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## **AMTRAK REORGANIZATION ACT OF 1979 (HR3996)**

On July 25, 1979, the House of Representatives approved HR3996, the Amtrak Reorganization Act. As you know, the Carter Administration proposed a reduction in the Amtrak route system last January. Under that proposal, Amtrak would have cut its service to Arizona, as the Southwest Limited (running through Flagstaff) would have been eliminated. Under a compromise agreed to by the Administration and the House of Representatives, however, the Southwest Limited will continue to operate for some time. Following is a brief summary of the main provisions of HR3996:

<u>Basic Operating Funds</u>: HR3996 provides %552 million for FY80 for the operation of the basic Amtrak system, as outlined In the Administration's original plan of January.

<u>Restructured Routes</u>: An additional \$20 million is provided annually to continue service on certain routes which the Department of Transportation had wished to eliminate. These routes will be continued for at least one additional year, and longer if Amtrak decides such service is feasible. A report must be submitted to the Congress on Amtrak's recommendations. The Southwest Limited (Chicago-Los Angeles) is one of the trains which will be retained.

<u>Additional Routes</u>: Up to \$35 million will be allowed per year for the operation of certain trains. Which trains will remain in service is uncertain; Amtrak must make that determination on the basis of certain criteria set by the Congress. At least three, probably four trains will be retained.

<u>Capital Funds</u>: The bill provides \$230 million for capital improvements, including \$171 million for direct expenditures on rail lines and \$18 million for new track connections.

<u>Track Protection</u>: The House has authorized \$3 million annually for the up-keep of track and facilities on inactive routes. This will allow renewed service without excessive capital costs when future demand warrants it.

<u>Management Improvements</u>: Several provisions of the bill are aimed at improving Amtrak's management. These include new goals for higher average speeds, an improved ratio of revenues to costs, and a general improvement of Amtrak's performance through new operational programs, new equipment, and employee incentives.