



State of New Jersey

OFFICE OF THE GOVERNOR

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CHRIS CHRISTIE
Governor

April 5, 2017

The Honorable Anthony R. Coscia
Chairman of the Board
Amtrak
60 Massachusetts Ave., NE
Washington, DC 20002

Dear Chairman Coscia:

In just over a week a NJ TRANSIT train derailed and another was struck and seriously damaged by a derailed Amtrak train while traveling at low speeds in Pennsylvania Station New York (PSNY). These derailments caused extensive damage, considerable disruption to commuter train service throughout the region, and continue to frustrate the travel of tens of thousands of NJ TRANSIT customers. These incidents raise serious questions about the condition of tracks and other assets maintained by Amtrak on the Northeast Corridor (NEC) and Amtrak's ability or willingness to properly maintain them in a state-of-good-repair.

Amtrak is legally responsible for the maintenance of tracks, signals, switches and other assets on the NEC, including those located at PSNY. Under the Northeast Corridor Services Agreement, (Agreement), NJ TRANSIT recently agreed to make significantly greater financial payments to Amtrak to help maintain NEC assets in a state-of-good-repair, with the expectation that its customers would experience the benefits of greater investment in better maintained infrastructure. To this end, NJ TRANSIT just made a payment of \$62M last week for capital investment in NEC assets that was supposed to be made by Amtrak in 2016, not including monthly payments to cover Amtrak operating expenses ranging from \$2.5M to \$5M per month.

The recurring derailments at PSNY indicate Amtrak does not take its obligations seriously and has not effectively applied NJ TRANSIT's considerable payments to the proper maintenance of these assets, which are absolutely essential to its customers. Amtrak's apparent disregard for NJ TRANSIT's customers is entirely unacceptable to me.

Accordingly, I have directed NJ TRANSIT to cease making any payments to Amtrak under the Agreement until there has been a thorough and independent examination of the tracks, signals, switches and other equipment maintained by Amtrak on the NEC and full and unqualified verification that the assets are in a state-of-good-repair. In addition, I have asked the Attorney General of the State of New Jersey to consider initiating appropriate legal action as necessary to recover the \$62M payment and other sums NJ TRANSIT paid to Amtrak under the Agreement.

Sincerely,

Chris Christie
Governor