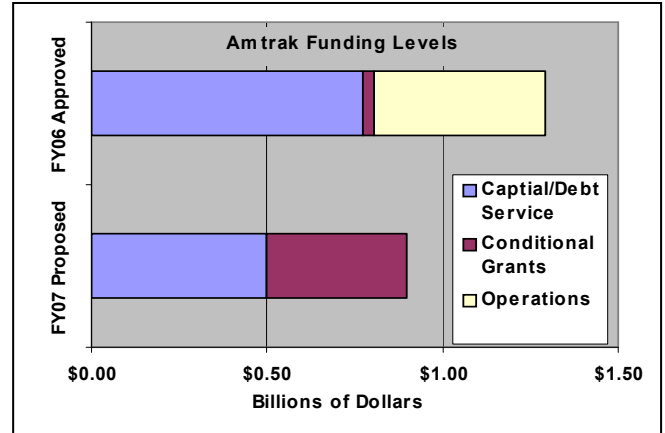


- In FY06, the Bush administration called for Amtrak's bankruptcy and worked to eliminate federal funding.
- Congress restored funding to \$1.3 billion in FY06. Despite "recognition of progress," the president cut Amtrak FY07 budget by \$400 million, or 30%.
- Funding has been made significantly conditional, limiting Amtrak managers' ability to make further progress.

Sources: Amtrak; President's Budgets for FY06/FY07



✗ Bush Budget is Unreasonable

The Bush administration's current funding proposal is insufficient to keep Amtrak running in 2006. It would push costs onto states with no federal match and impose conditions that would severely constrain Amtrak's managers.

- The DOT Inspector General has concluded that **\$1.7 to \$2.0 billion in FY07** could rehabilitate current infrastructure while **positioning states to invest** in rail corridors under a federal matching program.
- "...while the states would be given more authority, the funding burden for operating losses would fall largely on them, with **no corresponding commitment** to significantly expand Federal capital funding."
DOT Inspector General's Testimony to the Senate Appropriations Subcommittee on Transportation – 5/12/05

✓ Progress is Being Made

Under former president and CEO David Gunn, Amtrak began making significant progress toward strategic goals that include curbing expenses, boosting ridership, and streamlining operations.

- Amtrak has reduced its workforce by 4,500 employees and cut food service losses by \$100 million, while seeing record ridership numbers each year since 2003. In 2005, over 25 million people rode Amtrak.
- "...we demanded reform and, over the past year, **both Amtrak and the Congress have responded.**"
Transportation Secretary Norman Mineta's comments on the President's FY07 Budget – 2/6/06
- "Amtrak has made progress in controlling the growth in expenses and ridership has increased to record levels... **Amtrak deserves credit for halting the upward spiral in expenses...**"
DOT Inspector General Assessment of Amtrak's 2003 and 2004 Financial Performance – 11/18/04

✓ Reforms are Underway

In November 2005, the Senate voted 93-6 to pass a package of comprehensive reforms included in a widely popular pro-Amtrak bill (S. 1516 - Lott/Lautenberg). A supportive Passenger Rail Caucus formed in the House of Representatives to examine various reform proposals.

- "...a comprehensive reauthorization that provides new direction and adequate funding is needed and is needed in this Congress. **Continued ad hoc direction through the appropriations process is not an adequate substitute for reauthorization.**"
DOT Inspector General's Testimony to the House Transportation Committee, Railroads Subcommittee – 9/21/05
- "The Caucus will serve as **a forum for ideas to improve passenger rail**...meant to enhance communication between the many competing reform proposals that are currently being considered in Congress and by experts throughout the nation.
Passenger Rail Caucus co-chair Congressman Michael Fitzpatrick (R-PA) in a press release - 5/6/05