



# Fiscal Year 2020 Operating Costs and the Coronavirus Aid, Relief, and Economic Security CARES Act

Executive Committee  
May 6, 2020

# Amtrak Operating Costs

- Fiscal Year (FY) 2020 Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) operating budget for Amtrak operations is \$31.5 million.
- LOSSAN pays the **NET costs on an actual basis**. Revenues minus expenses. Pay Amtrak monthly advance based on contractually agreed upon amount, true-up to actuals on monthly basis.
- Revenues Include Fare Revenue, Food and Beverage Revenue and Other Revenue. Expenses Include Third Party Costs, Fuel, Route Costs and Additives.
- Costs are allocated in accordance with the Passenger Rail Investment and Improvement Act of 2008 (PRIIA), Section 209.
- PRIIA Section 209 Cost Methodology Policy adopted by State-Amtrak Intercity Passenger Rail Committee (SAIPRC).

# CARES Act Funding

- Grant between Federal Railroad Administration and Amtrak provides funding to prevent, prepare for, and respond to Coronavirus.
- Provides \$492 million for the Northeast Corridor train network and \$526 million for the National Network, of which at least \$239 million of funds provided will be used in lieu of any increase in State-supported intercity passenger rail payments.
- The CARES Act further limits States' supported payments for fiscal year 2020 to no more than 80 percent of the fiscal year 2019 payments.

# CARES Act Funding Continued

- LOSSAN Agency payment to Amtrak for FY 2020 is capped at \$26.6 million.
- Federal funding may be utilized beyond FY 2020 if available (Amtrak federal FY ends September 30, 2020).
- Coordination with stakeholders through State-Amtrak Intercity Passenger Rail Committee (SAIPRC).
- Analysis of costs on an ongoing basis in coordination with Amtrak and California's Joint Power Authority (JPA) to determine areas of cost reduction and savings.

# Summary

- LOSSAN Agency will continue to coordinate with SAIPRC, Amtrak and JPA's on strategies for cost reductions, application of the federal funding and return to service levels.
- Anticipate bringing a revised operations budget for FY 2021 to the LOSSAN Agency Board of Directors during the first quarter (July through September 2020).