



June 16, 2025

To: Members of the Board of Directors

From: Jason Jewell, Managing Director

Subject: Reinstatement of Checked Baggage Service

Overview

In November 2023, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Board of Directors approved the Proposed Net Cost-Reduction Plan submitted by staff, which outlined a series of strategies aimed at reducing net operating costs while maintaining essential passenger services. A key component of the plan was the development of a revised station staffing model in collaboration with Amtrak, along with an evaluation of cost-effective opportunities to reopen select stations and restore checked baggage service.

With the revised station staffing model now implemented, and the successful reopening of Anaheim and Oceanside stations on March 10, 2025, staff recommends reinstating checked baggage service on the Pacific Surfliner. A financial model has also been developed to support cost recovery through a per-bag fee structure.

In addition, staff recommends updating the Pacific Surfliner baggage policy to align more closely with Amtrak's national baggage policy while ensuring consistency and operational efficiency.

Recommendations

- A. Coordinate with Amtrak to reinstate checked baggage service on the Pacific Surfliner.
- B. Implement a baggage fee of \$10 per checked bag to offset associated service costs.
- C. Approve updates to the Pacific Surfliner baggage policy.

Background

In response to the State's projected structural deficit for intercity passenger rail funding—exacerbated by ongoing emergency track closures and a slow post-pandemic recovery in ridership—the LOSSAN Rail Corridor Agency took immediate steps in late fiscal year (FY) 2022-23 to help mitigate cost overages and stabilize expenditures. Among these initial actions were the suspension of checked baggage service on June 12, 2023, and the closure of most staffed stations south of Los Angeles. While these were necessary short-term measures, staff understood that a longer-term solution would be needed to ensure sustainable service delivery while meeting California State Transportation Agency's (CalSTA) directive to reduce operating costs.

Recognizing the need for a more comprehensive plan, staff began working with Amtrak in mid-to-late 2023 to develop a coordinated strategy aimed at reducing net operating costs while maintaining core passenger services. These efforts led to the Proposed Net Cost-Reduction Plan, which was approved by the Board of Directors (Board) on November 20, 2023, and submitted to the CalSTA by the November 30 deadline.

A key component of the plan was to work collaboratively with Amtrak to develop a revised station staffing model that would keep several lower-ridership stations closed, optimize staffing levels at open locations, and identify a path forward for reopening select stations and reinstating checked baggage service.

Over the past several months, staff have built on these efforts by developing a staffing plan that optimizes staffing levels and hours at open stations while continuing to provide support for passengers during key train times. This revised staffing plan was implemented on March 10, 2025, and included the reopening of the Anaheim and Oceanside stations, both of which had been previously closed as part of the earlier cost-saving actions. The staffing plan maintains necessary service coverage in a more efficient and sustainable manner and serves as the operational foundation for the proposed reinstatement of checked baggage service.

The proposed reinstatement of checked baggage service builds on this progress, representing the next step in delivering on the objectives outlined in the Board-approved plan.

Discussion**Station Staffing Cost Savings**

As part of the cost-reduction strategy, staff worked with Amtrak to reassess station staffing levels across the corridor. This revised staffing plan focuses on maintaining coverage at essential locations while optimizing staffing hours to better align with

peak service times and passenger needs. The reopening of Anaheim and Oceanside stations was incorporated into this new staffing plan.

This effort is projected to result in approximately \$1.34 million in annual cost savings.

Baggage Service Costs and Revenue Model

To restore checked baggage service, staff evaluated the associated operating costs and developed a model to support full cost recovery through the implementation of a per-bag fee.

The total estimated annual cost to reinstate baggage service is approximately \$1.41 million. This includes dedicated baggage handlers at Los Angeles Union Station and ticket agents reassuming baggage duties at all staffed stations.

To offset these costs, staff developed a conservative financial model based on projected ridership for FY 2024-25. With an estimated annual ridership of approximately 2.15 million passengers, staff determined that charging a \$10 per bag fee would fully recover the annual baggage service costs if seven percent of passengers opt to check a bag. This corresponds to about 141,000 passengers annually opting to check one bag—equating to 141,000 total checked bags under the model.

Due to Amtrak's record retention policy and the absence of historical data on baggage usage, staff selected a \$10 per bag fee as a conservative break-even point. Usage will be monitored going forward to evaluate the fee's effectiveness and determine whether future adjustments are warranted.

Baggage Policy Update

As part of the proposed reinstatement of checked baggage service, staff are also recommending an update to the Pacific Surfliner baggage policy to align with Amtrak's national standards.

Currently, the Pacific Surfliner allows:

- 2 personal items
- 2 carry-on items
- 2 checked bags (currently suspended)

By comparison, Amtrak's national policy allows:

- 1 personal item
- 2 carry-on items
- Up to 4 checked bags (1-2 bags free; 3-4 bags at \$20 each)

Staff propose updating the Pacific Surfliner baggage policy to match Amtrak's baggage policy while implementing a flat-fee pricing model on all checked bags.

The proposed policy would allow:

- 1 personal item
- 2 carry-on items
- Up to 4 checked bags (\$10 per checked bag)

This approach supports consistency for passengers traveling between Pacific Surfliner and Amtrak long-distance services, while also supporting LOSSAN's goal of recovering the full cost of baggage service. This update would take effect in conjunction with the reinstatement of checked baggage service. Staff are coordinating with Amtrak on the implementation timeline, which is currently targeted for July 2025, and will ensure proper customer communications will take place through multiple channels.

Summary

The revised station staffing model has allowed the LOSSAN Rail Corridor Agency to reopen key stations such as Anaheim and Oceanside while maintaining cost efficiency. Reinstating checked baggage service builds on this progress by restoring a valued passenger amenity. The estimated annual cost of providing baggage service is approximately \$1.41 million. Staff have developed a conservative revenue model indicating that this cost can be recovered with a \$10 per bag fee, assuming seven percent of annual riders utilize the service. Staff also recommend updating the Pacific Surfliner baggage policy to align with Amtrak's baggage policy while applying a uniform fee model of \$10 per checked bag.

Staff recommend proceeding with reinstating checked baggage service and implementing the proposed baggage fee and baggage policy update, consistent with the goals of the Board-approved Net Cost-Reduction Plan.

Attachment

None.

Prepared by:



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