



**U.S. House of Representatives**  
**Committee on Transportation and Infrastructure**

**Washington, DC 20515**

**James L. Oberstar**  
**Chairman**

**John L. Mica**  
**Ranking Republican Member**

David Heysfeld, Chief of Staff  
Ward W. McCarragher, Chief Counsel

James W. Coon II, Republican Chief of Staff

March 7, 2007

**SUMMARY OF SUBJECT MATTER**

**TO:** Members of the Subcommittee on Highways and Transit, and  
Members of the Subcommittee on Railroads, Pipelines, and Hazardous Materials

**FROM:** Subcommittees on Highways and Transit, and Railroads, Pipelines, and Hazardous  
Material Staff

**SUBJECT:** Hearing on Transit and Rail Security

**PURPOSE OF HEARING**

The Subcommittee on Highways and Transit and the Subcommittee on Railroads, Pipelines, and Hazardous Materials are scheduled to meet on Wednesday, March 7, 2007, at 10:00 a.m. to examine current issues in transit and rail security, including the roles and responsibilities of the Department of Homeland Security, the Federal Transit Administration, and the Federal Railroad Administration; the state of preparedness in the transit and rail industry; and federal programs and activities that help meet the security needs and funding priorities for mitigation of security threats against the Nation's transit and rail systems.

**BACKGROUND**

Throughout the world, transit and rail systems have long been targets of terrorist attacks, causing thousands of deaths and injuries. Recent events make it clear that the threats continue. On March 11, 2004, a coordinated terrorist attack against the commuter train system of Madrid, Spain, killed 191 people and wounded more than 2,000 others. The attacks consisted of a series of ten explosions that occurred onboard four commuter trains. On July 7, 2005, four bombs exploded on the London transit system – three in the Underground and one on a city bus. The explosions killed 52 people and resulted in over 700 injuries. It was the deadliest bombing in London since World War II. Two weeks later, on July 21, 2005, another group of terrorists unsuccessfully attempted to attack London's mass transit system. On July 11, 2006, a series of seven bomb blasts that took place over a period of 11 minutes on the Suburban Railway in Mumbai, capital city of the Indian state of

Maharashtra and India's financial capital, killed 209 people and injured over 700 others. On February 19, 2007, at least 66 persons were killed and approximately 13 were injured when twin explosions of improvised explosive devices caused two cars of the Pakistan bound Attari Express to catch fire near Panipath in India.

Transit and rail systems are popular targets of terrorist attacks worldwide – from 1991 to 2001, 42 percent of all terrorist incidents were carried out on rail systems or buses. Certain characteristics of domestic and foreign passenger rail systems make them inherently vulnerable to terrorist attacks and therefore difficult to secure, according to the Government Accountability Office (GAO). By design, rail systems are open, have multiple access points, are hubs serving multiple carriers, and in some cases, have no barriers so that they can move a large number of people or freight quickly. In contrast, the U.S. commercial aviation system is housed in closed and controlled locations with few entry points. Transit and rail systems have open access with stops and transfer points and are thus difficult to protect. In addition, high volume (passengers and freight), expensive infrastructure, economic importance, and location also make them attractive targets for terrorists because of the potential for mass casualties, economic damage, and disruption.

According to the GAO, some of these same characteristics make passenger rail systems difficult to secure. For example, the numbers of riders that pass through a subway system—especially during peak hours—may make the sustained use of some security measures, such as metal detectors, difficult because they could result in long lines that disrupt scheduled service. In addition, multiple access points along extended routes could make the cost of securing each location prohibitive. Balancing the potential economic impact of security enhancements with the benefits of such measures is a difficult challenge.

## TRANSIT AND RAIL SECURITY NEEDS

In the United States, there are 6,000 public transportation agencies that provide 9.5 billion transit trips annually. The over-the-road bus industry, which provides intercity bus service and charter service, transports 774 million passengers annually. Amtrak serves approximately 25 million passengers annually. Every day, more than 14 million people use public transportation to get to and from work and school, go shopping, visit medical facilities, or go out for entertainment. By comparison, the U.S. aviation industry serves 1.8 million passengers daily. In one month, public transit moves more passengers than U.S. airlines transport in a year.

Commuter railroads and Amtrak often interact with each other and the freight railroads. On the Northeast Corridor, for example, the busiest corridor in the nation, seven commuter railroads, Amtrak, and several freight railroads interconnect, and many of them operate on the same rail lines. Seventy percent of the miles traveled by Amtrak trains alone are on tracks owned by the freight railroads.

There are 562 common carrier freight railroads operating in the U.S., which are divided among three classes based on annual revenues. Class I railroads are the largest railroads. They account for 68 percent of the industry's mileage, 89 percent of its workforce, and 93 percent of its freight revenue. Some 40 percent of all intercity freight, measured in ton-miles, moves by rail, including 64 percent of the coal used by electric utilities to produce power. Over 1.7 million shipments of hazardous materials are shipped by rail annually, including materials that could be used in attacking the public such as toxic inhalation hazardous materials, flammable liquids and gases, explosives, radiological materials, and poisonous materials.

Maintaining safe and secure transit, railroad, and bus systems is essential. However, there has been very little federal investment in improving the security of these systems. Last year, the Federal Government invested \$4.7 billion in aviation security improvements, while spending only \$136 million on transit and rail security, even though at least five times as many people take trains as planes every day.

In 2004, the American Public Transportation Association (APTA) conducted a survey of U.S. transit system security needs and funding priorities. From a sample of 120 transit agencies that participated in the survey, APTA estimated that total security needs industry-wide are \$6 billion – \$5.2 billion for security-related capital investment and \$800 million for security-related personnel and operating expenses. The highest priority capital investments the survey responders listed were radio communications systems, security cameras on-board vehicles and in stations, controlled access to facilities, and automated vehicle locator systems. The highest priority operating needs listed were funding for current and additional security personnel, training and drills for security personnel and law enforcement officials, and security training for other system employees.

The American Bus Association (ABA), which represents 3,800 carriers in the over-the-road bus industry, has testified in front of the Committee on the security needs of its member companies. ABA cited security training for personnel, drivers, dispatchers, and mechanics as the highest priority. Additional equipment for operators is also needed to enhance security, including cell phones and other communications systems between drivers and their "home base" and emergency first responders; driver shields; cameras for bus facilities, staging areas and garages; and upgrades to bus passenger terminals in major cities. Information systems that provide companies real-time information on the status and location of buses will also enhance security.

Amtrak's Inspector General reports that the railroad needs an additional \$70 million annually for security upgrades and \$35 million annually for fire and life-safety improvements to tunnels on the Northeast Corridor in New York, Maryland, and Washington, D.C.

#### DHS TRANSIT AND RAIL SECURITY GRANTS

DHS' Office of Grants and Training provides funding, training, and technical assistance to States and local governments to help prevent, deter, and respond to terrorist acts. This office manages security grant programs for transit and rail systems, over-the-road bus carriers, ports, and other non-aviation transportation systems and facilities. Since Fiscal Year 2003, DHS has managed a transit security grants program. The grants total \$387.5 million over four years: \$67.8 million in FY 2003; \$49.7 million in FY 2004; \$134 million in FY 2005; and \$136 million in FY 2006 (\$9 million of which was reserved for Amtrak). Since Fiscal Year 2003, DHS has also administered an Intercity Bus Security Grants Program. Grants total \$48.8 million over four years: \$19.8 million in FY 2003; \$9.9 million in FY 2004; \$9.6 million in FY 2005; and \$9.5 million in FY 2006. DHS has announced the availability of \$11.6 million in grant funds for FY 2007. The Department of Homeland Security Appropriations Act (Public Law 109-295) provided \$175 million for such grants in FY 2007.

The basis on which funds are allocated and the procedures for making funds available to transit agencies have changed significantly over the years the program has been in existence. For example, in FY 2003, transit security grants were made directly to transit agencies, but in FY 2004, the funds had to be passed through a State Administrative Agency. In FY 2005, the transit security grant funds were made available to regional transit security working groups, which have to reach a

local consensus on funding allocations within an urban area before applying for security grant funds. The transit industry has been frustrated by changing grant application procedures, the relatively small amount of security funding, and the long wait to receive funds that are appropriated (FY 2006 grants were not made until September 2006). Amtrak has raised similar concerns. In the FY 2007 Department of Homeland Security Appropriations Act, Congress included a timeline for distribution of FY 2007 grant funds. Despite clear direction, the Department released the FY 2007 grant guidance seven weeks late. The grant application deadline is March 6, 2007. In the FY 2008 DHS Budget request, another new office has been established to handle infrastructure security, including transit and rail, the National Protection and Programs Directorate.

## DEPARTMENT OF HOMELAND SECURITY INITIATIVES

The Department of Homeland Security (DHS) houses the Transportation Security Administration (TSA), which was vested in section 114(d) of the Aviation and Transportation Security Act (P.L. 107-71) with lead responsibility “for security in all modes of transportation, including ... security responsibilities over other modes of transportation that are exercised by the Department of Transportation.”

On December 17, 2003, the President issued Homeland Security Presidential Directive-7, which required the Department of Homeland Security to develop a National Infrastructure Protection Plan (NIPP) covering 17 critical infrastructures and key resources. The plan was supposed to be completed by December 2004. It was not completed until the summer of 2006. The Department was supposed to complete a Transportation Sector Specific Plan as part of the NIPP. This plan was also due in December 2004. It was never completed.

In 2004, Congress mandated the development of a National Strategy for Transportation Security in the Intelligence Reform and Terrorism Prevention Act (Public Law 108-458), more commonly known as the 9/11 Act. The Act required the Secretary of Homeland Security to develop, prepare, implement, and update a National Strategy for Transportation Security and transportation modal security plans. The Secretary was required to work jointly with the Secretary of Transportation in developing, revising, and updating the documents.

The strategy was to include: (1) an identification and evaluation of the transportation assets of the United States that, in the interests of national security and commerce, must be protected from attack or disruption by terrorist or other hostile forces, including modal security plans for aviation, bridge and tunnel, commuter rail and ferry, highway, maritime, pipeline, rail, mass transit, over-the-road bus, and other public transportation infrastructure assets that could be at risk of such an attack or disruption; (2) the development of risk-based priorities across all transportation modes and realistic deadlines for addressing security needs associated with transportation assets; (3) the most appropriate, practical, and cost-effective means of defending those assets against threats to their security; (4) a forward-looking strategic plan that sets forth the agreed upon roles and missions of Federal, State, regional, and local authorities and establishes mechanisms for encouraging private sector cooperation and participation in the implementation of such plan; (5) a comprehensive delineation of response and recovery responsibilities and issues regarding threatened and executed acts of terrorism within the United States; and (6) a prioritization of research and development objectives that support transportation security needs, giving a higher priority to research and development directed toward protecting vital transportation assets.

The strategy and the transportation modal security plans were due by April 1, 2005. TSA did not finalize the strategy until September 2005. According to the 9/11 Discourse Project, it failed to meet many of the requirements that Congress set forth in the law and gave TSA a C- for its efforts. Moreover, TSA failed to complete most of the modal security plans, including the ones for transit and rail security, as required in the 9/11 Act. Under the Act, the Department was also supposed to provide updates to the strategy and modal security plans by April 1, 2006. TSA has not yet provided those updates.

On December 5, 2006, the President issued Executive Order (EO) 13416 on strengthening surface transportation security, recognizing the security of the nation's surface transportation systems as vital to the economy and security of the nation. In the EO, the President stated that Federal, State, and local governments and the private sector share responsibility for surface transportation security. The EO calls for implementation of a comprehensive, coordinated, and efficient security program. It also states that the Secretary of Homeland Security is the principal federal official responsible for infrastructure protection for surface transportation.

The Department of Transportation (DOT) also has a major role in securing our nation's transit and rail systems. The overall Department of Transportation, the Federal Transit Administration, the Federal Railroad Administration, and the Pipeline and Hazardous Materials Safety Administration have all signed Memorandums of Understanding with the DHS to clarify their roles and responsibilities relating to security.

#### THE FEDERAL TRANSIT ADMINISTRATION

The Federal Transit Administration (FTA) is a federal grants-in-aid agency. FTA, however, has explicit statutory authority to oversee and regulate safety through making grants conditional upon meeting certain requirements. The broadest authority for security oversight of federally-funded transit properties and assets resides in 49 U.S.C. 5329, which authorizes the Secretary of Transportation to conduct investigations into safety hazards and security risks associated with transit equipment, facilities and operations and to withhold financial assistance until a corrective action plan is approved and carried out. In addition, the State Safety Oversight program under 49 U.S.C. 5330, requires States to establish and conduct a safety program plan for each fixed guideway system operating within its borders and to establish a State authority to monitor safety performance, investigate accidents, and require corrective action. Each system safety plan includes a security plan component and emergency response plans. (This requirement excludes commuter rail operations, which are under the safety oversight of the Federal Railroad Administration). Federal transit funds are required to be expended on security improvements, as well. Under 49 USC 5307(d)(1)(J), transit systems in urbanized areas (areas of more than 50,000 in population) are required to expend at least one percent of their Federal formula grant funds each fiscal year for transit security projects, including camera surveillance, communications, improved lighting, or any project that increases the security and safety of a public transportation system.

SAFETEA-LU (P.L. 109-59) included three new explicit transit security provisions. Section 3004(b) amended 49 USC 5302(a)(1)(J) to make security and crime prevention expenses eligible for federal capital transit funding, including operating costs for transit employee security training and drills. Section 3028(c) directed DOT and DHS to issue a joint final regulation to establish the characteristics of and requirements for public transportation security grants. The legislative deadline for the issuance of the final rule was 180 days after enactment of SAFETEA-LU, or February 10, 2006. Section 3028(b) directed DOT and DHS to execute an Annex to the Memorandum of

Understanding (MOU) between DOT and DHS that defines and clarifies the respective roles and responsibilities of the Departments relating to public transportation security. The Annex was directed to be issued within 45 days of enactment; the Annex was issued on September 8, 2005, ahead of the deadline.

Under the MOU, the FTA and DHS agreed to coordinate their programs and services (including risk assessments, grants, training, exercises, and technical assistance) in order to better assist transit agencies in prioritizing and addressing their security-related needs. In addition, the agencies agreed to establish and implement an annual plan that will coordinate their transit security grant programs, consistent with the National Strategy for Transportation Security. The FTA and DHS also agreed to consult with one another in establishing security standards for transit systems, emergency regulations, and security directives as they are being developed, and to solicit input from transit stakeholders, as appropriate, throughout the process.

### THE FEDERAL RAILROAD ADMINISTRATION

The Federal Railroad Administration (FRA) has authority over every area of railroad safety (including security). The FRA administers the Federal railroad safety laws, issues and enforces a substantial body of safety regulations, investigates railroad accidents and incidents, and has authority to address emergency situations involving hazards of death or injury in the railroad industry. The FRA also enforces the Federal hazardous materials laws and regulations issued by DOT's Pipeline and Hazardous Materials Safety Administration. [Note: The Surface Transportation Board, which deals with railroad economic matters, has statutory authority to take summary emergency action to deal with any rail transport emergency that threatens rail service, including according preferences and priority to military traffic, such as the transportation of war material, at the President's request.]

On September 28, 2006, the FRA and TSA signed a Memorandum of Understanding (MOU), which clarifies the agencies' roles and responsibilities. Under the MOU, the parties agreed to coordinate, to the maximum extent practicable, their programs and activities in order to improve passenger and freight railroad security in the United States while minimizing disruptions to railroad operations to the extent practicable. The FRA and TSA agreed to hold regular coordination meetings; coordinate training for their field inspectors; coordinate inspections and enforcement actions to leverage knowledge and expertise, avoid duplication of effort, and minimize demands on stakeholders; and to discuss emerging security threats based on intelligence indicators and other matters as warranted.

The MOU further provides that TSA inspectors hold lead authority and responsibility in conducting security inspections and reviews to ensure compliance with TSA security directives, identify security gaps, develop and share security best practices, and monitor the state of awareness and readiness throughout the rail mode. TSA inspectors are not supposed to initiate or conduct safety inspections. FRA inspectors have the authority and responsibility in conducting safety inspections of railroad passenger and freight operations, ensuring safety compliance, and providing safety guidance and information to stakeholders. FRA inspectors also conduct hazardous materials security inspections to ensure compliance with DOT security regulations and inspections as requested by TSA. FRA inspectors are supposed to refer significant security problems they observe to TSA, and TSA is supposed to inform FRA of any significant rail safety issues observed. TSA has 100 rail security inspectors. FRA has 421 rail safety inspectors and utilizes an additional 160 State inspectors to carryout the agency's safety mission.

With respect to vulnerability assessments and security reviews, TSA must coordinate with FRA on observations or recommended measures derived from the results of criticality and vulnerability assessments to ensure they do not conflict with or adversely affect current or planned safety requirements. In addition, TSA must consult with FRA in the development of procedures that impact the facilities or operations of rail passenger and freight carriers or rail shippers.

In emergencies, the Secretary of Homeland Security is the principal Federal official for domestic incident management. However, DOT is responsible for the emergency management of the transportation system, coordination of alternative transportation services, the restoration and recovery of transportation infrastructure, and other functions. FRA has the lead role in investigating rail accidents and for reporting and coordinating accident response until it is determined that the accident may have been deliberately caused, at which time TSA gets involved.

When prescribing a security regulation or issuing a security order that affects the safety of railroad operations, current law requires the Secretary of Homeland Security to consult with DOT. The MOU further provides that the DOT will consult with DHS prior to disseminating safety requirements (including regulations and orders) and voluntary standards and guidelines that impact security to the public. The FRA and TSA agreed to “seek early and frequent coordination in the development of regulations, other requirements – such as orders and directives (including security directives) and guidelines and standards affecting rail security. In most cases, these will be TSA actions, with FRA having the opportunity to provide input, but DOT and FRA will have the same obligation to consult with TSA on any such proposals and actions relevant to rail security, including safety measures with security implications.”

## HAZARDOUS MATERIALS TRANSPORTATION

The Pipeline and Hazardous Materials Safety Administration (PHMSA) governs hazardous materials safety in all modes of transportation. With respect to rail transportation, the FRA is responsible for enforcing PHMSA’s Hazardous Materials Regulations (HMR). HMRs promulgated by PHMSA under the mandate in section 49 U.S.C. 5103(b) govern safety aspects, including security, of the transportation of hazardous material the Secretary considers appropriate. Consistent with this security authority, in March 2003, PHMSA adopted new transportation security requirements for shippers and transporters of certain classes and quantities of hazardous materials and new security training requirements for hazardous materials employees. The security regulations require shippers and carriers who offer for transportation or transport certain materials (and quantities) to develop and implement security plans and to train their employees to recognize and respond to possible security threats. The security plan must include an assessment of possible transportation security risks and appropriate measures to address the assessed risks. It must also address personnel security, unauthorized access, and en route security. To address personnel security, the plan must include measures to confirm information provided by job applicants for positions involving access to and handling of the hazardous materials covered by the plan. To address unauthorized access, the plan must include measures to address the risk of unauthorized persons gaining access to materials or transport conveyances being prepared for transportation. To address en route security, the plan must include measures to address security risks during transportation, including the security of shipments stored temporarily en route to their destinations. Shippers and carriers in all modes were required to have these security plans in place by September 25, 2003.

With respect to delays in transportation, rail carriers are currently required to expedite the movement of hazardous materials shipments. Each shipment of hazardous materials must be

forwarded “promptly and within 48 hours (Saturdays, Sundays, and holidays excluded)” after acceptance of the shipment by the rail carrier. If only biweekly or weekly service is performed, the carrier must forward a shipment of hazardous materials in the first available train. Additionally, carriers are prohibited from holding, subject to forwarding orders, tank cars loaded with Division 2.1 (flammable gas), Division 2.3 (poisonous gas) or Class 3 (flammable liquid) materials. The purpose of § 174.14 is to help ensure the prompt delivery of hazardous materials shipments and to minimize the time materials spend in transportation, thus minimizing the exposure of hazmat shipments to accidents, derailments, unintended releases, or tampering.

With respect to routing, the HMRs do not include specific routing requirements for rail hazmat shipments, e.g., to route shipments around or away from particular geographic areas. But in promulgating its March 2003 security regulations, PHMSA specifically required rail carriers to address en route security; however, PHMSA deliberately decided to leave the specifics of hazardous materials rail routing decisions, and other en route security matters covered by transportation security plans, to the judgment of rail carriers. According to PHMSA, these security regulations therefore preempt, among other things, any state, local, or tribal laws and regulations prescribing or restricting the routing of rail hazardous materials shipments.

On December 21, 2006, PHMSA and TSA issued Notices of Proposed Rulemaking to expand their regulations on hazardous materials transportation security. PHMSA proposed requiring rail carriers to compile annual data on specified shipments of hazardous materials, use the data to analyze safety and security risks along rail transportation routes where those materials are transported, assess alternative routing options, and make routing decisions based on those assessments. PHMSA also proposed clarifications of the current security plan requirements to address en route storage, delays in transit, delivery notification, and additional security inspection requirements for hazardous materials shipments. The TSA rule proposes to require regulated parties to allow TSA and DHS officials to enter, inspect, and test property, facilities, and records relevant to rail security. TSA further proposes that freight rail carriers and certain facilities handling hazardous materials be equipped to report location and shipping information to TSA upon request.

The railroads have also taken steps to strengthen the safety and security of hazardous materials transportation. For example, the rail industry developed on August 26, 2005, a detailed protocol on recommended railroad operating practices for the transportation of hazardous materials. The Circular designates trains as “key trains” containing five tank car loads or more of poison inhalation hazard materials (PIH); 20 or more car loads of a combination of PIH, flammable gas, Class 1.1 or 1.2 explosives, and environmentally sensitive chemicals; or one or more car loads of spent nuclear fuel or high level radioactive waste. The Circular designates operating speed and equipment restrictions for key trains; designates key routes for key trains; and sets standards for track inspection and wayside defect detectors, yard operating practices for handling placarded tank cars, storage, loading, unloading and handling of loaded tank cars; assists communities with emergency response training and information; and provides procedures for shipper notification and the handling of time-sensitive materials. According to PHMSA, the recommended practices have been implemented by all of the Class I rail carriers and the shortline railroads.

In addition, the railroads provide local emergency officials with information on the types of hazardous materials transported through their communities, upon request. Railroad companies are also active participants in the American Chemistry Council’s TRANSCAER (Transportation and Community Awareness and Emergency Response), a nationwide effort to assist communities with

emergency response plans, as well as CHEMTREC® (Chemical Transportation Emergency Center), the ACC's 24-hour emergency response operation.

### LEGISLATIVE ACTIONS

There are a number of bills pending Congressional action to address transit and rail security. S. 4, the 9/11 Commission Recommendations bill, includes a bill to strengthen transit and rail security. On the House side, on March 1, 2007, Chairman Oberstar, Congressman DeFazio and Congresswoman Brown introduced H.R. 1269. Committee on Homeland Security's Transportation Security and Infrastructure Protection Subcommittee has marked-up a rail and public transportation Security bill.

In the 109<sup>th</sup> Congress, the Transportation and Infrastructure Committee reported H.R. 5808, legislation to enhance public transportation security, on September 15, 2006. No legislation was considered on rail security.

### WITNESSES

#### PANEL I

Mr. Norman J. Rabkin  
Homeland Security and Justice  
U.S. Government Accountability Office  
Managing Director  
Washington, D.C.

Mr. William Millar  
American Public Transit Association  
President  
Washington, DC

Mr. Peter Pantuso  
American Bus Association  
President and Chief Executive Officer  
Washington, DC

Mr. Fred Weiderhold  
Amtrak  
Inspector General  
Washington, DC

Michael Siano  
Amalgamated Transit Union  
International Executive Vice President  
Washington, DC

PANEL II

Mr. Ed Hamberger  
Association of American Railroads  
President and Chief Executive Officer  
Washington, DC

Mr. John P. Tolman  
Brotherhood of Locomotive Engineers and Trainmen  
A Division of the Teamsters Rail Conference  
Vice President and National Legislative Representative  
Washington, DC

Mr. Marty Durbin  
American Chemistry Council  
Managing Director of Federal Affairs  
Arlington, VA