

Congress of the United States
Washington, DC 20515

December 13, 2018

The Honorable Elaine L. Chao
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue, SE, 9th Floor
Washington, DC 20590

Dear Secretary Chao,

On October 31, 2018, the Office of Program Policy Analysis and Government Accountability (OPPAGA), the research arm of the Florida Legislature, released a new passenger rail system study examining the existing and future planned passenger train systems for the state of Florida. Among the key issues identified in the report are the “gaps in regulations that are specific to higher-speed rail operations and a series of rail expansion projects.”

According to the OPPAGA report, both the Federal Railroad Administration (FRA) and the Florida Department of Transportation (FDOT) have regulations governing trains running up to 80 mph and trains running over 126 mph. However, FDOT lacks regulations governing higher-speed trains such as the All Aboard Florida/Virgin Trains US system traveling between 81 and 125mph.

Furthermore, since the AAF-Virgin high speed train began testing and operating the South Florida portion of its line last year, ten fatalities and multiple accidents have already been reported. The OPPAGA study identifies safety as a key concern with the state of Florida’s passenger rail system stating that “Florida’s passenger rail system incurs a higher rate of severe injuries and fatalities than the national average.”

The Florida East Coast Rail system, the existing ROW used by AAF/Virgin Trains, is perennially one of the most dangerous freight rail lines in the country based on track miles. This is due to the high number of at-grade crossings in the densely populated coastal region as noted by the OPPAGA study. It is for this reason many in the region where the trains will reach speeds of 110 mph are concerned about FRA’s approval of allowing Hazardous Materials such as Liquefied Natural Gas on the same tracks as the higher speed trains.

Given the FRA maintains it is the responsibility of FDOT to regulate and conduct oversight of AAF-Virgin Trains, not the FRA, and given so many gaps in regulations from safety requirements to hazardous material transport, it only makes sense the U.S. Department of Transportation hold off on extending any further bond authority or making any other federal funding available to AAF/Virgin Trains.

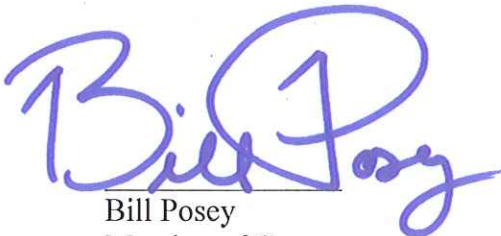
In addition, the OPPAGA report reviews the state’s passenger rail systems’ financials including Tri-Rail averaging \$80 million in annual deficits. It is no surprise AAF/Virgin has experienced over \$56 Million in deficits during the first 2 quarters of 2018 as it serves the same Tri-Rail

markets. With these operating losses and increased costs of sealed corridor upgrades and reductions in maintenance fees promised to a number of counties, as well as the Fitch Ratings agency withdrawing it's rating of AAF/Virgin's \$600 Million in Private Activity Bonds, the corporation's earlier financial projections should be revised before the US DOT extends any further bond authority or federal funding to AAF/Virgin Trains.

Madam Secretary, we strongly encourage your agency to take a step back and give Florida an opportunity to shore up its regulations governing these higher speed trains. This time will also allow the corporation in this ever-changing project, to prove it will have the finances going forward to build all of the safety features along the entire route which should be required and are so desperately need.

Thank you for your attention to the matter and your concern for the safety of all Florida residents. We look forward to your reply.

Sincerely,



Bill Posey
Member of Congress



Brian Mast
Member of Congress