

For Immediate Release

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Menendez Asks Amtrak Board to Explain Secret Vote to Dismantle Northeast Corridor

Washington, D.C. - U.S. Representative Robert Menendez (D-NJ), a member of the Railroads subcommittee of the House Transportation and Infrastructure committee, today asked David Laney, Chairman of the Amtrak Board of Directors, to provide an immediate public explanation of the vote by the Amtrak Board to make the Northeast Corridor a separate subsidiary, which could dramatically impact rail service that nearly 100,000 New Jersey commuters depend on each day.

In a letter to Laney, Menendez wrote that, "It appears that, in the absence of public support, the administration is now trying to use its hand-picked Board to take steps that have never been approved by nor explained to Congress. Your decision to hold the vote in secret and shield the outcome from public scrutiny only reinforces the conclusion that this administration has no commitment to rail service in this country or to the riders that depend on it."

According to news reports, the Amtrak Board voted in secret on September 22 to create a new subsidiary to manage the Northeast Corridor. The vote was never announced to the public, either in advance or after it was held. Menendez said today that unless Laney explains the Board's actions, he will ask the Railroads subcommittee to hold hearings into them when Congress reconvenes next week.

October 13, 2005

Mr. David M. Laney, Esq.
Chairman
Amtrak Board of Directors
60 Massachusetts Ave., NE
Washington, DC 20002

Dear Chairman Laney,

I was astonished to read reports today that the Amtrak Board of Directors has secretly approved a resolution to begin the breakup of Amtrak. This resolution was apparently passed with no notice to the public that a vote would be held and no announcement of its outcome. You owe the public an explanation of both the consequences of your actions and your reasons for hiding them.

Creating a subsidiary to own the Northeast Corridor infrastructure would be a major change in the way Amtrak operates, and the impacts on the states and commuters that depend on the Northeast Corridor could be severe. In New Jersey alone, nearly 100,000 commuters rely on the Corridor to get to work, and any change in its ownership or operation could drastically affect the amount of time they can spend at home with their families. In addition, the financial impact to New Jersey and other states could be immense. It is my understanding, however, that the states and commuter railroad authorities such as New Jersey Transit were not consulted before this resolution was passed. This is an unacceptable abrogation of Amtrak's responsibility to work in partnership with the transit agencies at the very time you are publicly stating your intentions to increase cooperation with state agencies.

Most perplexing is the total about-face the Board has made in the past six months. In your April 2005 "Strategic Reform Initiatives" report, you state on page 13, "We have concluded that separation of NEC assets from NEC operations is not advisable at this time." What has happened since April to change your conclusions? In the absence of any public explanation, I can only conclude that you have caved to the Bush administration's longstanding goal of privatizing Amtrak.

The administration was unable to get its privatization plans through Congress, which overwhelmingly voted earlier this year to increase Amtrak funding and protect long-distance train routes. It appears that, in the absence of public support, the administration is now trying to use its hand-picked Board to take steps that have never been approved by nor explained to Congress. Your decision to hold the vote in secret and shield the outcome from public scrutiny only reinforces the conclusion that this administration has no commitment to rail service in this country or to the riders that depend on it.

Unless you provide an immediate public explanation of this vote, I will ask the House Railroads subcommittee to hold hearings into your actions, and on my legislation which would reverse them, when Congress reconvenes next week.

Sincerely,

Robert Menendez

Congressman
13th District New Jersey