AMTRAK

OFFICE *of* INSPECTOR GENERAL
NATIONAL RAILROAD PASSENGER CORPORATION

Amtrak:

Top Management and Performance Challenges for Fiscal Years 2026 and 2027

OIG-SP-2026-008 | July 20, 2026

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Memorandum

To: Roger Harris
President and Acting Chief Executive Officer

From: Kevin H. Winters
Inspector General

Date: July 20, 2026

Subject: *Amtrak: Top Management and Performance Challenges for Fiscal Years 2026 and 2027* (OIG-SP-2026-008)

Enclosed are our views of the top management and performance challenges facing Amtrak (the company). As in similar prior reports, we focused on the high-risk and high-impact activities and performance issues that affect the company's programs, operations, and achievement of its goals. In deciding whether to identify an issue as a top management and performance challenge, we considered its significance to the company's mission and strategic goals; its susceptibility to fraud, waste, and abuse; whether the underlying causes are systemic in nature; and the company's progress in addressing the challenge.

The company plays a central role in the nation's transportation system by providing over 34 million passenger rail trips annually and by managing critical infrastructure, particularly along the Northeast Corridor (NEC). The company, however, finds itself in a position unprecedented since it began operations in 1971. In addition to executing train operations across the nation and parts of Canada, Amtrak is now managing a record number of multi-billion-dollar projects to upgrade its tunnels, bridges, stations, and technology systems. At the same time, the company is making generational train procurements—including new NextGen Acela, Airo, and long distance trainsets—the success of which will weigh heavily on achieving its goal of operational profitability.

More recently, the Department of Transportation (Amtrak's sole shareholder) initiated discussions about restructuring the company's organizational model, with a view toward improving transparency, accountability, and operational efficiency across the rail network. Although still in development, the current restructuring vision would involve reorganizing Amtrak as a holding company with three distinct subsidiaries responsible for (1) passenger operations; (2) rolling stock management, financing, and maintenance; and (3) infrastructure management and capital delivery. The company's

Board of Directors would ultimately need to approve any proposal, but such a restructuring would represent the most significant organizational change in Amtrak's history.

Against this backdrop of historic investment, organizational change, and evolving expectations from policymakers, the company must continue to focus on tasks that are difficult under the best of circumstances: running a safe, efficient passenger railroad, pursuing financial stability, and providing excellent service to its customers. The goal of this report is to bring focus to these core tasks, which will likely persist regardless of Amtrak's structure. We organized these challenges into the following major areas:

- **Safety and Security:** Maintaining Focus on Longstanding Risks
- **Capital Investment:** Responsibly Executing Historic Capital Plans
- **Financial Management:** Demonstrating Fiscal Stewardship
- **Customer Service:** Ensuring a Consistent, High-quality Customer Experience
- **Technology:** Modernizing Technology and Reducing Cybersecurity Risks

In the five sections that follow, we elaborate on these challenges and the accompanying opportunities they provide for Amtrak and the nation. Apart from safety—the overriding concern for any transportation system—the remaining four management challenges are of shared importance. In addition to company leadership, our intent is to help inform discussions about the company's future among Congress, Amtrak's Board of Directors, the Department of Transportation, the company's state and local partners, and the traveling public.

Safety and Security: Maintaining Focus on Longstanding Risks

KEY ISSUES

- Protecting passengers and the public from accidents and train strikes
- Reducing the risk of employee accidents and injuries
- Improving security at stations, in facilities, and on trains

Providing a safe and secure travel environment is the cornerstone of the company's viability. If its riders do not feel safe and secure, the organization's reputation suffers, and customers could switch to a different mode of transportation. The company reported that its leadership and Board of Directors have challenged it to be the safest passenger railroad in the country.[1] Operating a passenger railroad, however, has inherent risks given the speed and complexity of modern rail operations, where derailments and collisions can result in death and serious injuries for passengers and employees.

Not surprisingly, over the last decade human factors accounted for the company's most serious accidents. Since 2017, when the National Transportation Safety Board (NTSB) characterized Amtrak as having a "weak safety culture,"[2] the company has acknowledged that the success of its safety program depends on re-examining its approach and transforming its culture, and it has instituted a variety of corrective initiatives. Managing the persistent risks of operating a railroad, however, requires constant vigilance. We highlight key areas below where the company has made progress and those requiring its sustained attention.

Protecting passengers and the public from accidents and train strikes

Amtrak is a 24/7 operation with hundreds of trains running daily across approximately 21,000 miles of track—most of which it shares with "host" freight railroads. All railroads face the risk of accidents, and Amtrak is no exception. It experienced a series of derailments from 2015 through 2016 that were the basis of NTSB's 2017 assessment.[3]

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[1] Amtrak, *System Safety Program Plan*, June 2024.

[2] NTSB, *Amtrak Train Collision with Maintenance-of-Way Equipment Chester*, *Pennsylvania*, April 3, 2016, adopted November 14, 2017.

[3] *Safety and Security: The Company Can Take Steps to Evaluate Its Current Safety Culture* (Interim Audit Report OIG-A-2021-001), October 2, 2020.

Since then, the company has instituted various initiatives intended to mitigate risks, including implementing its Safety Management System well ahead of the March 2021 regulatory deadline[4] and elevating its Safety & Security department to an executive function that reports directly to the company's President. The company has also implemented Positive Train Control (PTC)—an automated safety system for slowing or stopping trains to prevent accidents—over most of its network.[5] The combination of these changes has helped the company reduce its derailments[6] and passenger fatalities.

Nevertheless, the company operates in an environment where external factors can impact the safety of its passengers, crews, and the public. This includes operating on thousands of miles of host railroad tracks and traversing more than 17,000 grade crossings in scenarios that automated systems such as PTC are not designed to mitigate.[7] A tragic example was the June 2022 grade crossing collision between an Amtrak train and a vehicle that caused a derailment near Mendon, Missouri, killing four people.[8]

Such incidents—where trains hit people or vehicles—are commonly called "train strikes"[9] and are a frequent source of rail injuries and fatalities. From fiscal year (FY) 2020 through FY 2023, the company was involved in approximately 800 train strikes. These incidents resulted in 594 deaths and 279 injuries. Unsurprisingly, train strikes also take a heavy toll on the crew members involved: in FY 2023, approximately

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[4] The company implemented its Safety Management System in response to 49 C.F.R. Part 270. The company submitted a draft in November 2018 and regularly submits updates. See *Safety and Security: The Company Has Made Significant Progress Implementing New Safety Program* (OIG-A-2021-008), April 8, 2021; and *Safety and Security: The Company Can Take Steps to Evaluate Its Current Safety Culture* (Interim Audit Report OIG-A-2021-001), October 2, 2020.

[5] We have ongoing work assessing the company's efforts to operate PTC, measure its performance, and assess safety risks.

[6] We based this assessment on the decrease in NTSB-investigated derailments: there have been zero since fiscal year 2022.

[7] PTC cannot automatically detect trespassers, vehicles, or other obstacles that suddenly appear on the right-of-way or at a grade crossing. Unlike collision avoidance systems found in motor vehicles, PTC systems are not equipped with cameras or radar technology to automatically detect speed limits, stop signals, other trains, or work vehicles in front of the train. Instead, they depend on the correct programming to function properly.

[8] NTSB, *Grade Crossing Collision Between MS Contracting LLC Dump Truck and Amtrak Passenger Train*, June 27, 2022.

[9] In this report, we define grade crossing collisions and trespasser strikes collectively as "train strikes."

one in five of the company's passenger engineers may have been involved in a train strike.[10]

Almost all such train strike fatalities, however, occur at highway grade crossings or on host railroad tracks—property that the company does not own. This limits the company's ability to improve crossings or install fencing to deter trespassers. Thus, any meaningful risk-mitigation efforts will necessarily involve coordination with host railroads, state and local governments, police, and non-governmental organizations, which can be complex and time-consuming. The company has initiated laudable efforts to reduce the risk of train strikes, such as public outreach regarding driving or walking near tracks and trains. We recently recommended that the company build on these efforts by establishing a comprehensive, proactive risk management process to help identify its risks of train strikes.[11]

In addition, the company has a longstanding goal of zero fatalities[12] or accidents investigated by NTSB, and it achieved that goal in FY 2023 and FY 2024.[13] As shown in Figure 1, however, this year's NTSB-investigated accidents, including an employee fatality, highlight the vital importance of maintaining a constant focus on safety to avoid potential complacency from employees and executives.[14]

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[10] *Safety and Security: Company is Taking Steps to Address its Risk of Train Strikes but Does Not Have a Comprehensive Risk Management Process* (OIG-A-2025-005), April 14, 2025. To develop an estimate, we used the number of passenger engineers who took time off following a critical incident involving a death, a serious injury, or significant trauma although we recognize that not all critical incidents are train strikes. We used this approach at the suggestion of company officials because they do not keep such a list or track this statistic.

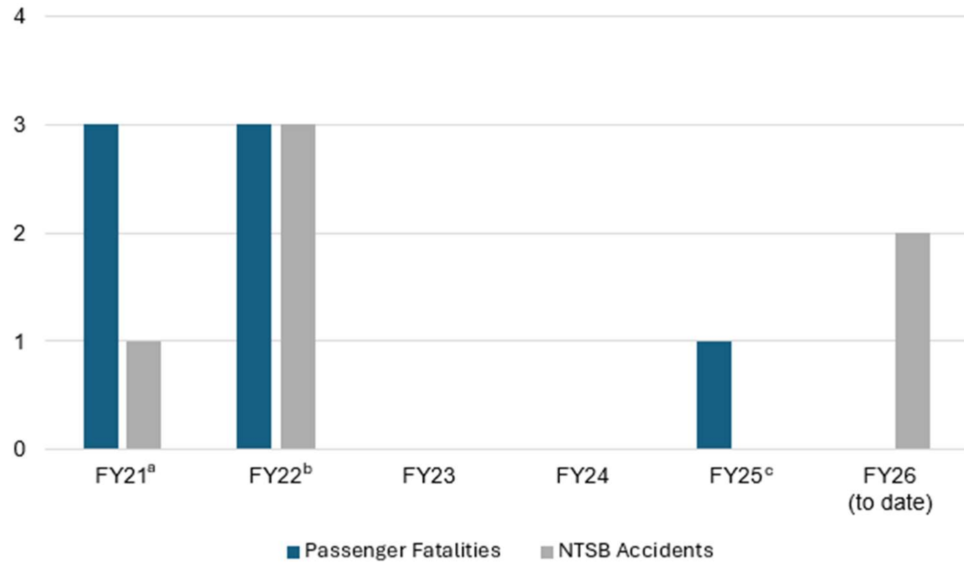
[11] *Safety and Security: Company is Taking Steps to Address its Risk of Train Strikes but Does Not Have a Comprehensive Risk Management Process* (OIG-A-2025-005), April 14, 2025.

[12] Amtrak is a railroad common carrier of passengers. See 49 U.S.C. § 24101(a) & 24103(a)(describing Amtrak as the Nation's intercity passenger rail service). As a common carrier, it owes its passengers a high degree of care. The Supreme Court has recognized that common carriers of passengers are held to the high degree of care and diligence consistent with the practical operations. See Railroad Company v. Lockwood, 84 U.S. 357 (1873).

[13] Fatalities or significant damage typically trigger an NTSB investigation. See 49 C.F.R. § 831.40; and 49 C.F.R. § 840.3.

[14] In February 2026, NTSB also investigated a low-speed collision with another train near Memphis, Tennessee, injuring four. See NTSB, *Amtrak and Illinois Central Railroad Company Train Collision,* March 18, 2026.

Figure 1. Passenger Fatalities and NTSB-investigated Accidents, FY 2021 – FY 2026



Source: Amtrak Office of Inspector General (OIG) analysis of Federal Railroad Administration data and NTSB reports

Notes:
[a] Amtrak's *Empire Builder* derailed in Joplin, Montana, in September 2021, killing three passengers.
[b] Amtrak's *Southwest Chief* hit a commercial vehicle stuck on the tracks in Mendon, Missouri, in June 2022, killing four people, including three passengers.
[c] In June 2025, an Amtrak passenger fell from a platform while deboarding a train and later died.

Reducing the risk of employee accidents and injuries

The company employs approximately 21,500 people and has stated that their safety is a top priority. The company has taken steps to reduce employee accidents and injuries, such as implementing a Safety Management System. It has also begun conducting safety culture surveys, as we recommended,[15] and used the results to identify areas for improvement. Despite these positive steps, the company recently experienced a concerning increase in employee accidents, including a 17 percent increase in Federal Railroad Administration (FRA)-reportable employee incidents.[16] This is exemplified by a

[15] *Safety and Security: The Company Can Take Steps to Evaluate Its Current Safety Culture* (Interim Audit Report OIG-A-2021-001), October 2, 2020.
[16] The criteria for reporting an incident to FRA depends on the severity of the person's injury based on the medical treatment they receive. The rate we cite reflects the number of FRA-reportable incidents per 200,000 employee hours (excluding contractors).

February 2026 incident where an employee was struck and killed in Lancaster, Pennsylvania, while conducting maintenance work on the tracks. Separately, our office has identified instances where employees put themselves at risk by working near live tracks without requesting required operational protections.[17]

NTSB is investigating the Lancaster accident, and a senior company official told us that, in response, the company is reevaluating how employees conduct work along the track. Continuous reassessments of safety policies are an important component for keeping company employees and contractors safe, particularly as capital work increases along the rights-of-way in the coming years.

Improving security at stations, in facilities, and on trains

Amtrak operates more than 300 daily trains at more than 500 stations in 46 states, the District of Columbia, and 3 Canadian provinces, as well as dozens of maintenance facilities across the country. The company's vast and varied footprint makes safeguarding its operations inherently difficult and can present challenges providing a secure experience from the moment passengers arrive at a station to when they deboard at their destination. For example, although the company owns most of its major maintenance facilities, it owns only about a third of its stations. Regardless of ownership, however, passengers and employees need assurance that their travel or workplace is safe.

Many of Amtrak's busiest stations are in the middle of cities that have endemic security issues, including crime, homelessness, and drug-related activity that can flow into company stations.[18] In 2018, 2019, and 2023, we reported on security gaps at select company facilities, including one facility where the risks were so serious that onsite staff felt compelled to detain an armed trespasser until first responders arrived.[19] Such incidents highlight the importance of continuous company attention. We also regularly review this issue, such as through our ongoing audit of physical security at Penn Coach

[17] *Opportunities to Reduce the Risks of Track Safety Violations* (OIG-WS-2024-320), February 28, 2024.
[18] *Safety and Security: Management of the Police Department Has Recently Improved, but Foundational Decisions Are Needed on its Role and Priorities* (OIG-A-2020-012), July 1, 2020.
[19] *Safety and Security: Observations on Security at the *REDACTED* Facility* (OIG-MAR-2023-006), May 9, 2023. In response to our work, the company is implementing additional safeguards, but it has not taken all of the actions we recommended, such as developing a risk-based plan to secure facilities where it stores inventory.

Yard in Philadelphia where the company stores new trainsets worth hundreds of millions of dollars.

Protecting passengers on trains will also need to be an ongoing management focus. Rail travel exists on an open, easily accessible network. This openness provides Amtrak a competitive advantage over airlines but makes securing passengers—who typically board with little or no screening—inherently difficult. This difficulty is highlighted by a 2021 incident when two armed passengers shot two federal law enforcement officers, killing one. As another example, our prior work identified a drug-trafficking organization that used Amtrak trains to ship hundreds of packages of illegal drugs from 2010 to 2016.[20]

To reduce risk, the company's police force of more than 430 sworn officers patrols stations and trains nationwide.[21] In addition, onboard employees are trained to identify terrorism threats, de-escalate conflict, and identify human trafficking. Our recent investigations, however, have uncovered troubling behavior from onboard staff who violated their duty to protect, such as a train attendant who sexually harassed a passenger.[22] Such incidents highlight the importance of adequately screening new hires, especially as the company looks to expand service across its network.

[20] *Safety and Security: Addressing Security Weaknesses and Operational Impacts of Amtrak Express is Critical to the Program's Future* (OIG-A-2020-005), January 22, 2020; and Department of Justice press release, *California drug trafficker sentenced to 35 years in federal prison for transporting heroin and cocaine to Chicago aboard Amtrak trains*, September 12, 2018.

[21] Amtrak Police Department officers are not assigned full-time to all Amtrak-owned stations or facilities.

[22] *Train Attendant Terminated for Sexually Harassing Passenger* (OIG-WS-2025-310), January 29, 2025.

Capital Investment: Responsibly Executing Historic Capital Plans

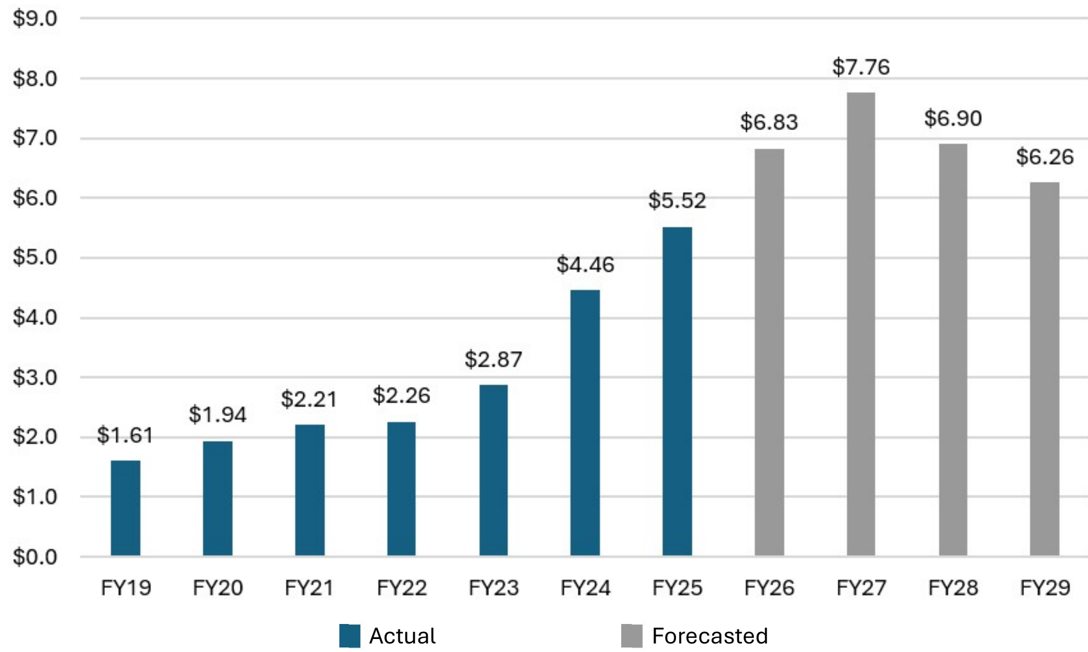
KEY ISSUES

- Improving management of major programs and procurements
- Enhancing stakeholder coordination

The Infrastructure Investment and Jobs Act (IIJA)[23] provided up to $66 billion for passenger and freight rail improvements across the country. Of this, the company received $22 billion to bring its capital assets into a state of good repair and acquire new trainsets, among other uses. As of December 2025, FRA has also obligated an additional $8.2 billion to the company through IIJA competitive grants to advance safe, clean, and efficient rail travel, and the company can apply for more. Accordingly, IIJA has significantly expanded the company's traditional passenger rail mission to include a major capital delivery function. The company's capital expenditures are at an all-time high—more than $5.5 billion in FY 2025—and annual spending is estimated to peak around $7.8 billion in FY 2027, as Figure 2 shows.

[23] Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429 (2021).

Figure 2. Amtrak Capital Spending, FY 2019 – FY 2029 (in billions)



Source: OIG analysis of company data, including its FY 2026 and FY 2027 General and Legislative Annual Report

This massive increase in capital funding presents enormous opportunities and challenges that the company will need to closely manage.

Improving management of major programs and procurements

To maximize the benefit of its federal funding and deliver its major capital programs and procurements on time and within budget, the company must have an effective governance framework and disciplined management processes. These include processes to manage project schedules, plan for resources, track costs, and identify and mitigate risks. In recent years, Amtrak has made notable improvements in these areas but has not applied these efforts consistently. For example, in 2023, we reported that the company was improving its ability to manage project costs but had difficulty tracking costs at a detailed level to help identify and minimize overruns.[24]

Various categories of capital investment require the company's attention, but the following three major endeavors must remain areas of focus.

Executing a generational investment in rolling stock. The company has three ongoing major rolling stock acquisitions: the $1.5 billion NextGen Acela purchase to replace its aging, legacy high-speed fleet; the $3.6 billion Airo equipment acquisition to replace its intercity trainsets;[25] and the multi-billion-dollar replacement of its long distance fleet. Any one of these would be a generational endeavor by itself, but the company is engaged in all of them simultaneously.

Prior shortcomings in these acquisitions have led to years-long delays and tens of millions of dollars in change orders and foregone revenue. For example, the company faced considerable difficulty securing FRA's safety approval to operate the new NextGen Acela trainsets, resulting in a four-year delay. Moreover, since launching revenue service, the new trainsets have experienced significant quality issues, including problems with customer-facing amenities and the performance of various mechanical elements.[26] These challenges have resulted in chronic en route delays and new trainsets taken out of service to correct the issues. In addition, on its multi-billion-dollar purchase of long distance trainsets, the company struggled to develop realistic and feasible designs, resulting in rebidding the procurement and delaying the program for more than two years.

During the upcoming revenue service launch of its Airo trainsets and the evolving long distance acquisition, the company will need to demonstrate responsible management of the nation's investments in these programs. Adding to this imperative, the company is continually removing aging equipment from service and no longer has enough rolling

[24] *Governance: Company Is Strengthening Project Cost Management but Can Better Organize Costs and Improve Guidance* (OIG-A-2023-010), July 17, 2023. We recommended that the company develop a plan specifying the people, processes, and systems it needs to track project costs at a more detailed level. This recommendation remains open.
[25] The company included these figures in its FY 2026 Annual Operating Plan.
[26] These include issues such as malfunctioning and, at times, unusable bathrooms; faulty customer communication systems; and problems with the seat recline. The new trainsets have also experienced mechanical problems with train control systems and exterior doors.

stock to meet demand. Thus, it will need to efficiently execute these procurements to ensure that it has enough trains to maintain current levels of service.

Building new assets. The company has almost 500 capital projects between planning and execution, most of which are led by the Capital Delivery department. This includes at least 10 ongoing capital projects valued at more than a billion dollars each and about 20 over $500 million. Examples include the $2.7 billion Susquehanna River Bridge replacement project and the multi-billion-dollar transformation of New York Penn Station. The company, however, has not always effectively managed projects to build new assets, particularly in the early stages. For example, we found early planning deficiencies in the Gateway Program, the Portal North Bridge project, and the Baltimore and Potomac Tunnel project—a new 1.4-mile tunnel under the city of Baltimore.[27] The company appears to be applying some lessons learned from these efforts, such as its early successes on the $16 billion Hudson Tunnel Project; however, it will need to continuously improve its governance structures and program management to effectively execute its historic portfolio of work, particularly as the projects advance.

Maintaining aging infrastructure in a limited labor market. In addition to building new assets, the company is responsible for maintaining and bringing tens of billions of dollars of existing infrastructure into a state of good repair, especially along the NEC where it owns most of the tracks, bridges, tunnels, and related assets. The company has made targeted improvements to the processes and data it uses to manage its state-of-good-repair work. The company, however, will need to take other foundational steps to ensure that it effectively executes this work, such as establishing governance and data management frameworks. Taking such steps would also help the company establish metrics to measure its progress reducing its multi-billion-dollar backlog of maintenance work.[28]

Further, the company, along with others, has been impacted by a shortage of skilled labor, particularly in the New York metropolitan region, due to the influx of IIJA funds in the construction market. The company has to compete for skilled construction workers, and company efforts have had limited success in decreasing attrition rates for

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[27] *Major Programs: Amtrak is Establishing a Structure for Managing the Frederick Douglass Tunnel Program, but Better Planning Would Improve Oversight and Reduce Risks* (OIG-A-2024-010), September 27, 2024; *Major Programs: Portal North Bridge Project is Progressing, but Opportunities Exist to Improve Company Oversight and Reduce Risk* (OIG-A-2024-007), May 2, 2024; and *Governance: Company Needs a Comprehensive Framework to Successfully Manage its Commitments to the Gateway Program* (OIG-A-2022-006), February 4, 2022.
[28] *Asset Management: Better Governance and Data Would Improve Company Efforts to Achieve a State of Good Repair* (OIG-A-2026-004), April 10, 2026.

key roles. These labor shortages could exacerbate the company's challenges in maintaining its aging infrastructure and will require continued management focus.

Enhancing stakeholder coordination

The company's success executing its capital program will also depend on cooperation from myriad external partners, such as state governments, commuter rail agencies, regional working groups, freight rail companies, FRA, and Congress. For example, many projects on the NEC are led by state agencies, with Amtrak's support as the owner of the rail infrastructure. Historically, the company has had a mixed record resolving issues with its external stakeholders, including a recent disagreement with a partner on the Hudson Tunnel Project over the company's staff costs to support the work. The company also has an ongoing dispute with the Metropolitan Transportation Authority (MTA) over requests to operate company equipment on MTA's Metro-North lines. Additionally, it has experienced difficulties obtaining cooperation from external parties on work to bring stations into compliance with the Americans with Disabilities Act (ADA), leading to increased project costs and delays.[29, 30]

To ensure that its programs and projects meet its business needs, the company must also coordinate engagement among its internal stakeholders, which has been a challenge. For example, the company has experienced schedule delays and cost overruns on infrastructure and technology projects, in part because it did not include all of the relevant Amtrak staff in discussions to identify requirements.[31]

The company has taken actions to better coordinate with internal and external stakeholders, including recent changes to how it coordinates labor and track outages. Nevertheless, strengthening its partnerships and processes to incorporate all relevant

[29] 49 C.F.R. § 37.49 assigns ADA responsibility based on ownership. See *Major Programs: Americans with Disabilities Act Program Progressing, but Faces Some Challenges to Meeting Completion Goals* (OIG-A-2023-012), September 14, 2023; and *Governance: Better Planning and Coordination Could Help the Company Achieve its Aggressive Timeline for ADA Compliance* (OIG-A-2021-012), September 2, 2021.
[30] The company has also experienced long-running disputes with its state partners regarding how it shares capital costs. See *Governance: Amtrak Has Begun to Address State Partners' Concerns About Shared Costs But Has More Work to Do to Improve Relationships* (OIG-A-2022-005), January 31, 2022.
[31] *Major Programs: Improved Planning for Maintenance Facility Upgrades Could Help the Company Better Meet Its Fleet Goals* (OIG-A-2026-002), December 18, 2025; *Train Operations: Company Has Improved Management of Intercity Trainset Acquisition and Can Improve Stakeholder Engagement on Major Capital Programs* (OIG-A-2023-005), December 22, 2022; and *Information Technology: Better Requirements Could Help the Company Implement Technology Projects More Effectively* (OIG-A-2022-007), March 11, 2022.

feedback from its stakeholders will be key to successfully executing its projects and programs.

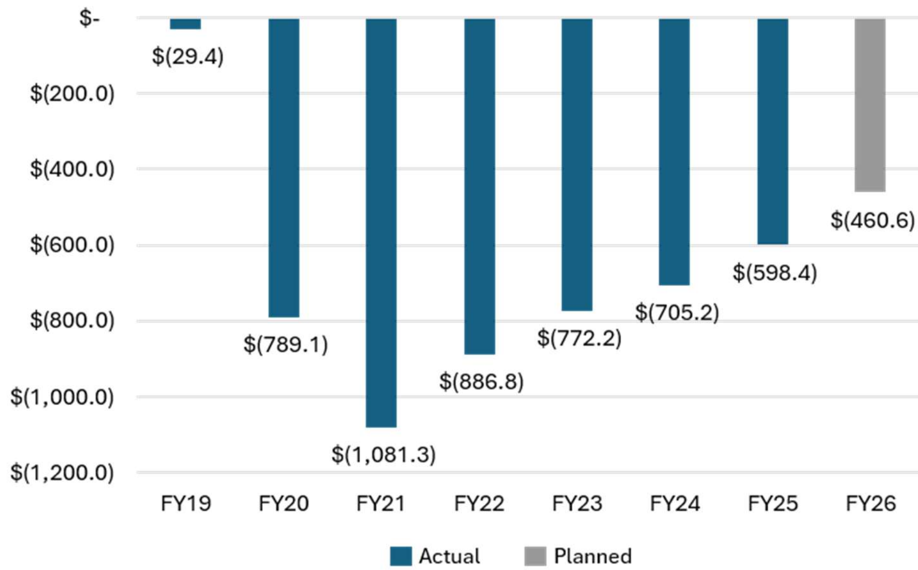
Financial Management: Demonstrating Fiscal Stewardship

KEY ISSUES

- Achieving financial stability
- Practicing sound contract management
- Complying with new or expanded funding requirements
- Combating the persistent risk of fraud

While the company faces new demands from its historic capital construction efforts, it must still maintain focus on operating an efficient, reliable, and financially sound railroad. In FY 2020, the company was on track to eliminate its operating loss, but progress was upended by the March 2020 onset of the COVID-19 pandemic. Within weeks, all modes of public transportation—planes, trains, transit, and buses—came to a near-standstill. Amtrak's ridership plummeted by 97 percent, and revenue decreased by 80 percent. With emergency assistance from Congress, aggressive cost cutting, and concentrated efforts to align its capacity more closely to its reduced demand, the company was able to maintain solvency and survive the worst of the pandemic, but its operating losses ballooned. The following year, as the public began to resume travel, Amtrak started to regain its footing financially. The company's operating losses resumed their downward trend but have not returned to their prior low, as Figure 3 shows.

Figure 3. Amtrak's Adjusted Operating Loss, FY 2019 – FY 2026 (in millions)



Source: OIG analysis of company documents

The company's task of responsible fiscal stewardship is complicated by the uncertainty around its annual federal funding levels, which can vary from year to year. This uncertainty, however, does not eliminate the need to plan and execute its mission in a thoughtful and fiscally responsible manner. Recognizing this need, the company continues to face several longstanding financial-related challenges, as follows.

Achieving financial stability

The company announced a goal of operational profitability by the end of FY 2028 and is attempting to simultaneously grow revenue and reduce costs to accomplish this. As it explores options to achieve financial stability, the company is benefiting from strong ridership. In FY 2025, it provided 34.5 million passenger rail trips and generated $2.8 billion in ticket revenue, both of which are records. To meet this growing demand, the company has continued to expand service. For example, it recently restored its *Mardi Gras* route between Mobile, Alabama, and New Orleans, Louisiana, carrying more than 18,000 passengers in its first month. In addition, the company's new *Borealis* service between Chicago, Illinois, and St. Paul, Minnesota, has carried more than 416,000 passengers since its launch in FY 2024.

At the same time, however, the company no longer has enough rolling stock capacity to meet existing demand. Moreover, its aging equipment is prone to failure and subject to the availability of increasingly obsolete spare parts, which exacerbates capacity shortfalls. The company expects its new NextGen Acela and Airo fleets to boost capacity and mitigate the impact of its increasingly unreliable legacy fleet but has encountered obstacles bringing new equipment into service—particularly with NextGen Acela. Until new rolling stock enters operations, the company will need to find an appropriate balance between expanding service and improving existing service. In addition, given the current mismatch between demand and equipment availability, it will need to manage the inherent tension between charging higher ticket prices—which could reduce its operating losses—and providing affordable intercity transportation.

The company is also working to identify new revenue streams through its newly established Business Development Office and intends to use private-sector expertise to help catalyze growth. While this office is still ramping up, it is exploring ideas for revenue generation, such as leveraging the company's real estate assets and using company-owned rights-of-way to install fiber optic cable that could be leased for profit. The company's challenge will be to responsibly pursue these revenue opportunities while maintaining focus on its core business of running a railroad.

Achieving financial stability will also require the company to effectively manage its main cost drivers. For example, the company's long distance service—which is statutorily required[32]—does not generate enough revenue to offset its costs and, in FY 2025, had an operating loss of $622.7 million. More broadly, the company has taken steps to lower its overall operating expenses, including a reduction in force it carried out in May 2025, which, combined with other cost-saving actions, will help it save about $100 million annually. Such downsizings pose risks, however, if they reduce the company's oversight of major programs and contracts or its ability to employ effective internal controls, as we have previously observed. The company's challenge will be to identify where it can reasonably lower its expenses without increasing risks to safety, operations, or capital projects.

Practicing sound contract management

The influx of IIJA funding has resulted in billions of dollars flowing to company contractors, with nearly $7 billion in planned capital spending in FY 2026. In this

[32] 49 U.S.C. § 24101(c)(13) stating, "Amtrak shall support and maintain established long-distance routes to provide value to the nation by serving customers throughout the United States and connecting urban and rural communities."

environment, effective contract oversight is critical to ensure that procured goods and services meet contract terms, that costs accurately reflect services provided, and that contracted work is completed as specified. The company has faced challenges, however, ensuring sufficient oversight of its contracts, both before and after it awards them.[33] For example, it has not consistently followed its own procurement standards, including ensuring that required cost estimates are developed in the pre-award phase, which limits the company's ability to assess whether contractor bids are fair and reasonable. In the post-award phase, contracting officers and their technical representatives have not, in some cases, effectively managed cost, schedule, and performance. Such weaknesses can put the company at risk of paying more than it should for goods and services.

For nearly a decade, the company has also struggled to obtain and integrate a centralized contract management system—a basic requirement for a large, modern organization—which we have reported on repeatedly.[34] This summer, the company plans to launch a new contract lifecycle management system to act as a repository for its contract documents and provide functionality to meet the needs of company stakeholders. Until this system is fully operational, however, the company's ability to adequately oversee its contracts will be hampered.

Complying with new or expanded funding requirements

The scale and complexity of IIJA funding introduced risks related to compliance, accountability, and oversight. The company now must track multiple funding and reporting requirements across several grant programs, including its traditional annual grant, its dedicated supplemental funding, and the funding it received competitively through IIJA's discretionary grant programs. This has already proven to be a difficult task. For example, the company recently notified FRA that it amended hundreds of contracts for discretionary grant-funded projects because it had omitted or used incorrect contract terms. Going forward, the company must put effective compliance

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[33] *Acquisition and Procurement: Company Has Opportunities to More Effectively Ensure That It Awards Contracts in Its Best Interest* (OIG-A-2025-007), June 30, 2025.

[34] *Acquisition and Procurement: Company Has Opportunities to More Effectively Ensure That It Awards Contracts in Its Best Interest* (OIG-A-2025-007), June 30, 2025; and *Safety and Security: Company Faces Impediments Identifying and Managing Private Security Contractors* (OIG-MAR-2023-009), June 23, 2023.

processes in place to demonstrate responsible stewardship over this significant taxpayer investment.

Combating the persistent risk of fraud

Like most companies, Amtrak faces the ever-present risk of fraud. Given the influx of IIJA funds and the increased spending on major capital projects, the detection and prevention of fraud and abuse have become even more important. As with other massive public investments, criminals will target this money through a variety of schemes. The company remains exposed to this and other fraud schemes, including risks related to contracting, health care, cybercrime, and employee wrongdoing.

Since FY 2022, our office has investigated at least 75 fraud cases and helped collect hundreds of millions of dollars in restitution, forfeitures, and other recoveries. During that same period, at least 12 of our audit products identified weak controls that unethical individuals could exploit. The following are examples of fraud schemes we identified and investigated:

- In 2025, a widespread health care scheme involving at least 119 current and former employees cost the company more than $12 million.[35] The implicated employees conspired with health care providers to defraud the company by accepting cash kickbacks in exchange for their insurance information, which providers used to file fraudulent medical claims.
- As a result of a years-long scheme, the company was overbilled approximately $2.0 million for repair and restoration work to 30th Street Station in Philadelphia.[36] Federal funding supplied 90 percent of the money the company used to pay the contractor for the project.
- Numerous employees have used leave granted under the Family Medical Leave Act to work outside employment, to engage in illegal conduct, and even to attend to the legal ramifications of that conduct, including incarceration. We

[35] *Amtrak OIG uncovers largest Amtrak employee criminal conspiracy in its history; 119 former and active Amtrak employees implicated*, May 7, 2025.
[36] *OIG investigation leads to bribery charges against owner & president of masonry contractor*, March 28, 2025.

reported that the company did not have sufficient tools and visibility to manage this type of leave once an employee begins to use it.[37]

The company established an office to monitor fraud risks and implemented companywide fraud awareness training, but it has not taken other actions we previously recommended, particularly regarding health care fraud. Continuing to focus on affirming ethical behavior as a top corporate priority, instituting effective controls such as approval authorities, and fostering an environment of fraud awareness and reporting are essential to combat this persistent risk.

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[37] *Human Capital: Better Managing and Monitoring of Family Medical Leave Act Use Would Reduce Risks* (OIG-A-2025-010), July 18, 2025.

Customer Service: Ensuring a Consistent, High-quality Customer Experience

KEY ISSUES

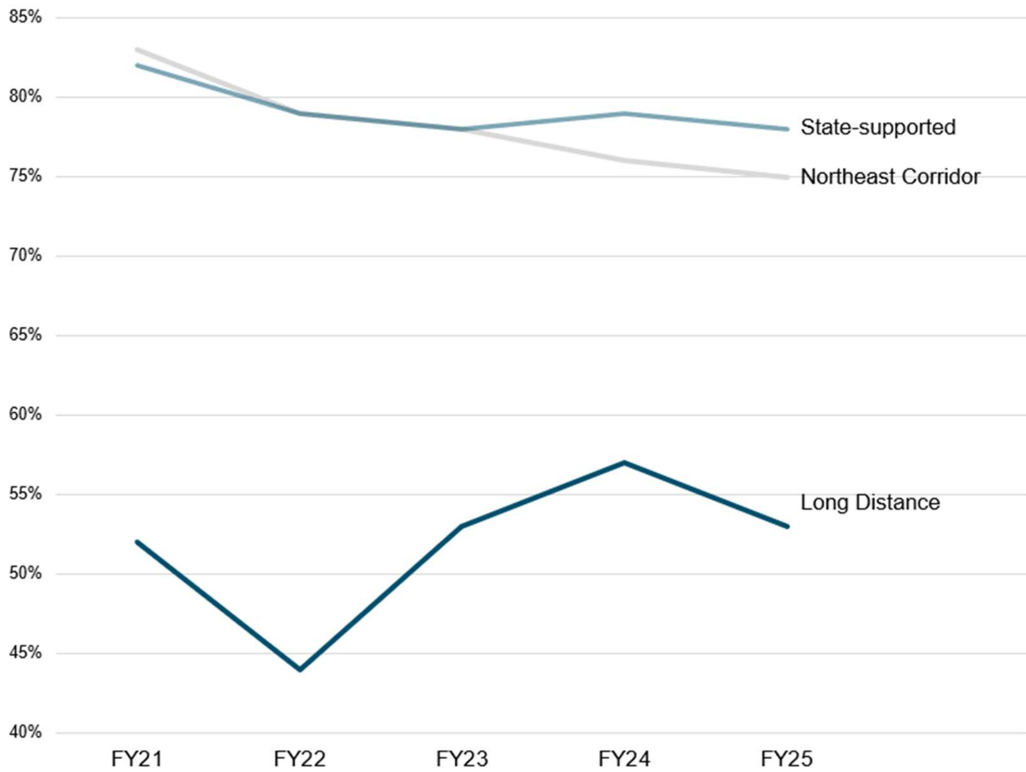
- Improving on-time performance and service delivery
- Meeting customers' expectations
- Providing consistent, timely customer communications
- Making its service fully accessible

Providing high-quality customer service has been one of the company's longstanding priorities. Many factors can affect the customer experience, so understanding the core determinants of passenger satisfaction is key to improving service. In recent years, however, the company's primary customer satisfaction metric has shown a downward trend, highlighting the ongoing challenge of understanding customer needs and providing consistent, high-quality experiences, which we describe below.

Improving on-time performance and service delivery

On-time performance is one of the primary drivers of customer satisfaction: late departures and arrivals negatively impact customer perceptions of their entire travel experience. Historically, however, the company has struggled to meet its on-time performance goals and recently experienced a decrease in on-time performance—particularly in its long distance service, which dropped from 57 percent in FY 2024 to 53 percent in FY 2025, as Figure 4 shows.

Figure 4. Company On-time Performance, FY 2021 – FY 2025



Source: Company documents and Bureau of Transportation Statistics data

Some factors that cause delays and disruptions are largely outside the company's control, such as dispatching delays when operating on freight railroad territory. Other factors, however, are within its control, such as the condition of the company's equipment, and the service and communication it provides when delays occur. We identified three factors related to on-time performance that should remain areas of focus.

Maintaining the aging fleet. Although the company is seeing record demand for its service, its legacy rolling stock inventory continues to shrink due to age, condition, parts availability, and obsolescence. For example, in 2025 the company removed 80 Horizon cars from service due to severe corrosion and expects to be able to repair and return only 16 of them to operation. It has also removed 4 of its 20 legacy Acela trainsets from service and uses them for spare parts. The company is making huge investments in new trainsets to ameliorate this issue, but it must still maintain its legacy equipment until it can safely commission new trainsets. Consequently, this will remain a persistent challenge in the coming years, consuming significant company time, money, and effort.

Minimizing service disruptions resulting from capital improvements. As the company pursues historic improvements to its tracks, bridges, tunnels, and more, it must temporarily take tracks out of service to perform this work, which can impact the frequency and timeliness of its service. Thus, over the coming years it must make difficult trade-off decisions between shorter-term goals to improve on-time performance, ridership, and revenue, and longer-term goals to improve its infrastructure and increase service capacity. For instance, in early 2026, the company executed a series of track outages to transfer NEC operations from the 116-year-old Portal North Bridge in New Jersey to a brand-new bridge; this work resulted in cancellations and delays to hundreds of trains. Given the impact on its customers, the company must carefully plan and manage the timing and frequency of such work and proactively communicate any disruptions to the travelling public.

Managing relationships with freight railroads. Bringing new trains into revenue service should help improve on-time performance, but delays from freight traffic outside the Amtrak-controlled NEC will likely remain a problem. Company data shows that freight trains caused more than 827,000 minutes of delay in calendar year 2025. In the same year, all 14 long distance routes[38] and 16 of the 25 state-supported routes—all of which operate on freight-controlled territory—failed to meet FRA's performance standard of being 80 percent on-time.[39] In 2023, the Surface Transportation Board began a first-of-its-kind investigation into whether one freight railroad's dispatching choices unlawfully interfered in Amtrak's on-time performance. In 2025, the parties settled the case; the freight railroad agreed to improve Amtrak's on-time performance.[40] The company, however, will likely continue to face challenges achieving its statutory right

[38] The *Floridian* (Chicago-DC-Miami) is a temporary route combining the *Capitol Limited* and *Silver Star* to accommodate regional capacity constraints created by a capital project in New York.
[39] Amtrak Host Railroad Report Card, Calendar Year 2025.
[40] Complaint of the Nat'l R.R. Passenger Corp. under 49 U.S.C. § 24308(f)—for Substandard Performance of Amtrak's Sunset Limited Trains 1 & 2, Docket No. NOR 42175 (STB served Aug. 6, 2025); and Press Release, Surface Transp. Bd., STB Grants Amtrak Request to Dismiss Sunset Limited On-Time Performance Proceeding Following Settlement, No. 25-30 (Aug. 6, 2025).

to preference over freight trains[41] and will need to pursue all possible avenues to mitigate service delays from freight traffic.

Meeting customers' expectations

As customer demographics and expectations change, the company must evolve with them. As noted above, on-time performance is a key driver of customer satisfaction but is sometimes outside the company's control. To account for this, the company introduced a new way to analyze its customer satisfaction data: it now separates satisfaction scores for customers whose trains were on time versus those whose trains were delayed. The company is using these detailed data to better identify customer priorities and align its efforts with areas it can more readily improve, such as staff interactions, train cleanliness, the reliability of Wi-Fi, and the quality of onboard food and beverage offerings. In addition, it has introduced new benefits for the Amtrak Guest Rewards program and is considering additional ways to enhance offerings. Nonetheless, the company still has opportunities to improve the customer experience and must keep a constant focus on this core element of its business.

Providing consistent, timely customer communications

Timeliness, accuracy, and consistency of company communications are other key determinants of customer satisfaction. To improve this area, the company is attempting to align and synchronize myriad customer communication channels. This includes its passenger information displays in stations; station announcements; and digital channels, such as its website, mobile app, text, and email communications. Additionally, the company has begun testing real-time customer service interventions[42] with the goal of resolving complaints before a passenger's trip is over. Despite these recent efforts, inadequate or inconsistent communication during service disruptions remains a concern. For example, in the first seven months of FY 2026, satisfaction with company communications about train status averaged just 68 percent for delayed

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[41] The Rail Passenger Service Act of 1970 and subsequent amendments, now codified at 49 U.S.C. §§ 24101 et seq., provides Amtrak with rights on host railroads, including access to any rail line in the United States and preference over freight transportation.

[42] As of 2026, the company has started to pilot customer service interventions to conduct real-time surveys to obtain customer feedback in minutes. This effort is still in development. Future goals include two-way conversational surveys; in-the-moment feedback about service recovery; and better employee accountability by function, including at stations, onboard trains, and across digital platforms.

customers. The company will need to take additional steps to manage this communication gap to reduce the impact of service disruptions on its passengers.

Making its service fully accessible

According to the Census Bureau, approximately 45 million people in the United States—one in seven—have a disability. The company is often a preferred mode of travel for them. As a public transportation provider, the company has a statutory requirement to provide accessible service to passengers with disabilities. Its goal is to have rail stations accessible to persons with disabilities by 2031; however, this is 21 years past its original deadline of July 26, 2010.[43] The company is ADA-compliant at 79 stations where it has sole responsibility for compliance and 84 stations where it has shared responsibility—a total of 163 compliant stations out of 382 (43 percent). Since we last reported, the company has increased its completion rate, but bringing the remaining 219 stations into compliance by its new deadline will require significant, sustained effort and coordination with external partners.[44]

The company is also attempting to improve the overall experience it provides to passengers with disabilities. In July 2025, we reported that it had begun developing a strategic framework to guide its efforts and committed to strengthening its ability to resolve accessibility-related complaints.[45] To provide a truly accessible, high-quality service to these passengers, the company will need to enact this strategy and fully leverage the available data to provide better insights on passenger needs. At a minimum, the company will need to remain focused on improving interactions with customer-facing employees, communication of essential travel information, and access to onboard amenities.

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[43] In 2011, we reported that Amtrak initiated the Accessible Station Development Program, a precursor to its current ADA program. See *Americans with Disabilities Act: Leadership Needed to Help Ensure That Stations Served By Amtrak Are Compliant* (109-2010), September 29, 2011. In June 2015, the Department of Justice concluded that the company still had not complied with its statutory obligations under ADA.

[44] *Major Programs: Americans with Disabilities Act Program Progressing, but Faces Some Challenges to Meeting Completion Goals* (OIG-A-2023-012), September 14, 2023.

[45] *Train Operations: The Company Can Improve the Quality of Customer Service to Passengers with Disabilities* (OIG-A-2025-009), July 11, 2025.

Technology: Modernizing Technology and Reducing Cybersecurity Risks

KEY ISSUES

- Modernizing and improving technology
- Building governance and controls to reduce cybersecurity risks
- Ensuring high-quality data to drive decision-making

Like most organizations, the company must continuously adapt to changing technologies and evolving cybersecurity threats. The company is undertaking significant efforts to modernize core business systems at an estimated cost of more than $340 million. Such transformation would be difficult at any organization, but the company has often struggled to develop and deploy new technologies, maintain existing systems, and responsibly retire aging technology assets. Further, technology systems are inherently vulnerable to disruptions from human or technical error, natural disasters, and physical- or cyber-attacks. Maintaining constant vigilance from evolving cyberthreats while pursuing extensive digital transformation and adoption of artificial intelligence (AI) will present significant challenges in the coming years.

Modernizing and improving technology

The company has hundreds of information technology systems that process its business data and operational technology systems that support its train operations. Many are outdated and do not always meet the company's business needs. It is currently embarking on significant technology modernization, including efforts to replace or upgrade its enterprise asset management, financial management, project management, and timekeeping systems, and some operational technology assets. In the past, however, poor internal stakeholder coordination and project management weaknesses have hampered the company's technology integration efforts. For example, we reported in 2022 that company officials told us that insufficiently defined project requirements constituted one of the primary obstacles affecting their technology projects.[46] Employing

[46] *Information Technology: Better Requirements Could Help the Company Implement Technology Projects More Effectively* (OIG-A-2022-007), March 11, 2022.

well-established project management practices, as noted above, will be essential to a successful digital transformation.

Further, the company must contend with responsibly integrating AI into its business and passenger rail operations. AI presents tremendous opportunities to transform data analytics and operational processes, but it poses significant risks if not adopted in a deliberate and ethical manner. The company has adopted an AI policy and has efforts underway to review its impact. In the coming years, ensuring that all AI systems use and generate high-quality and unbiased data, particularly when they inform business decisions, will be a challenge for Amtrak and most organizations.

Building governance and controls to reduce cybersecurity risks

The company faces ever-evolving threats of cybercrime. The Federal Bureau of Investigation reported that nationwide losses from cybercrime rose 67 percent from 2023 through 2025 (from $12.5 billion to $20.9 billion).[47] Compounding this global trend, the company has known gaps in overseeing its technology systems and data that have exposed it to cyber-attacks. This includes a 2024 hack of its Guest Rewards data that resulted in unauthorized access to customer information. Persistent threats of such breaches and their associated ransoms from cyberthreat actors will require strong internal governance and security practices.

The company has struggled in these areas. Our technology audits have identified governance and security weaknesses that included poor intra-departmental coordination, unclear lines of accountability, incomplete policies and procedures, and weak enforcement of required security controls. Moreover, our work identified opportunities for the company to bolster foundational areas necessary for effective cybersecurity, including knowing all of its operational technology assets and fully implementing a disaster recovery strategy for them. Separately, we also found opportunities for the company to mitigate the risk of insider threats. The company has begun addressing our recommendations in these areas but remains exposed to threats as it continues migrating applications into the cloud. During our recent audit of the company's cloud computing practices, for instance, we paused our work to alert the company to two pressing cybersecurity issues that required immediate attention.

[47] Federal Bureau of Investigation, *Internet Crime Report 2025*, April 6, 2026.

Reducing the risk of threats through strong governance and controls will be a persistent issue.

Further compounding this challenge—and the company's ability to address it—is the significant turnover and vacancies in senior leadership positions in its Digital Technology & Innovation department. These include repeated turnover of the Chief Information Security Officer position, which was vacant as of June 2026 with an acting official serving in the role, as well as multiple vacancies in the leadership team supporting critical functions, such as network security, cyber architecture, and defense. Ensuring that the right leadership team is in place—and is retained—will be critical to protecting the company going forward.

Ensuring high-quality data to drive decision-making

Like in any organization, having accurate, complete, and high-quality data facilitates effective decision-making. This will be even more important as the company adopts AI and advanced analytics tools, which rely on such data. To that end, good governance over its data—which includes clear ownership, oversight, policies, and standards—will be key as the company strives to achieve operational efficiency, accurate reporting, and compliance with applicable laws and regulations.

Historically, however, poor data quality has hindered the company's ability to execute basic management functions and make data-driven decisions. For example, one reason the company has faced challenges monitoring employees' use of leave provided under the Family Medical Leave Act is that it did not have reliable data to make informed workforce planning decisions. Further, we recently reported that the company has faced challenges making decisions about billions of dollars in infrastructure investments because it did not have complete data on its assets.[48] As the company attempts to become profitable, effectively leveraging its data to drive decision-making while ensuring safe and effective operations can help achieve this goal.

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[48] *Asset Management: Better Governance and Data Would Improve Company Efforts to Achieve a State of Good Repair* (OIG-A-2026-004), April 10, 2026.

CONCLUSION

In recent years, Amtrak has added significant capital delivery and construction portfolios to its 24/7 rail transportation duties, which by themselves are extensive and demanding. The issues highlighted in this report are just some of the challenges the company faces as it balances its complex role of providing safe, reliable passenger rail while managing a massive infrastructure and acquisition portfolio and striving to maintain customer confidence. The company must continue to execute these already difficult tasks while it takes on a potentially historic organizational restructuring. The scope of these undertakings is daunting and requires robust, coordinated oversight by the OIG, Amtrak's Board of Directors, the Department of Transportation, and Congress. We will continue to work closely with Amtrak leadership and our oversight partners to help the company safely improve its operational and financial performance and protect the hard-earned investments of American taxpayers.

APPENDIX A

Abbreviations

ADA	Americans with Disabilities Act
AI	artificial intelligence
FRA	Federal Railroad Administration
FY	fiscal year
IIJA	Infrastructure Investment and Jobs Act
MTA	Metropolitan Transportation Authority
NEC	Northeast Corridor
NTSB	National Transportation Safety Board
OIG	Amtrak Office of Inspector General
PTC	Positive Train Control
the company	Amtrak

OIG MISSION AND CONTACT INFORMATION

Mission

The Amtrak OIG's mission is to provide independent, objective oversight of Amtrak's programs and operations through audits and investigations focused on recommending improvements to Amtrak's economy, efficiency, and effectiveness; preventing and detecting fraud, waste, and abuse; and providing Congress, Amtrak management, and Amtrak's Board of Directors with timely information about problems and deficiencies relating to Amtrak's programs and operations.

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Contact Information

Kevin H. Winters
Inspector General
Mail: Amtrak OIG
10 G Street NE, 3W-300
Washington, D.C. 20002
Phone: 202-906-4600