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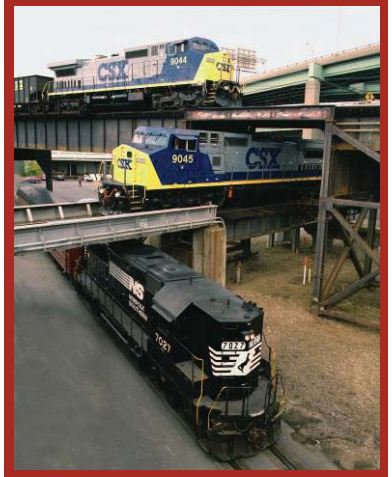

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Intercity Passenger Rail

PRIIA Section 209 A Virginia Perspective

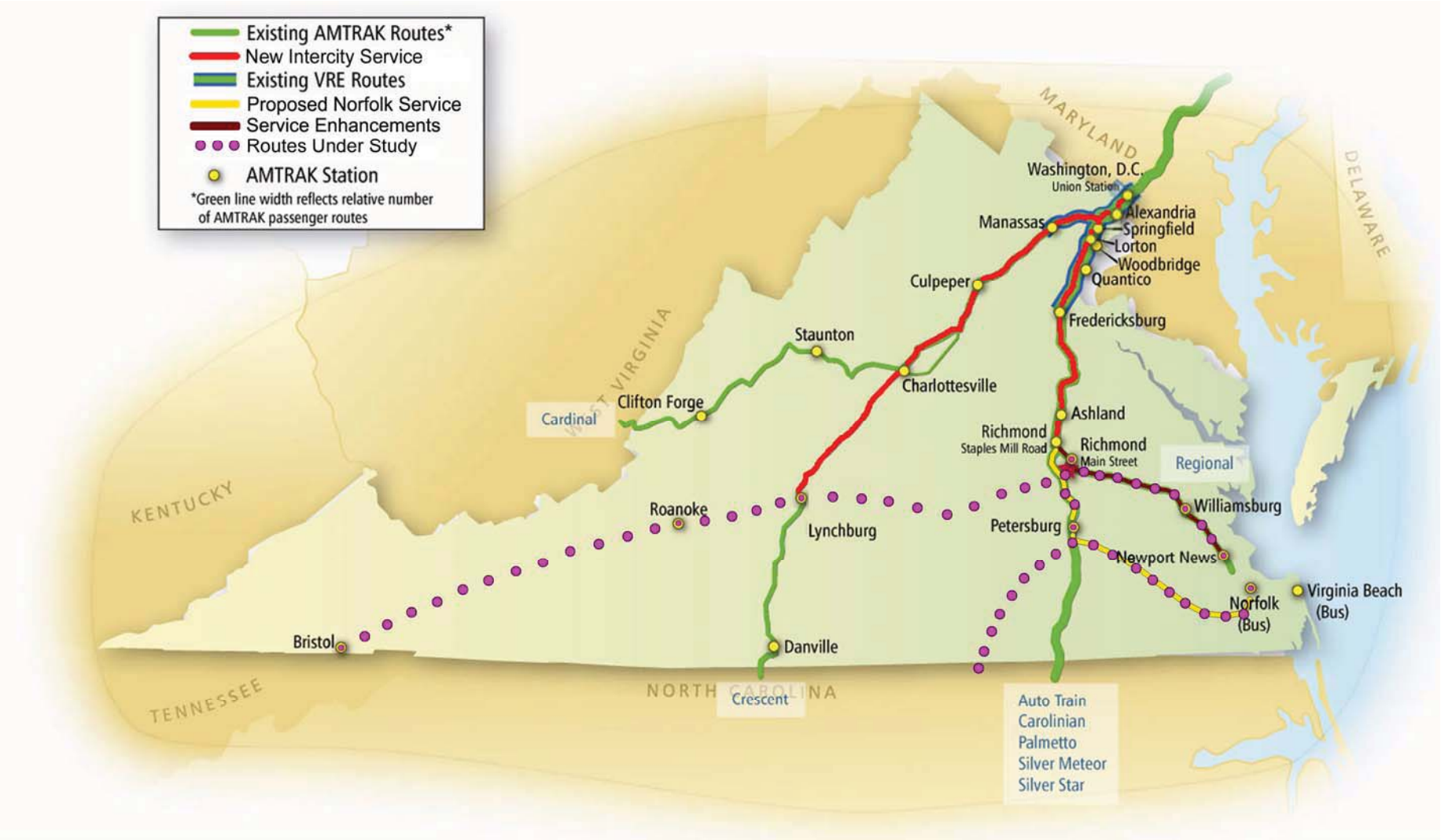
Thelma Drake
Director

January 26, 2011

Virginia Rail System

- Two passenger rail operators – Amtrak and Virginia Railway Express
- Eleven freight railroads –
  - Two national Class I Railroads: Norfolk Southern and CSX
  - Nine local shortline railroads

Passenger Rail Service In Virginia
Present and Future



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Amtrak and VA Propose New Service

- January 2008 – Amtrak submits to VA a short term action plan for two trains for $17.2M for a three year demonstration project
  - Washington, D.C. to Lynchburg (Initiated October 2009)
  - Washington, D.C. to Richmond (Initiated June 2010)
- Capacity was purchased by VA through state investment
  - VTA2000 funds
  - General Fund Appropriation
  - Rail Enhancement Funds

New State Funded Amtrak Virginia Service

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State Funded Train Service

Lynchburg

- One daily roundtrip train between Lynchburg and Boston
- No changing trains in D.C., MD or NY – Same seat ride Lynchburg to Boston – Locomotive change in D.C.
- Faster than driving to D.C.
- Arrive in NYC by 3:30 p.m.

State Funded Train Service

Richmond

- One daily roundtrip train between Richmond and Boston
- No changing trains in D.C., MD or NY – Same seat ride Richmond to Boston – Locomotive change in DC
- 7:00 a.m. departure offers hourly northbound service, more flexible southbound departures, D.C. to Richmond

Amtrak and VA Propose More New Service

January 2010 – VA receives 3 train slot proposal from NS to extend Amtrak service to Norfolk

- NS and CSX came to terms with VA on use of trackage between Richmond Staples Mill Station and Norfolk
- General Assembly Appropriated $93.04M in Rail Enhancement funds for improvements in 2010 budget
- Capacity will be purchased by VA through state investment
- Service will begin by October 2013
- First train will start on CSX with no additional improvements other than the connecting track to NS
  - Trains 2 and 3 will require additional capacity improvements on CSX – Appomattox River Bridge engineering funded by FFY2010 $1.3M grant award 80/20 – CSX provided the 20% match

Conventional Speed Richmond/ Hampton Roads Intercity Passenger Service - Short Term

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Passenger Rail Service
I-81 Extension

- The state-supported Lynchburg service is the first phase of the multi-phase I-81/Route 29 Passenger Rail Improvement Project
- Future phases of the project include passenger rail service extension to Roanoke and Bristol
- Infrastructure improvements including station platform enhancements, rail capacity improvements between Lynchburg and Roanoke, as well as new construction to serve the Roanoke Station will be necessary to support the service
- Capital and operating funding for this expansion has not yet been identified

Roanoke Bus Bridge

- Study completed to evaluate ridership and cost estimates for a bus connection between Lynchburg and Roanoke
- Study was communicated to the CTB in December 2010
- Funding has not yet been identified to support this proposed service – Roanoke application pending through Roanoke's GRTC Transit (February 9 application deadline)

Amtrak and VA Propose New Service Recap

- January 2008 – Amtrak submits to VA a short term action plan for two trains for $17.2M for a three year demonstration project
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- January 2010 – VA receives 3 train slot proposal from NS to extend Amtrak service to Norfolk (Initiation within 3 years)
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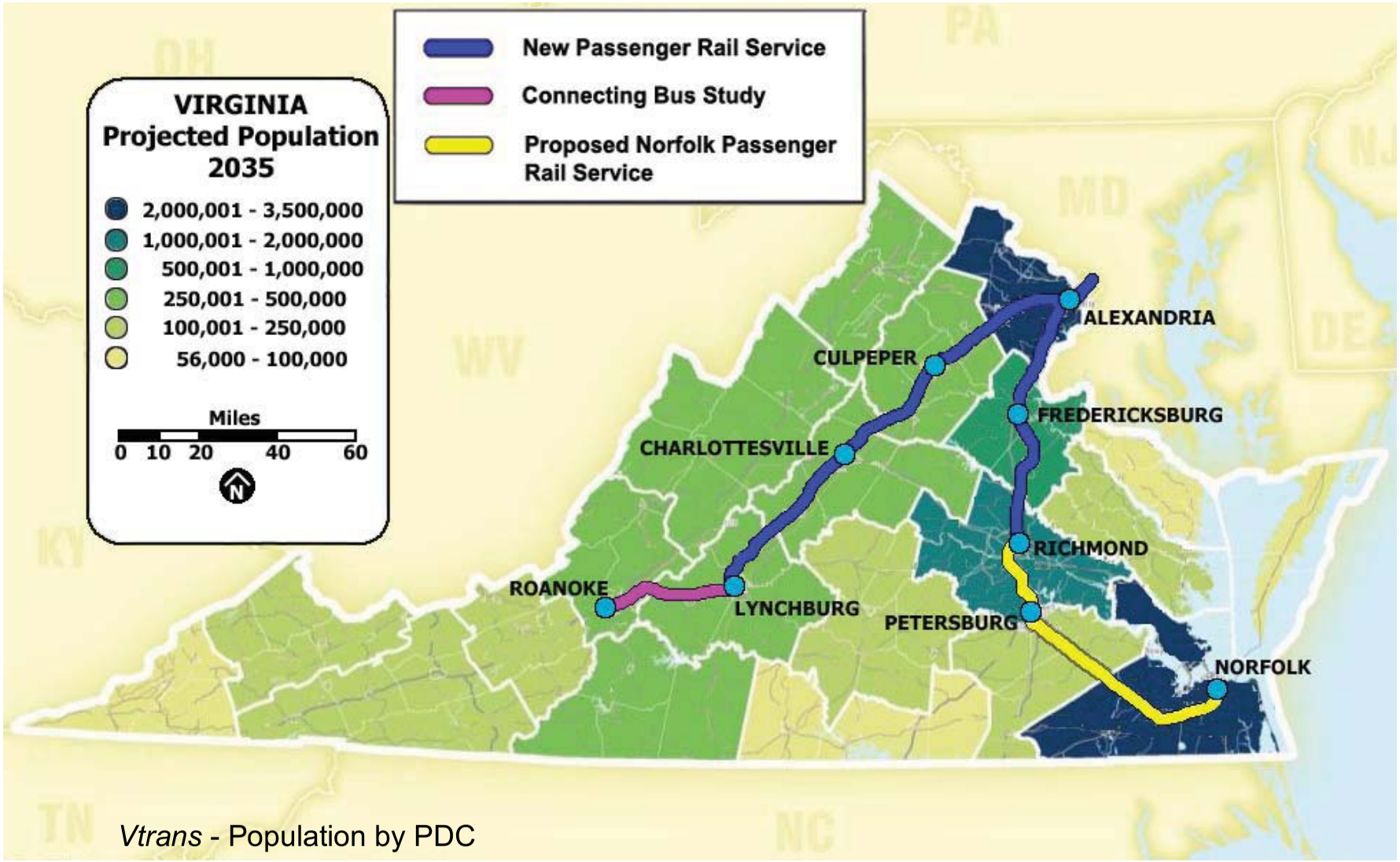
Virginia's Intercity Passenger Rail Initiatives Will Serve 2035 High Population Centers



Vtrans - Population by PDC

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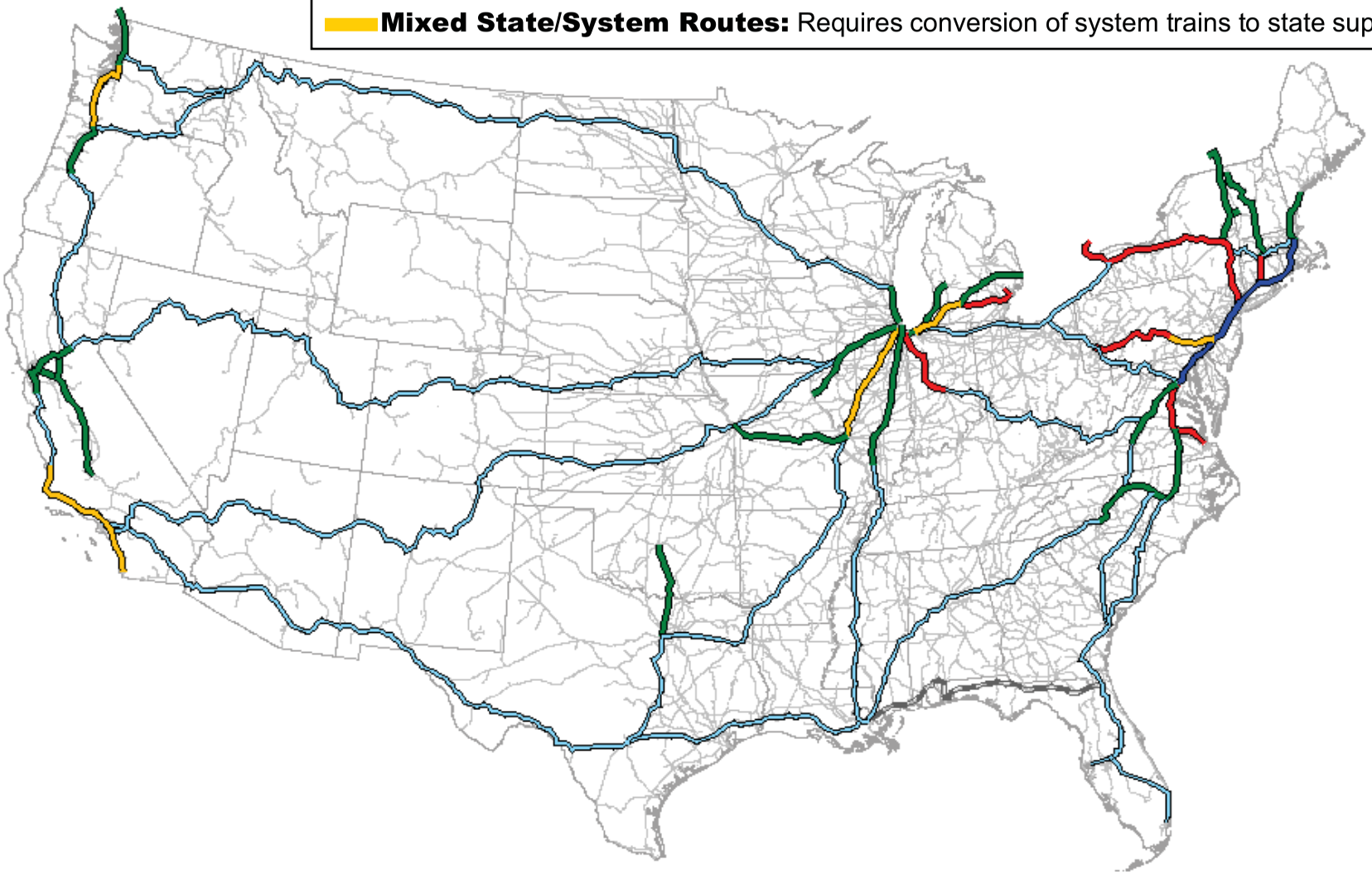
Passenger Rail Investment and Improvement Act of 2008

PRIIA

- PRIIA changed America's approach to intercity passenger rail development
  - High Speed Corridor Program is identified
  - Section 201 Defined Amtrak's national system
  - Section 209 Defined the Role of the States and Amtrak to establish a consistent cost structure
    - Capital program funding identified (80/20) with no operating funding to states to cover costs
    - States and Amtrak must agree on new pricing by October 16, 2013 – 6 trains, including 2 trains (Lynchburg and Richmond/Norfolk) subsidized today (Norfolk in 3 years) AND 4 more regional trains – 2 Richmond and 2 Newport News.

Corridor Services – Impacted Routes

NEC Spine: Excluded from Section 209
State Supported Routes: Require consistent agreements under Section 209
System Corridor Routes: Require new agreements, no state support in place
Mixed State/System Routes: Requires conversion of system trains to state support



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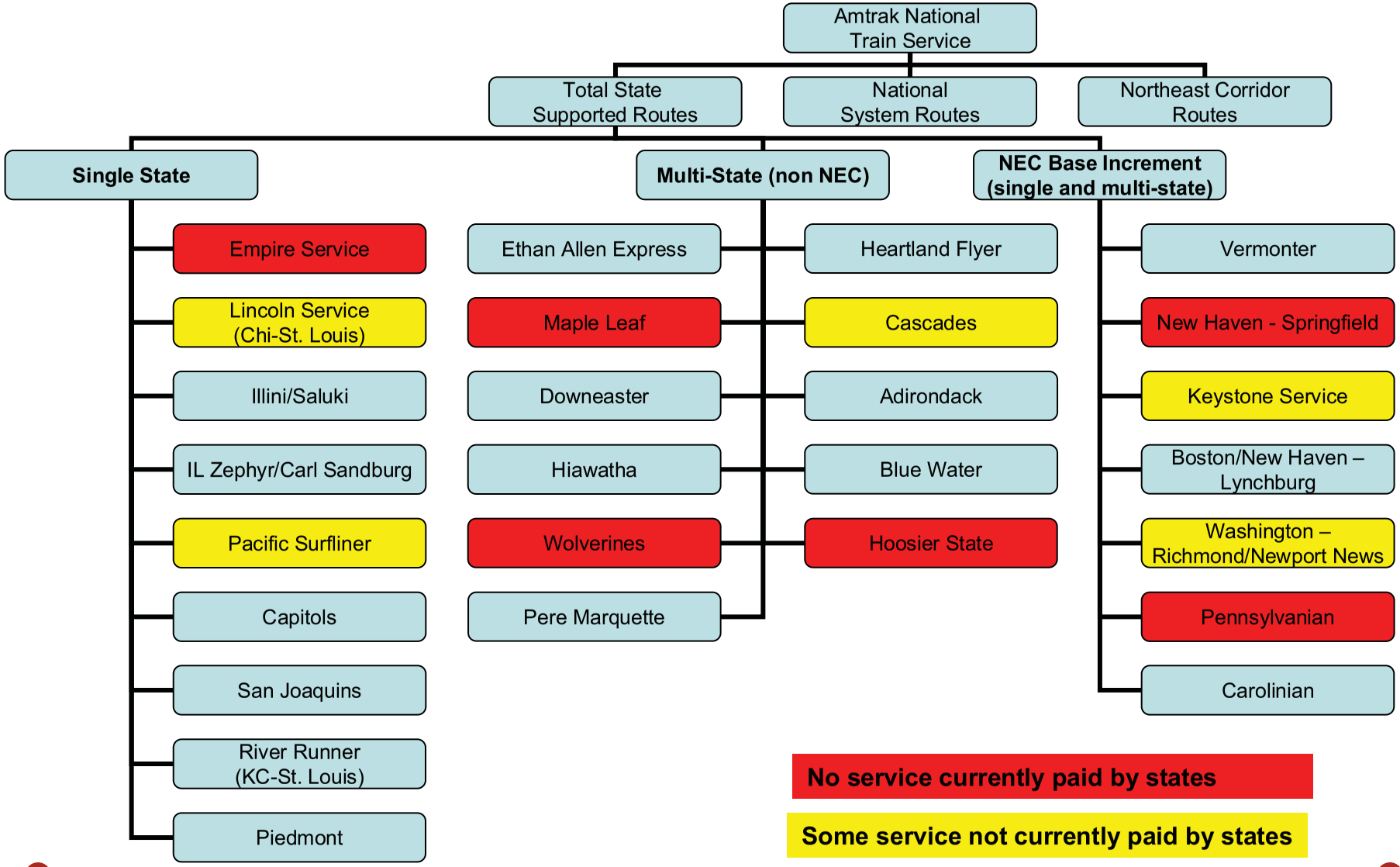
Segmentation of Amtrak's National Train Service



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Senate Joint Resolution 63
Senate Document 14

- Requested by Senator Yvonne Miller in 2010 General Assembly Session
- Required DRPT to:
  - Assess the most efficient and beneficial method by which high speed and intercity passenger rail operations should be funded.
  - Submit a report to the governor and the General Assembly communicating its findings and recommendations.
- Report submitted to General Assembly on November 23, 2010, for its consideration and printed as Senate Document Number 14.

Intercity Passenger Rail Operating and Capital Needs FY2011-FY2021 ($ in millions – SD14)

Operating Needs	Fiscal Year											Total
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
PRIIA Trains (2 Richmond and 2 Newport News)				$8.6	$13.3	$13.7	$14.1	$14.5	$14.9	$15.4	$15.8	$110.2
Lynchburg Train Subsidy	$2.9	$3.5	$3.0	3.9	4.0	4.2	4.3	4.4	4.6	4.7	4.8	44.2
Richmond Train Subsidy	2.1	2.7	2.6	2.9	3.1	3.4	3.5	3.6	3.7	3.8	3.9	35.3
Richmond to Norfolk Train Subsidy (3 trains transition over time).				4.0	4.1	8.5	13.1	13.5	13.9	14.3	14.8	86.2
Total Operating Needs	**$5.0**	**$6.2**	**$5.6**	**$19.4**	**$24.5**	**$29.7**	**$35.0**	**$36.0**	**$37.1**	**$38.2**	**$39.3**	**$276.0**
Capital Needs												
Amtrak Capital Charge for Equipment*				TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
I-95 Corridor Petersburg to Washington, D.C. – Match to Federal funding	.9	25.8	102.4	57.7	38.2	28.3	18.9	29.9	51.1			353.2
Total Capital Needs*	**$.9**	**$25.8**	**$102.4**	**$57.7**	**$38.2**	**$28.3**	**$18.9**	**$29.9**	**$51.1**			**$353.2**
Total Operating and Capital Needs*	**$6.0**	**$31.9**	**$108.0**	**$77.0**	**$62.8**	**$58.0**	**$53.8**	**$66.0**	**$88.2**	**$38.2**	**$39.3**	**$629.2**

State Supported Intercity Passenger Service and Sources of Revenue for Operations (SD14)

State	Number of Routes Supported with State Funds	Intercity Passenger Rail Operation Funding Source	Dedicated or Non-dedicated Funding Source
Virginia	2	Available Commonwealth Transportation Funds and General Assembly Special Budget Language.	Non-Dedicated
California	3	Public Transportation Account •diesel fuel tax •portion of gas tax •sales tax on a portion of the excise tax on gas	Dedicated
Illinois	3	General Fund Allocation	Non-Dedicated
Michigan	2	Transportation Fund Allocation	Non-Dedicated
Missouri	1	General Fund Allocation	Non-Dedicated
New York	1	Transportation Fund Allocation •Passenger & Freight Rail Infrastructure capital Program (expires 2010)	Non-Dedicated
North Carolina	2	Transportation Fund Allocation	Non-Dedicated
Oregon	1	Personalized license plate fees Transportation Operating Fund (gas tax)	Dedicated and Non-Dedicated
Pennsylvania	1	Transportation Trust Fund Allocation	Dedicated
Texas	1	Transportation Fund Allocation Non-Dedicated Revenue Sources (Leases)	Non-Dedicated

Current State Funding Mechanisms (SD14)

- Rail Enhancement Fund
- Shortline Railway Preservation and Development Fund
- Capital Project Bonds
- Fund for Construction of Industrial Access Railroad Tracks
- Transportation Trust Fund
- Transportation Efficiency Improvement Fund
- CTB Authority
- Commuter Rail and Multi-Modal Connectivity Funding

Funding Proposals (SD14)

- Establish an Intercity Passenger Rail Operating and Capital Fund
  - Appropriation of funds could be achieved by:
    - Annual allocations from the General Fund
    - Annual allocations from the Transportation Trust Fund (TTF)
- Create a dedicated revenue source, review and consider the following mechanisms:
    - Increasing the current Rental Car Tax by three percent
    - Re-direction of three of the four percent of Rental Car Tax revenues currently given to localities
    - Potential allocation of 4.3% of the TTF – Rail is the only mode not in TTF
    - Potential revenue from the privatization of the Alcoholic Beverage Control (ABC) stores
    - Potential revenue from the addition of a sales tax to be charged in addition to the rental car tax on rental fees
    - Other mechanisms adopted by other states such as:
      - Assessing additional fees to personalized license plate fees
      - Redirecting tax revenues from the sale of new and used motor vehicles
      - Redirecting vehicle weight fee revenues

Key Points Regarding Funding

- Virginia is competing nationally for federal funds but has some advantages:
  - Framework agreements in place with railroads
  - Agreement with Amtrak for state sponsored passenger rail service
  - State funding program for rail capital projects
  - Multi-state agreements in place – VA/NC Compact, Sen. Watkins Chair
  - VA High Speed Rail Corridor program links the Northeast Corridor to the south and demonstrates how the ARRA creates both short- and long-term outcomes and benefits
- Close working relationship with CSX, NS, VRE, Amtrak and FRA to develop key projects
- Local and Regional Governments will need to work to develop new station facilities though use of local, regional, and federal funding sources

Key Points Regarding Funding

- Federal funding for large scale improvements – **must follow the federal planning process to receive funding**
- A dedicated source of funding for passenger rail operations to remain competitive for federal funding, and a funding source to meet federal requirements in 2013 for Amtrak subsidy (PRIIA Section 209)
- Funding source match requirements for 30% REF or 20% federal
- Need to bring more projects up to higher level of engineering as advised by FRA to advance corridor projects to greater level of readiness

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Thank You!

Questions?

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