

A publication of the RSC Sunset Caucus from co-chairs Kevin Brady (R-TX) and Jason Chaffetz (R-UT) Rep. Tom Price (R-GA), RSC Chairman

Eliminate Taxpayer Subsidies for Amtrak's Sleeper Class Service

September 15, 2010

Program or Item Targeted: Federal subsidies for first-class sleeper car service on Amtrak

Cost of the Program or Item: Up to \$1.2 billion over ten years.

<u>Background on the Program or Item to Be Sunseted</u>: Passengers on Amtrak's long-distance routes are able to purchase upgrades to first-class sleeper car service. The charge is applied as an add-on, usually to the lowest rail fare available. These passengers are provided a sleeping room, turn-down service, complimentary entertainment, food, and a private lounge where they may wait for their trains or unwind after detraining. Some sleeping rooms on certain trains come with a private bath and shower. This is another service that is subsidized by the hardworking American taxpayer.

Why This Program or Item Is Wasteful: According to the Congressional Budget Office, "only 16 percent of Amtrak's long-distance passengers use sleeper service, at a subsidy that ranged in 2004 from \$269 to \$627 per passenger and exceeded subsidies for coach service by at least 50 percent and sometimes more than 100 percent per route." These losses are made up by taxpayers. During these increasingly tough economic times, taxpayers do not need to be additionally burdened by paying for turn-down service and pre-paid movies. This unprofitable activity is one reason that Amtrak has received \$37 billion of taxpayer subsidies since 1970.

<u>MEMBER ACTION ITEM</u>: Rep. Mac Thornberry (TX-13) has introduced H.R. 5801, which would cut federal subsidies for first-class sleeper car service, and would require Amtrak to provide any sleeper car service at its true cost – without taxpayer subsidies. This legislation was chosen by the American people to be the item cut from the federal budget in <u>YouCut's Week Eight</u> vote. Rep. Thornberry encourages Members to cosponsor H.R. 5801 by contacting Jeff Stockdale at <u>Jeff.Stockdale@mail.house.gov</u>.

If you would like to participate in eliminating wasteful programs with the RSC Sunset Caucus, please e-mail Brad.Watson@mail.house.gov.

If you have a bill or amendment to highlight in the next Waste Action Alert please contact Kimberly.Ellis@mail.house.gov.

Note: Not every item featured in the Waste Action Alerts is necessarily endorsed by the RSC. These Alerts highlight the individual initiatives of members of the RSC Sunset Caucus.

"The RSC Sunset Caucus uncovers government waste and seeks to eliminate it, working to sunset programs that taxpayers shouldn't be paying for."

