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News

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Contact: pressoffice@dot.gov

Trump's Transportation Secretary Sean P. Duffy Takes Control of Penn Station Overhaul, Saves Taxpayers \$120 Million

Amtrak, backed by the U.S. Department of Transportation, will lead the transformative revitalization of New York Penn Station, the nation's busiest rail hub.

WASHINGTON, D.C. – Under the leadership of President Donald J. Trump, U.S. Department of Transportation Secretary Sean P. Duffy announced today that the Federal Railroad Administration (FRA) is taking bold action to protect American taxpayers by withdrawing the Metropolitan Transportation Authority (MTA) from leading the Penn Station Reconstruction project in New York City. Instead, Amtrak, backed by USDOT, will spearhead this critical infrastructure initiative.

As part of this shift in approach, FRA is also rescoping and slashing the federal grant to Amtrak for project development. This will save taxpayers approximately \$120 million while still ensuring a safe, modern, and efficient transit hub for the nation's financial capital.

The Trump Administration determined that USDOT and Amtrak can together deliver a world-class Penn Station. Since Amtrak owns the station, which is an essential asset serving over 10 million Amtrak riders annually, there is no reason to delegate leadership of this important project.

"President Trump has made it clear: the days of reckless spending and blank checks are over," said Secretary Duffy. "New York City deserves a Penn Station that reflects America's greatness and is safe, clean. The MTA's history of inefficiency, waste, and mismanagement also meant that a new approach is needed. By putting taxpayers first, we're ensuring every dollar is spent wisely to create a transit hub all Americans can take pride in."

The Trump Administration is also championing a public-private partnership model for Penn Station, harnessing private sector innovation and capital to minimize financial risk to taxpayers. This approach will drive efficiencies, reduce costs, and deliver results faster than traditional government-led projects.

"Under President Trump's vision, we're restoring accountability to infrastructure projects," said FRA Chief Counsel Kyle Fields. "By empowering Amtrak and leveraging private investment, we're

guaranteeing a Penn Station that's safer, more reliable, and built to serve the American people for generations."

For more details, view [FRA's letter](#) to the MTA regarding the withdrawal of the FY 2024 Federal-State Partnership (FSP) Program grant and [FRA's letter](#) revising the Amtrak grant allocation.

Background:

The MTA's \$72 million FSP Program grant was awarded in November 2024 and intended for project development related to station reconstruction alone. With the reduced allocation in its separate FSP Program grant, Amtrak can pursue a master developer to examine both reconstruction and potential expansion of the station. The Trump Administration's new strategy prioritizes fiscal responsibility, private sector expertise, and Amtrak's leadership to transform New York Penn Station into a world-class facility while safeguarding taxpayer dollars.

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