



William J. Flynn  
President and Chief Executive Officer

October 8, 2020

The Honorable Michael Pence  
President of the Senate  
U.S. Capitol  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker of the House of Representatives  
U.S. Capitol  
Washington, DC 20515

In February of this year, Amtrak transmitted its Fiscal Year 2021 General and Legislative Annual Report to Congress, which included our base FY 21 grant request for \$2.040 billion. Given the dramatic loss in ridership and revenue that Amtrak experienced due to COVID-19, we submitted a supplemental request for \$1.475 billion in additional funding on May 25, for a total FY 21 request of \$3.515 billion. Since then, we have seen that our ridership is not returning as quickly or at the levels that we had hoped for, and over recent months we updated our forecast for FY 21. **This letter is to formalize that we anticipate needing up to \$4.857 billion in FY 21 to support the company and our employees through this unprecedented situation.** Furthermore, as Congress considers programs for stimulating the economy, Amtrak has identified \$5.193 billion in additional investments we recommend be included as part of any economic recovery proposal enacted by Congress before the end of the term to help the nation recover from the impacts of the pandemic. Additional detail is provided in Table 1 of the appendix.

Of the \$4.857 billion we are requesting, \$3.227 billion is directly to preserve Amtrak's services and capital program in response to the dramatic loss of revenue due to the pandemic, with \$1.704 billion for the Northeast Corridor, \$413 million for the Amtrak share of State Supported services, and \$1.110 billion for Long Distance service. The remaining \$1.63 billion is to support Amtrak RRIF/debt payments, state and commuter partner payments that are payable to Amtrak under Sections 209 and 212, the costs of any congressional workforce or service directives, and added revenue risk beyond our current projection.

When considered in their totality, our FY 21 needs and our economic recovery proposal equal a total federal investment of \$10.050 billion, an amount equivalent to the total appropriation for Amtrak included in the House of Representatives' FY 21 Transportation, Housing and Urban Development, and Related Agencies Appropriations bill (H.R. 7616). These funding needs have been shared in detail with the House and Senate Appropriations and relevant authorizing committees during recent months. Such funding could be provided in the annual appropriations bill, as part of a COVID-19 relief bill, in an economic stimulus bill, or via any other legislative vehicle.

On September 30, Congress passed a continuing resolution (CR), which provides funding at the FY 20 rate of \$2 billion until December 11. In addition, on October 1, the House passed an updated version of



the HEROES Act, which included \$2.4 billion in emergency supplemental funds for Amtrak. While we were grateful for this sign of support, at this time, there is no clear path to finalize such supplemental funding in Congress and the Administration. Therefore, given this uncertainty, as well as the low levels of ridership and revenue projected over the next few months, and the limited funding provided under the short-term continuing resolution (CR), Amtrak is in a very precarious position as we await final decisions on our funding levels.

To manage this situation, Amtrak will work to adjust its operating and capital spending plans during this short term CR, with the aim of minimizing further impacts on our customers and employees. However, if the FY 20 funding level is extended beyond December 11, 2020, and supplemental funding has not yet been provided, we will be unable to avoid more drastic impacts that could have long lasting effects on our Northeast Corridor infrastructure and the national rail system. For example, **insufficient funding levels could force Amtrak to reduce its workforce by an additional 2,400 jobs** as we scale back capital projects (approximately 775 jobs) and because our state partners have advised us that they would likely further reduce their train service (approximately 1,625 jobs). A more detailed breakdown of potential impacts on customers, employees and capital projects can be found in Table 2.

Not only would deferring capital projects and procurement inhibit our ability to address the reliability and capacity needs of our rail network and impact the aforementioned corresponding capitalized Amtrak workforce, but such capital delays would also impact a specialized domestic supplier network that supports these projects, such as: Building locomotives and passenger equipment; providing rail, ballast, communications and signaling equipment, and other materials to maintain our infrastructure; and providing IT equipment to support our company. For context, in FY 19 Amtrak purchased materials and other products and services from companies in all 50 states in the U.S., and we spent more than \$2 billion on these purchases, supporting the national economy and many thousands of jobs. For illustrative purposes, Table 3 includes some of the specific capital projects that may be deferred if Amtrak does not receive sufficient funding in FY 21. This initial list will be finalized and updated throughout the year based on specific appropriated levels, service levels, actual revenue, and other factors.

We thank Congress for all of its support in FY 20, and we sincerely hope that additional funding between \$4.9 billion and \$10 billion can be finalized as soon as possible and be provided to Amtrak in order to avoid the aforementioned negative impacts in FY 21 and also fund critical capital investments to help the nation recover from the pandemic. Thank you again for your trust and support.

Sincerely,

A handwritten signature in blue ink that reads "William J. Flynn".

William J. Flynn  
*President & Chief Executive Officer*

Appendix

Table 1 – FY 21 Grant Request and Economic Recovery Proposal	
<b>FY 2021 Grant Request</b>	
Base Request from February 2020 (pre-COVID-19)	\$2,040
Supplemental Request for Amtrak, PRIIA Sec. 209 and Sec. 212 Payments	\$1,683
Supplemental Request for RRIF and Other Debt Payments	\$92
Potential Congressional Directives (furloughs; long distance)	\$546
Revenue Risk	\$496
<b>Total</b>	<b>\$4,857</b>
Amtrak’s Economic Recovery Proposal	
Fleet Replacement (Amfleet and Superliner)	\$642
NEC Infrastructure (Hudson Tunnel Project, Portal North Br., Sawtooth Bridge, East River Tunnel, B&P Tunnel, Susquehanna River Bridge, Pelham Bay Bridge, Connecticut River Bridge)	\$1,242
Nat’l Network Infrastructure (Southeast Corridor Expansion, Gulf Coast, <i>Southwest Chief</i> , Chicago Gateway, new and expanded routes)	\$1,893
Major Stations (Chicago, Phila., NY Penn, Baltimore Penn, Washington Union, and Others), and ADA compliance/improvements	\$809
Other Key Initiatives (PTC and safety improvements; Workforce development and apprenticeship, and RRIF and other debt payments)	\$607
<b>Total</b>	<b>\$5,193</b>
<b>Combined Total (FY21 Request and Economic Recovery Proposal)</b>	<b>\$10,050</b>

Table 2 – Potential Impacts on Customers, Employees and Projects
Amtrak’s Sec. 209 state partners have advised Amtrak that they will be forced to reduce service by up to roughly 65% compared to pre-COVID service levels because state payments will increase to unaffordable levels (for context, Amtrak has 20 partners in 17 states, comprising 28 state supported routes; in FY 2019, Amtrak had more than 15 million riders in total on our state supported trains).
<b>Approximately 1,625</b> transportation, stations and mechanical jobs are at risk (depending on individual state decisions, TBD) due to potential service cancellation by Sec. 209 state partners.
Defer numerous capital projects and procurement critical to the railroad (detail in Table 3).
<b>Approximately 775</b> capitalized jobs associated with these capital projects are at risk, mostly in operations, engineering, mechanical, stations, and IT.

Table 3 – Detailed List of Capital Projects at Risk

Key aspects of the Gateway Program, including property acquisition, design of tunnels, and design of bridge capacity upgrades	New York, New Jersey, Northeast
B&P Tunnel replacement	Maryland, Northeast, Southeast
Refresh of our long distance train equipment (coach, lounge, diner, and sleeper for Viewliners and Superliners)	Systemwide
NY Penn Station platform improvements and design work	New York
Various interlocking renewal and SOGR projects	Northeast
Bridges replacement and improvements (CT River, Shaws Cove)	Connecticut, Northeast
Engineering and Mechanical Facility Upgrades	Illinois, Indiana, Delaware, Massachusetts, Florida, California, and other locations
Washington Union Station Sub-basement structural replacement and other improvements	D.C., Northeast, Southeast
Los Angeles yard facility renovations	California
Seattle yard improvements	Washington
Customer onboard Wi-Fi improvements, IT network projects	Systemwide
Stations and facilities signage	Systemwide