



U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

June 4, 2025

Mr. Knox Ross
Chairman
Southern Rail Commission

Dear Mr. Ross:

Based on inquiries from the Southern Rail Commission (SRC), the Federal Railroad Administration (FRA) is reassessing its earlier interpretation that SRC's authority to receive FRA financial assistance was limited to projects for planning and early project development activities.

SRC's authority is "to study the feasibility of rapid rail transit service between the [member states] and to establish a joint interstate commission to assist in this effort." (Pub. L. 97-213). FRA understands the operation of the revived Gulf Coast Service (also called the Mardi Gras Service) is a component of assessing the viability of future regional passenger service and is therefore consistent with SRC's authority. As such, FRA has concluded that SRC's authority allows SRC to receive FRA financial assistance to provide for the operation of the Gulf Coast Service, as a demonstration of broader rapid rail service that SRC is exploring.

FRA has further concluded that the authority to undertake activities related to operations is limited geographically (though not temporally) to the Gulf Coast Service, because this appears sufficient for SRC to determine the feasibility of interstate passenger rail in the region. SRC should coordinate with FRA to ensure that any expenses incurred by SRC under an FRA grant award are allowable and within SRC's legal authority, consistent with this letter. For SRC to permanently expand its authority to receive FRA financial assistance for intercity passenger rail operations, beyond this service, or for capital construction projects, each SRC member state must pass substantively identical legislation granting such authority. If seeking to expand authority to encompass both additional operations and capital projects, Louisiana's amendment to SRC's charter, (La. Rev. Stat. 48:1671, as amended by Acts 2022, No. 764, § 1, eff. June 18, 2022) should serve as a model to other member states. Recent amendments to SRC's authority enacted by Mississippi are not substantively identical to that of Louisiana and may not be sufficient to further expand SRC's authority.

While SRC could enter an operating agreement with Amtrak directly, Amtrak has already negotiated the agreements required under Section 209 of the Passenger Rail Investment and Improvement Act of 2009 with the states of Mississippi and Louisiana. FRA encourages SRC to continue building the professional expertise and institutional capacity necessary to deliver passenger rail service and manage Federal financial assistance before assuming the Section 209 responsibilities fully.

If you have any questions please contact Mr. Chris Van Nostrand, Deputy Chief Counsel, at christopher.vannostrand@dot.gov.

Sincerely,

A handwritten signature in blue ink that reads "Kyle Fields". The signature is written in a cursive style and is placed on a light blue rectangular background.

Kyle Fields
Chief Counsel