Freight Railroads & Amtrak

Three rail systems operate on the national rail network — intercity passenger, commuter and freight. Together, these trains help deliver economic growth, support job creation, provide crucial environmental benefits and increase our nation’s productivity and competitiveness. Explore more below to learn the differences, similarities and importance of the trains that will help meet the transportation challenges of today and tomorrow.

**Intercity Passenger Rail**

Intercity passenger rail primarily refers to Amtrak’s intercity passenger services that connect people from one city to another. Congress created The National Railroad Passenger Corporation — also known as Amtrak — in 1970 to continue and improve intercity passenger rail for the nation. Headquartered in Washington, D.C., Amtrak is an important part of America’s surface transportation system, providing an environmentally friendly way for millions of people to reach their destinations each year. Amtrak is 47% more energy efficient than traveling by car and 33% more energy efficient than domestic air travel on a per-passenger-mile basis.

**Operations**

Amtrak operates passenger trains across a national system consisting of three service lines: Northeast Corridor (NEC), Long-Distance and State-Supported.

- **NEC Services:** The NEC stretches 457 miles from Washington, D.C., to Boston, MA, of which Amtrak owns 363 miles. This is the most heavily traveled portion of the intercity passenger rail system. Amtrak operates the Northeast Regional, Acela service, and portions of other long-distance and state-supported routes on the NEC. The NEC also hosts extensive commuter rail operations and freight rail service.

- **Long-Distance Routes:** Amtrak currently operates 15 long-distance routes through 39 states. These are routes of more than 750 miles between endpoints.

- **State-Supported Routes:** Amtrak operates 28 state-supported routes on behalf of 17 states that are funded in partnership with 20 entities, including state departments of transportation and authorities specifically chartered to administer individual corridors. These routes are under 750 miles in length between endpoints.

**Amtrak** owns 623 route miles (primarily in the Northeast) and operates, maintains, and dispatches another 229 route miles in Michigan and New York. The vast majority of the remaining 96% of Amtrak’s more than 21,400-mile system consists of tracks owned and maintained by freight railroads. More than 70% of the miles traveled by Amtrak trains are on tracks owned by other railroads.

Amtrak’s relationship with host railroads is governed by federal statutes and negotiated bilateral operating agreements. These operating agreements can include key terms such as train schedules, standard of performance and related incentives and penalties. Amtrak and host freight railroads each have designated staff working together to manage these lines’ operations.
Ownership & Funding
The federal government created Amtrak in 1970 and owns all preferred shares of Amtrak stock, while the President of the United States appoints its board of directors, which are subject to confirmation by the U.S. Senate. Pre-pandemic, most of Amtrak’s daily operating costs were covered by non-federal sources, including ticket revenues and support from state partners. However, Amtrak relies on federal funding for most of its capital expenditures. The federal government’s contribution to Amtrak is subject to annual appropriations.

Commuter Rail
Commuter rail is a form of passenger rail service that traditionally operates within a metropolitan area connecting suburban or "commuter towns" with a central city. Public transit plays a significant role in fueling America’s economy, connecting employees to work, retail and entertainment venues. Commuter trains typically operate on weekdays, with the highest frequency during morning and evening commute hours, and many have reduced weekend service. Most riders make trips of less than 50 miles for work, school or errands, although some commuter operations provide services for considerably longer distances.

Operations
According to the American Public Transportation Association, there are 32 agencies throughout the nation that operate commuter railroads. Some operate their own trains, while others contract out for the service. Some major commuter railroads include the Long Island Rail Road (LIRR) and Metro-North in New York and Connecticut; the Maryland Area Regional Commuter (MARC); the Virginia Railway Express (VRE); Metra in Chicagoland and Metrolink in the Los Angeles region. On average, pre-pandemic, commuter railroads made over 500 million passenger trips each year.

Half of the commuter systems operate at least partially on freight-owned tracks, and approximately 25% of the miles on which commuter railroads operate are owned by freight railroads or, in the case of the NEC, Amtrak. Before operating on freight-owned property, the freight and commuter railroads reach voluntary agreements governing the relationship, including hours of operation, access and number of trains. These partnerships have led to significant growth in commuter rail, increasing from six commuter rail systems 40 years ago to 27 today.

Ownership & Funding
Generally, commuter railroads are owned by state authorities or agencies. Half of the commuter systems operate at least a little on freight track, but the combination of freight railroads and Amtrak is not most of the miles commuter rail operates. Funding for commuter railroads typically comes from federal funds from the Federal Transit Administration (FTA) and state and local funds and fares.
**Freight Rail**

America’s privately-owned freight railroads are the most productive and cost-effective in the world, connecting consumers and businesses worldwide while benefitting the environment and promoting safety. Shippers from nearly every industrial, wholesale, retail and resource-based sector of the U.S. economy rely on freight railroads to move their raw materials and finished goods to market domestically and globally. Freight rail accounts for around 40% of long-distance ton-miles — more than any other mode of transportation — and hauls one-third of the country’s exports.

**Operations**

Operations are fully integrated across the North American rail network. The U.S. rail network consists of approximately 630 primarily privately-owned railroad companies. There are two major categories of freight railroads:

- **Class I**: The six private Class I railroads are the largest railway carriers and account for the majority of the rail infrastructure in the country. Outside of the Northeast Corridor, Class I owned tracks host much of Amtrak’s intercity passenger rail operations and, in many places, also host commuter rail operations.

- **Short Lines**: Approximately 630 short line railroads (Class II and III) operate over approximately 45,000 route miles in 49 states. For large areas of the country and particularly for small town rural America, short line rail service connects farmers and businesses to the national railroad network.

**Ownership & Funding**

America’s freight railroads overwhelmingly own, build, maintain, operate and pay for their infrastructure with little government assistance. Thanks to balanced economic regulation, America’s freight railroads spend well above $23 billion a year over the last five years on capital expenditures and maintenance expenses. These include locomotives, freight cars, tracks, bridges, tunnels and other infrastructure, equipment and technology. On average, freight railroads spend six times more on capital expenditures as a percentage of revenue than the average U.S. manufacturer.
Frequently Asked Questions

What's the difference between European and American rail systems?

Infrastructure, train characteristics, overall operating procedures and regulations vary widely between European and American rail systems. There are two important points to know. First, America's freight rail network is one of the world's most efficient and cost-effective transportation networks. Second, railroads operating in the United States have a much higher share of the U.S. freight transportation market than European railroads have of the European freight transportation market. For passenger railroads, the situation is reversed: railroads have a much higher share of the passenger transportation market in Europe than passenger railroads do in the United States. When Americans talk about European trains, they often refer to passenger rail, not freight rail.

European freight and passenger railroads also receive substantially more government subsidies than freight railroads in the United States (which receive very little in government funding) and passenger railroads in the United States.

Do Amtrak and freight railroads both have Positive Train Control (PTC)?

Yes. The FRA recently announced that all 44 of America's intercity passenger, commuter and freight railroads required to have PTC have met or surpassed the statutory requirements outlined in the Rail Safety Improvement Act of 2008. After years of tireless, methodical work, the nation's railroads have created a fully interoperable PTC system capable of automatically stopping a train before certain human error-related accidents occur. Specifically, PTC is required for rail operations on tracks over which intercity passenger or commuter rail operations occur and over which certain types and amounts of hazardous materials are transported.

What's freight rail's policy position on passenger rail?

Policymakers should ensure that the passenger rail service on corridors owned by freight railroads is done safely and does not impede freight rail service.
Comparing Amtrak & Freight Railroads

Amtrak and freight railroads move the people and goods our nation depends on. Together these railroads reduce pollution, provide American jobs and promote local and regional economic development.

- Primarily federally owned; connects large and small communities throughout the nation
- Privately owned; accounts for 40% of freight on a ton-mile basis.

- More than 17,000 employees help move tens of millions of people annually
- About 135,000 employees help move 1.6 billion tons of materials and goods annually

- Over 21,000 miles of track, mostly owned by freight railroads
- Nearly 140,000 mile private network

- Tickets and state support covers most but not all operating costs
- Average of $23 billion privately invested back into the network

- Will help meet expected 24% national population growth over next 40 years
- Will help meet expected 30% increase in freight demand over next 20 years

- A safe way to move passengers
- The safest way to move freight over land

- 47% more energy efficient than traveling by car
- 3-4 times more fuel efficient than trucks, on average

- Needs adequate funding for growth and maintenance
- Needs ability to continue privately investing

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