

January 30, 2006

The Honorable Norman Y. Mineta
Secretary
United States Department of Transportation
400 Seventh Street, S.W.
Washington, DC 20590

Dear Mr. Secretary,

A number of specific Amtrak provisions contained in the FY 2006 Transportation Appropriations conference report (H. Rpt. 109-307) will have immediate and long-lasting impacts on intercity passenger rail service. Of particular interest to the Northeast Governors is a provision that, for the first time, injects the Department of Transportation directly into the public-private contractual agreements that govern passenger rail cost-sharing on the Northeast Corridor. This new requirement creates a precedent for future federal-state relationships for intercity passenger rail reform. Therefore, the Governors seek your assurance that the Department, as it implements this provision, will engage the Northeast states fairly and equitably in an open and fully collaborative process that results in a credible outcome.

Rail service on the complex Northeast Corridor is governed by hundreds of carefully negotiated legal, financial and operating agreements among seven commuter authorities, Amtrak and various freight railroads. These long-standing relationships involve substantial state financial investments and numerous in-kind exchanges, and are subject to oversight dictated by state legislative and executive requirements. For example, our states and the commuter railroads are in the midst of operating and capital budgets that were set in place months before this new fee requirement was authorized. Any proposal to modify these budgets must allow for extensive advance notice with adequate legal and financial justification.

Any implementation of these reform provisions must recognize the need for orderly change and effective consultation. We recognize that you are now responsible for implementing these cost allocation provisions. However, we are extremely concerned that the rapid schedule designed by the Department does not conform with the Congress' requirements for an open and transparent process that seeks a consensus on the part of all stakeholders. A hasty process, fueled by incomplete information and questionable methodologies, will destroy the credibility of this process and its outcome for the states and the Congress.

In closing, we appreciate the steps taken by the Department to ensure that state-supported intercity passenger rail services are recognized in the implementation of the provisions dealing with discounted fares and food and beverage service. Deliberative collaboration has been a hallmark of your leadership. A more measured, transparent process can only help meet the spirit and intent of the Congress in this legislation.

Officials from our affected states and commuter authorities will be providing specific information on the impacts of the Department's action on commuter operations. We look forward to working with you on this essential issue.

Regards,

/o.s./
Donald L. Carcieri
Chairman
Governor of Rhode Island

/o.s./
John E. Baldacci
Past Chairman
Governor of Maine