE WILLIAM F. KELLER: That's
5 how you overcome that.

6 MR. HUSBAND: That's how -- yeah, I mean.

7 REPRESENTATIVE WILLIAM F. KELLER: Okay.

8 MR. HUSBAND: As long as the money is
9 there, you can do anything.

10 REPRESENTATIVE WILLIAM F. KELLER: Well,
11 the Chairman and I have been in some meetings where
12 hopefully the Port of Philadelphia will be able to
13 double the container capacity and hopefully a lot
14 of that will go out over the rails if, you know, as
15 much as we can, which we're good for that.

16 MR. HUSBAND: Umm-hmm.

17 REPRESENTATIVE WILLIAM F. KELLER: So
18 that's how it has to be the private investment that
19 overcomes those shocks into the system.

20 MR. HUSBAND: Well, you have to look at
21 the opportunity and here -- yeah, the growth of the
22 crude oil franchise was immediate, but both the
23 public sector and the private sector recognized the
24 importance from different standpoints. Obviously,
25 the public sector looked at it from a job

1 standpoint and economic development standpoint.
2 The oil companies, the railroads looked at it from
3 a revenue standpoint. So you had a lot of things
4 coming together to create -- everybody was moving
5 in the same direction. And I'm not saying that in
6 this particular case that it's not the same thing,
7 but here you have a private sector enterprise that
8 we feel is very important from a job standpoint and
9 economic development standpoint, shipping
10 standpoint. And so whatever happens really can't
11 hurt that. And I know that there seems to be -- I
12 don't want to call it a simplistic view, but people
13 look at just railroad tracks. They don't see a
14 train on it that minute, so it's like, oh, we can
15 just throw a passenger train on there. And it's
16 just not that easy.

17 REPRESENTATIVE WILLIAM F. KELLER: Thank
18 you. That answered my question. I was wondering
19 how you increase that capacity almost overnight.

20 MR. HUSBAND: And I'll tell you that what
21 Governor Casey did in the mid-'90s, it was the
22 smartest \$35 million investment that this
23 Commonwealth ever made.

24 REPRESENTATIVE WILLIAM F. KELLER: And the
25 port hasn't really taken full advantage of it, but

1 without that, we would have dried up.

2 MR. HUSBAND: Absolutely.

3 REPRESENTATIVE WILLIAM F. KELLER: I mean,
4 that's a visionary that invests. And it's like
5 dredging. People -- you know, you're making
6 tunnels wider and higher, and people don't see it.
7 Like, if there's no ribbon cutting, they don't see
8 it, but that's really economic impact when you're
9 doing projects like that. That really helps the
10 state.

11 Thanks, Rudy, for answering that question.

12 Beth, I was wondering, we've had some
13 testimony that the capital costs will cost PennDOT
14 between 35 and 75 million. Do you agree with that?

15 MS. BONINI: Just to add the round-trip
16 service?

17 REPRESENTATIVE WILLIAM F. KELLER: Yes.

18 MS. BONINI: I don't know what the capital
19 costs would be yet until -- depending on how they
20 address that.

21 REPRESENTATIVE WILLIAM F. KELLER: Well,
22 they were talking just rolling stock. Rudy knows
23 that it's going to be much more than that when it
24 comes to track.

25 MS. BONINI: Right.

1 MR. LANG: Yeah, there's going to be a
2 multiplier when you talk about adding capacity.
3 The Keystone West Study identified, I think,
4 \$10 billion just in capacity improvements.

5 REPRESENTATIVE BARBIN: But that was for a
6 high-speed train from Pittsburgh to Harrisburg.

7 MR. LANG: Higher speed, not --

8 REPRESENTATIVE BARBIN: No, that was a
9 project that was a high-speed train from Pittsburgh
10 to Harrisburg in three and a half hours. We're not
11 talking about that anymore. What we're talking
12 about is how do we get passenger to work with
13 freight getting from Pittsburgh to Harrisburg over
14 a five-hour or a four-hour period. Completely
15 different things.

16 REPRESENTATIVE TAYLOR: Restate your
17 question.

18 REPRESENTATIVE WILLIAM F. KELLER: Okay.
19 Beth, could you -- do you have it with you, the
20 breakdown of the operating and capital subsidies
21 dollarwise in Keystone Pennsylvania today?

22 MS. BONINI: The subsidies today?

23 REPRESENTATIVE WILLIAM F. KELLER: Yes.

24 MS. BONINI: I believe that the subsidy
25 that the state provides for transportation from

1 Philadelphia to Harrisburg is about \$11 million and
2 from Harrisburg to Pittsburgh is, I believe,
3 \$1.5 million.

4 REPRESENTATIVE WILLIAM F. KELLER: That's
5 the operating?

6 MS. BONINI: Subsidy.

7 REPRESENTATIVE WILLIAM F. KELLER: Operati
8 ng subsidy. How about capital?

9 MS. BONINI: The capital subsidy we
10 receive from the Federal Transit Administration,
11 and I believe we receive approximately \$20 million
12 from the Federal Transit Administration annually,
13 and we have to match that, so it's approximately
14 \$25 million. And that has to be used on the
15 Keystone corridor between Harrisburg into
16 Philadelphia because of how the Federal Transit
17 Administration designates that corridor.

18 REPRESENTATIVE WILLIAM F. KELLER: Okay.
19 Thank you. Thank you, Mr. Chairman.

20 MR. LANG: I just want to add to that.
21 Amtrak owns the Keystone corridor, so it's -- I
22 don't mean this in a pejorative way. It's in
23 passenger-friendly hands, so we control the
24 Keystone corridor so -- and we've made a
25 partnership with PennDOT in 2006, you know, a

1 \$200-plus million investment in that corridor.
2 It's in really, really good shape. So it really
3 just gets capital maintenance now. We sort of have
4 it where we want it to be. But -- and your annual
5 operating grants to contract with Amtrak to cover
6 the operating subsidy for the Keystone service and
7 the Pennsylvanian has the operating maintenance
8 built into it.

9 REPRESENTATIVE WILLIAM F. KELLER: Thank
10 you.

11 REPRESENTATIVE TAYLOR: Representative
12 Barbin.

13 REPRESENTATIVE BARBIN: Thank you. Yeah,
14 I have a couple of questions, but I want to start
15 out by saying, you've testified, it's your written
16 testimony that the state put in \$145 million to
17 establish the Keystone corridor, which is a
18 passenger corridor. We're not currently putting
19 any amount of money, other than the million
20 dollars, into the passenger corridor that we would
21 call the western Pennsylvania corridor. Is that
22 accurate?

23 MS. BONINI: There is a project going on
24 right now in the Johnstown area at the Johnstown
25 Train Station.

1 REPRESENTATIVE BARBIN: There was
2 multimodal funds used for --

3 MS. BONINI: Correct. They are state
4 multimodal funds.

5 REPRESENTATIVE BARBIN: And thank you.
6 Mr. Husband, we've had testimony before near the
7 refineries, and your company did an incredibly good
8 job at moving forward to address the safety issues
9 as it related to moving oil into Philadelphia.
10 What we're -- we're not trying to look at this
11 moment. We still have a tough budget, so we're not
12 really looking at realistically believing that we
13 immediately put in three trains into operation for
14 Pittsburgh.

15 But what we are looking at is to say, you
16 have a very successful artery, the premier corridor
17 that runs through Pennsylvania, and we spent some
18 money to help you build the density of your track
19 to allow you to move from Chicago to Philadelphia.
20 Amtrak has worked with Pennsylvania to provide a
21 passenger corridor from Harrisburg to Philadelphia,
22 and I don't want freight to be less. But it's not
23 in your testimony today to say that because we're
24 moving so much traffic, we can't have passengers,
25 you know, trains working on the lines at the same

1 time, or is that your testimony?

2 MR. HUSBAND: No, not at all. We work
3 with Amtrak and state DOTs across our system on
4 passenger service. It is my testimony, though,
5 that if you want to add passenger service, you're
6 going to have to spend a lot of money to add
7 capacity.

8 REPRESENTATIVE BARBIN: Okay. And that's
9 my question for you. I've read Norfolk Southern's
10 August article about what they're doing and how
11 they're doing it. And what I took out of that
12 article was over the last four years, they have
13 worked with Indiana and they have worked with Ohio
14 to increase their freight traffic at the same time
15 they're allowing Amtrak's lines to be increased.

16 As I understand this article, there are
17 100 lines or a 100 trains that move from Chicago to
18 Cleveland, and of those 100 trains, 14 of them are
19 Amtrak. And all of the investment that Norfolk
20 Southern has done to speed up its freight traffic,
21 which has also allowed passenger traffic to travel
22 on the same trails, has been done pretty quickly.
23 No. 1, in 2014, the Moorman Yard was expanded in
24 Ohio and that allowed for, according to the
25 article, more efficient use all the way across to

1 Philadelphia.

2 The second thing that was done was a
3 \$71 million public-private partnership with Indiana
4 where eight projects, mostly track crossovers and
5 new signaling where the \$70 million allowed those
6 projects to move not only the freight, but also the
7 passenger. And now there's -- and there's one
8 other one, which is in 2017, there is a project
9 that you did in Vermilion, Ohio, which is going to
10 take ten of your trains off the Chicago line, which
11 allows you to move them around Cleveland, to go up
12 to the New England states, which gives you ten more
13 trains that you can put on your line.

14 What I'm asking you is: Why can't we do
15 that in Pennsylvania? And what does it take in
16 Pennsylvania, aside from a comprehensive
17 feasibility study, for the whole line to get
18 accomplished one line that would allow us to have
19 some artery, some passenger artery that allows our
20 state to be connected? Because we need it for
21 educational opportunities, we need it for health
22 care, we need it to get a person from Pittsburgh
23 through Johnstown, to New York City or Washington.

24 What is it going to take, and why
25 shouldn't we be using these TIGER grants, the ones

1 that come out in the new federal funding to
2 accomplish it? Because it starts in October, and
3 it's only available for three years.

4 So my problem with your testimony is that
5 we've got to do all of these feasibility studies
6 first, but if you do it that way, we lose out on
7 the capital money that's available in this new
8 federal funding that's been passed.

9 MR. HUSBAND: Well, the big distinction
10 between passenger and Indiana and Ohio is that we
11 have two main lines that we can shift traffic off
12 the Chicago line down onto the -- what's called the
13 B line, which runs through Moorman Yard.

14 REPRESENTATIVE BARBIN: Right.

15 MR. HUSBAND: We do not have two main
16 lines through Pennsylvania. We only have the one,
17 so the dynamics are completely different.

18 REPRESENTATIVE BARBIN: Why shouldn't we
19 be -- this is transportation policy. Why shouldn't
20 we be working with you to say we need some
21 additional trackage that allows passenger trains to
22 go around so our freight isn't impacted or allows
23 our freight to go around Pittsburgh so that it's
24 not impacted? That's what seems to be the
25 difference in Ohio and Indiana.

1 MR. HUSBAND: Well, I think I've said that
2 if you want to add additional passenger trains that
3 additional capacity is going to be required, which
4 is what you just said.

5 REPRESENTATIVE BARBIN: Why -- what is it
6 that we have to do to make Pittsburgh, the
7 Pittsburgh area and western Pennsylvania, as
8 friendly to traffic -- we want freight to be
9 friendly, but we also want passenger to be
10 available. Right now it's not available. What do
11 we have to do immediately to take advantage of the
12 money and to also make sure your freight isn't
13 impacted on your premium corridor?

14 MR. HUSBAND: Well, we don't think it's
15 smart policy just to chase money when you don't
16 know how you're going to spend it, and so what we
17 need to do is to have a plan. And I think you
18 would agree to be smart about this, you have to
19 understand where the investments are required to
20 accomplish what you want to do.

21 REPRESENTATIVE BARBIN: Okay. But let's
22 be smart then. The thing that's announced in
23 Pennsylvania that's changed the way we're looking
24 at western Pennsylvania is the Shell cracker plant.
25 Okay, that's smart.

1 MR. HUSBAND: Umm-hmm.

2 REPRESENTATIVE BARBIN: We don't have any
3 plan to take -- and that just happens to be located
4 near the Conway Freight Yard. We don't have a plan
5 to increase the freight output or ability even for
6 a Shell cracker plant that we know is going to be
7 built.

8 MR. HUSBAND: Right.

9 REPRESENTATIVE BARBIN: And we know that's
10 going to make it even harder for us to get
11 passenger traffic across the state.

12 MR. HUSBAND: No, it's not.

13 REPRESENTATIVE BARBIN: So why shouldn't
14 we be doing it right now?

15 MR. HUSBAND: That cracker plant is on the
16 other side of the river. That's going to be served
17 by CSX.

18 REPRESENTATIVE BARBIN: Okay. But it's
19 going to be more traffic. And you're telling us we
20 can't do things because there's too much traffic.

21 MR. HUSBAND: Not on Norfolk Southern.

22 REPRESENTATIVE BARBIN: Why shouldn't we
23 be doing it right now?

24 MR. HUSBAND: The cracker plant is not
25 going to be served by Norfolk Southern. It's going

1 to have absolutely no impact on the volumes of
2 Norfolk Southern between Pittsburgh and Harrisburg
3 or between Pittsburgh and Cleveland and Chicago.

4 REPRESENTATIVE BARBIN: I'm from the
5 University of Pittsburgh. My dad went to -- was a
6 chemist at the University of Pittsburgh. They've
7 got the Chevron Building, which is their -- one of
8 their main items. The building block that you get
9 from the cracker plant is ethylene, and that's the
10 main component of all plastics. So to say that we
11 know what's going to happen with ethylene at that
12 cracker plant and how it's going to impact all of
13 our jobs in the Pittsburgh area is -- I don't agree
14 with that. I think we're going to become a
15 plastics area, and that's going to require more
16 product movement. Why aren't we coming up with a
17 plan now? And I just -- I don't see how you can
18 say we need to have a comprehensive plan when all
19 of these other projects in Indiana and Illinois
20 have all been done quickly. Each one of these
21 things was done in less than two years. And you're
22 saying now to us, let's not spend any money until
23 we know how it's going to affect every mile of
24 our track.

25 MR. HUSBAND: The Indiana Gateway, the

1 planning going into the Indiana Gateway Project
2 took years to do and then the funding was
3 identified. It wasn't just a two-year project.

4 REPRESENTATIVE BARBIN: How about
5 Vermilion or Moorman?

6 MR. HUSBAND: Well, let's see. Moorman
7 Yard, \$160 million, all private money, and
8 expansion that was in the planning phase for about
9 three years before a single shovel was turned.

10 REPRESENTATIVE BARBIN: But you don't have
11 a suggestion. What you're telling us is that it's
12 too complicated to do it quickly, and we're being
13 told by the federal government that if we move
14 quickly, by October, when they start distributing
15 the grant, the TIGER grants, they're going to be
16 available for three years. So if we wait two
17 years, we'll only get two years of the grant, which
18 means our capital costs for rolling stock is going
19 to be much higher.

20 MR. HUSBAND: With all due respect, I'm
21 not telling you that at all. What I'm saying is
22 that if you're going to make improvement, capacity
23 improvements on Norfolk Southern property, then
24 they should be done at the right locations, and
25 right now we don't know, based on the fact that we

1 don't know what the service -- passenger service is
2 going to look like. So we don't know where those
3 improvements are going to have to take place. So
4 until we do, chasing money that may or may not be
5 spent or spent in the wrong places to me is not a
6 smart policy move.

7 REPRESENTATIVE BARBIN: Would you agree
8 that we should all sit down immediately and work
9 together so that western Pennsylvania gets some
10 passenger ability to use your freight lines?

11 MR. HUSBAND: I've been having those
12 conversations with PennDOT for the last six or
13 seven years.

14 MR. LANG: Let me jump in here and help.
15 As you know, what he's -- the point he's making is
16 he needs to know sort of what we're asking for when
17 we present a schedule essentially. They need to
18 know what to model. So we need to give them a time
19 we want the trains to roll over their
20 infrastructure.

21 We will get with PennDOT here pretty soon.
22 We will come up with -- we will get with PennDOT
23 here very soon, and we will have a plan for
24 additional frequencies in the Pennsylvania
25 corridor. When we do there will have operating

1 costs. It will have ridership and revenue, but
2 more importantly it will have a schedule. It will
3 give them something to model.

4 I think that history has shown they can
5 model these things relatively quickly, and, you
6 know, we'd like to get that in front of you -- in
7 front of PennDOT so that we can have a plan for
8 requiring state and federal funds.

9 The grant programs are very small,
10 unfortunately, and they are very competitive. But
11 we want to give you the best information we can so
12 you can go after those federal funds.

13 REPRESENTATIVE TAYLOR: Representative
14 Hennessey.

15 REPRESENTATIVE HENNESSEY: Yes, thank you.
16 I'm going to go out on a limb here and paint an
17 analogy, if I can.

18 In the human circulatory system, if you
19 have gaps in the blood supply, your organs
20 immediately go into panic mode and you suffer
21 damage. In the rail industry, the rail lines
22 themselves, we're talking about how we can
23 efficiently use them, and basically use them --
24 have them occupied by trains going in any
25 direction, you know, whether they're freight,

1 whether they're passenger. We're trying to use
2 them to a higher capacity than we presently have.
3 Like I said, in the circulatory system, if you have
4 an air bubble in your system, you're going to end
5 up giving yourself a heart attack or a stroke or
6 something is going to happen bad in your body.

7 But it seems to me that the opposite
8 approach, Rudy, that you might be taking is that we
9 need -- we need more space. We need empty track
10 because that increases safety between our trains.
11 And I know there are separation distances from our
12 trip out here last year on the train.

13 But if we were to simply look at Norfolk
14 Southern's lines across Pennsylvanians or the main
15 line -- let's talk about the Keystone line. What
16 percentage of that track is active, either carrying
17 a train or in separation distance required by law
18 at any given time? Because it seems to me the
19 answer is probably going to be, like, maybe
20 20 percent of the time or less, because 80 percent
21 of the time the rails are simply sitting vacant
22 waiting for the next train to come along.

23 What we're trying to do, I think, is try
24 to find the most efficient way and with computers
25 and the positive train control and all that stuff,

1 we probably have the ability to allow those rails
2 to be used by different trains going in different
3 directions more efficiently; and, you know, make us
4 closer to the circulatory system in the body, not
5 keep it as unoccupied as we can for safety reasons.

6 MR. HUSBAND: Well --

7 REPRESENTATIVE HENNESSEY: And you're free
8 to tear apart the analogy --

9 MR. HUSBAND: No.

10 REPRESENTATIVE HENNESSEY: -- if you want.

11 MR. HUSBAND: Let's just use the upper
12 end, 60 trains a day operate between Harrisburg and
13 Pittsburgh. Now, if you want to do the division of
14 60 trains divided by 24 hours and come up with
15 whatever that is, that's fine. You also have to
16 factor into the fact that we have to maintain our
17 tracks. You have to inspect the tracks. So while
18 a train's not there on -- sitting at a specific
19 spot, we may have that track out of service so that
20 we can bring a track gang through and replace the
21 ties, the rails, the ballasts, things like that.
22 Again, it goes back to why we need to have a
23 schedule, because it may be that the optimum
24 passenger schedule is going to run right up against
25 the peak freight times so -- and I don't know that.

1 But that's all that's -- there's no guesswork going
2 on here.

3 REPRESENTATIVE HENNESSEY: No. But to
4 make the system work, people have to adjust, you
5 know, whether the freight trail -- the freight
6 train has to change its -- sit on the siding longer
7 or the passenger train.

8 MR. HUSBAND: Well, our customers might
9 not like that.

10 REPRESENTATIVE HENNESSEY: Well, but they
11 like the idea of being able to get from Point A to
12 Point B. This isn't going to happen without any
13 kind of hiccups at all, I can't imagine.

14 MR. LANG: Let me just throw a little bit
15 of perspective in for this and why it's important
16 for them to get the schedule from us. As I alluded
17 to in my earlier remarks, by law they have to run
18 passenger trains with preference, with priority, on
19 time, and the law is actually being further refined
20 as we speak. There's cases going on in the Supreme
21 Court and in the Surface Transportation Board.
22 Actually, I can't say it's in the Supreme Court
23 yet, but there's a lawsuit which I think will go
24 there. But we know how the AR thinks that says
25 they're going to measure on-time performance, both

1 not at end point, but midpoint, so each station
2 will be a measured point for how trains are
3 considered -- whether they're considered to be on
4 time or not.

5 That is what's -- it's going to be --
6 passenger trains move faster than freight trains,
7 and they need to move our trains around theirs.
8 Where we typically run 80 miles an hour, they run
9 60 miles an hour, so we will catch up to them.

10 So your question about, you know, spacing,
11 is important because our trains will be approaching
12 theirs, you know, and have to get around theirs.
13 And so if it's in a double track area, it's easier.
14 If it's in a single track area, they have to take
15 the siding. And they are building very long trains
16 now, some of which are 7,000 -- or they would
17 require 7,000 foot siding. And to go into the
18 siding they have to slow down and get out of the
19 siding, you know, they're not going at full speed.

20 So it is more art than science dispatching
21 trains like that, so capacity, when you talk about
22 capacity, you're talking about a lot of different
23 stuff, which gets very expensive. So that's where
24 we figure out the right train and make sure it's
25 the right schedule for revenue, but that it's going

1 to work for them. They have customers which have
2 adjusted time delivery.

3 MR. HUSBAND: I mean, UPS, if we're ten
4 minutes late into Chicago, we get penalized.

5 MR. LANG: And to Ray's point, I mean,
6 just a small example of some of the modifications
7 that need to be made, the eastbound Amtrak trains
8 coming into Altoona, they have to cross over four
9 main line tracks to get into the station. So when
10 Amtrak is coming through Altoona, we're basically
11 shut down until they get out of the station and
12 back on the track they're supposed to be on.

13 REPRESENTATIVE BARBIN: I got a question
14 on that one.

15 REPRESENTATIVE TAYLOR: Okay. It's not a
16 debate, right, it's a question?

17 REPRESENTATIVE BARBIN: No, it's a
18 question. Is that happening, though, because
19 Altoona only has two tracks when they used to have
20 four tracks? If we had a separate -- we pulled out
21 two tracks in Johnstown. I'm imagining that two
22 tracks have been pulled up in Altoona. Is that the
23 reason why you got to cross over four freight
24 tracks?

25 MR. HUSBAND: Well, there's four main line

1 tracks in Altoona. And as far as I know, the
2 Amtrak train has always sat on one side of the
3 tracks. You have some stations like Johnstown
4 where the platform's in the middle, so it's not a
5 big deal. You have other stations where the
6 station -- the platform is just on one side of the
7 track. So depending on which side of the track
8 it's on, that some train's going to have to cross
9 over to get in to that station.

10 REPRESENTATIVE BARBIN: But you could
11 solve that by having another track. We used to
12 have more track.

13 MR. HUSBAND: You'd solve that by having
14 another platform on the other side.

15 REPRESENTATIVE BARBIN: Thank you.

16 REPRESENTATIVE TAYLOR: Representative
17 Carroll.

18 REPRESENTATIVE CARROLL: Thank you, Mr.
19 Chairman. Rudy, absent comprehensive information,
20 does Norfolk Southern have the right of way
21 necessary for the likely new capacity that would be
22 needed to accommodate what's being asked for here
23 today, in your best estimation?

24 MR. HUSBAND: Probably not in all
25 locations. Not in the entirety between Harrisburg

1 and Pittsburgh, but I'd say there's a good --
2 there's a good portion of it that we could
3 accommodate. There are some areas, like around
4 Horseshoe Curve, where you really can't. And I'll
5 say that I hear a lot when this type of
6 conversation comes up, well, there used to be four
7 main line tracks from Philadelphia to Pittsburgh
8 and under the Pennsylvania railroad, and that's
9 true. The equipment was a lot smaller. But if you
10 travel in Europe and see what the size of freight
11 equipment in Europe is, that's an analogy. That's
12 kind of what the size of what it was a hundred
13 years ago. And so as the equipment has gotten
14 bigger, the track spacing has gotten wider. So in
15 some instances, like around Horseshoe Curve, we
16 have three tracks.

17 So, but, yeah, when we talk about
18 capacity, we're talking about, you know,
19 signalization, upgrading the signals, upgrading
20 dispatching capabilities, adding tracks, making
21 station modifications so that the passenger trains
22 don't get in our way. And that goes back to the
23 point I made about transparency, is that in an
24 ideal situation whatever happens with passenger
25 service on a Pittsburgh line can happen without

1 interference from the freight railroads and
2 likewise the passenger stuff won't interfere with
3 us.

4 REPRESENTATIVE CARROLL: So it just seems
5 to me that the additional capacity, considering the
6 signalization and everything else, really will come
7 down to a case of additional trackage.

8 MR. HUSBAND: Yeah.

9 REPRESENTATIVE CARROLL: And I just
10 wondered whether or not the right of way existed,
11 at least to get to -- to have a conversation about
12 the additional capacity.

13 MR. HUSBAND: Yeah, I mean, we would have
14 to look at it. I mean, and again -- and I keep --
15 I hate coming back to this feasibility study, but
16 until we know exactly what the service -- the
17 passenger service is going to look like and how
18 it's going to interact with what we're doing, it's
19 hard to know where those capacity improvements are
20 going to have to be made.

21 REPRESENTATIVE CARROLL: Okay. Because
22 capacity improvements could be -- both could be the
23 beneficiary of those improvements.

24 MR. HUSBAND: Absolutely.

25 REPRESENTATIVE CARROLL: And rough freight

1 and the passenger rail.

2 MR. HUSBAND: Absolutely. And that's the
3 way they should be.

4 REPRESENTATIVE CARROLL: Good. Thank you.

5 REPRESENTATIVE TAYLOR: Representative
6 Matzie.

7 REPRESENTATIVE MATZIE: Thank you,
8 Mr. Chairman. And Representative Carroll actually
9 asked the one question I had relative to right of
10 way and capacity as far as that was concerned.

11 I think the one thing that we need to
12 really come from this hearing, and it really stands
13 out to me, is there's no magic. If it was easy it
14 would have been done already. And it comes down to
15 dollars and cents, and I think that what
16 Representative Keller talked about, shipping those
17 oil trains for those folks in western Pennsylvania
18 that always say, Philadelphia has everything and
19 Pittsburgh doesn't, well, we're sending that stuff
20 to Philadelphia. So we're helping you guys out, to
21 cheer you a little bit as far as that's concerned.

22 But, you know, freight rail's important to
23 our region. And I've been in a rail yard. I've
24 seen moving the trains around, and it's not an easy
25 thing to do. I think we can't lose sight of that

1 and ensure that whatever we do is done safely.

2 Quite frankly, that's first and foremost and
3 everything else should, indeed, fall in line.

4 Ray, you talked about the federal grant
5 and program. I know Representative Barbin brought
6 it up a couple of times.

7 What exactly is -- what exactly would
8 Pennsylvania even be eligible for? I mean, are you
9 talking a modest number, small numbers to begin
10 with? I mean, it's not like it's a large number.

11 MR. LANG: Yeah, and just for a little bit
12 of clarification, there was talk of the TIGER grant
13 program, which is different. TIGER, Transportation
14 Infrastructure -- Transportation Investment
15 Generating Recovery. It's a different program.
16 This year, in FY16, it was 500 million available in
17 TIGER. Last year in '15, it was 600 million.
18 There's about 3 billion in applications for TIGER,
19 so it's oversubscribed, but it is -- and I hope it
20 continues. I really do. There's one school of
21 thought that says with the new FAST Act grant
22 program that TIGER will go away. I hope that's not
23 the case. But you'd essentially be eligible for
24 capital dollars for transportation projects through
25 TIGER. Some of them could be for intercity

1 passenger trains. We were very successful in
2 Kansas, Colorado and New Mexico getting federal
3 TIGER grant -- federal TIGER grants for
4 improvements to the BNSF right of way to
5 accommodate ourself as chief train. We got one
6 grant for 12 and a half million, another grant for
7 about 18 million with the matches from Amtrak and
8 BNSF and the states, we ended up with about
9 \$50 million for the Southwest Chief. That's a
10 model we could follow here as having state Amtrak
11 and other matching dollars available for
12 infrastructure for grants to invest in
13 infrastructure.

14 FAST Act has a small but interesting
15 program to provide states with operating dollars
16 for intercity passenger trains. Since none have
17 been awarded yet, and I don't think the rules have
18 been written yet for that, it's hard to say exactly
19 what they'll be, but I believe -- do you know if
20 the rules have been completed? Okay. Since the
21 bill was just passed this year, I don't think the
22 FRA has written rules for that or completed the
23 rule-making process for that, but when they are
24 out, we'll be able to answer your question. But
25 they're interesting because there's been nothing

1 question is revenue from -- do trains generate
2 revenue? So if a train generates \$60 in ticket
3 revenue, it cost a \$100, the state pays the
4 difference.

5 REPRESENTATIVE MATZIE: Thank you. And
6 just a final comment relative to the cracker plant,
7 which is near and dear to my heart, for it's next
8 to my district, CSX is the Class 1 railroad, and
9 they have made a significant investment on a new
10 project in McKees Rocks, just right outside of the
11 City of Pittsburgh that's ongoing as we speak, on
12 the other side of the river. I know Norfolk
13 Southern probably wishes that they were on that
14 side of the river or at another bridge someplace
15 where they could make access to that side of the
16 river. But, obviously, that's not very easy on the
17 side of the Ohio River where Norfolk Southern does,
18 indeed, go.

19 So, thank you, Mr. Chairman.

20 REPRESENTATIVE TAYLOR: Okay. I want to
21 thank both Rudy and Ray and Beth for being here.
22 That was a very important segment of the hearing,
23 and I appreciate your input and the members.

24 Our next panel is our transportation user
25 group: John Tague, who's Chairman of the

1 Pennsylvanian Transportation Alliance; Kathryn
2 Schlesinger, who is the Outreach Coordinator for
3 Pittsburgh Community Reinvestment Group; and
4 Sue Etters.

5 MS. ETTERS: Yes.

6 REPRESENTATIVE TAYLOR: Health Committee
7 for People with Disabilities from the PA Consumer
8 Health Coalition.

9 Good afternoon, John, Sue and Kathryn.

10 (All said good afternoon.)

11 REPRESENTATIVE TAYLOR: I have John on the
12 agenda as going first. If you could just identify
13 yourself, John, for our transcriptionist.

14 MR. TAGUE: I have to get my glasses out.
15 Good afternoon. I was going to say good morning,
16 but since we're in the afternoon. I thought that
17 exchange in the last Committee was great.

18 I'm John Tague, and I'm Chair of the
19 Pennsylvania Transportation Alliance. The Alliance
20 is an ad hoc advocacy group dedicated to improving
21 transportation for individuals with disabilities of
22 all ages.

23 The Alliance was the driving force behind
24 the creation of the Persons with Disabilities
25 Shared Ride Program during the Ridge

1 administration, expanded under Act 44 during the
2 Rendell administration, and now is in 66 counties,
3 including Allegheny County. And thanks to Act 89.

4 The Alliance, along with the Pennsylvania
5 Statewide Independent Living Council, are members
6 of the Keystone Transportation Funding Coalition
7 founded by George Wolff and a large group of
8 diverse stakeholders supporting all modes of
9 transportation.

10 I'm also active on other local
11 transportation groups, including as a Port
12 Authority of Allegheny County board member, and a
13 member of the steering committee of the Alliance
14 for Transportation Working in Communities. That
15 group is responsible for developing the public
16 transit human services coordinated transportation
17 plan for the Southwestern Pennsylvania Commission.
18 That's a mouthful, isn't it?

19 I also would like to recognize and, of
20 course, Ed's not here, who is my state
21 representative out in East Liberty and the others
22 who supported Act 89 of 2013. It doesn't solve
23 every transportation problem, but proved that
24 Democrats and Republicans, urban, suburban and
25 rural legislators can work together to get the job

1 done.

2 This was the highlight of the Corbett
3 administration and the hard work of then Secretary
4 of Transportation, Barry Schoch.

5 My testimony today isn't about funding or
6 freight, but about people with disabilities and
7 improving access to transportation. First, we
8 support the addition of at least one additional
9 train to connect Harrisburg to Pittsburgh. Let's
10 be clear: It would help both those with and
11 without disabilities and improving travel across
12 Pennsylvania.

13 Second, I'd like to briefly discuss some
14 of the personal experiences and a few problems with
15 Amtrak and others responsible for rail systems that
16 they need to address, and it's been an ongoing
17 challenge for years. Those include addressing a
18 marriage of disabilities compliance and
19 accessibility for stations, trains and -- by the
20 way, disability cultural competency staff training
21 in our rail system.

22 I began to travel to Harrisburg on trains
23 about 18 years ago. My family and I also use the
24 train to go to Philadelphia and DC. Trains are a
25 low-cost alternative to air travel. I have flown

1 on occasion in and out of Harrisburg. That is no
2 longer an option. Flying can be problematic,
3 especially for individuals using power wheelchairs.

4 My first trip on Amtrak was to Phoenix,
5 which I took before I started to use a power
6 wheelchair. I boarded a sleeper train in
7 Pittsburgh bound for Chicago, and then changed
8 trains in Chicago on the way to Flagstaff. Since
9 Amtrak didn't go into Phoenix, two things come to
10 mind. I recall getting stuck in the bathroom when
11 we were -- and when we arrived in Flagstaff, it had
12 snowed, and it required two conductors, one under
13 each arm, to carry me into the station.

14 When I began my trips, there were two
15 trains going to Harrisburg and, of course, they
16 were full and on time: The Three Rivers and the
17 Pennsylvanian. The Three Rivers route was
18 eliminated in November, 2004. By the way, we've
19 been talking about this issue about returning
20 trains ever since then.

21 The other thing I wanted to mention is
22 that the trip is normally a five to six-hour trip
23 to Harrisburg. That's not always the case, and
24 there are reasons, even though the federal law
25 requires certain things to be done, it doesn't mean

1 that we always got there on time. I remember it
2 taking me one time nine hours to get from
3 Pittsburgh to Harrisburg, so there are examples of
4 that.

5 A few final points. We just celebrated
6 the 26th anniversary of the ADA in late July.
7 Amtrak had an agreement with the Feds to have all
8 of their stations accessible by 2010. That never
9 happened. No matter who is responsible for the
10 station, it should always be fully accessible
11 whether it be in Altoona, Pittsburgh or elsewhere.

12 PennDOT is really partnered with the
13 Alliance in the 24 Amtrak stations in Pennsylvania.
14 The progress to make them fully accessible is slow.
15 The Amtrak office of Inspector General found in
16 their 2014 report that an undetermined amount of
17 ADA funds were spent on station repairs and not the
18 required ADA compliance work. There has been
19 progress made, but we need to quicken the pace.
20 Again, this is not about increasing choices for
21 folks with disabilities, this is about increasing
22 their independence. And thank you for your time.

23 REPRESENTATIVE TAYLOR: Thank you, John.
24 Can you stick around, and we'll go through the
25 other three and then we'll have some questions?

1 MR. TAGUE: Sure.

2 REPRESENTATIVE TAYLOR: Kathryn.

3 MS. SCHLESINGER: Hello. Good afternoon,
4 I should say. Thank you all for being here and
5 listening to everyone's testimony today. My name
6 is Kathryn Schlesinger, and I'm with the Pittsburgh
7 Community Reinvestment Group, and I'm the policy
8 coordinator.

9 So as an advocacy organization interested
10 in the intersection of land, mobility, and capital,
11 Pittsburgh Community Reinvestment Group strongly
12 supports the efforts to expand service on the
13 Pennsylvanian through the Harrisburg-Pittsburgh
14 corridor and east of Harrisburg.

15 PCRG and our 60-plus members see a strong
16 value in adding two additional trains in order to
17 boost the economic vitality of the region and state
18 as well as to promote additional opportunities for
19 short trips to be completed via train rather than
20 bus, car or plane.

21 Pittsburgh is located within 300 miles of
22 the major northeast hub, but currently only has one
23 passenger train daily operating between Pittsburgh
24 and Harrisburg. Traveling between Pittsburgh and
25 Northeastern cities has become a challenge over the

1 years as a result of fewer intercity travel
2 options.

3 According to Congressman Tim Murphy at a
4 2009 congressional field hearing on transportation,
5 he described how Pittsburgh has become something of
6 an island, losing 95 percent of flights and
7 decreased investment in rail. With the volatility
8 of available buses, tolls on turnpikes increasing,
9 and high cost of travel by plane, now more than
10 ever is when we need more mobility options for our
11 region.

12 As a result of the stagnated population
13 growth in western Pennsylvania, there's a higher
14 concentration of baby boomers, seniors and disabled
15 population. According to the "On Track To
16 Accessibility" study in 2012, 18 percent of
17 residents and counties served by the Pennsylvanian
18 west of Harrisburg were 65 and older, and this
19 group is only forecasted to double in the next 20
20 years as people continue to age. Amtrak service
21 offers an affordable, comfortable option for
22 seniors to avoid feelings of isolation and
23 challenges to car ownership. For many smaller
24 cities and towns across the Pennsylvanian's route
25 to New York, this is the only non-automotive choice

1 which greatly limits people from reaching their
2 families, health care facilities and other
3 businesses.

4 "On Track to Accessibility" found that in
5 2012 around 29 percent of people chose to use rail.
6 40 percent chose to travel by car and the remaining
7 31 percent chose to use the bus. If the
8 Pennsylvanian did not exist, more than half of the
9 current passengers would have made their trip by
10 car, costing an additional \$300,000 annually. With
11 the increase in service, it is estimated that
12 195,000 more people will travel by rail in the
13 following year, removing approximately 72,844
14 vehicles from Pennsylvanian highways and saving a
15 total of over 16 million vehicle miles.

16 Projections suggest that expanding service would
17 nearly double current ridership numbers and in turn
18 this could stimulate downtown station area,
19 economic development of cities, such as Pittsburgh,
20 Greensburg and Latrobe.

21 As Pittsburgh continues to attract
22 national headlines for innovative and technologic
23 improvements, our city has the opportunity to be
24 recognized for its commitments to resilient
25 transportation choices. Our region, the smaller

1 cities and towns relying on Amtrak, deserve the
2 opportunity to have accessible transportation more
3 than just buses, cars or planes.

4 We thank you for your time considering
5 this important issue and hope that this will become
6 a state priority. We urge you to take this first
7 step by seriously considering additional rail
8 service on the Pennsylvanian. Thank you for your
9 time today.

10 REPRESENTATIVE WILLIAM F. KELLER: Thank
11 you, Kathryn.

12 REPRESENTATIVE TAYLOR: Thank you,
13 Kathryn. And the Committee will be visiting quite
14 a few other transportation-related projects this
15 afternoon. I'm sure your groups have been
16 involved, so we appreciate that. Sue.

17 MS. ETTERS: Yes. Good afternoon,
18 everybody.

19 REPRESENTATIVE TAYLOR: Thanks for your
20 patience, Sue.

21 MS. ETTERS: You're very welcome.

22 REPRESENTATIVE TAYLOR: It's a little
23 late.

24 MS. ETTERS: I'm honored to be here today
25 to address the Pennsylvania Transportation

1 Committee, and my name is Sue Etters, and I'm from
2 838 Thorn Street, Apartment 35, in Sewickley,
3 Pennsylvania, the home of Mario Lemieux and Sid
4 Crosby. The Zip is 15143. Thank you again for the
5 opportunity to offer testimony in regards to adding
6 additional Amtrak service from Pittsburgh to
7 Harrisburg.

8 My name is Sue Etters, and I am a lifelong
9 advocate for persons with disabilities, which has
10 led me to make frequent trips to Harrisburg for
11 conferences, state meetings of the Pennsylvania
12 Council of the Blind and numerous rallies and
13 advocacy events and, of course, legislative visits
14 with my State Representative and State Senator.

15 The best travel option for me is the
16 Amtrak train from Pittsburgh to Harrisburg, which
17 sadly only goes once a day leaving at 7:20 a.m. and
18 getting into Harrisburg by 1:00 p.m. If a
19 conference or meeting begins at 11:00 a.m. and runs
20 to 4:00 p.m., I either have to incur the expense of
21 staying over perhaps two nights or leaving an
22 important meeting early, or if the meeting or
23 conference is two days with a second day concluding
24 by 5:00 p.m., I, again, must leave the meeting
25 early due to a one train a day limitation. When

1 that occurs, it negatively impacts my participation
2 in these important meetings and also limits the
3 participation of other advocates from the western
4 side of the Commonwealth. And, as advocates, we do
5 not like to be left behind or left out.

6 Our neighbors in Philadelphia have
7 multiple trains running to and from Harrisburg, and
8 being the other major urban center of the state,
9 Pittsburgh needs the same opportunity.

10 Understanding that having four or five trains a day
11 does not make sense due to the distance, yet in
12 fairness only having one train a day does not also
13 make sense.

14 Ridership would most definitely increase
15 if there were two or three trains in various times
16 running from Pittsburgh to Harrisburg. Traveling
17 on the train is far better than traveling on the
18 turnpike, and I also prefer the train over the
19 Greyhound bus because of the limited stops and
20 discomfort.

21 When I talk with friends and family who
22 travel to Harrisburg for business, their No. 1
23 choice is also to go by train as they cite comfort,
24 cost and opportunity to get work done and have a
25 most productive trip.

1 As a person with a disability, I have
2 found the Amtrak experience very enjoyable. The
3 staff has always been very pleasant and
4 accommodating, asking if I need help, and then
5 offering it in a respectful manner. The persons
6 who work at the kiosks at the stations have always
7 been very pleasant and helpful in printing my
8 ticket. However, the rail signage on some of the
9 older trains is worn down and creates a significant
10 barrier and needs addressed.

11 For the dining car, there is a clear need
12 to have a brail option for the menus. That is
13 keeping in compliance with the Americans with
14 Disabilities Act.

15 For my friends with mobility concerns who
16 use wheelchairs and walkers, some of the smaller
17 train stops and stations on the route from
18 Pittsburgh to Harrisburg are not accessible and,
19 therefore, unusable by fellow citizens of the
20 Commonwealth. I and other members of the
21 disabilities community use the Amtrak train as our
22 No. 1 means of transportation to Harrisburg. We
23 want to continue to build and improve the
24 communities and Commonwealth in which we live.

25 A significant step towards this for myself

1 and others living in the Pittsburgh area would be
2 the need for additional train service to and from
3 Harrisburg. I guarantee the service would be
4 utilized. It really would. Ridership would really
5 increase. Funding would expand and the overall
6 benefit for the Commonwealth would multiple.

7 Thank you very much for your time today.
8 It was very informative. And I, as an advocate,
9 will do all I can to see that this does happen in
10 the future. Thank you very much, ladies and
11 gentlemen.

12 REPRESENTATIVE TAYLOR: Thank you. Thank
13 you, Sue. Representative Barbin.

14 REPRESENTATIVE BARBIN: I just wanted to
15 -- Sue, thank you for your testimony today.

16 MS. ETTERS: You're welcome.

17 REPRESENTATIVE BARBIN: Do you take the
18 trains all the way across the state to Philadelphia
19 as well to Harrisburg?

20 MS. ETTERS: Yes. Yes, I have. I've
21 actually taken the Pennsylvanian to New York, and
22 then I went to visit friends of mine outside of
23 Rensselaer, in Albany as well, and I do use it,
24 yes.

25 REPRESENTATIVE BARBIN: So this is an

1 artery, not just to Harrisburg also?

2 MS. ETTERS: Yes, that is correct. Right.

3 REPRESENTATIVE BARBIN: Thank you. And
4 thank you for being here to represent --

5 MS. ETTERS: You're very welcome. And
6 also I just wanted to let you know that this is the
7 print copy of my testimony, and I'm going to leave
8 that with you today.

9 REPRESENTATIVE TAYLOR: Thank you, Sue.

10 MS. ETTERS: Sure. Thank you.

11 REPRESENTATIVE TAYLOR: John, you
12 mentioned the slow improvement on the platform in
13 the stations, but what about the train itself?

14 MR. TAGUE: Well, I've got to tell you,
15 it's an interesting dynamic because when I'm taking
16 the bus, there's not an accessible bathroom on the
17 bus at all, so at least Amtrak does provide an
18 accessible bathroom. Sometimes it's a little
19 difficult to maneuver because it's kind of small,
20 but at least they have that.

21 So from the standpoint of the train, for
22 example, boarding in Pittsburgh, you need to use --
23 it's cramped to get up to -- to board the train.
24 In Harrisburg, it's just a ramp, a bridge across
25 the end of the train. So there's various levels of

1 accessibility in the train stations. The trains
2 are a little hard to maneuver getting back to your
3 seating area, but they do have a -- and it's not a
4 secure area, like on a bus. It's basically an area
5 where you can park your wheelchair. And there are
6 some people that can get out of the chairs and sit
7 in the seats, obviously. With me, I stay in my
8 wheelchair because it's much more comfortable. So,
9 I don't know. Did I answer your question about...

10 REPRESENTATIVE TAYLOR: Yeah. You know
11 what, I guess we'll just as a Committee and our
12 staff, we'll just keep an eye on the improvements
13 as they've been directed to happen and to make sure
14 that that continues.

15 MS. ETTERS: And I also wanted to add
16 here, too, being that I have a multiple disability
17 where I use a support cane and a mobility cane,
18 they've been very helpful with me with, like,
19 providing a ramp to get on and off. You know, on
20 and off the train safely. And I just wanted to add
21 that I've had -- it's been very accommodating for
22 me.

23 REPRESENTATIVE TAYLOR: Well, thank you.
24 I hope that continues to be the case. But for John
25 and Sue and Kathryn, thank you very much for being

1 here.

2 MS. ETTERS: Sure.

3 REPRESENTATIVE TAYLOR: Inevitably, we ran
4 a little bit late, so we apologize for that, but as
5 these things go, this wasn't too bad.

6 MS. ETTERS: I thought it went very well.

7 REPRESENTATIVE TAYLOR: It can sometimes
8 be hours. And those that are at the tail end of
9 the agenda --

10 MR. TAGUE: You're not talking about
11 on-time performance, are you?

12 REPRESENTATIVE HENNESSEY: We can't be
13 measured by that.

14 REPRESENTATIVE TAYLOR: We can be
15 criticized for that as well.

16 But thank you to all of you and to
17 everybody who testified and to the folks in
18 attendance for their interest and to our members
19 that came today.

20 With that, this meeting of the House
21 Transportation Committee is adjourned.

22 (WHEREUPON, proceedings concluded at 12:47
23 p.m.)

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COURT REPORTER'S CERTIFICATE

I hereby certify that I, Donna M. McMullen, RMR, Notary Public, reported in stenotype the record of proceedings in the above-entitled matter, and that this copy is a full, true, and accurate transcript of my said stenotype notes.

Court Reporter, RMR