Good afternoon,

Finance Committee Chair Krueger, Ways and Means Committee Chair Weinstein and members of the Legislative committees here today, thank you for the opportunity to testify on the budgets of the MTA and New York State Department of Transportation. My name is Steve Strauss and I am the Executive Director of the Empire State Passengers Association.

The Empire State Passengers Association is a statewide advocacy organization working on behalf of intercity passenger rail riders for more reliable, more frequent and faster Amtrak service in the state. We also have parallel interests in the downstate commuter rail network and local transit everywhere. Like last year, much of our testimony today focuses on the State’s ability to take full advantage of the opportunities presented by the passage of the Infrastructure Investment and Jobs Act in 2021 and build a more robust State Rail Program.

**Governor’s Budget**

First off ESPA would like to thank the Governor for recognizing the continuing operating and capital funding shortfalls at the MTA and proposing actions to close these deficits. We are generally supportive of her tax and revenue proposals. It is particularly important that the State close the capital budget shortfalls at the MTA through the implementation of Congesting Pricing so that the agency can continue the work to bring the transit and commuter rail network to a State of Good Repair and initiate desired network expansion projects.
ESPA notes that important projects to improve service reliability and capacity on Metro-North’s Hudson line have been delayed due to the lack of capital funds. These projects benefit both Metro-North and Amtrak riders in the Hudson Valley and are part of the larger plan to improve Amtrak service across the Empire Corridor which we discuss in greater detail below.

In last year’s budget the Governor acknowledged the need to substantially increase headcount at the NYS Department of Transportation in order to maintain the basic functions of the agency and meet the substantial additional work load and opportunities created by the federal Infrastructure Investment and Jobs Act. This year the Governor continues to recognize that lack of an adequate state work force prevents agencies like DOT from carrying out their missions and making improvements to our transportation system.

NYS DOT’s Office of Passenger and Freight Rail continues to lack the staffing to properly oversee Amtrak operations in the state and also develop the capital projects necessary to improve intercity passenger rail service in the Empire and Adirondack corridors. We urge the Legislature to monitor DOT’s ability to manage the additional work required in procurement, accounts payable and project management that additional federal highway and transit funding and discretionary rail funding will require.

**The Governor’s Transportation and Housing Proposals**

ESPA supports the Governor’s proposal to increase housing density around commuter rail and subway stations in the MTA region. We would encourage suburban legislators to work with the Governor on a plan that can bring more desperately needed workforce and market rate housing to areas with good rail transportation. One need only travel along the LIRR’s Babylon branch to see acres of surface parking at stations like Freeport that, if redeveloped, could transform these downtowns and bring new tax revenue to Nassau County. Similar opportunities exist in Croton-Harmon and Poughkeepsie and at other Metro-North stations.

Additionally, ESPA believes that legislation that encourages residential and mixed-use development around Amtrak stations in New York would also be a good idea. Incentives to encourage localities to promote more development around rail stations would reinforce the state’s investment in passenger rail, conform to the implementation plan for the Climate Act and add more value to the tax rolls of Hudson Valley and upstate towns and cities.

Similarly, the tax-increment financing option available to help fund improvements at MTA rail stations should be made available within one-half mile of Amtrak stations across the state. This would allow towns and cities to help finance parking projects and mixed-use development at or near their train stations.
**DOT Operating Budget and Issues**

It is important for new members of the Committees to know that under federal law, New York State pays the net operating and capital cost of *all* Amtrak service in New York State. This has been the case since implementation of the 2008 Passenger Rail Investment and Improvement Act. Apart from the Lake Shore Limited, a federally subsidized long-distance train, all Hudson Valley and Empire Corridor trains and the Adirondack train to Montreal are New York-funded trains.

Subject to negotiations with Amtrak, New York controls Amtrak service in the Empire state – this includes the amount of service offered, the frequency of service, the price of tickets and the quantity and quality of on-board services and amenities.

Each year Administrations request approximately $44 million for the Amtrak subsidy in its state budget. NYS DOT uses the funding for both operating and capital costs incurred by Amtrak within the state although the exact details of how these funds are spent remain proprietary and prevent Legislative or public review. While some information on the contract payments are available via the NYS Comptroller’s website, there is no reasonable way for elected officials and the public to understand how much the State is spending on the Amtrak service provided in New York.

ESPA recommends that the Legislature support the Governor’s commitment to government transparency through public release and audit of passenger service vendor contracts (i.e., the Amtrak contract) by the State Comptroller. ESPA believes additional disclosure is the first step in providing greater accountability from both agencies as to the quality and quantity of Amtrak service in the State.

ESPA is happy to note that Amtrak service in New York State is nearly back to pre-Covid levels. Two roundtrip trains were reintroduced in the Hudson Valley in December and we believe New York State and Amtrak are working to reintroduce the remaining “missing” trains in the early spring. While service to Toronto returned last year, service to Montreal remains suspended resulting in no train service to eight communities north of Saratoga Springs for nearly three years. Amtrak has promised to restore this service this spring.

The Administration’s appears to have included little or no mention of intercity passenger rail service north of Poughkeepsie in the Governor’s FY2024 Budget material. In the DOT Agency Presentation, there is no information provided on activities that will be the focus of State Rail Program staff and what capital projects State DOT intends to seek federal financial assistance for. ESPA believes the lack of specific public details of a plan for the maintenance and improvement of intercity passenger rail in New York is a serious shortcoming of the Governor’s budget. While the Governor has publicly expressed her
commitment to the replacement of the Livingston Avenue rail bridge between Albany and Rensselaer and NYS DOT is actively pursuing federal financial assistance for this project and other passenger rail capital improvements in the Hudson Valley and Capital Region, the Legislature, County Executives, localities and Amtrak riders have little knowledge of the Administration’s vision for maintaining and improving passenger rail service.

The Pending Release of the Empire Corridor Environmental Impact Statement

In 2014 NYS DOT submitted an Environmental Impact Statement for proposed intercity passenger rail improvements in the Empire Corridor stretching from Niagara Falls to New York City. Both NYS DOT staff as well as Federal Railroad Administration staff have repeatedly stated in recent weeks that the release of a “Preferred Alternative” for improvements in going to take place in the next six to eight weeks.

Release of the Preferred Alternative will initiate a mandatory but relatively short public comment period and Record of Decision by the FRA followed, we hope, by an extended state discussion of how New Yorkers want to implement the Preferred Alternative over a period of probably two decades. We hope the Administration is prepared to undertake this discussion with stakeholders across the state and provide at least a preliminary plan for implementation.

The IIJA provides the state with a limited window of generous federal funding but all of the intercity passenger rail funding is discretionary. NYS must develop projects, write applications for funding and, if successful, design and award construction contracts. NYS DOT’s understaffed rail capital program has a limited pipeline of ready projects and is behind many other states with stronger State Rail Programs and many designed projects ready to complete for construction funding from the federal government.

Creating a Robust State Rail Program within NYS DOT

ESPA continues to worry about the ability of NYS DOT to take advantage of the passenger rail funding available to the State from the IIJA. ESPA believes it is time for NYS DOT to begin building a robust state rail program like active state rail programs in Wisconsin, Connecticut, Michigan, North Carolina, Virginia and California. These states and others have pro-active state rail programs that not only fund their Section 209 Amtrak trains, but also include strong Amtrak oversight activity, multi-year planning programs for improvements to rail service and capital programs designed to take advantage of the billions in new federal matching funds from the Federal Railroad Administration.
ESPA encourages NYS DOT to implement a rail performance Dashboard to measure important customer service data such as the percent of trains leaving and arriving on-time, percent of trains that are sold out, ridership by route and other key performance indicators.

NYS’s rail planning activities are also insufficient. The Federal Railroad Administration requires states to maintain a State Rail Plan and update them every four years. The last approved NYS Rail Plan was issued in 2009. ESPA urges NYS DOT to initiate an update to our State Rail Plan. A failure to do so could, at some point, jeopardize New York’s eligibility to apply for and receive FRA discretionary grant funds.

A Capital Program That Can Compete for the Federal Rail Infrastructure Funds

New York State’s last major investments in non-station passenger rail asset improvements were the completion of the fourth track and related signal system improvements at Rensselaer station and the addition of a second track between Rensselaer and Schenectady. These were great projects that have resulted in noticeable on-time improvements for Amtrak service in the state. These projects were funded primarily by the federal Recovery Act in 2009.

There have been no significant additional intercity passenger rail investments since then other than the laudable replacement or rehabilitation of train stations in Rochester, Schenectady and downtown Buffalo and our wonderful new Moynihan Train Hall. NYS DOT has very little in the pipeline that they have made known to the public or the State Legislature beyond the Livingston Avenue Bridge replacement.

In December NYS DOT submitted funding requests to the FRA for the Livingston Avenue Bridge replacement and three additional projects in the Hudson Valley. The lack of a public plan for intercity passenger rail improvements outside of those advancing in the MTA region (Penn Station Redevelopment, East River Tunnels Rehabilitation and New Haven Line Access to Penn Station) is, at the least, disappointing. There are billions of federal infrastructure dollars that New York can compete for, and the Legislature and public is not informed of any plan to go after those funds for upstate rail projects. The Legislature should ask DOT for a Five-Year Capital Plan for Passenger Rail Improvements. Such a plan would need to be different from DOT’s highway and transit plans because a rail plan would be dependent on discretionary funding from the federal government rather than the formula money that DOT uses for its highway and transit plans.

There is currently no maintenance facility for Amtrak trains in Niagara Falls, the terminus of the Empire Corridor. Amtrak and NYS DOT have long discussed the construction of a Niagara Falls maintenance facility for train sets. NYS DOT received a federal grant for preliminary engineering for this project in 2009. They completed the preliminary design and
environmental review but have not advanced the project further. A recent Amtrak Inspector General report confirmed that the Niagara Falls facility needs to be completed in time for the introduction of Amtrak’s new Empire Corridor train sets in 2030. Amtrak and NYS DOT need to decide which agency will be the lead on completing the design work and awarding a construction contract. The maintenance facility will bring middle-class, union jobs to Niagara and Erie counties and improve the quality of repairs and reliability of train service in the state. ESPA urges the Legislature to press Amtrak and NYS DOT on advancing this project.

Similarly, NYS DOT has long discussed needed track capacity improvements in the Syracuse area. The plan includes realigning station platform tracks and thru-tracks, rebuilding the high-level passenger platforms and replacing the Park Street bridge, which has inadequate clearance and inadequate track capacity. With the announcement of the multi-billion dollar Micron chip plant in the Syracuse area, removing this bottleneck to improve passenger and freight access is even more critical. ESPA encourages members of the Assembly and State Senate to urge the Administration to advance this project into final design, too.

For too many years New York State used the excuse that there was no federal funding available to advance rail improvement projects upstate and in the Hudson Valley. That claim was not generally accurate over the last five years, and it is certainly not true today. Under past Administrations New York has simply lacked the will or the interest to improve intercity passenger rail service beyond new stations. ESPA urges Governor Hochul to commit the State Department of Transportation to developing a robust and public capital improvement plan for intercity passenger rail service and to implement overdue enhancements to existing service to improve the customer experience.

**Funding Two Key Service Improvements**

ESPA supports two service enhancements from the DOT Amtrak service operating budget. The first service improvement is the reopening of café cars on all Hudson Valley trains. NYS DOT planned to implement this service enhancement in the spring of 2020, but it was cancelled by the Covid pandemic. With service and ridership recovering well, it is time to reopen the food commissary at Rensselaer and reopen the café cars on all Amtrak service in the state. Reopening the commissary in Rensselaer will benefit train service across the state by allowing restocking in Rensselaer during engine changes so that fewer sold-out situations will occur in the café cars in both directions.

The second service improvement is the extension of one daily NYC to Albany roundtrip to Saratoga Springs so that after the restoration of the Adirondack train, Saratoga Springs would have three daily roundtrips to Albany, the Hudson Valley and New York City. Extending one additional RT train to Saratoga Springs would make commuting trips possible for residents at the northern end of the capital district and improve service to one of the fastest
growing areas in upstate New York. A special federal grant program at the FRA can subsidize start-up operating and capital costs for this type of service enhancement.

In closing, let me return to the main theme of ESPA’s testimony regarding capital improvement projects for Amtrak service in the state. Time is short and New York is behind other states that have projects much further along in the pipeline. Let’s not miss this opportunity.

Thank you for the opportunity to present testimony on the MTA and NYS Department of Transportation’s FY2024 State Budget proposals.

Steve Strauss
Executive Director
Empire State Passengers Association