



WRITTEN TESTIMONY FROM THE
EMPIRE STATE PASSENGERS ASSOCIATION ON THE
NEW YORK STATE DEPT. OF TRANSPORTATION'S PROPOSED BUDGET

February 6, 2025

Good afternoon,

Finance Committee Chair Krueger, Ways and Means Committee Chair Pretlow and members of the Legislative committees here today. Thank you for the opportunity to submit written testimony on the proposed budget for the New York State Department of Transportation.

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.

Most of the concerns which ESPA has raised in past years about the State's lack of interest in developing a robust state passenger rail program remain. Under federal law, it is primarily the responsibility of states to develop, plan and implement intercity passenger rail improvements in their states. All of the Amtrak service in New York State (excluding the Northeast Corridor) is state-supported service with New York State responsible for the net operating and capital costs. Amtrak is the operator. The only exception to this statement is the Lakeshore Limited train, a daily long-distance train between Chicago and New York City, which is funded directly by the federal government.

New Yorkers cannot expect more frequent, more reliable and faster passenger train service across the state until we build a more robust passenger and freight rail program within NYS DOT. Other states have built strong passenger and freight rail programs and are busy submitting grant requests for federal capital projects assistance, adding

train frequencies, improving passenger amenities, designing additional capital projects and planning further improvements. New York is barely maintaining the status quo. The State has advanced a major State of Good Repair project to replace the overaged Livingston Avenue rail bridge in Albany and recently applied for significant grant requests for State of Good Repair signal system replacement and upgrade, but shows very little commitment to advancing our federally-approved Service Development Plan for the Empire Corridor.

Governor's Budget

The Governor's Budget proposes little change in spending for the State's passenger and freight rail programs. It calls for appropriating \$44.3 million for "contractual agreements entered into for rail passenger service" which is used to pay for the cost of Amtrak service in New York State. It seeks continued steady state funding for the Office of Passenger and Freight Rail, the programmatic side of the intercity passenger rail program.

As in former years, the Governor is requesting \$35.5 million for freight rail rehabilitation and improvement projects. The State usually awards these funds to short-line railroads in the state and occasionally to the larger, Class I freight railroads or the MTA's commuter rail agencies.

The Governor's budget proposes no increase in Full Time Equivalents for the entire Department and no change in headcount for the Office of Passenger and Freight Transportation Program. This office is currently smaller than it was during the Pataki Administration and without additional programmatic and engineering staff assigned to passenger and freight rail activities, ESPA does not believe we can expect any significant increase in activities to improve passenger rail service.

If one reviews the Governor's FY2026 Executive Budget Briefing Book one finds almost no mention of the State's passenger rail program beyond the plan to "modernize" the Livingston Avenue Bridge and spend \$25 million to initiate the planning and preliminary engineering for a series of reliability and capacity improvements in the lower Hudson Valley, most of which were identified in a 2005 multi-agency study. ESPA must reluctantly conclude that the Administration has not made improving intercity passenger rail north of New York City a high priority.

NYS DOT's Office of Passenger and Freight Rail continues to lack the resources to adequately oversee Amtrak operations in the state and we question whether the Major Capital Projects staff have the necessary resources to administer the many projects defined in the Service Development Plan that are necessary to improve intercity passenger rail service in the Empire and Adirondack corridors.

In the fall of 2022 NYS DOT received a \$28.2 million Federal Railroad Administration capital grant for the construction of a new high-level platform at Rhinecliff station with associated realignment of the station tracks, replacement of elevators, rehabilitation of the historic overhead bridge and historic platform canopy. As of the end of 2024, NYS DOT had not yet shared a revised design for the work with the State Historic Preservation Office, the only significant NEPA action preventing the advertisement of construction bids. Because the 2.5-year-old grant has not been obligated, New York is at risk of losing the money if the Trump Administration wishes to rescind the grant.

The State's difficulty in filling vacancies and retaining employees at State agencies was the topic of a State Senate Civil Service and Pensions Committee hearing in 2023 and ESPA presented written testimony on this problem.

DOT Operating Budget and Issues

For new members of the committees, ESPA wishes to repeat our earlier remarks about state funding of Amtrak service. Under federal law, New York State pays the net operating and capital cost of nearly *all* Amtrak service in the state. This has been the case since implementation of the Passenger Rail Investment and Improvement Act of 2008. 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 state-funded trains.

Subject to negotiations with Amtrak, New York controls Amtrak service in the Empire state – this includes the amount of service provided, 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 the 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 is technically available via the NYS Comptroller's website, there is no reasonable way for elected officials and the public to understand exactly how much or for what the State is paying Amtrak. Our current contract does not include enforceable incentive payments for excellent performance nor penalties for mediocre performance.

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. Are we getting what we pay for?

ESPA is happy to report that monthly Amtrak ridership in New York State is exceeding 2019, pre-Covid levels in all corridors and trains with the exception of the Adirondack. This has been achieved despite the fact that the popular Sunday-only eastbound afternoon train across the state is currently not operating. The Adirondack continues to suffer the on-going negative impact of the 3-year Covid suspension and two summer service suspensions due to a right of way maintenance dispute between the Canadian National Railway and Amtrak.

New Yorkers are choosing to ride trains and many more would ride if the seats were available. Hudson Valley trains consistently sell out on Fridays, Saturdays and Sundays and often on Thursdays. While the State has worked with Amtrak to lengthen some weekend trains to six cars, the Hudson Valley continues to face the threat of a *significant reduction in service* from Amtrak's upcoming 26-month East River Tunnel rehabilitation project.

The Governor's FY2026 Budget material makes little or no mention of intercity passenger rail service north of Poughkeepsie. In the DOT Agency Presentation, there is no information provided on activities that will be the focus of State Rail Program staff and what additional 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 service in New York is a shortcoming in the Governor's budget.

ESPA does want to fully acknowledge NYS DOT staff's successful pursuit of a discretionary FRA grant for the Livingston Avenue Bridge. Completion of the bridge replacement will ensure continued passenger rail service between Central and Western New York and the Hudson Valley and New York City. DOT staff also submitted applications in December for funds to upgrade communications and signal equipment in the Hudson and Mohawk valley.

ESPA believes the State's Rail Program would be stronger and enjoy more active support from the Legislature, County Executives, localities and Amtrak riders if the Administration made known its passenger rail improvement plan. Most states publish their plans and share them with affected communities. Massachusetts has been quite open about its East-West Rail program plans despite the fact that it is dependent on federal discretionary grants for implementation.

ESPA's Specific 2025 Legislative Agenda

1. Provide capacity at New York State DOT to rebuild the rail program.

Our Freight and Passenger Rail division has atrophied over the last 20 years. With \$1.0 million in federal Corridor Identification and Development program funds awarded to NY to update our plans, schedules and budgets, DOT must have additional planners, grant writers and civil engineers to advance our program and provide better oversight to our state-funded Amtrak service. Both recent academic studies¹ and the outgoing Administrator of the Federal Railroad Administration have called upon states to beef-up staffing to operate more efficiently and effectively in delivering capital programs.

BUILDING CAPACITY AT STATE DOT IS THE CRITICAL FIRST STEP IN DEVELOPING A PIPELINE OF PROJECTS TO IMPROVE INTERCITY PASSENGER RAIL SERVICE IN NEW YORK AND MONITORING THE QUALITY OF EXISTING STATE-SUPPORTED AMTRAK SERVICE.

ESPA requests 10 additional positions (FTEs) divided among the rail capital design unit and the Freight and Passenger Rail program in the FY26 State Budget.

2. Require New York State DOT to produce a Five-Year Capital Plan for the Freight and Passenger Rail Program.

NYS DOT prepares a Five-Year Capital Plan for our state road and highway program with a list of anticipated projects. The transit, freight and passenger rail, and aviation sections of the current Five-Year Capital Plan only list anticipated funding levels. This is insufficient and fails to inform the public, localities and the Legislature on how funds will be spent. Contrast this with the MTA which is required to provide a highly detailed Five-Year Capital plan with project descriptions, scopes and budgeted funds.

ESPA requests legislation requiring NYS DOT to prepare a Five-Year Capital Plan for the Freight and Passenger Rail program which details the Program's capital investment priorities over the next five years. Unlike the highway and transit programs, the passenger rail program receives no federal funding via formula allocation, but this should not be an excuse to prevent the development of a plan, even if some aspects are dependent, to a degree, on discretionary funding sources. In addition, there are flexible federal formula funds that could be assigned to rail capital projects and NYS needs to consider using this funding option as well.

¹ "State Capacity for Building Infrastructure" by Zachary Liscow, Aspen Economic Strategy Group, 2024

3. Fund MTA Capital Projects on Metro-North's Hudson line that benefit Amtrak and Metro-North Riders.

Amtrak and NYS DOT have committed significant resources to bringing speeds up to 90 to 110 mph between Poughkeepsie and Rensselaer stations. More work is planned. To further reduce the travel time between Albany and NYC the MTA and Metro-North must advance several capacity and redundancy projects between Spuyten Duyvil, in the Bronx, and Poughkeepsie. The projects and scopes were jointly identified by all of the parties in 2005 but have remained largely unfunded. The projects include adding sections of third track, constructing interlockings, expanding the Poughkeepsie Yard and realigning yard tracks in the vicinity of Poughkeepsie station. These last two projects will allow Metro-North to stop storing trains on station tracks which often delay Amtrak trains. The Poughkeepsie Yard expansion will also allow Metro-North to end the practice of deadheading trains from Croton-Harmon to Poughkeepsie for morning rush hour service and reversing that move in the late evening. Many of these Hudson Line projects would be eligible for both FTA and FRA funding as they conform to the shared benefits requirements.

THE GOVERNOR HAS BEGUN THIS PROCESS BY PROPOSING THE STATE APPROPRIATE \$25 MILLION IN THE FY25-26 BUDGET FOR PLANNING AND PRELIMINARY DESIGN OF SOME OF THESE PROJECTS. THAT'S A GREAT START.

ESPA supports the Governor's \$25 million request and asks that the Legislature encourage the MTA to use a portion of the bond revenue from congestion pricing fees to fund more design and construction of these unfunded Hudson Line projects. They will result in faster and more reliable service for both Metro-North and Amtrak riders.

4. Fund a third, summer weekends, train to Saratoga Springs.

Summer weekends in Saratoga Springs are quite busy. There is plenty to do in their walkable downtown area without a car. The Saratoga running of the Belmont stakes, 4th of July racing and traffic on the Northway make having additional summer train service even more valuable.

For the last three summers the Commonwealth of Massachusetts funded a summer weekends train to Pittsfield, MA from NYC. The train was simply an extension of an existing NYC to Albany train that continued on to Pittsfield on Friday afternoons. On Sunday afternoons the originating southbound train began in Pittsfield rather than Albany-Rensselaer. The extension will not operate in the summer of 2025.

ESPA proposes running a third train frequency to Saratoga Springs on summer weekends. The extension to Saratoga Springs is about the same distance as Pittsfield but does not have the train congestion and slow speeds of the Pittsfield route. The Friday afternoon train would likely arrive early enough to allow an evening of activities,

and the southbound Sunday train would depart between the earlier Ethan Allen and later Adirondack trains. Implementing this train would be a good trial for the planned two additional daily trains to Saratoga Springs included in the State's rail service development plan.

ESPA requests that the Legislature provide up to \$300,000 (very rough estimation of the cost net of additional fare revenue) to NYS DOT to implement this service enhancement.

5. Maintain vigilance against inadequate mitigation for Amtrak's planned Hudson Valley service reductions associated with East River Tunnel rehabilitation work in New York City

While the Governor was able to achieve a delay in Amtrak's planned 23 percent cut in Amtrak service in the Hudson Valley so that mitigation options could be discussed and pursued, this issue is not yet resolved. The service reduction could go into effect sometime in early March or whenever the full-scale tunnel rehabilitation work commences. The two-tunnel project is at least 26 months in duration.

ESPA and others have identified actions which Amtrak could take to eliminate, reduce or move the forced additional layover time in Albany-Rensselaer which occurs if the Adirondack and Maple Leaf trains are combined into and out of New York City.

Additionally, Amtrak must commit to lengthening the remaining trains so that the net number of seats available in the Hudson Valley does not measurably decrease.

Thank you for considering our testimony on the NYS Department of Transportation's FY2026 budget proposals and ESPA's requested enhancements.

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