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## **U.S. TRANSPORTATION SECRETARY RAY LAHOOD AWARDS \$336.2 MILLION FOR NEXT GENERATION TRAINS IN CALIFORNIA AND MIDWEST**

### **American Manufacturing Gets a Boost through a Combined \$782 Million Investment in Passenger Rail Equipment**

WASHINGTON – U.S. Transportation Secretary Ray LaHood today announced that California, Illinois, Iowa, Michigan and Missouri will receive \$336.2 million to purchase next-generation, American-made trains that will run on rail corridors in those states. Previously awarded rail dollars bring the amount received by these five states and Washington State to \$782 million for the purchase of 33 quick-acceleration locomotives and 120 bi-level passenger cars.

“Today’s announcement is all about jobs. Thanks to the leadership of the Obama Administration, these orders will pump more than three quarters of a billion dollars into the domestic manufacturing industry,” said Secretary LaHood. “And, our Buy America standard will put people to work all over the county.”

California and Illinois reached cooperative agreements with the Federal Railroad Administration to begin a multi-state procurement of equipment for passenger rail corridors in California, Illinois, Indiana, Iowa, Michigan, Missouri, Oregon and Washington State. Through a joint procurement process states will leverage these federal investments, along with state matching dollars, ensuring taxpayers receive the best possible deal while creating the necessary momentum to encourage manufacturers to build equipment in U.S. plants with American workers and suppliers.

“Building a nationwide rail network is critical to America’s long-term economic success. More people are choosing to take the train and this year Amtrak is projected to set an all-time record by topping 30 million annual riders,” said Federal Railroad Administrator Joseph C. Szabo.

Trains will be designed to travel more than 110 mph along intercity passenger corridors, and meet standards developed by the state-led, Next Generation Equipment Committee. This will provide manufacturers with consistent specifications for all passenger trains in

the United States, reducing costs for manufacturers and customers, while providing a boost to the railcar manufacturing industry. The state partners will now begin a joint procurement process, first issuing a request for information (RFI) and then a request for proposal (RFP) to allow for an open and competitive process. The RFI is expected to be issued in late summer 2011.

A strict "Buy America" requirement ensures that U.S. manufacturers and workers receive the maximum economic benefits from this federal investment. In 2009, Secretary LaHood secured a commitment from 30 foreign and domestic rail manufacturers to employ American workers and locate or expand their base of operations in the U.S. if they are selected for high-speed-rail contracts. In addition, in June, DOT announced a \$562.9 million loan to Amtrak through FRA's Railroad Rehabilitation and Improvement Financing (RRIF) program to finance the purchase of 70 high-performance, electric locomotives from Siemens Industry USA, creating 250 new manufacturing jobs in California, Ohio and Georgia.

The Obama Administration has invested \$10.1 billion to lay the groundwork for a high-speed and intercity passenger rail network in the United States, providing rail access to new communities and improving the reliability, speed and frequency of existing lines. Of that, more than \$6 billion has been obligated, with corridor projects under way in New England, Illinois, Washington State and North Carolina and stations under construction in California and North Carolina.

Grantee	Equipment	Federal		Obligation Source Date
		Total Funds	Funds	
California*	4 locomotives and 15 bi-level rail cars	85,000,000	68,000,000	ARRA August 2011
Midwest (Iowa, Illinois, Michigan and Missouri)	7 locomotives and 48 bi-level rail cars	268,201,084	268,201,084	ARRA August 2011
California*	2 locomotives and 27 bi-level rail cars	125,000,000	100,000,000	FY2010 April 2011
Washington	8 locomotives and 1 train set	70,197,500	70,197,500	ARRA April 2011 December
Illinois*	12 locomotives and 30 bi-level rail cars	233,859,431	222,166,460	ARRA 2010
<i>*denotes state match</i>		<b>782,258,015</b>	<b>728,565,044</b>	